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, August 14, 2012 | **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 Diane Huddleston	☐	☐	☐	
Councilperson Dennis Beasley	☐	☐	☐	
Councilperson Frank Jordan	☐	☐	☐	
Councilperson Louie Potetz	☐	☐	☐	
Councilperson Libby Simonson	☐	☐	☐	
Councilperson David Arnold	☐	☐	☐	

II. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

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

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 2461)

Various Project Updates - City Mgr. Gary Broz

B. Information Item (ID # 2462)

SCADA Demonstration - City Eng./PWD Tom Warner

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, July 10, 2012

2. Wednesday, July 11, 2012

3. Thursday, July 12, 2012

4. Tuesday, July 24, 2012

VII. REGULAR AGENDA

A. *Regular Session*

1. Council Action (ID # 2463)

Consider Setting the Date, Time and Location for a Public Hearing on the Proposed Budget.

- 2012 BUDGET AND TAX RATE SCHEDULE (DOC)

2. Council Action (ID # 2464)

Consider Approval of the Proposed Tax Rate for Fiscal Year 2012-2013.

3. Council Action (ID # 2465)

Consider Setting the Date, Time and Location for Public Hearings on the Proposed Tax Rate for Fiscal Year 2012-2013.

4. Council Action (ID # 2460)

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

- Edgewood East Subdivision Checklist (PDF)
- Edgewood East Subdivision Plat (3) (PDF)

5. Council Action (ID # 2466)

Discuss and Take Action Regarding Order of Local Option Election for Alcohol.

6. Public Hearing (ID # 2467)

Public Hearing on the Condemnation of the Structure Located at 416 Lamar Street.

- PH 416 Lamar (PDF)

7. Council Action (ID # 2468)

Consider an Order of Abatement for the Structure Located at 416 Lamar Street, and Take Any Action Deemed Necessary.

- Order of Abatement 416 Lamar (DOC)

8. Public Hearing (ID # 2469)

Public Hearing on the Condemnation of the Structure Located at 611 Minglewood.

- PH 611 Minglewood (PDF)

9. Council Action (ID # 2470)

Consider an Order of Abatement for the Structure Located at 611 Minglewood, and Take Any Action Deemed Necessary.

- Order of Abatement 611 Minglewood (DOC)

10. Resolution (ID # 2471)

Consider a Resolution Joining with Other Entergy Service Area Cities in Support of a Settlement Regarding the Transfer of Operation Control of Entergy's Transmission System to Midwest Independent Transmission System Operator.

- Entergy Transmission to MISO (PDF)

11. Resolution (ID # 2472)

Consider Approval of a Resolution Electing to Participate in the Tax Abatement Program Under Texas Tax Code Chapter 312.

12. Resolution (ID # 2473)

Consider Approval of a Resolution Adopting Guidelines and Criteria for Tax Abatement.

- Tax Abatement Guidelines and Criteria 2010 (DOC)

13. Council Action (ID # 2474)

Consider Liberty County Project on Aging Update and Possible 90-Day Extension, and Take Any Action Deemed Necessary.

14. Council Action (ID # 2475)

Consider Award of Bid on Construction of Boomerang Electric Substation, and Take Any Action Deemed Necessary.

15. Council Action (ID # 2476)

Consider Award of Bid for Fencing at the Humphreys Cultural Center, and Take Any Action Deemed Necessary.

- Bid Tab CC Fencing (PDF)
- Bids CC Fencing (PDF)

16. Council Action (ID # 2477)

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

- Refinancing of 2004 COs(PDF)

17. Council Action (ID # 2478)

Consider and Possible Action Regarding Boomerang Electricity Deposit.

18. Resolution (ID # 2481)

Consider a Resolution Indicating Intent to Adopt the Amendment to the Electric Service and Rate Agreement with Boomerang Tube, LLC.

19. Council Action (ID # 2479)

Consider Approval of Waste Management's Option to Increase Trash/Garbage Rates by 1.9%, Representing the Consumer Price Index as Reported by the Bureau of Labor Statistics, and Take Any Action Deemed Necessary.

- Waste Mgmt. CPI Increase (PDF)

- CPI - Burerau of Labor Stat. (PDF)

B. Executive Session

Consultation with Attorney. Gov. Code §551.071
Deliberation Regarding Real Property. Gov. Code §551.072

1. Consider ownership of land under rail crossings.

Consultation with Attorney. Gov. Code §551.071
Personnel Matters Regarding Public Officer. Gov. Code §551.074

2. Discuss City personnel role in possible criminal investigation of outside party.

C. Reconvene into Regular Session

1. Council Action (ID # 2480)

Consider and Possible Action Regarding Ownership of Rail Crossings.

VIII. ADJOURNMENT

A. Motion To: Adjourn

CERTIFICATION

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 10th day of August, 2012 at 3:00 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.

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Dianne Tidwell, City Secretary

NOTICE

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

I certify that the attached Notice and Agenda of items to be considered by the City Council was removed by me from the bulletin board at the City Hall on the ________ day of ____________________, 2012.

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 2461)

DOC ID: 2461

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Reports

INFORMATION ITEM (ID # 2462)

DOC ID: 2462

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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, July 10, 2012 **6:00 PM** **City Council Chambers**

I. CALL TO ORDER

The Meeting was called to order on July 10, 2012 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:00 PM by Mayor Carl Pickett.

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

II. INVOCATION

The Invocation was given by Mr. Kevin Ladd.

III. PLEDGE OF ALLEGIANCE

The Pledge to the American and Texas flags was led by Mr. Ed Seymour.

IV. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / PUBLIC COMMENT

Public Comment is reserved for members of the public who would like to address the City Council on items that are not on the City Council Agenda. Please be aware that, under Texas Law, the Council may not deliberate or take any action on non-agenda items. In some situations, City staff may be able to respond to the public comment with a factual statement or clarification. City Council may request that the item be placed on a future agenda at which time the Council may deliberate and/or act.

Mayor Pickett welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Council.

Mayor Pickett remarked on the success of the City's Independence Day Celebration and Fireworks Display held on July 3rd at the Liberty Municipal Park, expressed sympathy on the death of Councilperson Beasley's mother-in-law, and reminded Council Members to turn their microphones on and make use of the Conflict of Interest forms, if necessary.

Councilperson Potetz commended the Park employees for their work and pleasing appearance of the Municipal Park during the recent Liberty Youth Baseball Association Tournament.

City Manager Gary Broz asked everyone to keep Electric Director Randy Wiggins in their prayers as he will be having major surgery the end of the month.

V. PRESENTATIONS / REPORTS

A. Information Item (ID # 2430)

Various Project Updates - City Mgr. Gary Broz

COMMENTS - Current Meeting:

City Manager Gary Broz reported on the following:

1) budget work sessions will be held on July 11, 12, and 13,

2) meals on wheels program moving ahead, served 686 meals last week,

3) 100 AV fuel tank at the Airport is still out of commission, rehab should be complete by the end of the month,

4) local option petition currently circulating requires 695 signatures of registered voters in the City,

5) Greenopolis machine (recycling) is back in order, Waste Management has emptied the containers, and

6) comments regarding various other current projects.

B. Information Item (ID # 2431)

Recycling Report - Councilperson Huddleston

COMMENTS - Current Meeting:

A recycling report was not given at this meeting.

C. Information Item (ID # 2432)

Liberty County Project on Aging Update - City Mgr. Gary Broz / Amy DelToro

COMMENTS - Current Meeting:

Amy DelToro addressed Council presenting an update on the Liberty County Project on Aging Program, and reported on a handout regarding a breakdown of the meals served in the various service areas. Ms. DelToro stated that the next step in the project was that the Liberty Independent School District would soon begin preparing hot meals, allowing the Program to move away from serving pre-prepared meals. It was further reported that the debts of the Senior Citizens group are being paid with Program reimbursements and donations. Mr. Broz commented that the City had recently received $5000 from Liberty County to assist where necessary, in addition to the County's monthly payment to the program of $833.

Lengthy discussion ensued regarding cost of meals, number of individuals served, transportation issues, operating under Houston-Galveston Area Council guidelines, assisting the Project on Aging Board in getting operations back in order, and additional related topics. Mr. Broz stated that there are no City funds being expended, except those City employees providing administrative assistance, and that the Senior Citizen Center facility is currently for sale.

Mayor Pickett requested that a report be given to Council, in the near future, regarding the Program's finances.

D. Information Item (ID # 2433)

Financial Report - Finance Dir. - Naomi Herrington

COMMENTS - Current Meeting:

Finance Director Naomi Herrington reported on the financials for the period ending May 31, 2012. Ms. Herrington stated that sales tax revenue is on target with budgeted amounts and property tax revenue is above the budgeted amount due to Boomerang Tube Inventory Tax. Ms. Herrington further reported on the various funds and related revenues and expenditures. The following figures were reported:

Fund	YTD Actual Revenue	YTD Actual Expenditure	Cash in Bank
General	$4,351,561	$5,065,798	$844,592
Water	$1,792,340	$1,685,8?7	$562,555
Electric	$11,026,191	$10,718,223	$617,322
Garbage	$420,000	$387,000	$140,000

E. Information Item (ID # 2434)

Sam Rayburn Municipal Power Agency - Mayor Pickett

COMMENTS - Current Meeting:

Mayor Pickett addressed the Council, as one of the City's representatives to the Sam Rayburn Municipal Power Agency Board of Directors. Mayor Pickett restated the action that the Council had taken regarding an item on the June 26 Council agenda relating to City of Liberty exiting the Sam Rayburn Municipal Power Agency. At that meeting, City Council voted 7-0 not to exit the Agency. Mayor Pickett further reported that SRMPA held a meeting on June 29, summarizing several items from that agenda:

1) an update on the upcoming bond refunding of $126 million in outstanding bonds - this favorable action moves forward as planned,

2) item referring to an exit plan for the City of Liberty to leave membership of SRMPA - Mayor Pickett made a presentation to the SRMPA Board relaying Council's previous action to remain a part of the Agency. SRMPA took no action, and

3) item referring to the continued employment of various SRMPA consultants including General Counsel Ralph Gillis. The Board voted unanimously to retain three of the Consultants - Consulting Engineer, Bond Counsel, and Electrical Engineer, and to terminate the services of the General Counsel, Ralph Gillis.

F. Information Item (ID # 2435)

Houston-Galveston Area Council - Councilperson Jordan

COMMENTS - Current Meeting:

Councilperson Jordan reported that confirmation had been received from Public Management, Inc. (Grant writer) that the City would be receiving in late August/early September funding for a $350,000 infrastructure grant from the Houston-Galveston Area Council. This grant will be used to replace sewer lines in the Layl Subdivision area.

VI. CONSENT AGENDA

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

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

A. Minutes Approval

1. Tuesday, June 12, 2012

2. Tuesday, June 26, 2012

3. Council Action 2012-59

Consider Approval of an Interlocal Agreement with Liberty County Hospital District No. 1 for Maintenance of Parking Lots, and Take Any Action Deemed Necessary.

ATTACHMENTS:

- Agreement - Hosp. Parking Lots (PDF)

VII. REGULAR AGENDA

A. Regular Session

1. Information Item (ID # 2437)

Public Hearing on the 2011 Drinking Water Quality Report. - G. Broz / T. Warner

COMMENTS - Current Meeting:

AT 6:40 p.m., Mayor Pickett opened the Public Hearing on the 2011 Drinking Water Quality Report. City resident Mr. Ed Seymour addressed Council regarding his concerns with stated violations on the report. Following Mr. Seymour's comments, City Manager Gary Broz explained that, at that time, there were employee issues with the sampling process and that the department supervisor is no longer employed with the City. Mr. Broz further stated that each month ten samples are taken, and in January, 2011 the City was notified that some of those samples failed. It was determined that the samples were contaminated during the sampling process, samples were re-taken and submitted to TCEQ. Results returned to the City were that all samples passed.

Mayor Pickett related to Mr. Seymour his appreciation for his diligence and observation of City issues. At 6:51 p.m., Mayor Pickett closed the Public Hearing.

ATTACHMENTS:

- Drinking Water Quality Rpt. 2011 (PDF)

2. Council Action 2012-60

Consider Approval of Change Order No. 5 for the Wastewater Treatment Plant Upgrade Project, TWDB CWSRF No. 72124. - G. Broz / T. Warner

COMMENTS - Current Meeting:

City Manager Gary Broz reported on the close-out of Phase I of the Texas Water Development Board Project, for Wastewater Treatment Plant modifications. Mr. Broz stated that the original contract price was $2,945,800. Four change orders added to the contract price, and this final change order (#5) is a credit in the amount of $6,014.53, bringing the revised total cost of Phase I to $3,039,431.63. Mr. Broz further stated that Phase II of the TWDB Project is near completion, and Phase III has not yet begun.

Motion was made to approve the change order in the positive amount of $6,014.53.

ATTACHMENTS:

- WWTP Upgrade CO #5 (PDF)

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

3. Council Action 2012-61

Consider Final Acceptance of the Wastewater Treatment Plant Project, Phase I, TWDB CWSRF No. 72124 and Approve Release of Retainage. - G. Broz / T. Warner

COMMENTS - Current Meeting:

Tom Warner, City Engineer/Public Works Director explained to Council that this item is a follow-up to Change Order #5 for the Texas Water Development Board Project for Wastewater Treatment Plant modifications. Mr. Warner stated that final acceptance will close out Phase I of this project and release retainage to the contractor in the amount of $158,511.98.

Motion was made to approve final acceptance of Phase I and release the retainage to the contractor.

ATTACHMENTS:

- WWTP Upgrade Acceptance Phase 1 (PDF)

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

4. Council Action 2012-62

Consider Approval of a Lease Agreement Between the City of Liberty and Mr. Leslie Wallace for a Month-To-Month House Lease at the Liberty Municipal Airport, and Take Any Action Deemed Necessary. - G. Broz

COMMENTS - Current Meeting:

City Manager Gary Broz reported that in the process of land exchange at the Airport, the City now owns a home in need of repairs. Mr. Leslie Wallace wishes to lease the house, on a month to month basis, in order to provide repair services and tree/brush clearing from the property. Mr. Broz stated at the conclusion of negotiations for property at the Airport, Mr. Wallace will most likely end up owning the home. Mr. Wallace needs a lease agreement in order to have the utilities turned on by the electric provider, Entergy.

Motion was made to approve the lease of the home to Mr. Leslie Wallace, on a month to month basis.

ATTACHMENTS:

- Lease Agreement - Leslie Wallace (PDF)

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

5. Council Action 2012-63

Consider Approval of a Contract with the Law Firm of McCreary, Veselka, Bragg, and Allen, P.C. for the Collection of Delinquent Municipal Court Fines and Fees. - G. Broz

COMMENTS - Current Meeting:

Mr. Broz reported that he had interviewed two firms regarding the collection of delinquent Municipal Court fines and fees, and recommends the services of McCreary, Veselka, Bragg and Allen P.C. Mr. Randall Rice, MVBA was present to address Council regarding the collection of these delinquent fines and fees. Mr. Rice explained that the firm specializes in delinquent government debt collection and their operating program is compatible with the City's Incode software, whereby file transfers will be made. The process then includes attempting to locate the individual with the warrant and have payments made through MVBA. When payments are made in full, notice will be sent to the Court Clerk to pull the warrant. Twice a month, MVBA will remit a check to the City for those warrants paid in full.

Mr. Rice also stated that Article §103.0031, of the Texas Code of Criminal Procedure, provides for the addition of a 30% delinquency fee to be added to the amount already due the City. The defendant pays the additional amount to be retained by the MVBA for their services. Further discussion included quarterly summary reports of activity to be submitted to the City and remittance of partial payments will be forwarded to the City after twelve months on the books.

Motion was made to approve the Contract with McCreary, Veselka, Bragg and Allen, P.C. for the

Collection of Delinquent Municipal Court Fines and Fees.

ATTACHMENTS:

- Contract-Collection Mun Court Fines (PDF)

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

6. Resolution 2012-7

Consider Approval of a Resolution to Impose an Additional Fee for Collection Costs for Delinquent Court Fines and Fees Pursuant to Article 103.0031 of the Texas Code of Criminal Procedure. - G. Broz

COMMENTS - Current Meeting:

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

"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS TO IMPOSE AN ADDITIONAL FEE FOR COLLECTION COSTS OF MUNICIPAL COURT FINES AND FEES."

This Resolution authorizes imposing the additional collection fee of 30% on each fine and fee that has been referred to an attorney for collection and is more than sixty days past due. This additional fee is authorized through Article §103.0031, of the Texas Code of Criminal Procedure. The defendant also pays this amount which is to be retained by the MVBA for their services.

Motion was made to approve the Resolution.

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

7. Council Action 2012-64

Discussion of 2008-2009 Liberty-Dayton Community Hospital Outstanding Utility Accounts, and Take Any Action Deemed Necessary. - G. Broz

COMMENTS - Current Meeting:

Councilperson Simonson explained that she had requested that this item be placed on the agenda, for an update on the status of the hospital debt owed to the City. Mr. Broz reported that this agenda item relates to the delinquent utility accounts as a result of the 2008/2009 private ownership of Liberty-Dayton Community Hospital. At that time, the independent operator agreed to take responsibility for this debt, in the amount of $111,465.59, which was never paid. Mr. Broz recently spoke with Liberty County Hospital District No. 1 President Bruce Stratton who promised that after paying the hospital's back taxes and funds owed to the Internal Revenue Service, payments will be made to the City to expunge the delinquent amount. Current utility bills are being paid.

No action was taken.

RESULT:	**NO ACTION TAKEN**

8. Council Action 2012-65

Discussion of the Status of the Liberty Community Development Grant to Tower Autoplex and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz explained that this agenda item was to revisit and update the Council on the status of the Tower Autoplex grant awarded by the Liberty Community Development Corporation. City Attorney Randy Gunter reviewed the terms of the agreement that allowed Tower Autoplex up to 6 months to begin demolition, 6 months to complete the demolition, and 1 year to construct a new building. These time frames allow the grantee 2 years for project completion, from the date of the agreement.

The grant amount was $36,000, with project completion time being December 29, 2012. Should the grantee not abide by the terms of the agreement, the total funds plus 10% interest shall be reimbursed to the City.

No action was taken.

RESULT:	**NO ACTION TAKEN**

VIII. ADJOURNMENT

A. Motion To: Adjourn

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

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Carl Pickett, Mayor

ATTEST:

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Dianne Tidwell, City Secretary

The City of Liberty
City Council
Work Session
~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Wednesday, July 11, 2012 | **6:00 PM** | **City Council Chambers**

I. CALL TO ORDER

The Meeting was called to order on July 11, 2012 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:05 PM by Mayor Carl Pickett.

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

II. WORK SESSION

1. Information Item (ID # 2427)

Discussion of the Proposed Budget for Fiscal Year 2012-2013.

COMMENTS - Current Meeting:

A budget work session was held for discussion related to issues related to the Fiscal Year 2012-2013 Proposed Budget. Finance Director Naomi Herrington began by reporting that sales tax revenue is down, approximately 4%, for the same period last year. However, the year-to-date sales tax revenue is up from the previous year, and close to the budgeted amount.

City Manager Gary Broz reported on a handout of, on-going, and completed, city projects. Review of the current projects include sale of real estate, technology upgrades, Airport upgrades, Senior Meals on Wheels Program, various grants, Boomerang Substation upgrades, and numerous other projects. Completed projects include:

- Ordinance Codification,
- Sale of Real Estate - Old Landfill, Beaumont Warehouse, and property at Bowie & Edgewood,
- New utility billing statements,
- New Fire Dept. Substation,
- Public Works Service Center consolidation,

- Employment of a City Engineer/Public Works Director, and
- Employment of an Airport Manager.

Lengthy discussion was held regarding the General Fund and related revenues and expenditures, salary adjustments, 5-year capital plan, needed equipment, sales and property taxes, and effective tax rates and rollback rates.

III. ADJOURNMENT

1. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further discussion before the Council, Mayor Pickett adjourned the work session at 8:50 p.m.

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Carl Pickett, Mayor

ATTEST:

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Dianne Tidwell, City Secretary

The City of Liberty
City Council
Work Session
~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Thursday, July 12, 2012 | **6:00 PM** | **City Council Chambers**

I. CALL TO ORDER

The Meeting was called to order on July 12, 2012 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:00 PM by Mayor Carl Pickett.

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

II. WORK SESSION

1. Information Item (ID # 2428)

Discussion of the Proposed Budget Fiscal Year 2012-2013.

COMMENTS - Current Meeting:

City Manager Gary Broz and Finance Director Naomi Herrington reviewed the following funds and related topics:

1) Water/Wastewater Fund -

- same number of operators
- budgeting $1.6 for water sales and $1.3 for sewer collection
- possible contract renegotiation with the cities of Ames and Hardin
- report of other municipal water/wastewater rates - City proposing no rate increase
- usage and loss report
- advantage of new smart meters
- two pickup trucks - Water Dept. (1) and Wastewater Dept. (1)
- other related issues

2) Electric Fund -

- same number of employees
- Cambridge
- monthly transfers
- Boomerang Tube revenue and facility charge
- usage and loss report
- advantage of new smart meters
- bond payments and debt service
- tree trimming and other related issues

3) Solid Waste Fund -

- Waste Management Scholarship
- Recycling
- Contingency
- other related issues

4) Airport Fund -

- hangars
- fuel system and additional projects
- other related issues

5) Liberty Community Development Corporation -

- State/National Trade Shows
- property purchase
- street extension project
- other related issues

6) Hotel/Motel Fund -

- Jubilee
- designated funds/Chamber of Commerce
- fireworks
- other related issues

Additional discussion included the City organizational chart, master fee schedule, raising various fees for the Liberty Center, and other budget related items.

III. ADJOURNMENT

1. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Council, Mayor Pickett adjourned the meeting at 8:10 p.m.

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Carl Pickett, Mayor

ATTEST:

Dianne Tidwell, City Secretary

The City of Liberty

Liberty Community Development Corporation

Meeting

~ Minutes ~

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

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, July 24, 2012 **6:00 PM** **City Council Chambers**

The Liberty Community Development Corporation 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 July 24, 2012 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:00 PM by President Dennis Beasley.

Attendee Name	Title	Status	Arrived
Dennis Beasley	President	Present	
Mike McCarty	Vice-President	Present	
Louie Potetz	Board Member	Present	
Robert Ward	Board Member	Present	
Barbara Norwood	Board Member	Absent	
Leslie Herndon	Board Member	Absent	
David Arnold	Board Member	Present	
Gary Broz	General Manager	Present	
Diane Huddleston	Councilperson	Present	
Randy Gunter	City Attorney	Present	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / CITIZENS FORUM

President Beasley welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Board. There were no comments.

III. REGULAR AGENDA

A. Regular Session

1. LCDC Corporation Action 2012-12

Consider Proposals for Airport Fencing, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

General Manager Gary Broz reported that three proposals were received for fencing various areas of the Liberty Municipal Airport. Mr. Broz presented a schematic of the four portions to be fenced and conveyed the results to Council:

1) Foster Fence Co. $85,838.61

2) Hagan Fence Co. $83,485.00

3) Astro Fence Co. $95,485.00

Mr. Broz reviewed a LCDC Airport projects list stating that fencing the proposed areas would solve the current Airport fencing needs. Expenses for this project are reimbursable, in the amount of $50,000, through a Texas Department of Aviation Division Ramp Grant. Further discussion related to fencing materials and vendors.

Motion was made to approve the City Manager's recommendation and award the contract for fencing at the Liberty Municipal Airport to Hagan Fence Company, in the amount of $83,485.00, contingent upon verification of commercial fencing products.

ATTACHMENTS:

- Airport Fencing Bid (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Louie Potetz, Board Member
SECONDER:	Mike McCarty, Vice-President
AYES:	Beasley, McCarty, Potetz, Ward, Arnold
ABSENT:	Barbara Norwood, Leslie Herndon

2. LCDC Corporation Action 2012-13

Consider Proposals for Airport Paving, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz addressed the Board regarding a proposal from Craig & Heidt, Inc. for apron repairs at the Liberty Municipal Airport. C & H has presented a repair plan to cost $42,680, for the crumbling apron in front of the terminal building by use of a 1.5" asphalt overlay. Mr. Broz explained that by using this contractor to relieve the apron of ponding water, who is currently working on dirt work for the airport hangars, would minimize some costs due to equipment already being in place. Expenses for this project are reimbursable to the City, in the amount of $20,000, through a Texas Department of Aviation Division Ramp Grant.

Motion was made to approve the proposal from Craig & Heidt, Inc. for apron repairs in the amount of $42,680.

ATTACHMENTS:

- Airport Paving Bid (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Louie Potetz, Board Member
SECONDER:	Mike McCarty, Vice-President
AYES:	Beasley, McCarty, Potetz, Ward, Arnold
ABSENT:	Barbara Norwood, Leslie Herndon

3. LCDC Corporation Action 2012-14

Consider an Expenditure for Airport Jet Fuel Tanks, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz reviewed the need for fuel tanks at the Liberty Municipal Airport and compared costs and conditions of several fuel systems that were located in Jasper, Texas, Kentucky, Florida and New York. Mr. Broz recommended the two fuel tanks located in Texas. This whole system is complete with two 12,000 gallon tanks, plumbing, pumps, filters, and a credit card system for a total cost of $125,000. Mr. Broz reported on the need for Jet A fuel for airplanes and JP8 fuel for helicopters and military equipment. Mr. Broz reported that this system is three years old and belongs to the vendor who lost the contract at the Jasper County Airport. Lengthy discussion ensued regarding the various tanks, relocation costs, possible military contracts for fuel, and other related topics.

Motion was made to authorize Mr. Broz to negotiate, up to the asking price of $125,000,, for the purchase of the fuel system in Jasper, Texas and authorize execution of the transaction.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dennis Beasley, President
SECONDER:	Mike McCarty, Vice-President
AYES:	Beasley, McCarty, Potetz, Ward, Arnold
ABSENT:	Barbara Norwood, Leslie Herndon

4. LCDC Corporation Action 2012-15

Consider an Expenditure for a Hotel Needs Assessment Study, and Take Any Action Deemed Necessary.

COMMENTS - Current Meeting:

Mr. Broz and President Beasley reported on conversations with hotel/motel vendors at the recent International Council of Shopping Centers Convention. Mr. Broz and President Beasley visited with representatives of Holiday Inn Express, Best Western, Marriott hotel brands, and Radisson hotel brands. It was discovered that these vendors all require the use of a hotel needs assessment study to determine their interest in the community. Mr. Broz has received a proposal from DP Consulting, Houston, Texas for evaluation of market justification for the development of hotels in the City. Mr. Broz reported that this evaluation, at a cost of $7500 plus minimal out-of-pocket expenses, will assist in bringing economic development opportunities to the City of Liberty. Lengthy discussion was held regarding the need for an independent outside agency to verify this need, a narrative report that can submitted to prospective developers, and other related topics.

Motion was made to approve the expenditure for the hotel needs assessment study by DP Consulting.

ATTACHMENTS:

- Hotel Needs Assessment Study 2012 (PDF)

RESULT:	**APPROVED [4 TO 1]**
MOVER:	David Arnold, Board Member
SECONDER:	Robert Ward, Board Member
AYES:	Dennis Beasley, Mike McCarty, Robert Ward, David Arnold
NAYS:	Louie Potetz
ABSENT:	Barbara Norwood, Leslie Herndon

5. LCDC Information Item (ID # 2449)

Joint Session with the Liberty City Council on the Proposed Street Extension Project, to Include the Engineers, Financial Advisor, Potential Business Owners and Landowners.

COMMENTS - Current Meeting:

At this time, the Liberty Community Development Corporation and the Liberty City Council held a joint meeting in which discussion was led by General/City Manager Gary Broz regarding the future of the Proposed Street Extension Project. Mr. Broz began by thanking landowners Mary Cain, Martha Ager, and Bob Ager for the donation of property for right-of-way for this project. Mr. Broz reviewed the various landowners and their acreage, discussed concluding discussion with the landowners for right-of-way donation, and cost of Phase I of this project being $2.7 million. Funding was reviewed for Phase I to consist of borrowing $1.5 million and using $1.2 million of the LCDC fund balance. Lengthy discussion was held regarding the project timeline of 18 months, independent property appraisals, the City providing, by letter, acknowledgement of the gift of right-of-way with it being represented to the City as a $35,000 per acre donation, sales tax revenue, utilities, and additional related issues.

Consensus of the Council was that Mr. Broz will move forward with obtaining the remaining right-of-way for the project and City Attorney Randy Gunter will prepare a letter of acknowledgement, for the property owners, regarding the donation of the various right-of-ways.

6. LCDC Corporation Action (ID # 2450)

Consider and Take Any Action Deemed Necessary as a Result of the Joint Session with the Liberty City Council, Regarding the Proposed Street Extension Project.

COMMENTS - Current Meeting:

This agenda item was passed on.

RESULT:	**NO ACTION TAKEN**

IV. ADJOURNMENT

A. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Board, the meeting was adjourned at 7:20 p.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Robert Ward, Board Member
SECONDER:	Mike McCarty, Vice-President
AYES:	Dennis Beasley, Mike McCarty, Robert Ward, David Arnold
ABSENT:	Louie Potetz, Barbara Norwood, Leslie Herndon

Dennis Beasley, President

ATTEST:

Dianne Tidwell, City Secretary

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Budget Issues

COUNCIL ACTION (ID # 2463)

DOC ID: 2463

EXPLANATION:
The governing body of a municipality is required to hold a public hearing on the proposed budget for the new fiscal year. Any person may attend and/or participate in the hearing.

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CITY OF LIBERTY
2012 BUDGET AND TAX RATE SCHEDULE

July 24 – Presentation of the proposed budget (CM between 60-90 days prior to end of FY)

August 14 (Tuesday) – Regular Called Meeting
Set date, time and place for Public Hearing on the Budget (Aug. 28)
Vote on **Proposed** Tax Rate
Set date, time and place for Public Hearings on the Tax Rate
(Aug. 28 & Sept. 4)

(Tax Rate – 2nd P.H. held not sooner than 3 days nor later than 14 days after P.H. #1)

August 15 – Give notice of Public Hearings (Budget & Tax Rate) to the paper for publication on
Aug. 9 (Notice of Public Hearing on Tax Increase – both dates)

(Publication on Budget – 10 days prior to Public Hearing)
(Publication on Tax Rate – 7 days prior to Public Hearing)

August 16 – Notice of Public Hearing on the Budget in paper this day
Notice of Public Hearing on Tax Revenue Increase in paper this day

August 28 (Tuesday) – Special Called Meeting
Public Hearing on the Budget
Postponement of final vote on FY 12/13 budget until Sept. 11
1st Public Hearing on the Tax Rate
Budget Work Session

Sept. 4 (Tuesday) – Special Called Meeting
2nd Public Hearing on the Tax Rate
Budget Work Session OR Discussion of FY 12/13 budget related issues??

Sept 5 – Give notice to the paper for publication on Sept. 6
(Notice of Tax Revenue Increase)

Sept. 6 – Notice of Tax Revenue Increase in paper this day

Sept 11 (Tuesday) – Regular Called Meeting
Ordinance adopting the budget (15 days prior to Oct. 1)
Ratify the property tax revenue increase reflected in the FY 12 Budget
Ordinance adopting the tax rate for FY 11
Ordinance regarding tax roll approval and the tax levy

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Tax Rate

COUNCIL ACTION (ID # 2464)

DOC ID: 2464

.

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Tax Rate

COUNCIL ACTION (ID # 2465)

DOC ID: 2465

EXPLANATION:

Tax payers must have the opportunity to express their views regarding the proposed tax rate. Management recommends holding the two required public hearings on August 28 and Sept. 4, 2012. The second public hearing may not be held earlier than the third day nor later than the 14th day after the date of the first hearing.

The governing body may not adopt the tax rate at either of these hearings. At each hearing, the governing body must announce the date, time and place of the meeting at which it will vote on the tax rate.

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The City of Liberty

City Council
1829 Sam Houston
Liberty, TX 77575

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Plats

COUNCIL ACTION (ID # 2460)

DOC ID: 2460

.

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

RE: **Preliminary Plat of the Edgewood East Subdivision**
Subdivision Name

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

_______ No recommendations as to modifications, additions or alterations.

-or-

✓ The following recommendations, modifications, additions or alterations:

Add:
Signature line for Planning and Zoning Commission

SIGNED this the 3 day of August, 2012.

Candia Motschman
Administrator/City Inspector, Planning Director

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

RE: **Preliminary Plat of the Edgewood East Subdivision**

✓ A. Preliminary Conference with: Bob Lawrence

✓ B. Date conference held: July 2012

✓ C. Plat Filing: Preliminary

Date filed: After final approval

Fee Amount Paid: $ 175.00 at final

D. Plat Checklist (initial and date or ditto for approval)

CM 1. Proposed name of the subdivision, which shall not have the same spelling or be pronounced similar to the name of any other subdivision currently located within the City or within the extraterritorial jurisdiction of the City.

CM 2. Names and land use of contiguous subdivisions, and the owners of contiguous parcels of unsubdivided land, and a statement with appropriate references as to whether or not contiguous properties are platted and how they are used.

CM 3. Description, by metes and bounds, of the subdivision boundaries.

CM 4. Primary control point locations shown. Descriptions and ties to such control points from which all dimensions, angles, bearings, block numbers, and similar data are referenced and shown.

CM 5. Subdivision boundary lines indicated by heavy lines; the acreage of the subdivision shown.

CM 6. Existing conditions as follows:
✓ (1) The exact location, dimensions, name and description of all existing and/or recorded streets, alleys, reservations, easements, or other

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

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

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

✓ (4) Flood hazard areas and explanatory notes.

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

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

CM 9. Draft of proposed restrictive covenants (if any) to be imposed; areas subject to special restrictions described and mapped.

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

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

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

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

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

CM 15. Vicinity sketch or map, at some appropriate scale, which clearly shows existing subdivisions, street easements, right-of-way, parks and public facilities of water, and possible storm sewer, water, gas, electric, and sanitary sewer connections by owner.

CW 16. Soil information.

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

F. Approval of City Staff

1. The Engineering Department:

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

2. The Building Inspector:

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

3. Fire Marshall:

- CW a. Fire code regulations and requirements.

4. Electric Power Department:

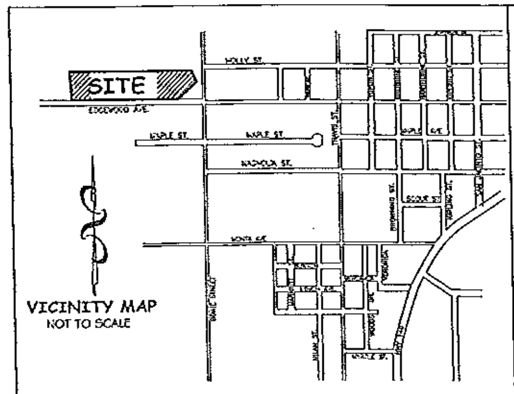
- CW a. System layout and requirements.
- CW b. Code regulations and requirements.

G. Comments:

Add:
The signature info for Planning and Zoning

PRELIMINARY PLAT OF EDGEWOOD EAST SUBDIVISION

BEING 1.236 ACRES SITUATED IN THE LIBERTY TOWN EAST LEAGUE, ABSTRACT NO. 359, LIBERTY COUNTY, TEXAS, OUT OF AND A PART OF 3.57 ACRES CONVEYED TO RICHARD LAWRENCE BY THE CITY OF LIBERTY IN DEED DATED APRIL 17, 2012, AND RECORDED AT CLERK'S FILE NO. 2012005458 OF THE O.P.R.L.C.Tx.



STATE OF TEXAS)
COUNTY OF LIBERTY)

THAT I, RICHARD LAWRENCE, THE UNDERSIGNED, OWNER OF THE LAND SHOWN ON THIS PLAT, AND DESIGNATED HEREIN AS EDGEWOOD EAST SUBDIVISION IN THE CITY OF LIBERTY AND WHOSE NAME IS SUBSCRIBED HERETO, HEREBY DEDICATED TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATER COURSES, DRAINS, EASEMENTS, AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE OF CONSIDERATION THEREIN EXPRESSED.

WITNESS MY HAND IN LIBERTY COUNTY, TEXAS, THIS______ DAY OF, ________________,2012.

____
RICHARD LAWRENCE

STATE OF TEXAS)
COUNTY OF LIBERTY)

BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED SYED RICHARD LAWRENCE KNOWN TO ME TO BE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED, AND IN THE CAPACITY THEREIN AND HEREIN SET OUT.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS_______DAY, OF ________________ ,2012.

____
NOTARY PUBLIC IN AND FOR LIBERTY COUNTY, TEXAS.

I, THE UNDERSIGNED, MAYOR OF THE CITY OF LIBERTY, HEREBY CERTIFY THAT THIS SUBDIVISION PLAT CONFORMS TO AL REQUIREMENTS OF THE SUBDIVISION REGULATIONS OF THIS CITY WHEREIN MY APPROVAL IS REQUIRED.

________________ MAYOR   ________________ DATE

STATE OF TEXAS)
COUNTY OF LIBERTY)

FIELD NOTES of a 1.236 acre tract of land situated in the Liberty Town East League, Abstract No. 359, Liberty County, Texas, being out of and a part of 3.57 acres conveyed to Richard Lawrence by the City of Liberty in deed dated April 17, 2012, and recorded at Clerk's File No. 2012005458 of the Official Public Records of Liberty County, Texas. This 1.236 acre tract of land is more particularly described by metes and bounds as follows, to-wit:

NOTE: BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS IN THE SOUTH LINE OF SAID 3.57 ACRES. REFERENCE IS MADE TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS DESCRIPTION.

BEGINNING at a capped iron rod found for the Southwest corner of this tract of land, the Southwest corner of said 3.57 acres, and a Southeast corner of the residue of 17.732 acres conveyed to City of Liberty by Joseph D. Harris, III, et ux, by deed dated May 7, 1996, and recorded in Volume 1615 at Page 336 of the Official Public Records of Liberty County, Texas, and in the North right of way line of Edgewood Avenue, 49.78 foot wide right of way.

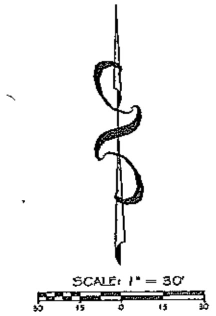
THENCE North 04°08'23" West with the West line of this tract of land, the West line of said 3.57 acres, and an East line of said residue of 17.732 acres a distance of 112.29 feet to a capped iron rod found for the Northwest corner of this tract of land, the Northwest corner of said 3.57 acres, and an interior corner of said residue of 17.732 acres.

THENCE East with the North line of this tract of land, the North line of said 3.57 acres, and a South line of said residue of 17.732 acres a distance of 491.61 feet to a capped iron rod found for the Northeast corner of this tract of land, an interior corner of said 3.57 acres, and a Southeast corner of said residue of 17.732 acres.

THENCE South 23°49'42" East with an East line of this tract of land, over and across said 3.57 acres a distance of 47.86 feet to a capped iron rod found for an angle corner of this tract of land, an angle corner of said 3.57 acres, and the Northwest corner of a tract of land conveyed to William Eric Stubblefield by William Eugene Stubblefield, Trustee, in deed dated April 11, 2007, and recorded at Clerk's File No. 2007005420 of the Official Public Records of Liberty County, Texas.

THENCE South 47°08'45" West with an East line of this tract of land, an East line of said 3.57 acres, and the West line of said Stubblefield tract a distance of 100.30 feet to a capped iron rod found for the Southeast corner of this tract of land, the Southeast corner of said 3.57 acres, and the Southwest corner of said Stubblefield tract in the North right of way line of Edgewood Avenue.

THENCE West with the South line of this tract of land, the South line of said 3.57 acres, and the North right of way line of Edgewood Avenue a distance of 429.31 feet to the PLACE OF BEGINNING, containing within said boundaries



LIBERTY TOWN EAST LEAGUE
A - 359

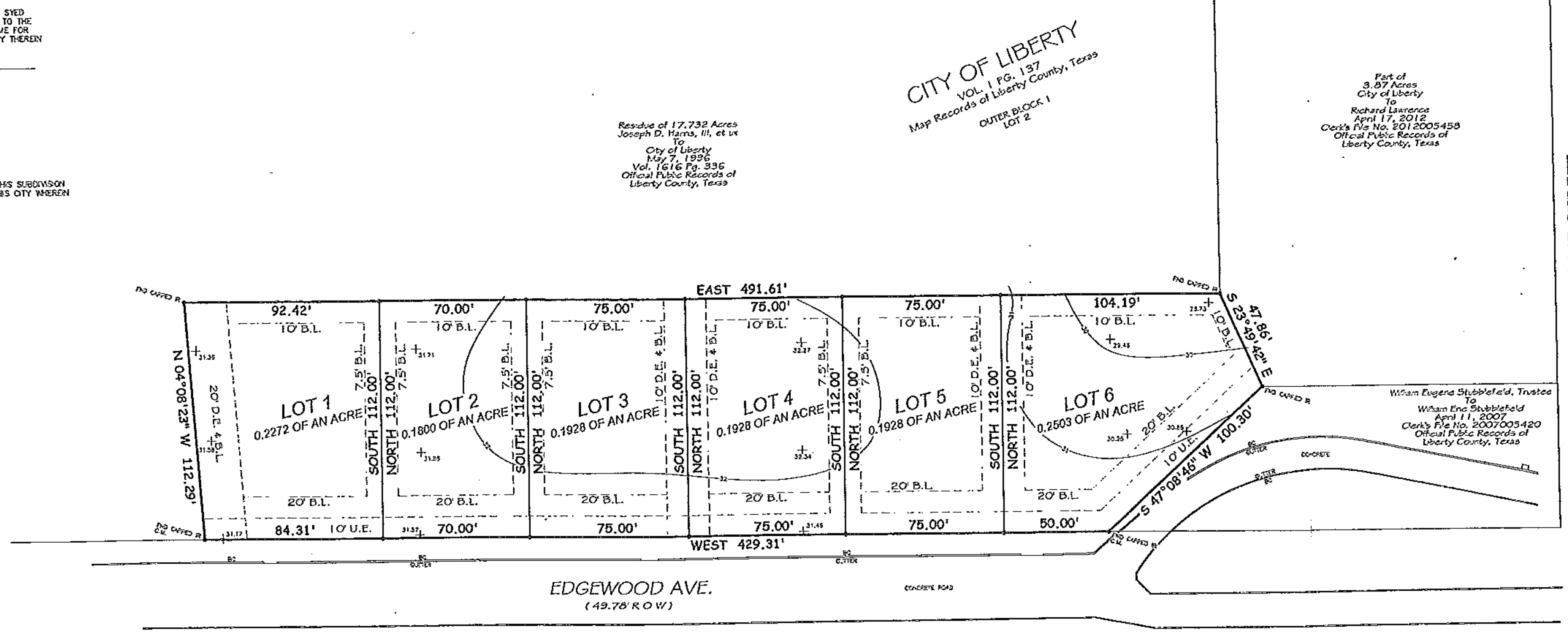
NOTES:

1) BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS IN THE SOUTH LINE OF 3.87 ACRES CONVEYED TO RICHARD LAWRENCE AND RECORDED AT CLERK'S FILE NO. 2012005458 OF THE O.P.R.L.C.Tx. REFERENCE IS MADE TO METES AND BOUNDS DESCRIPTION OF EVEN DATE ACCOMPANYING THIS PLAT.

2) THIS PROPERTY IS SITUATED IN ZONE "X" SHADED ACCORDING TO F.I.R.M. COMMUNITY PANEL NO. 480441 0435 G, DATED MAY 2, 2008.

3) ELEVATIONS SHOWN HEREON BASED ON CITY OF LIBERTY BM 7 WITH A BASE ELEVATION OF 34.13 FEET.

4) EXISTING WATER AND UTILITIES ARE LOCATED ALONG THE SOUTH RIGHT OF WAY OF EDGEWOOD AVENUE.



THIS IS TO CERTIFY THAT I, MICHAEL W. CHANDLER, A REGISTERED PROFESSIONAL LAND SURVEYOR, IN THE STATE OF TEXAS, HAVE PLATTED THE ABOVE SUBDIVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION ON THE GROUND DURING JUNE 2012; THAT ALL MONUMENTS, BLOCK CORNERS, ANGLE POINTS AND POINTS OF CURVE ARE PROPERLY MARKED WITH 1/2 INCH IRON RODS WITH CAP STAMPED M. CHANDLER 5292.

AUGUST 2, 2012.

PRELIMINARY NOT TO BE RECORDED

____
MICHAEL W. CHANDLER, R.P.L.S. No. 5292

LEGEND

- ● = SET 1/2" IR
- D.E. = DRAINAGE EASEMENT
- B.L. = BUILDING LINE
- BC = BACK OF CURB
- C.M. = CONTROL MONUMENT
- +31.45 = NATURAL GROUND

CHAMBERS SURVEYING & MAPPING
P. O. BOX 1272 MONT BELVIEU, TEXAS 77580
PHONE: 281-576-6788 FAX: 281-576-6724

DRAWN: JMM	JOB No.: 12-3021	SUBDIVISION: WEST STAR DIVISION, RE-PLAT LOTS 1 & 2
CHECKED: MWC	DATE: 8/2/12	SURVEY: LIBERTY TOWN EAST LEAGUE A - 359

Attachment: Edgewood East Subdivision Plat (3) (2460 : Prel Plat Edgewood East Subd)

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Election Issues

COUNCIL ACTION (ID # 2466)

DOC ID: 2466

DISCUSSION:
The City of Liberty received a petition from citizens of the community wishing to legalize the sale of alcoholic beverages in the City of Liberty. For a valid petition, 35% of the registered voters in the political subdivision who voted in the most recent gubernatorial election were required.

The number of valid signatures needed on the petition was 695. The petition contained 787 signatures, however, after verification only 447 signatures were valid. 340 signatures were disqualified for various reasons. The petition needed 248 additional valid signatures to obtain the required number of 695.

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Public Hearing

PUBLIC HEARING (ID # 2467)

DOC ID: 2467

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Date: July 16, 2012

TO: James Lee Randolph
511 Garrett St
Liberty, Texas 77575

RE: Public Nuisance-Proposed Order to Demolish

Dear Sir and/or Madam:

As the City of Neighborhood Services Administrator, it has come to my attention and I do hereby find the building or structure situated on the below described location is:

✓ unsafe,

✓ substandard,

✓ dangerous,

✓ a hazard,

✓ a public nuisance.

I have attached hereto a detailed list setting out the conditions which I find render the building or structure, or portion thereof, a nuisance. The subject building or structure and its location are described as follows:

Building/Structure: **Dilapidated Structure/Burned**

Street Address: **416 Lamar**
Legal Description: **Liberty Inner Blocks, Block 111, Lot 2 Tr 2**

City of Liberty, Liberty County, Texas

You are hereby given notice that a hearing will be held before the Liberty City Council at **6:00 o'clock p.m. on August 14, 2012, at the Liberty City Hall, 1829 Sam Houston Street, Liberty, Texas 77575** to determine if the building complies with the standards set out in Chapter 6 of the Liberty Code of Ordinances, or if the structure should be ordered repaired, vacated and repaired, or demolished.

All interested persons who desire to be heard or who oppose the proposed order to repair, vacate and repair, or demolish the above described structure, shall appear at the above mentioned City Council hearing and show cause, if any, why the building or structure, or any portion thereof, involved in these proceedings should not be ORDERED repaired, vacated and repaired, or demolished. Your failure to appear shall constitute a waiver of your right to oppose any ORDER of the City Council.

Proof and scope of work will be required to be presented at hearing if work cannot be completed within 30 days. Furthermore, IF an extension is granted by City Council, specific time schedules for the commencement and performance of the work shall be required.

Furthermore, the amount of cost of abating such nuisance or demolishing said building or structure, and all incidental expenses associated therewith, if undertaken by the City of Liberty, shall constitute special assessments against the property on which the structure is located and as such, shall constitute a lien on said property.

Sincerely,

Robbie L. Hood, CPM

Robbie L. Hood, CPM
Neighborhood Services Administrator
City of Liberty

Conditions Rendering Building/Structure Hazardous and/or Dangerous

Owners Name: **James Lee Randolph**
Mailing Address: **511 Garrett St, Liberty, Texas 77575**

Property Description: **Liberty Innerr Blocks, Block 111, Lot 2 Tr 2**
Street Address: **416 Lamar , Liberty,Texas 77575**

UNSAFE BUILDINGS: All buildings or structures which are unsafe, unsanitary, or do not provide adequate egress, or which constitutes a fire hazard, or are otherwise dangerous to human life, or which in relation to existing use, constitutes a hazard to safety or health, are considered unsafe buildings. All such unsafe buildings are hereby declared illegal and shall be abated by repair and rehabilitation or by demolition in accordance with the provisions of Chapter 6 of the Liberty Code of Ordinances.

1. Lack of hot and cold water running to plumbing fixtures in bathroom and kitchen.
2. Improper sewage disposal system in bathroom and kitchen.
3. Lack of adequate heating facilities.
4. Lack of required ventilating equipment.
5. Lack of required electrical lighting.
6. Dampness of habitable rooms.
7. Infestation of insects, vermin and rodents.
8. General dilapidation and improper maintenance of all heating and plumbing facilities.
9. Lack of adequate garbage and rubbish storage and removal facilities.
10. Deteriorated and inadequate foundations.
11. Defective and deteriorated flooring and floor supports.
12. Members of walls, partitions and other vertical supports have split, lead, list and/or buckled due to defect and deterioration.
13. Members of ceilings, roofs, ceiling and roof supports and other horizontal members have sagged, split and/or buckled due to defect and deterioration.
14. Hazardous wiring which is not connected and can not be connected due to defective maintenance and deterioration.
15. Hazardous plumbing which is not connected and can not be connected due to defective maintenance and deterioration.
16. Faulty weather protection.
17. Serious fire hazard.
18. Hazardous and unsanitary premises with an accumulation of junk, debris and garbage which constitutes a fire, health and safety hazard.
19. The building structure or portion thereof as a result of decay, deterioration or dilapidation's has or is likely to fully or partially collapse.
20. The building structure or portion thereof is in such a condition that it constitutes a public nuisance.

Robbie L. Hood, CPM
Robbie L. Hood, CPM
Neighborhood Services Adm.

7-16-12
Date

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Abatements

COUNCIL ACTION (ID # 2468)

DOC ID: 2468

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City of Liberty

Order of Abatement

The City Council of the City of Liberty ("Council"), at a duly noticed public hearing, does hereby adopt the following Order of Abatement:

WHEREAS, it has come to the attention of Council that a building or structure located at 416 Lamar of the Town of Liberty with Liberty County Central Appraisal District Property ID # 56394 in the City of Liberty is reported to be or believed to be substandard under the terms of Chapter 6 of the Liberty Code of Ordinances; and

WHEREAS, Council has at a public hearing received and/or heard evidence that the structure(s) on the property described above have/has

a. become substantially deteriorated through natural causes and/or from exposure to the elements (wind, hail, rain and storms), or
b. become so structurally deteriorated and/or damaged that it/they are in danger of collapse, or
c. become a fire hazard due to the substantial deterioration of the building or structure; or
d. failed to be constructed in conformity with the City Building Code; or
e. become a hazard to the health and/or safety of the general public, including all conditions conducive to the harboring of rats, mice, and other disease carrying animals and/or insects, including such conditions that may be hazardous to safety, such as inadequate bracing or the use of deteriorated materials.

WHEREAS, Council has received and/or heard evidence that the City has made a diligent effort to determine the identity and address of any owner, lienholder, or mortgagee by searching the following records:

a. county real property records of Liberty County;
b. appraisal district records of Liberty County;
c. records of the secretary of state;
d. assumed name records of Liberty County;
e. tax records of the City of Liberty; and
f. utility records of the City of Liberty.

and has given notice of the public hearing held on this day regarding the substandard structure.

WHEREAS, the Council, having the authority to order abatement of substandard structures pursuant to Chapter 6 of the Liberty Code of Ordinances and Chapter 214 of the Local Government Code.

NOW, THEREFORE, BE IT RESOLVED, THAT the City Council of the City of Liberty hereby finds that this property is a public nuisance, and ORDERS the abatement of the condition of the identified property by removal of the structure(s) thereon, within 30 days of this ORDER. The City Council further authorizes the City Manager or other City officials to secure the demolition of the structure(s) on the identified property if the structures have not been removed within 30 days of this ORDER, and place a lien on the land for costs associated with such demolition and removal according to law ; and

Part 1: That the notice of this public hearing was made or attempted with the efforts outlined in Chapter 214 of the Local Government Code.

Part 2: That it is hereby determined that the identified structure is in fact a structure that is dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare.

Part 3: That public necessity requires the demolition and removal of the identified structure.

Part 4: That this resolution shall take effect immediately from and after its passage.

I certify that the foregoing is a true and correct copy of the resolution/order duly adopted by the City Council of the City of Liberty. This Order of Abatement shall be maintained with the official minutes of the City Council of the City of Liberty

In witness whereof, I have hereunto set my hand on this the 14th day of August, 2012.

By:____

Carl Pickett,
Mayor,
City of Liberty

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Condemnations

PUBLIC HEARING (ID # 2469)

DOC ID: 2469

.

Date: July 16, 2012

TO: Guillermo Castro
1208 Minglewood
Liberty, Texas 77575

RE: Public Nuisance-Proposed Order to Demolish

Dear Sir and/or Madam:

As the City of Neighborhood Services Administrator, it has come to my attention and I do hereby find the building or structure situated on the below described location is:

✓ unsafe,

✓ substandard,

✓ dangerous,

✓ a hazard,

✓ a public nuisance.

I have attached hereto a detailed list setting out the conditions which I find render the building or structure, or portion thereof, a nuisance. The subject building or structure and its location are described as follows:

Building/Structure: **Dilapidated Structure**

Street Address: **611 Minglewood**
Legal Description: **James Martin, Tract 65**

City of Liberty, Liberty County, Texas

You are hereby given notice that a hearing will be held before the Liberty City Council at **6:00 o'clock p.m. on August 14, 2012, at the Liberty City Hall, 1829 Sam Houston Street, Liberty, Texas 77575** to determine if the building complies with the standards set out in Chapter 6 of the Liberty Code of Ordinances, or if the structure should be ordered repaired, vacated and repaired, or demolished.

All interested persons who desire to be heard or who oppose the proposed order to repair, vacate and repair, or demolish the above described structure, shall appear at the above mentioned City Council hearing and show cause, if any, why the building or structure, or any portion thereof, involved in these proceedings should not be ORDERED repaired, vacated and repaired, or demolished. Your failure to appear shall constitute a waiver of your right to oppose any ORDER of the City Council.

Proof and scope of work will be required to be presented at hearing if work cannot be completed within 30 days. Furthermore, IF an extension is granted by City Council, specific time schedules for the commencement and performance of the work shall be required.

Furthermore, the amount of cost of abating such nuisance or demolishing said building or structure, and all incidental expenses associated therewith, if undertaken by the City of Liberty, shall constitute special assessments against the property on which the structure is located and as such, shall constitute a lien on said property.

Sincerely,

Robbie L. Hood, CPM

Robbie L. Hood, CPM
Neighborhood Services Administrator
City of Liberty

Conditions Rendering Building/Structure Hazardous and/or Dangerous

Owners Name: **Guillermo Castro**
Mailing Address: **1208 Minglewood, Liberty, Texas 77575**

Property Description: **James Martin, Tract 65**
Street Address: **611 Minglewood , Liberty,Texas 77575**

UNSAFE BUILDINGS: All buildings or structures which are unsafe, unsanitary, or do not provide adequate egress, or which constitutes a fire hazard, or are otherwise dangerous to human life, or which in relation to existing use, constitutes a hazard to safety or health, are considered unsafe buildings. All such unsafe buildings are hereby declared illegal and shall be abated by repair and rehabilitation or by demolition in accordance with the provisions of Chapter 6 of the Liberty Code of Ordinances.

1. Lack of hot and cold water running to plumbing fixtures in bathroom and kitchen.
2. Improper sewage disposal system in bathroom and kitchen.
3. Lack of adequate heating facilities.
4. Lack of required ventilating equipment.
5. Lack of required electrical lighting.
6. Dampness of habitable rooms.
7. Infestation of insects, vermin and rodents.
8. General dilapidation and improper maintenance of all heating and plumbing facilities.
9. Lack of adequate garbage and rubbish storage and removal facilities.
10. Deteriorated and inadequate foundations.
11. Defective and deteriorated flooring and floor supports.
12. Members of walls, partitions and other vertical supports have split, lead, list and/or buckled due to defect and deterioration.
13. Members of ceilings, roofs, ceiling and roof supports and other horizontal members have sagged, split and/or buckled due to defect and deterioration.
14. Hazardous wiring which is not connected and can not be connected due to defective maintenance and deterioration.
15. Hazardous plumbing which is not connected and can not be connected due to defective maintenance and deterioration.
16. Faulty weather protection.
17. Serious fire hazard.
18. Hazardous and unsanitary premises with an accumulation of junk, debris and garbage which constitutes a fire, health and safety hazard.
19. The building structure or portion thereof as a result of decay, deterioration or dilapidation's has or is likely to fully or partially collapse.
20. The building structure or portion thereof is in such a condition that it constitutes a public nuisance.

Robbie L. Hood, CPM

Robbie L. Hood, CPM
Neighborhood Services Adm.

7-16-12
Date

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Abatements

COUNCIL ACTION (ID # 2470)

DOC ID: 2470

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City of Liberty

Order of Abatement

The City Council of the City of Liberty ("Council"), at a duly noticed public hearing, does hereby adopt the following Order of Abatement:

WHEREAS, it has come to the attention of Council that a building or structure located at 611 Minglewood of the Town of Liberty with Liberty County Central Appraisal District Property ID # 16698 in the City of Liberty is reported to be or believed to be substandard under the terms of Chapter 6 of the Liberty Code of Ordinances; and

WHEREAS, Council has at a public hearing received and/or heard evidence that the structure(s) on the property described above have/has

a. become substantially deteriorated through natural causes and/or from exposure to the elements (wind, hail, rain and storms), or
b. become so structurally deteriorated and/or damaged that it/they are in danger of collapse, or
c. become a fire hazard due to the substantial deterioration of the building or structure; or
d. failed to be constructed in conformity with the City Building Code; or
e. become a hazard to the health and/or safety of the general public, including all conditions conducive to the harboring of rats, mice, and other disease carrying animals and/or insects, including such conditions that may be hazardous to safety, such as inadequate bracing or the use of deteriorated materials.

WHEREAS, Council has received and/or heard evidence that the City has made a diligent effort to determine the identity and address of any owner, lienholder, or mortgagee by searching the following records:

a. county real property records of Liberty County;
b. appraisal district records of Liberty County;
c. records of the secretary of state;
d. assumed name records of Liberty County;
e. tax records of the City of Liberty; and
f. utility records of the City of Liberty.

and has given notice of the public hearing held on this day regarding the substandard structure.

WHEREAS, the Council, having the authority to order abatement of substandard structures pursuant to Chapter 6 of the Liberty Code of Ordinances and Chapter 214 of the Local Government Code.

NOW, THEREFORE, BE IT RESOLVED, THAT the City Council of the City of Liberty hereby finds that this property is a public nuisance, and ORDERS the abatement of the condition of the identified property by removal of the structure(s) thereon, within 30 days of this ORDER. The City Council further authorizes the City Manager or other City officials to secure the demolition of the structure(s) on the identified property if the structures have not been removed within 30 days of this ORDER, and place a lien on the land for costs associated with such demolition and removal according to law ; and

Part 1: That the notice of this public hearing was made or attempted with the efforts outlined in Chapter 214 of the Local Government Code.

Part 2: That it is hereby determined that the identified structure is in fact a structure that is dilapidated, substandard, or unfit for human habitation and a hazard to the public health, safety, and welfare.

Part 3: That public necessity requires the demolition and removal of the identified structure.

Part 4: That this resolution shall take effect immediately from and after its passage.

I certify that the foregoing is a true and correct copy of the resolution/order duly adopted by the City Council of the City of Liberty. This Order of Abatement shall be maintained with the official minutes of the City Council of the City of Liberty

In witness whereof, I have hereunto set my hand on this the 14th day of August, 2012.

By:____

Carl Pickett,
Mayor,
City of Liberty

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Utility Issue

RESOLUTION (ID # 2471)

DOC ID: 2471

A RESOLUTION OF THE CITY COUNCIL OF LIBERTY, TEXAS, JOINING WITH OTHER ENTERGY SERVICE AREA CITIES IN SUPPORT OF A SETTLEMENT IN PRINCIPLE REGARDING THE TRANSFER OF OPERATIONAL CONTROL OF ENTERGY'S TRANSMISSION SYSTEM TO THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC. IN PUBLIC UTILITY COMMISSION DOCKET NO. 40346

WHEREAS, on or about April 30, 2012 Entergy Texas, Inc. ("Entergy") filed an Application for Approval to Transfer Operational Control of its Transmission Assets to the Midwest Independent Transmission System Operator, Inc. ("MISO") with the Public Utility Commission of Texas ("PUC" or "Commission"); and

WHEREAS, MISO, as a regional transmission system operator, is an independent entity that exercises control over the regional transmission system and is intended to perform certain functions such as maintaining and managing reliability and providing for economic dispatch of generation resources.

WHEREAS, Entergy has determined that the net benefits to Texas retail customers of Entergy from transitioning to MISO is approximately $170 to $225 million over the first ten years, or approximately $17 to $22.5 million per year on average.

WHEREAS, City has intervened at the Commission with the Steering Committee of Cities to review ETI's proposal and make certain recommendations regarding the public interest; and

WHEREAS, the consulting expert retained by the Steering Committee of Cities recommends that a transfer of operational control of Entergy's transmission system to MISO is in the public interest so long as certain conditions are met; and

WHEREAS, the consulting expert retained by the Steering Committee of Cities recommended that the transfer of operational control of Entergy's transmission system must be conditioned on 1.) All Entergy Operating Companies join MISO; 2.) ETI receiving sufficient transmission rights (ARR allocations) to hedge against the congestion charges for importing current and future energy requirements into Texas; 3.) an analysis as to what modifications to the System Agreement would be necessary in order to permit the greatest reasonable benefits to be received from joining MISO to be accrued for Texas customers.

WHEREAS, Entergy has agreed to the terms recommended by the Steering Committee of Cities as demonstrated by the attached Settlement in Principle ("Settlement"); and

WHEREAS, the City of Liberty finds that transfer of operational control of Entergy's transmission system to MISO is in the public interest subject to the conditions set forth in the Settlement;

WHEREAS, the Entergy Service Area Cities' Steering Committee has authorized the approval of the attached Settlement and recommends settlement to the Cities;

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

Section 1. That the statement and findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. The City of Liberty hereby reaffirms its support for the settlement terms in the Settlement in Principle attached.

Section 3. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 4. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 14th day of August, 2012.

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

Tom Warner

From:	Stephen Mack <stephenmack@gmail.com>
Sent:	Friday, August 03, 2012 11:21 AM
To:	Richard Y. Ferguson; Nancy Hempel; Tyrone Cooper; Kyle Hayes; D E Sosa; D.E. Sosa; Sherry Tisdale; Paul Fukuda; KWall@olsonolson.com; dmiller@clevelandtexas.com; DOlson@olsonllp.com; Winberry, Marcus; James Black; ddouglas@daytontx.com; Paez, Tina - ARA; Talley, Alisa - ARA; Pourteau, Melba - LGL; Njuguna, Evelyn - LGL; Leonard Schneider; Chuck Pinto; akulhavy@huntsvilletx.org; twarner@cityofliberty.org; gbroz@cityofliberty.org; elaineallums@sbcglobal.net; Bryan P. Fowler; Brad Stafford; Chris Duque; Cary Bovey; jebranick@aol.com; Vicky Rudy; cwatson@oakridgenorth.com; SBounds@olsonolson.com; Shawn Oubre; Rodney Price; cityofpineforest@gt.rr.com; Tommy Gunn; j_parkhurst@cityofpinehurst.com; m_turley@cityofpinehurst.com; Debbie Cormier; Val Tezino; Tonya Summerlin; jcomeaux@portarthur.net; Gwen@portarthur.net; Andre' Wimer; Pete Steele; Greg Smith; Drew Larkin; wferebee@ofmklaw.com; Harry Wright; Kathy Richardson; citymanager@cityofsilsbee.com; Larry Saurage; citysec@cmaaccess.com; dorothy welch; citymgr@cityofvidor.com; Guy Goodson; fmessina@germer.com; Theresa Van Meter; Joe Alford; Rhonda Haskins
Subject:	Re: Proposed Resolution Supporting Entergy's Conditional Transition to MISO, PUC Docket No. 40346
Attachments:	Letter to Cities (080312).pdf

Attached is an additional letter from Dan Lawton regarding the proposed resolution supporting Entergy Texas' transition to the Midwest Independent System Operator.

If there are any questions or concerns, please do not hesitate to call.

Stephen Mack

On Thu, Aug 2, 2012 at 11:59 AM, Stephen Mack <stephenmack@gmail.com> wrote:
Steering Committee of Cities,

Attached is a letter from Dan Lawton recommending approval of a conditional agreement regarding Entergy's proposed transfer of operational control of its transmission system to the Midwest Independent Transmission System Operator, Inc. ("MISO"), which is projected to save Texas customers between $170 to $225 million in the first ten years. Also attached are Word verions of the proposed resolution and agreement.

Once passed, we will file these resolutions with the Cities' Brief to the Public Utility Commission in the above referenced case, which are currently due by August 31, 2012.

If there are any questions or concerns, please do not hesitate to call.

Stephen Mack

--

The Lawton Law Firm, P.C.
701 Brazos, Suite 500
Austin, TX 78701
(512) 322-0019
(512) 716-8917 Fax

This email and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to which they are addressed. This communication may contain material protected by the attorney-client privilege. If you are not the intended recipient or the person responsible for delivering the email to the intended recipient, be advised that you have received this email in error and that any use, dissemination, forwarding, printing, or copying of this email is strictly prohibited. If you have received this email in error, please immediately notify The Lawton Law Firm at (512) 322-0019.

The Lawton Law Firm, P.C.
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This email and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to which they are addressed. This communication may contain material protected by the attorney-client privilege. If you are not the intended recipient or the person responsible for delivering the email to the intended recipient, be advised that you have received this email in error and that any use, dissemination, forwarding, printing, or copying of this email is strictly prohibited. If you have received this email in error, please immediately notify The Lawton Law Firm at (512) 322-0019.

THE LAWTON LAW FIRM, P.C.

701 Brazos Suite 500 • Austin, Texas 78701 • 512/322-0019 • Fax: 512/716-8917

August 2, 2012

Mr. Richard Ferguson
City Attorney – City of Anahuac
13201 Northwest Freeway, Suite 300
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Mr. Tyrone Cooper
City Attorney – City of Beaumont
P.O. Box 3827
Beaumont, Texas 77704

Mr. Kyle Hayes
City Manager – City of Beaumont
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Beaumont, Texas 77704

Mr. Paul Fukuda
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Dayton, Texas 77535

Mr. David Douglas
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Ms. Tina Paez
City of Houston Administration & Regulatory Affairs Department (ARA)
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Houston, Texas 77002

Ms. Melba T. Pourteau
City of Houston Legal Department
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City Hall Annex, 4th Floor
900 Bagby
Houston, Texas 77001-0368

Mr. Leonard Schneider
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Mr. Bill Baine
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Ms. Elaine Allums
Mayor Pro-Tem – City of Kountze
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Kountze, Texas 77625

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

Mr. Bryan Fowler
City Attorney – City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Mr. Brad Stafford
City Manager – City of Navasota
202 E. Washington
Navasota, Texas 77868

Mr. Cary Bovey
Law Office of Cary L. Bovey, PLLC
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Round Rock, Texas 78664

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Nederland, Texas 77627

Mr. Jesse Branick
City Attorney – City of Nederland
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Nederland, Texas 77627

Ms. Vicky Rudy
City Manager – City of Oak Ridge North
Oak Ridge North
27424 Robinson Road
Oak Ridge North, Texas 77385

Ms. Clasina Watson
City Secretary – City of Oak Ridge North
27424 Robinson Road
Oak Ridge North, Texas 77385

Mr. Shawn Oubre
City Manager – City of Orange
803 W. Green Avenue, Room 201
Orange, Texas 77630

Mr. Rodney Price
City Attorney – City of Pine Forest
City Attorney – City of Rose City
215 W. Freeway
Vidor, Texas 77662

Mr. Tommy Gunn
City Attorney – City of Pinehurst
202 S. Border
Orange, Texas 77630

Mr. Joe Parkhurst
City Administrator – City of Pinehurst
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Orange, Texas 77630

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Interim City Manager – City of Port Arthur
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Ms. Val Tizeno
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Port Arthur, Texas 77640

Mr. Andre Wimer
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Mr. Pete Steele
City Attorney – City of Port Neches
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Mr. Greg Smith
City Manager – City of Shenandoah
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Shenandoah, Texas 77381

Mr. Harry Wright
City Attorney – City of Silsbee
PO Box 186
Port Neches, Texas 77651

Mr. Tommy Bartosh
City Manager – City of Silsbee
105 South 3rd Street
Silsbee, Texas 77656

Mr. Larry Saurage
City Manager – City of Sour Lake
655 W. Barkley St.
Sour Lake, Texas 77659

Mayor Dorothy Welch
City Attorney Leonard Schneider
City of Splendora
P.O. Box 1087
Splendora, Texas 77372

Mr. Ricky E. Jorgensen
City Manager – City of Vidor
1395 N. Main St.
Vidor, Texas 77662-3726

Mr. Guy N. Goodson
City Attorney – City of Vidor
P.O. Box 4915
Beaumont, Texas 77704-4915

Mayor Roy McDonald
Mayor – City of West Orange
2700 Western Avenue
West Orange, TX 77630

Mr. Joe Alford
City Attorney – City of West Orange
105 Market
Orange, Texas 77630

Re: Entergy Texas, Inc.'s Anticipated Proceedings Regarding Joining MISO

Steering Committee of Cities located in Entergy Texas, Inc.'s Service Territory:

As you may recall, on or about April 30, 2012, Entergy Texas, Inc. ("Entergy") filed with the Public Utility Commission of Texas ("PUC" or "Commission") an application to join the Midwest Independent Transmission System Operator ("MISO"). Entergy anticipates that Texas customers could save in the range of $170 to $225 million of power production costs for the ten year time frame of 2013 to 2022. This translates to about $17 million to $22.5 million to Texas customers for each year.

Cities intervened and filed testimony in support of the transfer to MISO so long as certain conditions were met. Cities consulting expert recommended that the transfer of operational control of Entergy's transmission system must be conditioned on 1.) All Entergy Operating Companies joining MISO, 2.) ETI receiving sufficient transmission rights (ARR allocations) to hedge against the congestion charges for importing current and future energy requirements into Texas, and 3.) an analysis as to what modifications to the System Agreement would be necessary in order to permit the greatest reasonable benefits to be received from joining MISO to be accrued for Texas customers. Today, Entergy has agreed to abide by the Conditions recommended by Cities' consulting expert, and we recommend Cities approval of the proposed Settlement in Principle.

Attached is a proposed resolution supporting the Settlement in Principle. These resolutions will be filed with the Public Utility Commission of Texas to support the recommended transition to MISO.

If you have any questions or need further information, please feel free to call.

Sincerely,

Daniel Lawton/spm

Daniel J. Lawton

SETTLEMENT IN PRINCIPLE

The following settlement in principle ("Settlement") is entered into to resolve all issues in controversy between Entergy Texas, Inc., ("ETI" or "Company"), the Staff of the Public Utility Commission of Texas ("Staff"), and any other party that agrees to this term sheet (together, "Signatories") in PUCT Docket No. 40346. The Settlement is subject to completion of a definitive written settlement agreement acceptable to the Signatories and issuance of a final order by the Public Utility Commission of Texas ("Commission") in Docket No. 40346 consistent with the Signatories' definitive written settlement agreement.

1. **MISO Public Interest Determination and Other Statutory Requirements**—Based on the terms and conditions set out in this Settlement, the Signatories agree that ETI's application to transfer operational control of its transmission facilities to the Midwest Independent Transmission System Operator ("MISO") Regional Transmission Organization ("RTO") meets the requirements of Sections 39.915(b) and 39.262(m) of the Public Utility Regulatory Act ("PURA") and is in the public interest, subject to all conditions stated in this agreement. The Signatories further agree that ETI has resolved any and all issues that could be raised in this proceeding concerning the application and implementation of PURA Section 39.457 as it concerns ETI's application in this docket and those contracts that are subject to PURA Section 39.457.
2. **Timing and Extent of Entergy Operating Company Participation in MISO**—ETI agrees that if all of the Entergy Operating Companies ("EOCs") do not join MISO by December 31, 2013, ETI will not transfer operational control of its transmission assets to MISO, without first making a new filing with the Commission pursuant to PURA Section 39.915 and allowing the Commission the statutory timeframe to issue a determination concerning that filing under PURA Section 39.915(b).
3. **Status of Entergy System Agreement ("ESA")**—As a condition of ETI joining MISO, and unless otherwise directed by the Commission, ETI agrees to give notice by October 31, 2013 to exit the ESA pursuant to Section 1.01 of the ESA, provided the following conditions are met: 1) issuance of a final order by the Commission in Docket No. 40346 determining that if ETI joins MISO, ETI's continued participation in the ESA is not in the public interest; 2) ETI has determined, by October 31, 2013, that all of the EOCs will be integrated into the MISO RTO by December 19, 2013. The Signatories further agree that for good cause shown the Commission may extend these deadlines. The Signatories agree to include in a Proposed

Order language supporting such conditions. The Signatories further agree that the notice to exit the ESA is subject to the following additional requirements:

a. **ESA Transition Study**—The Signatories agree that the Commission will direct a study regarding the determination of the impact of ETI leaving the ESA and the earliest feasible date to do so (ESA Transition Study). ETI agrees that it will cooperate in providing requested input and data. The ESA Transition Study may include, but shall not be limited to, identification of options and recommendations for achieving an orderly transition out of the ESA and integrating into MISO including solving operational issues, economic impacts, contract issues, and optimal exit timing. The ESA Transition Study will be performed pursuant to the following requirements:

   i. The scope, assumptions, and parameters of the study will be established by the Commission, with cooperation of ETI, on an expedited basis, but on a schedule mutually convenient to ETI and Staff.

   ii. The ESA Transition Study will be performed by independent consultants selected by the Commission and paid for by ETI. ETI shall timely pay the reasonable costs of the services of such consultants as determined by the Commission. The amount that ETI shall be responsible to pay shall not exceed $750,000. ETI shall be entitled to seek recovery of these costs. ETI, Staff and Cities agree to support full and timely recovery in retail rates of the costs of the independent consultants, and the other Signatories do not oppose recovery of reasonable and necessary costs of the independent consultants as determined by the Commission. The ESA Transition Study will not be considered to represent the views of any specific Signatory.

   iii. The target completion date for the ESA Transition Study will be determined after the framework and scope of the ESA Transition Study are determined, but the date will be set so as to provide sufficient time for Commission review of the ESA Study prior to the October 31, 2013 deadline for ETI's issuance of notice to exit the ESA.

iv. Upon submission of the ESA Transition Study for Commission review, within a reasonable period of time, ETI shall, and other parties may, file a response to the study and its conclusions.

The Commission's consideration of the ESA Transition Study shall not affect its determination, subject to the conditions specified in this Settlement, that ETI's membership in MISO is in the public interest.

b. ETI's notice to exit the ESA must be filed with and accepted by the FERC in order for it to be effective.

c. ETI agrees to not seek to rescind its notice to exit the ESA without the support of the Commission, and the Signatories further acknowledge in this connection that ETI's position is that the Company may not unilaterally rescind the notice once it is given and that Staff does not share that position.

d. The Signatories acknowledge that Staff has continuing reservations regarding ETI's continuing participation in the ESA upon integration into MISO, and that the Commission may desire ETI to accelerate its exit from the ESA (or termination of the ESA). The Signatories agree that the provisions of this Settlement calling upon ETI to issue notice of exit from the ESA are not intended nor are to be construed as in any way diminishing any desire expressed by the Commission to bring about an earlier withdrawal of ETI from the ESA. Therefore, ETI further agrees to exercise reasonable best efforts to:

i. engage the various Operating Companies and their retail regulators in searching for a consensual means of allowing ETI to exit the System Agreement prior to the end of the mandatory 96-month notice period;

ii. in addition to the study addressed in 3.a. above and in cooperation with the Staff, perform reasonable technical analyses to assist the Commission in its evaluation of the timing for exiting the ESA;

iii. consult with the Staff on an ongoing basis regarding efforts to exit the ESA prior to the expiration of the 96-month notice period.

e. The Signatories agree that, if the Commission directs ETI to withdraw from the ESA, ETI may seek recovery in retail rates of its costs to effectuate that withdrawal. The Signatories reserve the right to contest such costs.

f. **Schedule MSS-4 Contracts**—Prior to December 31, 2012, ETI will provide to the Signatories its position on the effect of exiting the ESA on the Company's ESA Schedule MSS-4 contracts associated with the following EOC generating facilities: Sabine, Lewis Creek, Willow Glen, Nelson Units 3 and 4, Perryville, and Calcasieu (collectively, the "ESA Transition Study Contracts"). ETI's position on the ESA Transition Study Contracts may be considered in conjunction with the ESA Transition Study regarding the impact of ETI leaving the ESA and the earliest feasible date to do so. The Signatories reserve their right to take any position they may desire regarding the effect of exiting the ESA on the ESA Transition Study Contracts.

For all other Schedule MSS-4 contracts to which ETI is a party--which are River Bend, Carville, Dow, and EAI WBL--ETI's position is that exit from the ESA is not intended to affect the terms, pricing, or energy entitlements under these contracts, and the pricing under these contracts will continue to be based on a cost-based formula filed at and approved by the FERC.

g. **ESA Reporting**—ETI agrees to file with the Commission the following reports and information regarding the ESA, with the details and timing of such reports to be determined in cooperation with the Staff;

   i. Monthly Intra-System Bill (which includes detail for each individual EOC's monthly payments and receipts under ESA Schedules MSS-1, MSS-2, and MSS-3);

   ii. MISO Settlement Statements;

   iii. A plan and periodic status reports regarding ETI's exit from the ESA; and

   iv. Filings made at the FERC regarding the ESA.

4. **MISO Governance (E-RSC)**—ETI agrees that as a condition of joining MISO it will support retention of the Entergy Regional State Committee's ("E-RSC's") current level of authority during the five year transition period (as defined in Attachment FF of the MISO tariff) in MISO as follows:

   a. The E-RSC shall retain authority to direct the EOCs, upon unanimous vote, to exercise their rights as Transmission Owners in MISO to add projects to the MISO Transmission Expansion Plan.

b. The E-RSC shall retain authority, upon unanimous vote, to direct the EOCs, as Transmission Owners in MISO, to propose to modify the usual MISO cost allocation methodology among the EOCs' transmission pricing zones with respect to new transmission projects, other than Multi-Value Projects ("MVPs"), that are situated entirely within MISO South, and are approved during the five year transition period for cost allocation that MISO proposed to FERC and that FERC has conditionally approved. Any modifications to the cost allocation methodology would require FERC approval.

c. ETI further agrees that it will use reasonable efforts in working with the other Entergy Operating Companies (who ETI expects will work with their respective retail regulators) and the Commission in considering an extension of such authority beyond the five year transition period.

5. **MISO Governance (OMS)**—Provided that nothing in this agreement shall limit MISO's ability to expand upon or modify the implementation of the governance provisions herein as a result of the ongoing governance discussions in the MISO stakeholder process and among the OMS and ERSC, MISO agrees that prior to the expiration of the five-year transition period, it will file with FERC to provide the Organization of MISO States (OMS) with rights as follows:

   a. MISO will include alternative tariff sheets and justification proposed by the OMS in any cost allocation filing in which MISO seeks to amend or otherwise modify the regional transmission cost allocation methodologies or formulae, where OMS has an alternative proposal to a major element or elements of the MISO proposal. Inclusion of the alternative tariff sheets and justification proposed by the OMS will be contingent upon the alternative proposal meeting the qualifying circumstances set forth below:

      i. MISO is filing a new proposal seeking to amend the existing cost allocation methodology accepted by FERC for any of its regional transmission cost allocation methodologies.

      ii. At the conclusion of MISO's stakeholder process developing a proposal seeking to amend the existing cost allocation methodology:

SETTLEMENT IN PRINCIPLE

1. OMS disagrees with one or more components of the proposed MISO filing;
2. OMS provides an alternative approach to such component memorialized in the form of alternative Tariff provisions; and
3. The required supermajority or special majority of OMS members requests MISO to include the OMS's alternate Tariff sheets in MISO's filing seeking FERC acceptance of MISO's proposal referenced above.

iii. If the qualifying circumstances are met, MISO will include the OMS's alternative proposal in MISO's section 205 filing to modify the cost allocation methodology. The OMS's alternative proposal will be included along with MISO's proposal in the MISO filing in the following manner:

1. The OMS's alternative proposal will be included in the filing in addition to, not in lieu of, the MISO proposal and will be identified as being requested by the OMS.
2. OMS is responsible for supporting the justness and reasonableness of their alternative proposal.
3. MISO will include such justification as well as any testimony or other supporting documentation provided by OMS in MISO's filing as so requested by OMS, contingent upon OMS providing any supporting language in a time frame that is consistent with MISO's schedule for the filing.

iv. The inclusion of the OMS alternative proposal in MISO's filing is intended to ensure the OMS alternative proposal receives the same presumption as the MISO proposal and is subject to the same legal standard of review as the MISO proposal.

b. MISO also agrees that, upon the integration of all Entergy Operating Companies, MISO will file with FERC to:

i. Expand the retail representation on the Advisory Committee to include a retail regulator from the E-RSC;

ii. Create a new retail regulator committee that reports directly to the MISO Board of Directors ("Board") in the same way that the Advisory Committee and Transmission Owner's Committee reports to the Board today.

c. MISO also agrees to codify the advisory role of the OMS regarding transmission planning.

6. **MISO Cost/Benefit Review**—The Signatories agree that the PUCT will conduct a supplemental review of ETI's continued MISO membership prior to the end of five years from the date that the Company achieves integration into MISO or December 31, 2018, whichever occurs first. In connection with this supplemental review, one year prior to that date, ETI will submit a filing that includes a study analyzing the costs and benefits to date of MISO participation and a forward-looking cost/benefit analysis, which affords the opportunity for meaningful stakeholder input.

   a. **MISO Costs/Benefit Periodic Reports**—ETI agrees to work in cooperation with Staff to develop an appropriate framework for periodic analyses and reporting of the costs and benefits of ETI membership in MISO.

7. **Auction Revenue Rights ("ARRs")**—The Signatories agree that ETI will work with Staff, and receive stakeholder input, to analyze proposed MISO rule changes regarding ARRs to determine whether the proposed revisions to the rules for ARR allocations are expected to provide a reasonable allocation of ARRs to ETI, consistent with FERC standards. The Signatories further agree that the Commission's determination that the transfer of control to MISO is in the public interest shall be conditioned on the potential impact to ETI ratepayers of:

   a. the outcome of the proceedings for the establishment of MISO tariff and/or business practices, and/or FERC orders, addressing the manner in which ARRs can be nominated by ETI and the other EOCs and other Load Serving Entities in the Entergy footprint; and

   b. the projected ARR allocation to ETI.

Based on its consideration of these matters, the Commission may take further action as it deems appropriate, including determining whether changed circumstances justify reconsideration of its public interest determination.

SETTLEMENT IN PRINCIPLE

ARR Reporting—ETI agrees that it will share the results of its analysis of projected ARR allocations to the Entergy Operating Companies with the Staff, the Cities, and the outside counsel and outside consultant that have represented TIEC in Docket No. 40346, as Highly Sensitive information subject to the Docket No. 40346 Protective Order, after MISO files its proposed ARR tariff provisions with the FERC. ETI further agrees that it will consult with Staff on an ongoing basis, during the MISO stakeholder process and when the new tariff changes are filed for FERC review, to analyze the MISO ARR tariff and business practice changes to determine whether the proposed revisions are expected to provide a reasonable allocation of ARRs to the Company, consistent with FERC standards.

8. **Cost Recovery**—The Signatories agree that it is not necessary to address at this time cost recovery issues related to: 1) the level of ARR allocation received by ETI; or 2) the cost of transmission upgrades for integrating ETI into MISO, if any, which are not included in the Company's cost/benefit analysis in Docket No. 40346. The Signatories reserve their right to address such issues in a future appropriate rate setting proceeding.

9. **Bundled Rate Exemption**—ETI agrees that it will not unbundle transmission or seek to make changes to transmission service for retail ratemaking without prior PUCT approval. ETI, while it is a transmission owner in MISO, commits to take all reasonable steps to qualify for the exemption for bundled retail load from MISO Schedule 9 transmission charges under the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff. ETI also commits, while a transmission owner in MISO, to oppose any efforts by MISO transmission owners or others to modify the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff and/or the MISO Transmission Owners Agreement in a manner that would subject ETI to MISO Schedule 9 transmission charges for bundled retail load.

10. **Transmission Congestion Reporting**—ETI agrees that it will provide regular periodic updates to the Commission which detail its ongoing efforts, through its own transmission planning and its participation in the MISO transmission expansion planning process, to proactively identify, advocate and pursue construction of transmission upgrades that are reasonably forecasted to provide a net economic benefit toward reducing ETI's cost to provide reliable electric service to its retail customers.

SETTLEMENT IN PRINCIPLE

11. **SPS Acknowledgement**—The Signatories acknowledge that Southwestern Public Service Company ("SPS") requested that the Commission use its membership in the SPP Regional State Committee and the MISO Organization of MISO States to encourage both SPP and MISO to investigate: 1) implementing a joint reserve sharing or contingency reserve co-optimization arrangement that would pool the resources of both SPP and MISO into a larger coördinated reserve sharing pool; and 2) modifying the existing SPP/MISO JOA to enable improved operational and planning coordination between SPP and MISO to accommodate ETI's membership in MISO.

12. **Additional Provisions**—After ETI joins MISO, it shall remain responsible and accountable for the operation of its systems, including but not limited to: the manner in which it participates in any MISO-administered market; how it offers its generation into the MISO Day Ahead and Real Time Markets; how it offers load into the MISO Day Ahead market; bidding and scheduling; any actions it takes to supply its retail loads; any actions it takes to procure fuel, capacity and/or energy; the prudent administration and management of its energy supply contracts; the prudent administration and management of its energy supply transactions with MISO; its obligation to ensure that the charges and credits received from MISO are correct and accurate; appropriate management of nominating ARRs, conversion to or use of FTRs and appropriate crediting of ARR and FTR receipts, and any resource adequacy market transactions.

Staff shall have complete access to information and full rights to conduct audits of costs incurred by or credited to ETI and to conduct prudence reviews, as needed, in connection with these and related activities within ETI's control, including activities associated with transitioning to an operating within membership in MISO. These audits and prudence reviews rights are not intended to make ETI responsible for activities required by a valid FERC tariff and which are undertaken by MISO that are therefore beyond ETI's control. Ensuring that MISO charges and credits to ETI are correct and accurate, however, will be the explicit responsibility of ETI to the extent that it is reasonably possible for ETI to do so consistent with the information that is available to it. ETI must undertake all reasonable efforts to verify the correctness and accuracy of these charges and credits which will include all reasonable efforts to obtain the information necessary to verify the accuracy of these charges and credits. ETI must also validate that the charges and credits it receives are being assessed pursuant to the MISO tariff.

ETI shall provide Staff a list and description of the principles observed, practices and protocols utilized by ETI in its capacity and energy procurement, including but not limited to: the manner of offering in generation and bidding and scheduling load into the Day Ahead and Real Time Markets, ARR nominations and all other material aspects of any MISO-administered market interaction, when requested. ETI will maintain contemporaneous documentation of the activities listed in the previous sentence. The scope of the documentation and the extent to which each and every departure from established protocols must be documented and justified will be determined on a cooperative basis between Staff and the Company. This condition is not intended to alter FERC or Commission jurisdiction.

Executed as shown below:

Dated this ___ day of August, 2012.

PUBLIC UTILITY COMMISSION OF TEXAS STAFF

By: ___________________________

Date: August ___, 2012

ENTERGY TEXAS, INC.

By: ___________________________

Date: August ___, 2012

STEERING COMMITTEE OF CITIES SERVED BY ETI

By: ___________________________

SETTLEMENT IN PRINCIPLE

Date: August ___, 2012

MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.

By: ______________________________

Date: August ___, 2012

EAST TEXAS ELECTRIC COOPERATIVE, INC.

By: ______________________________

Date: August ___, 2012

SOUTHWESTERN PUBLIC SERVICE COMPANY

By: ______________________________

Date: August ___, 2012

____

By: ______________________________

Date: August ___, 2012

____

By: ______________________________

Date: August ___, 2012

____

SETTLEMENT IN PRINCIPLE

By: ______________________________

Date: August ___, 2012

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Tax Abatement

RESOLUTION (ID # 2472)

DOC ID: 2472

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ELECTING TO PARTICIPATE IN THE TAX
ABATEMENT PROGRAM UNDER TEXAS TAX CODE CHAPTER 312

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

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); and

WHEREAS, the Act requires the City of Liberty to elect to make itself eligible to engage in a Tax Abatement Program pursuant to Chapter 312 of the Texas Tax Code.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby elect to participate in a Tax Abatement Program under Chapter 312 of the Texas Tax Code.

PASSED AND APPROVED this the 14th day of August, 2012.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____

Dianne Tidwell, City Secretary

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Tax Abatement

RESOLUTION (ID # 2473)

DOC ID: 2473

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

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); and

WHEREAS, the Act requires the City of Liberty to establish guidelines and create criteria for the designation of Reinvestment Zones and the entering into Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby adopt the attached guidelines and criteria for tax abatement.

PASSED AND APPROVED this the 14th day of August, 2012.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

GUIDELINES AND CRITERIA

FOR

TAX ABATEMENT

July 13, 2010 – July 12, 2012

<u>Mayor</u>

Carl Pickett

<u>City Council</u>

Dennis Beasley
Frank Jordan
Louie Potetz
Mike McCarty
Al Simonson
Diane Huddleston

CITY OF LIBERTY
SCHEDULE OF TAX ABATEMENT EVENTS

STEP 1 Request for information on Tax Abatement.

STEP 2 Application for Abatement received by City.

STEP 3 Discussions with applicant about application. Gathering data to meet City of Liberty Tax Abatement Guidelines and Criteria to qualify for tax abatement. Written response on findings to Applicant.

STEP 4 Notification of Public Hearing on designation of a Reinvestment Zone for the purpose of tax abatement:

A. to all taxing entities no later than seven days prior to meeting;

B. publication and posting no later than seven days prior to meeting.

STEP 5 Public hearing on designation of a Reinvestment Zone for the purpose of tax abatement.

STEP 6 Adoption of Ordinance designating an area a Reinvestment Zone.

STEP 7 Notice of City's intent to consider entering into a Tax Abatement Agreement sent to all taxing entities no later than seven days prior to City Council meeting. Taxing entities must be sent a copy of proposed abatement agreement with notification.

STEP 8 City Council considers Resolution authorizing the Tax Abatement Agreement and authorizes the Mayor to execute the agreement.

STEP 9 Applicant begins construction and/or acquisition of property described in abatement.

STEP 10 Completion of improvements:

A. City inspects the project improvements for compliance with agreement;

B. City receives accounting statement and/or list of capital expenditures on improvements for compliance with agreement;

C. City issues Certification of Completion/Compliance.

STEP 11 Certificate of Completion/Compliance filed with Tax Collector and Chief Appraiser.

STEP 12 Prior to April 1 of the year following the Agreement; the City sends to the Texas Department of Commerce and to the State Property Tax Board a copy of the following:

A. Reinvestment Zone Designation including general description, size, and type of property it includes;

B. Tax Abatement Agreement Including parties involved, property description and improvements or repairs to be made the portion of property to be exempted and the term of agreement.

C. Annual report on each Reinvestment Zone.

STEP 13 Prior to May 1 of the year following the agreement, (and each year thereafter) the company files form titled "Application for Abatement" with the Liberty County Central Appraisal District, P. O. Box 10016, Liberty, TX 77575.

STEP 14 At expiration of agreement or a termination due to noncompliance, the City will issue a Termination of Agreement to company with copies to all taxing entities, Tax Collector and Chief Appraiser, the Texas Department of Commerce and the State Property Tax Board.

CITY OF LIBERTY

GUIDELINES AND CRITERIA

FOR TAX ABATEMENT

LIST OF EXHIBITS

CITY OF LIBERTY
GUIDELINES AND CRITERIA
FOR
TAX ABATEMENT

INTRODUCTION

The City of Liberty has implemented a Tax Abatement Program under the provisions of Property Redevelopment and Tax Abatement Act found in Chapter 312 of the Texas Tax Code. The has adopted this uniform policy and these Guidelines and Criteria for Tax Abatement for businesses with qualifying real and personal property willing to execute tax abatement agreements with the City. The goal of tax abatement is to provide long significant impact on this community and to utilize area contractors and work force to the maximum extent feasible by developing, redeveloping and improving real property.

Tax Abatement will be negotiated with the property owner within a Reinvestment Zone. Tax Abatement is available to property owners according to the schedule outlined in Exhibit A. The agreement between the City and the Business will exempt from taxation all or part of the increase in value of the real property over its value in the year in which the agreement is executed. It can also exempt from taxation tangible personal property limited to manufacturing equipment.

It is the intent of these Guidelines and Criteria to outline the policy of the City toward tax abatement to determine the eligibility criteria of the industry and to outline the process for designating a Reinvestment Zone. These Guidelines and Criteria further outline the terms of the Tax Abatement Agreement with the business and the process for seeking tax abatements from the other taxing entities.

These general Guidelines and Criteria are not intended to be restrictive in any way, and are designed to be used as a guide to any business, industry or individual interested in Tax Abatement. The Guidelines and Criteria have been approved by the City Council as evidenced by the adoption of Resolution dated July 13, 2010, (which is attached to this document as Exhibit B).

These guidelines and criteria should not be construed as implying or suggesting that the City of Liberty is under any obligation to provide tax abatement or other incentive to any applicant. All applications shall be considered on a case by case basis.

POLICY

It is the policy of the City of Liberty to use tax abatement as an effective tool for economic development. Tax Abatement will be used to exempt owners of property within the Reinvestment Zone from paying taxes on improvements on that property according to the schedule outlined in Exhibit A.

ELIGIBILITY PROCEDURES AND GUIDELINES

Procedures

Prior to beginning any demolition, rehabilitation, reconstruction or construction, purchase or any improvement to be included in a tax abatement agreement, the owner and/or developer shall first submit to the City, in writing, a request for tax abatement. The City will then determine the eligibility of the business and the proposed improvements and upon determination of eligibility, the City shall respond to such in writing. As outlined in the Tax Abatement Agreement (discussed in detail later in this document), the business is required to meet all codes and ordinances and acquire all permits required prior to any construction. Contact should be made early in the project with the City's Building Inspector.

Guidelines

The following guidelines will apply to all categories of redevelopment:

The proposed property to be affected must be designated by the City of Liberty as a reinvestment zone by ordinance pursuant to Chapter 312 of the Texas Tax Code or designated as an Enterprise Zone by the State of Texas.

The property owner must enter into an agreement with the City of Liberty which satisfies the guidelines and criteria adopted by the City of Liberty.

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.

The information furnished with a request to the City is confidential and not subject to public disclosure until the tax abatement agreement is executed.

A portion of the value of the real property, or of tangible personal property, located on the real property or both may be part of the tax abatement agreement.

Abatement for real property will be based on the increase in market value of the real property from the development, redevelopment, and/or improvement specified in the abatement contract.

Abatement for tangible personal property will be the market value of the personal property located on the real property, other than inventory or supplies. Personal property located on the real property before the period covered by the agreement will not be considered for tax abatement. Personal property may be considered as part of the overall abatement agreement or by separate agreement. Personal property is limited to manufacturing equipment and must equal a minimum of $200,000.

In the evaluation of abatement contracts, the City of Liberty will consider the burden on existing basic services that the development, redevelopment, or improvement proposed by the abatement applicant will have.

The following general guidelines will apply in these categories:

<u>New Construction.</u> Any new building should be of quality design and construction. New construction should complement and blend with existing structure. Proper landscaping and lighting is encouraged in order to enhance the overall quality of life for the City. New construction should also provide key pedestrian linkages through construction or repair of sidewalks as appropriate.

<u>General Redevelopment.</u> Any redevelopment activity should take full advantage of the unique architectural characteristics of the area. Redevelopment should be of high quality in order to create an image needed to further attract development. The buildings to be rehabilitated must meet all City codes as a minimum standard. Normal maintenance cost alone should not be considered eligible for tax abatement.

<u>Historical Areas.</u> Any construction in a Reinvestment Zone in a historical area should be accomplished in a manner that will preserve, where possible, the original character and architectural integrity. Each building should have, where possible, the original wood, brick, metal or stone exteriors retained. When refinishing the exterior walls, new exterior finishes should have colors and textures, which will blend with the original. consideration should be given to the removal of artificial facades constructed on building. Signs should be subdued and of a scale and character which will blend with and complement the surrounding environment.

<u>Exterior Building Repairs.</u> In a reconstruction project, the business should make every effort to remove all miscellaneous and/or abandoned electrical, plumbing, drainage and other mechanical equipment from the building exterior. New mechanical systems and utility services should be installed in such a way that it will not detract from the building appearance. The contractor should leave all openings in tact where possible and avoid cement blocking or boarding up of windows or doors. Lighting and landscaping of signing should be carefully used to create a pleasant and secure environment throughout the area.

<u>Land Use.</u> The land use in a business district should promote and encourage uses, which generate large numbers of people, create a stimulating atmosphere and provide a

sense of security. It should encourage quality office development which will provide daytime customers for support service, such as retail shops and restaurants and encourage development which would generate outdoor activity such as sidewalk cafes, street vendors, sidewalk art sales, concerts, etc.

Personal Property. Personal property limited to manufacturing equipment may be eligible for tax abatement. Any personal property of this nature should be identified in Exhibit E-2 of the Tax Abatement Agreement. The taxable situs of any personal property abated in an agreement must be within the taxing jurisdiction of the City of Liberty for the term of the abatement unless such property is sold. Should the situs of the personal property change, the property owner shall notify the appraisal district.

REINVESTMENT ZONE

General. There are two types of zones that may be created for tax abatement. They are Residential Reinvestment Zones and Commercial/Industrial Reinvestment Zones. Each Zone must have one of these designations.

There are seven criteria under which either of Reinvestment Zones may be designated. An area may meet any one of these seven in order to qualify. They are as follows:

Criteria for Designation.

An area must (as provided in Chapter 312 of Texas Tax Code):

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions; or

(2) be predominately open and, because of obsolete platting or deterioration of structures of site improvements, or other factors, substantially impair or arrest the sound growth of the City; or

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community; or

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and community Development Act of 1974; or

(5) encompass signs, billboards, and other outdoor advertising structures designated by the City Council for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the City, which the Legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act; or

(7) Be reasonably likely, as the 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 contribute to the economic development of the City.

Process for Designation.

A public hearing must be held prior to the adoption of the Ordinance. A notice of public hearing must be published in the newspaper not less than seven days before the date of the hearing. Following the public hearing, the Ordinance creating the Reinvestment Zone may be adopted.

A Reinvestment Zone must be created by Ordinance. The Ordinance must describe the boundaries of the Zone by metes and bounds and describe the designation of the Zone as residential or industrial/commercial; such description to be provided by the applicant prior to the designation of the Zone.

A Reinvestment Zone designation expires after five years and may be renewed for an additional five years. However, the term of an existing Tax Abatement Agreement within the Zone is not affected. There is no limit as to the size or number of Reinvestment Zones the City of Liberty may have. All Zones must, however, conform to the comprehensive zoning ordinance of the City. A copy of a proposed Reinvestment Zone Ordinance is attached as Exhibit C.

TAX ABATEMENT AGREEMENT

General

The Tax Abatement Agreement, between the City and the business, is entered into after the creation of a Reinvestment Zone.

Provisions of Agreement

An Agreement must include the following provisions (as provided in Chapter 312.205 (a) of the Texas Tax Code). Provisions must:

(1) list the kind, number and location of all proposed improvements of the property, and

(2) provide for access to an authorize inspection of property by municipal employees to ensure that the improvements or repairs or purchase of personal property were made according to the specifications or conditions of the Agreement, and

(3) limit the uses of the property consistent with the general purposes of encouraging development or redevelopment of the Zone during the period that the property tax exemptions are in effect, and

(4) provide for recapture of property tax revenue lost as a result of the Agreement if the owner of the property fails to make the improvements or repairs or purchases of personal property as provided by the Agreement.

(5) contain each term agreed to by the owner of the property;

(6) require the owner of the property to certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; and

(7) provide that the governing body of the municipality may cancel or modify the agreement if the property owner fails to comply with the agreement.

An Agreement with the business may also include, at the option of the City, the following provisions (as Provided by Chapter 312.205 (b) of the Texas Tax Code):

(1) Improvements or repairs by the City to streets, sidewalks, and utility services or facilities associated with the property, except that the Agreement may not provide for lower charges or rates than are made for other services or properties of similar character.

(2) An Economic Development Feasibility Study including a detailed list of estimated improvement costs, a description of the methods of financing all estimated costs and the time when the related costs or monetary obligations are to be incurred.

(3) A map showing uses and conditions of real property in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(4) A map showing proposed improvements and uses in the Reinvestment Zone in relation to property descriptions as used by Liberty County Central Appraisal District.

(5) Proposed changes of the zoning ordinance, master plan, map, building codes and City ordinances.

(6) The recapture of all or a portion of property tax revenue lost as a result of the agreement if the owner of the property fails to create all or a portion of the number of new jobs provided by the agreement, if the appraised value of the property subject to the agreement does not attain a value specified in the agreement, or if the owner fails to meet any other performance criteria provided by the agreement, and payment of a penalty or interest, or both, on that recaptured property tax revenue.

Process for the Adoption of the Agreement

Prior to entering into the proposed Agreement, the City must publish notice of consideration of establishing a Reinvestment Zone for the purpose of entering into a Tax Abatement Agreement, and a copy of the notice must be delivered, either by registered or certified mail, or in person, to the appropriate county and school official prior to the meeting at which the Agreement is discussed. The City must also deliver a copy of the proposed Agreement to the presiding officer of Liberty County, Liberty Independent School District, and other taxing authorities with jurisdiction in the Reinvestment Zone along with written notice that the City intends to enter into the Agreement. This proposed Agreement must be delivered, either by registered or certified mail, or in person, seven days prior to the date the City intends to enter into the Agreement.

The City Council may then adopt a Resolution, attached as Exhibit D, authorizing the Tax Abatement Agreement. A copy of a sample Tax Abatement Agreement is attached as Exhibit E.

The Tax Abatement Agreement may be modified or terminated by mutual consent of the parties.

CONCLUSION

The City of Liberty has developed and adopted these Guidelines and Criteria in order to allow any business interested in tax abatement opportunity to understand the requirements and processes.

These Guidelines are subject to and governed by Chapter 312 of the Texas Tax Code and the statutes, rules and regulations of the State of Texas and the United States of America. In case of any conflict between the guidelines and any statute, the statute shall control.

These Guidelines and Criteria are effective for a two year period and may be renewed or amended after that date using the same procedure for adoption as was followed for this adoption. However, any amendment, alteration, or repeal of these Guidelines and Criteria can only become effective upon vote by three-fourths of the members of the City Council.

For reference purposes, Chapter 312.204 of the Texas Tax Code is attached as Exhibit F.

For reference purposes, an Outline of Procedures for Tax Abatement: Establishing Guidelines and Criteria for Designating Reinvestment Zones and for Entering into Tax Abatement Agreement are included as Exhibit G.

For reference purposes, a Commercial/Industrial Tax Abatement Application is included as Exhibit H.

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

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 personal property improvements of qualified businesses in Commercial/Industrial Reinvestment Zones 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. 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 not less than $200,000.00.

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

EXHIBIT B

A RESOLUTION BY THE CITY COUNCIL OF THE
CITY OF LIBERTY, TEXAS, ADOPTING GUIDELINES
AND CRITERIA FOR TAX ABATEMENT.

WHEREAS, the City Council of the City of Liberty desires to promote the development/redevelopment of certain contiguous geographic areas within its jurisdiction; and

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); and

WHEREAS, the Act requires the City of Liberty to establish guidelines and create criteria for the designation of Reinvestment Zones and the entering into Tax Abatement Agreements.

NOW, THEREFORE, BE IT RESOLVED that the City of Liberty does hereby adopt the attached guidelines and criteria for tax abatement.

PASSED AND APPROVED this 13th day of July, 2010.

CITY OF LIBERTY, TEXAS

____
Carl Pickett, Mayor

ATTEST:

____
Dianne Tidwell, City Secretary

EXHIBIT C - Guidelines and Criteria
EXHIBIT E-1 - Tax Abatement Agreement

ORDINANCE NO. ________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, DESIGNATING A CERTAIN AREA AS A COMMERCIAL/INDUSTRIAL REINVESTMENT ZONE, CITY OF LIBERTY, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

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 ________ p.m. on the ______ day of __________________ 20____, such date being at lease 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, Liberty Independent School District, and other taxing authorities with jurisdiction in the reinvestment zone 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 C-1 and depicted in the drawing attached hereto as Exhibit C-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 public 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 C-1 and C-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 ______, __________________________, City of Liberty, Texas, (the "Zone").

SECTION 4: That operation of the Zone shall commence on _________________, 20_____, for a period of five years, may be renewed for an additional five years or may terminate sooner by subsequent ordinance.

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 C-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 ____________________, and the publication of said notices, are hereby ratified, approved and confirmed.

PASSED, APPROVED AND ADOPTED on the ______ day of __________________, 20_____.

CITY OF LIBERTY

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

EXHIBITS TO ORDINANCE

C-1	Metes and Bounds description of zone
C-2	Map of Zone
C-3	Tax Abatement Schedule

EXHIBIT C-1

METES AND BOUNDS DESCRIPTION OF
REINVESTMENT ZONE

EXHIBIT C-2

DRAWING (PLAT) OF
REINVESTMENT ZONE

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

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
1-5	100%
6	75%
7	50%

EXHIBIT D

RESOLUTION NO. _________

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, AUTHORIZING AN AGREEMENT FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT FOR REINVESTMENT ZONE NO. _______.

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

WHEREAS, the City Council has established a Commercial/Industrial Reinvestment Zone by Ordinance No. ________ for _______________________.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Liberty, Texas, does hereby authorize entering into a Commercial/Industrial Tax Abatement Agreement with __________________, Reinvestment Zone No. ____________.

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

PASSED, APPROVED AND ADOPTED this _______ day of __________________,
20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

EXHIBIT E
SAMPLE 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 ______company________. 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. ______________________ ("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. ____ ("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 C with Exhibits C-1 and C-2 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 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 E attached hereto and made a part hereof.

3. Company will construct within the Zone improvements and/or purchase certain tangible personal property, limited to manufacturing equipment, for use in the Zone, and prior to completion or purchase by ______________ ("Completion Period") spend a minimum of $____________ in construction cost and/or a minimum of $_____________ in personal property costs.

4. A list of the kind, number and location of al proposed improvements constituting the Facilities are attached to this Agreement as Exhibit E-5. 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 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 F 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 ____ ____.

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

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 _______ day of ____________________, 20____, 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	$___________________
Personal Property	$___________________
Total Base Value	$___________________

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 E-1, Tax Abatement Schedule.

19. The term of the exemption will be for a period of six (6) years, beginning January 1, 20 ____. 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 E-2 of this Agreement and/or purchase or cause to be purchased certain tangible personal property as set forth in Exhibit E-2 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 Exhibit E-2.

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 set out in Exhibit E-3 of this Agreement. 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.

24. A map showing existing uses and conditions of company's property within the Zone is attached as Exhibit E-4 and incorporated herein by reference.

25. A map showing proposed improvements and uses to Company's property within the Zone is attached as Exhibit E-5 and incorporated herein by reference.

WITNESS OUR HANDS, this _________ day of _________________, 20____.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____
Dianne Tidwell
City Secretary

"Company"

By
____

Title
____

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me, the undersigned authority, on this day personally appeared ________________________, ___________________, ____________________, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity herein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the ________ day of _____________, 20____.

____

Notary Public in and For the
State of Texas

THE STATE OF TEXAS

COUNTY OF LIBERTY

Before me the undersigned authority, on this day personally appeared _______________________, Mayor of the City of Liberty, a Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to met that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said Corporation.

Given under my hand and seal of office on this the _______ day of ______________, 20____.

____

Notary Public in and for the
State of Texas

EXHIBIT A - Guidelines and Criteria
EXHIBIT C-3 - Ordinance Designating Reinvestment Zone
EXHIBIT E-1 - Tax Abatement Agreement

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 Zones as follows:

The value of any real property improvements must equal $10,000.00 minimum.

New development cost must equal $50,000.00 minimum

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

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

TAX ABATEMENT AGREEMENT
EXHIBIT E-2

(List of personal property, limited to manufacturing equipment)

EXHIBIT E-3

CERTIFICATE OF COMPLIANCE

AGREEMENT FOR DEVELOPMENT AND TAX ABATEMENT

WITH ______________________________

IN REINVESTMENT ZONE NO. ________ CITY OF LIBERTY

FOR COMMERCIAL/INDUSTRIAL TAX ABATEMENT

CITY OF LIBERTY, TEXAS

THE STATE OF TEXAS:

COUNTY OF LIBERTY

______________________, (The "Company") hereby certifies that the real and/or personal property improvements on the property, described on Exhibit e-2, as attached hereto, as called for in the above referenced Agreement, have been completed and that all facilities and improvements have been constructed or acquired pursuant to said Agreement.

Signed the ______ day of ______________, 20____.

____

Name, Title

The above described improvements have been accepted by the City of Liberty, Texas, as being in compliance with the above-referenced Agreement, and that pursuant to said Agreement, the exemption from taxation shall commence on _________ and the "base value" for the purposes of determining the taxable value of the Premises shall be the value of the property as established in the said Agreement.

Signed this ____ day of ________________, 20____.

____

Inspector

EXHIBIT E-4

MAP SHOWING EXISTING USES AND
CONDITIONS OF REAL PROPERTY

EXHIBIT E-5

MAP/LIST OF PROPOSED
IMPROVEMENTS AND USES

EXHIBIT F

Sec. 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 ten (10) years, on the condition that the owner of the leasehold interest may 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 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, and 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 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.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, § 14.10(a), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 486, § 1, eff. June 14, 1989; Acts 1989, 71st Leg., ch. 1137, § 6, 7, eff. Sept. 1, 1989; Acts 1995, 74th Leg., ch. 985, § 13, eff. Sept. 1, 1995; Acts 2001, 77th Leg., ch. 560, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 640, § 1, eff. June 13, 2001; Acts 2001, 77th Leg., ch. 765, § 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1016, § 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1258, § 1, eff. June 15, 2001; Acts 2003, 78th Leg., ch. 149, § 18, eff. May 27, 2003; Acts 2003, 78th Leg., ch. 978, § 5, eff. Sept. 1, 2003; Acts 2005, 79th Leg., ch. 412, § 16, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 728, § 23.001(82), eff. Sept. 1, 2005;

SECTION 312.2041. **Notice of Tax Abatement Agreement to Other Taxing Units**.

(a) Not later than the seventh day before the date on which the municipality enters into an agreement under Section 312.204 or 312.211, the governing body of the municipality or a designated officer or employee of the municipality shall deliver to the presiding officer of the governing body of each other taxing unit in which the property to be subject to the agreement is located a written notice that the municipality intends to enter into the agreement. The notice must include a copy of the proposed agreements.

(b) A notice is presumed delivered when placed in the mail postage paid and properly addressed to the appropriated presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.

(c) Failure to deliver the notice does not affect the validity of the agreement.

Added by 1989 Tex. Law, p. 185, ch. 2, sec. 14.11; amended by 1989 Tex. Laws, p. 4685, ch. 1137, Sec. 8; amended by SB 1596, 75th Tex, Leg., 1997, eff. September 1, 1997, and by HB 1239, 75th Tex. Leg., 1997, eff. September 1, 1997.

EXHIBIT G

COMMERCIAL/INDUSTRIAL TAX ABATEMENT APPLICATION

Name of Company ____

Address ____
(Street) (Mailing, if different)

City________ ________________ State ______________ Zip ______________

Phone ____

Contact Person____

I. List kind, number and location of all proposed improvements of the property, both real and personal (attach an additional sheet if necessary).

II. Attach to this application:

(A) a map showing current uses and conditions of real property;

(B) a map showing proposed improvements and uses.

Use a copy of the Liberty County Central Appraisal District map of your property as the base map for your property. You can get this from their office at 2030 Sam Houston Street, Liberty, Texas. There will be a minimal charge. Liberty County Central Appraisal District now requires that all applications for Tax Abatement use a District map as the base map for all drawings or improvements and Reinvestment Zones.

III. Attach a metes and bounds description of the property.

The City of Liberty Guidelines and Criteria for Tax Abatement establishes the following Tax Abatement criteria:

As a minimum, the value of any real property improvements must equal $10,000.00.

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

The Amount of abatement is as follows:

Year	% OF ADDED VALUE TO BE ABATED
1-5	100%
6	75%
7	50%

IV. Company plans to invest $______________ in real property improvements and/or invest $_____________ in personal property (manufacturing equipment prior to _________________ (date).

V. The current taxable value of the property of the Company is:

Real Property ______________________

Personal Property ______________________

Total ______________________

You will receive a written response to your application for Commercial/Industrial Tax Abatement .

Dianne Tidwell
City Secretary
1829 Sam Houston
Liberty, TX 77575

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Project Updates

COUNCIL ACTION (ID # 2474)

DOC ID: 2474

EXPLANATION:
Project on Aging Board President Chip Fairchild will be present to address Council regarding this issue.

.

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Bids

COUNCIL ACTION (ID # 2475)

DOC ID: 2475

EXPLANATION:
At this time, Management is still gathering information for this agenda item.

.

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

Meeting: 08/14/12 06:00 PM
Department: Administration
Category: Bids

COUNCIL ACTION (ID # 2476)

DOC ID: 2476

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Library Fence- August 2012 $10,000 Budget

	Chain Link 6 ft.	Chain Link 8 ft.	Ornamental Iron 6 ft.	Ornamental Iron 5 ft.	Vinyl 6 ft.	Vinyl 5 ft.
Greak Fence Co.- Liberty, TX	380 ft.- $4765	380 ft.- $4435	380 ft.- $9135	380 ft.- $8950	380 ft.-$9825	0
Options	*Vinyl Coated-* 380 ft.- $5165	*Vinyl Coated-* 380 ft.- 4685				
Houston Fence Co.- Houston, TX			350 ft.- $8627.30	350 ft.- $8084.63	350 ft.- $12,458.14	0
Options	*Vinyl Coated-* 350 ft.- $8225	*Vinyl Coated-* 350 ft.- $7875	*Tango-* 350 ft.- $20,967.08	*Tango-* 350 ft.- $20,166.28		
Foster Fence- Houston, TX			340 ft.- $18,472.10	340 ft.- $16341.86	340 ft.- $6659.19	340 ft.- $5961.60

Greak Fence Company
2301 Centennial
Liberty, Texas 77575
409-201-2139

Fence Proposal

City of Liberty – Humprey Cultural Center
Donna Abshire

July 19, 2012

Worked to be performed: Install approximately 380' fence. Please see bids for four different types of fencing:

Chain Link Fencing

1. **Install approximately 380' of 6'x 9 gauge knuckle/knuckle chain link fencing**
   a. **Terminal posts to be 3" x 10' schedule 40**
   b. **Line posts to be 1 5/8" x 8' schedule 40**
   c. **Top rail to be 1 5/8" schedule 40**
   d. **All terminal posts and line posts to be cemented a minimum of 2' in the ground**
   e. **Total costs labor and material - $4,765.00 (four thousand seven hundred and sixty-five dollars)**
2. **Install approximately 380' of 5'x 9 gauge knuckle/knuckle chain link fencing**
   a. **Terminal posts to be 3" x 8' schedule 40**
   b. **Line posts to be 1 5/8" x 7' schedule 40**
   c. **Top rail to be 1 5/8" schedule 40**
   d. **All terminal posts and line posts to be cemented a minimum of 2' in the ground**
   e. **Total costs labor and material - $4,435.00 (four thousand four hundred and thirty-five dollars)**

Ornamental Iron Fencing

3. **Install approximately 380 o f 6' 3-rail black ornamental iron fencing**
   a. **Terminal and line post to 2" square post x 8'**
   b. **Rails to be 6' x 8' 3-rail black ornamental iron (see attached picture)**
   c. **Total costs labor and material - $9,135.00 (Nine thousand one hundred and thirty-five dollars)**
4. **Install approximately 380 o f 5' 3-rail black ornamental iron fencing**
   a. **Terminal and line post to 2" square post x 8'**
   b. **Rails to be 5' x 8' 3-rail black ornamental iron (see attached picture)**
   c. **Total costs labor and material - $8,950.00 (Eight thousand one hundred and fifty dollars)**

Vinyl Fencing

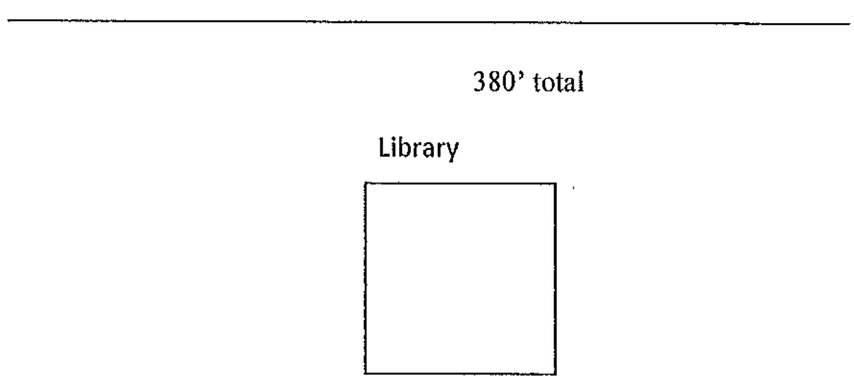
5. **Install approximately 380' x 6 vinyl fencing**
    a. **Post to be 6" x 8' vinyl post**
    b. **Fence to 6' x 6' vinyl panels (see attached)**
    c. **Total costs labor and material - $9,825.00 (Nine thousand eight hundred and twenty-five dollars.**
6. **Vinyl fencing does not have 5' height**
7. **Install approximately 380' of 6' black vinyl coated chain link fencing**
    a. **Terminal posts to be 3" x 10'**
    b. **Line posts to be 1 5/8" x 8'**
    c. **Top rail to be 1 5/8"**
    d. **All terminal posts and line posts to be cemented a minimum of 2' in the ground**
    e. **Total costs labor and material - $5,165.00 (five thousand one hundred and sixty-five dollars)**
8. **Install approximately 380' of 5' black vinyl coated chain link fencing**
    a. **Terminal posts to be 3" x 9'**
    b. **Line posts to be 1 5/8" x 6 ½'**
    c. **Top rail to be 1 5/8"**
    d. **All terminal posts and line posts to be cemented a minimum of 2' in the ground**
    e. **Total costs labor and material - $4,685.00 (four thousand six hundred and eighty-five dollars)**

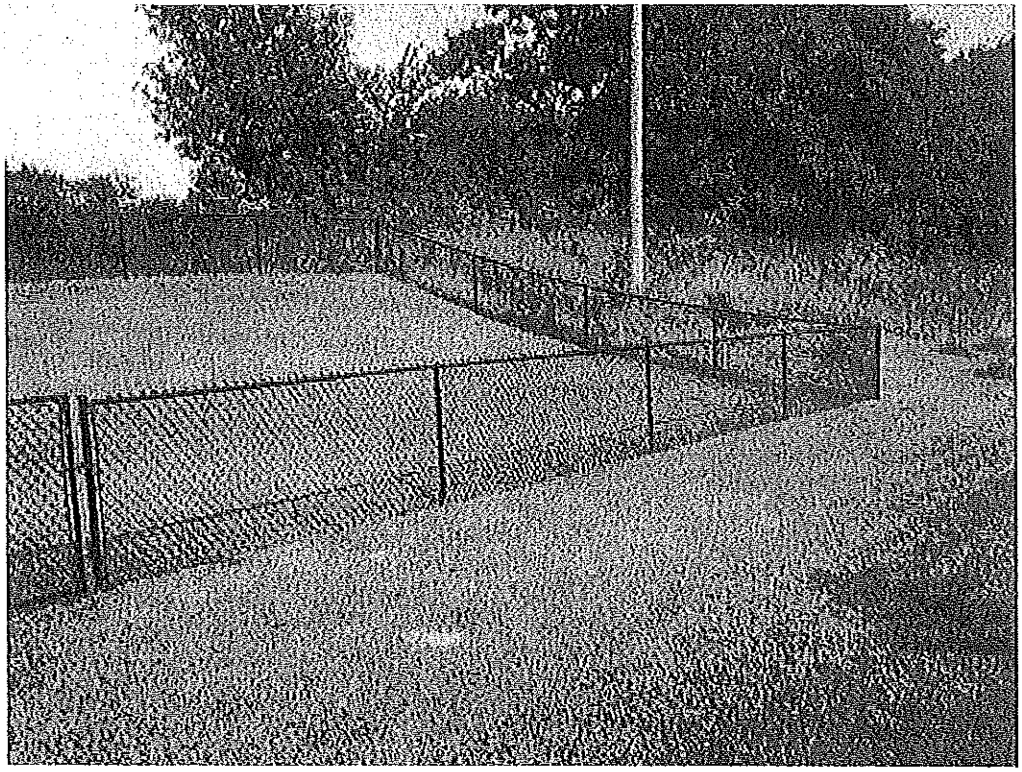
Thank you for the opportunity to place a bid for this work.

Sincerely,

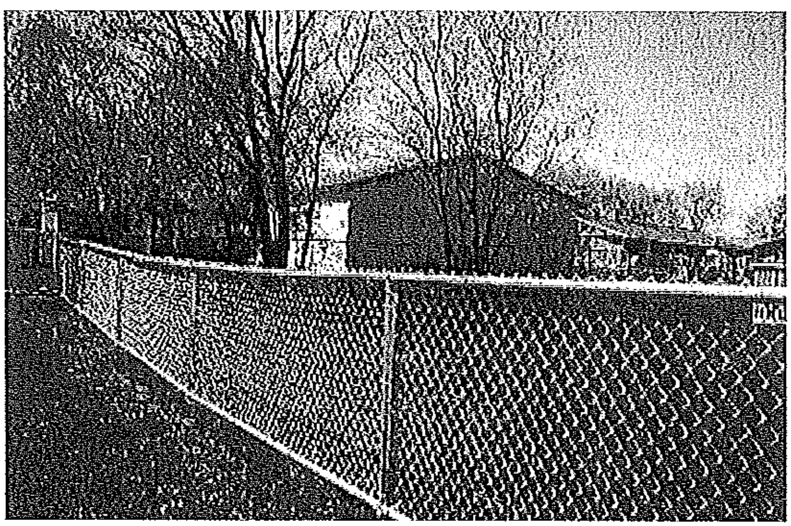
David Greak

Greak Fence Company

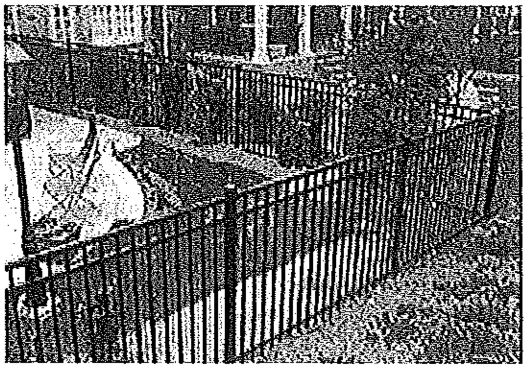




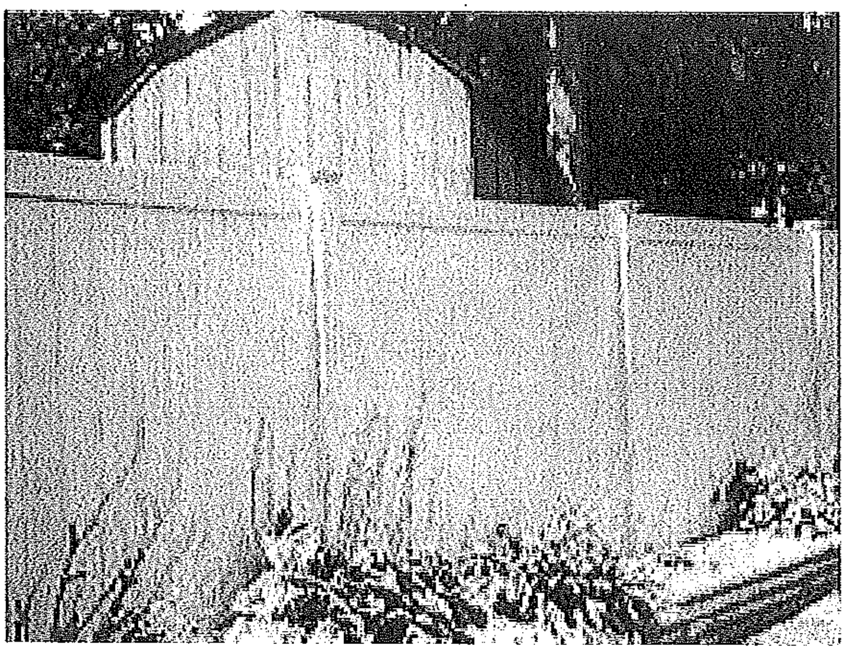
Black vinyl



Knuckle-Knuckle chain link 9 gauge



3 rail black ornamental iron



Vinyl fencing

HOUSTON Fence Company
Since 1952

Tel (281) 499-2516
Fax (281) 499-2742
www.houstonfence.com

ESTIMATE SHEET

Date: 7-12-12 Salesperson: JACE Chapman Source:

Customer: Liberty Municipal Library Appt. Date:

Address: 1710 SAm Houston Appt. Time:

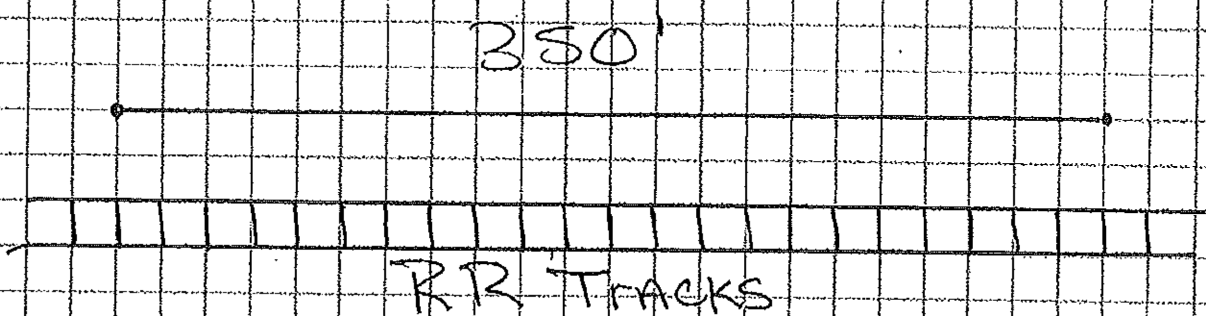
Liberty TX 77575 Key Map:

Cell #: Cross Street:

~~Home~~ FAX #: 936-336-2414 Email #1: dabshire@cityofliberty.org

Work #: 936-336-8901 Email #2:

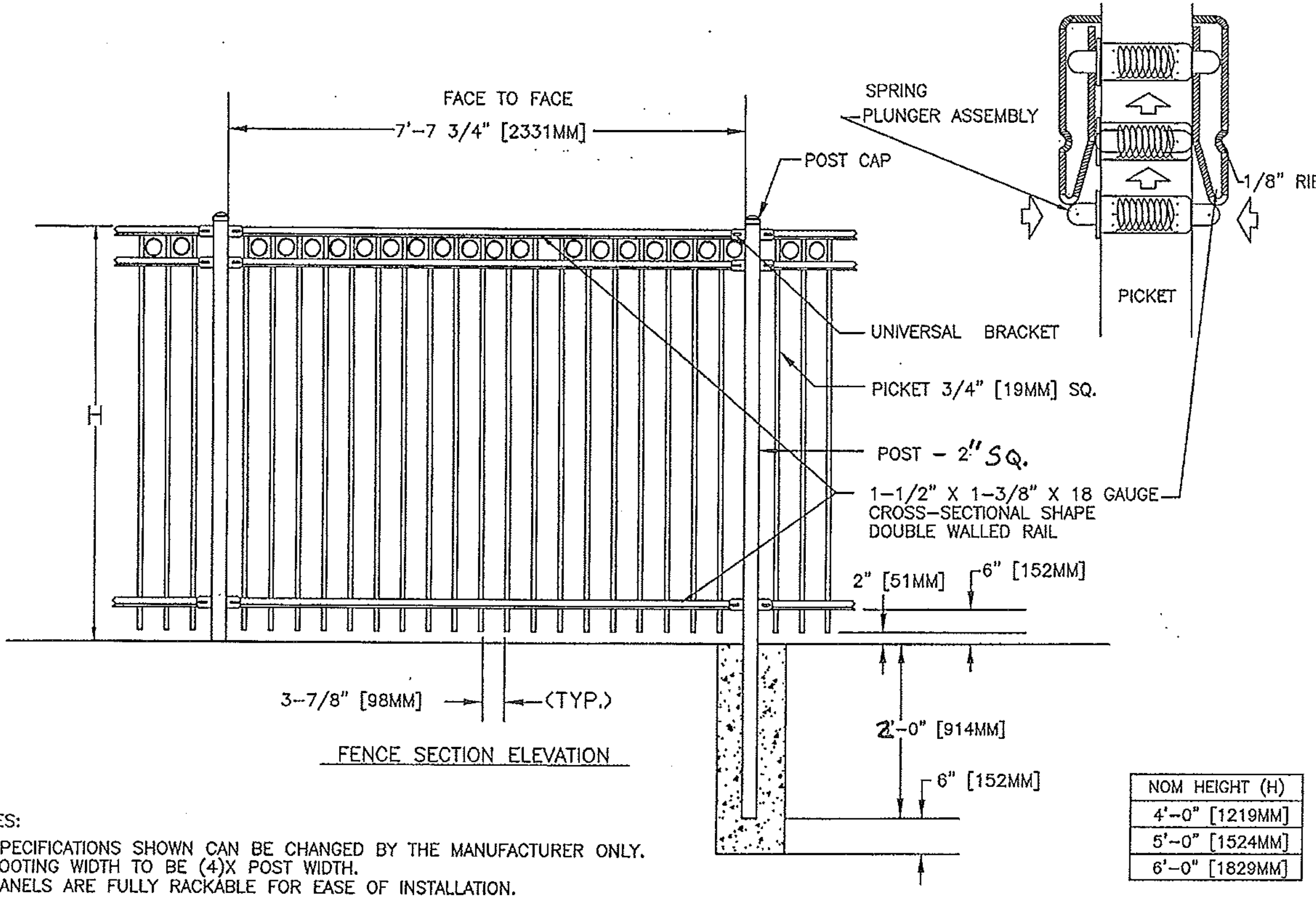
Special information:



6' High Western Secure Weld Plus	$ 8,627.30
5' High Western Secure Weld Plus	$ 8,084.63
6' High Tango MONROE w/ Rings	$ 20,967.08
5' High Tango MONROE w/ Rings	$ 20,166.28
6' High Lexington White Privacy Vinyl	$ 12,458.14
6' High Green Vinyl Chain Link	$ 8,225.00
5' High Green Vinyl Chain Link	$ 7,875.00

Thank you
Jace

Estimate is valid for 10 days



FENCE SECTION ELEVATION

NOM HEIGHT (H)
4'-0" [1219MM]
5'-0" [1524MM]
6'-0" [1829MM]

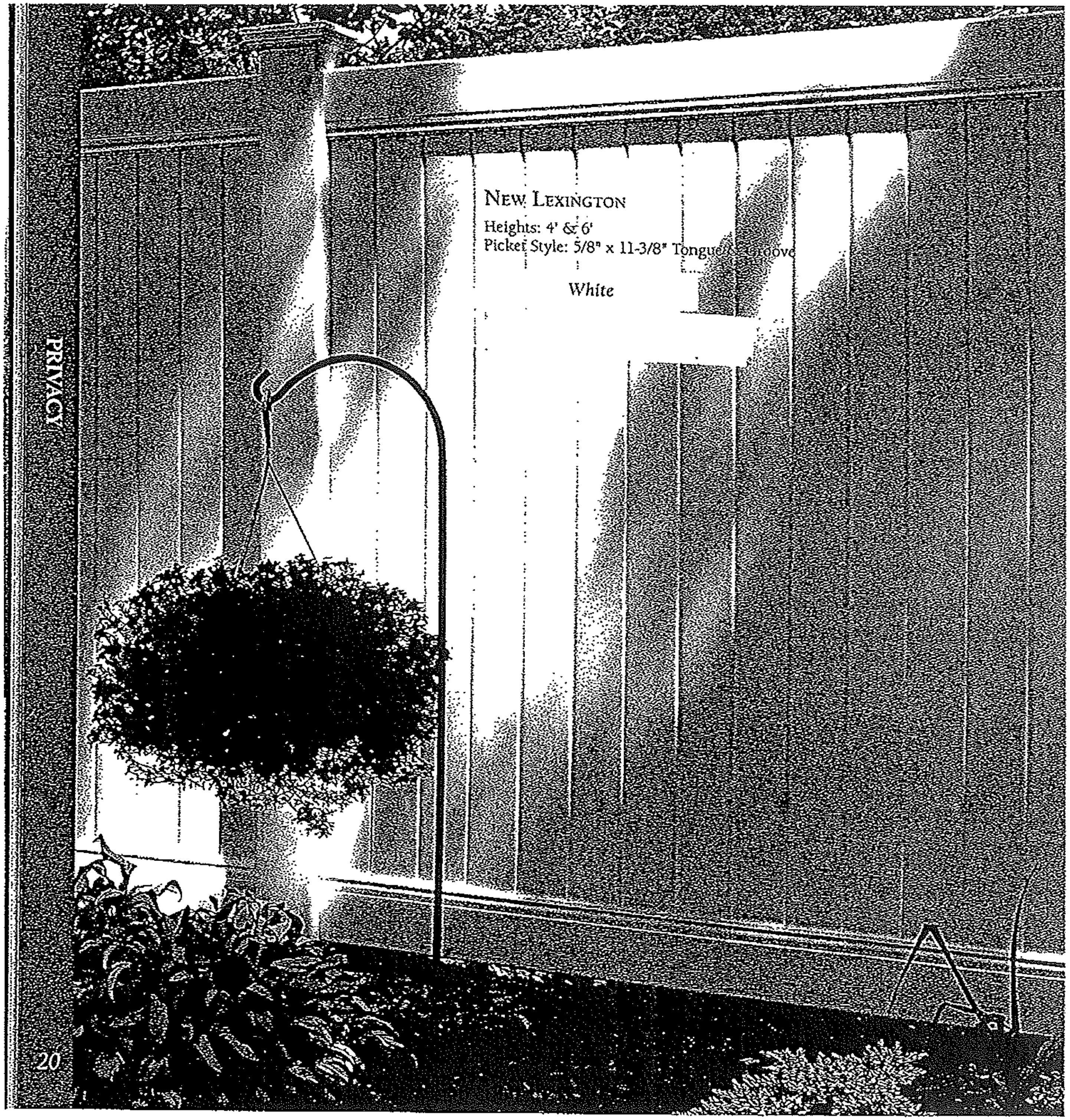
NOTES:

1. SPECIFICATIONS SHOWN CAN BE CHANGED BY THE MANUFACTURER ONLY.
2. FOOTING WIDTH TO BE (4)X POST WIDTH.
3. PANELS ARE FULLY RACKABLE FOR EASE OF INSTALLATION.

Merchants Metals®
the first name in fence solutions

TANGORAIL®
MONROE 3-RAIL
3/4"X16GA. PICKETS

BY: ART
DATE: 12-10-07
REV: A
DWG. NO. SDM-2301
SCALE: 1/2" = 1'


PRIVACY
New Lexington
Heights: 4' & 6'
Picket Style: 5/8" x 11-3/8" Tongue & Groove
White
20

FOSTER

To: City of Liberty
Attention: Dana Abshier
Project: Black Vinyl Chain Link Fence
Date: 7-12-12

Foster Fence will provide and install the following:

- 340 linear feet of 4 ft tall black vinyl chain link fence.
- Mobilization to and from jobsite, supervision, and management required for complete installation.

Grand Total – $5,520.69*

(Tax Excluded)
*Quote is good for *60 days

Estimator: David Jones
Djones@fosterfence.com

- 5 ft tall black vinyl fence **$5,961.60**

- 6 ft tall black vinyl fence **$6,659.19**

(281) 456-7273
(281) 456-0221 Fax

FOSTER FENCE LTD www.fosterfence.com
P.O. Box 96116 info@fosterfence.com
Houston, TX 77213

FOSTER

To: City of Liberty
Attention: Dana Abshier
Project: Ornamental Iron Fence
Date: 7-12-12

Foster Fence will provide and install the following:

- 340 linear feet of 4 ft tall ornamental iron fence.
- Mobilization to and from jobsite, supervision, and management required for complete installation.

Grand Total – $15,195.08*

(Add 1,870.00 for rings)

(Tax Excluded)
*Quote is good for *60 days

Estimator: David Jones
Djones@fosterfence.com

- 5 ft tall ornamental iron fence **$16,341.86 (Add $1,870.00 for rings)** = 18211 86
- 6 ft tall ornamental iron fence **$18,478.10 (Add $1,870.00 for rings)** = 20,348.10

(281) 456-7273
(281) 456-0221 Fax

FOSTER FENCE LTD www.fosterfence.com
P.O. Box 96116 info@fosterfence.com
Houston, TX 77213

FOSTER FENCE CORP.

"THE FULL SERVICE FENCE CO."

PO BOX 96116
HOUSTON, TX 77213-6116
PH: (281) 456-7273
FAX: (281) 456-0221

16700 OLD HWY. 90 EAST
HOUSTON, TX 77213
(KEY MAP: 418V)

SPECIFICATIONS

PICKETS: 3/4 IN. SQ. X 16 GA. X
4 IN. ON CENTER

RAILS: (3) 1 1/4 IN. SQ. X 14 GA.

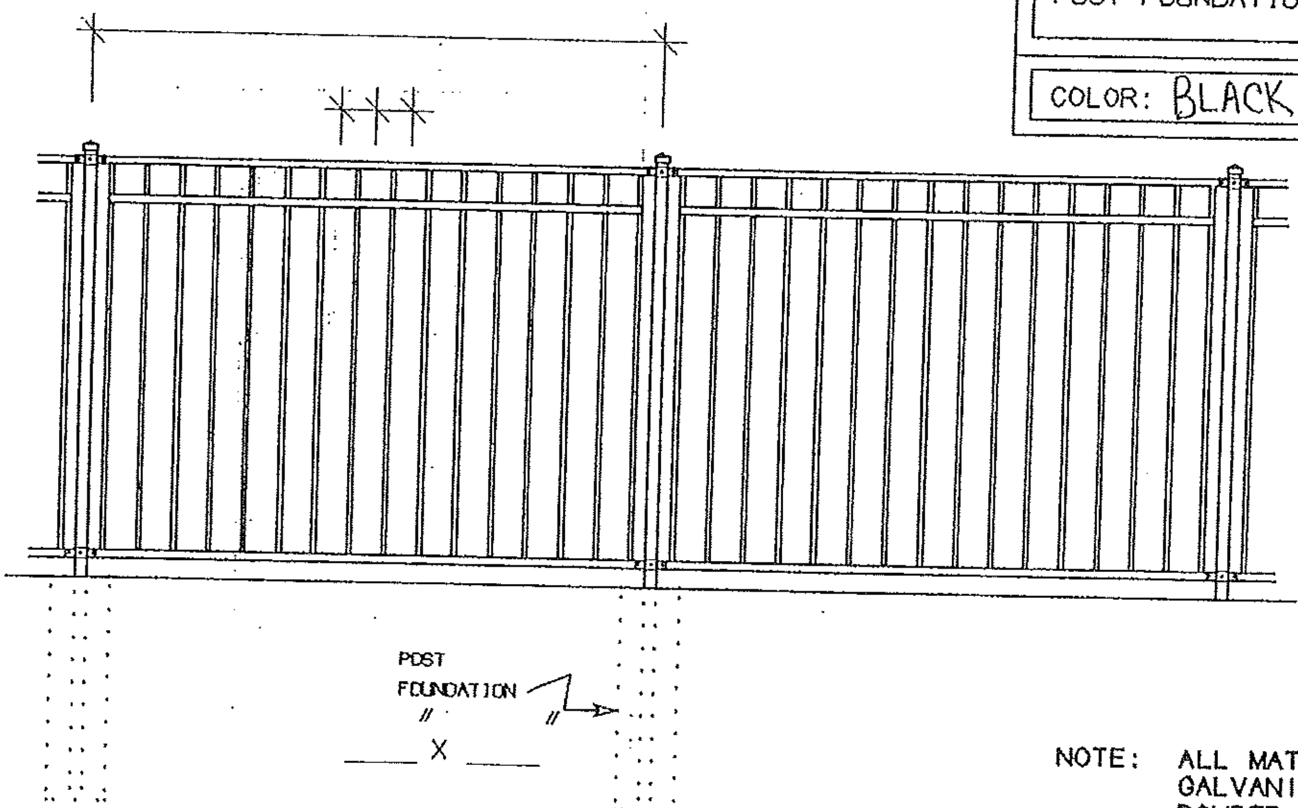
& ( ) ___ X ___ X ___ GA.

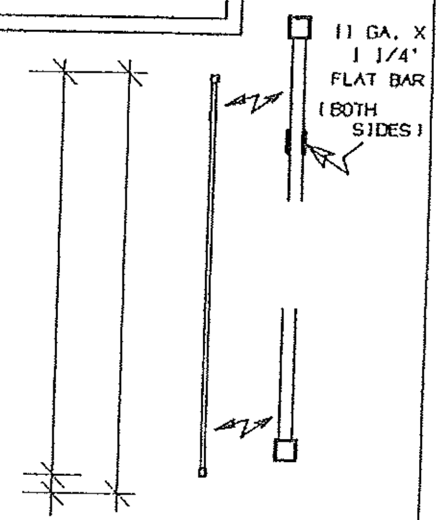
POSTS: ___ IN. SQ. X ___ GA. WALL
___ FT. - ___ IN. ON CENTER

POST FOUNDATIONS: ___ IN. X ___ IN.

COLOR: BLACK

HOUSTON STYLE





NOTE: ALL MATERIALS TO BE GALVANIZED AND POWDER COATED

IH3XXX2A
jnb

FOSTER FENCE CORP.

·THE FULL SERVICE FENCE CO.·

PO BOX 96116
HOUSTON, TX 77213-6116
PH: (281) 456-7273
FAX: (281) 456-0221

16700 OLD HWY. 90 EAST
HOUSTON, TX 77213
(KEY MAP: 418V)

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PICKETS: 3/4 IN. SQ. X 16 GA. X
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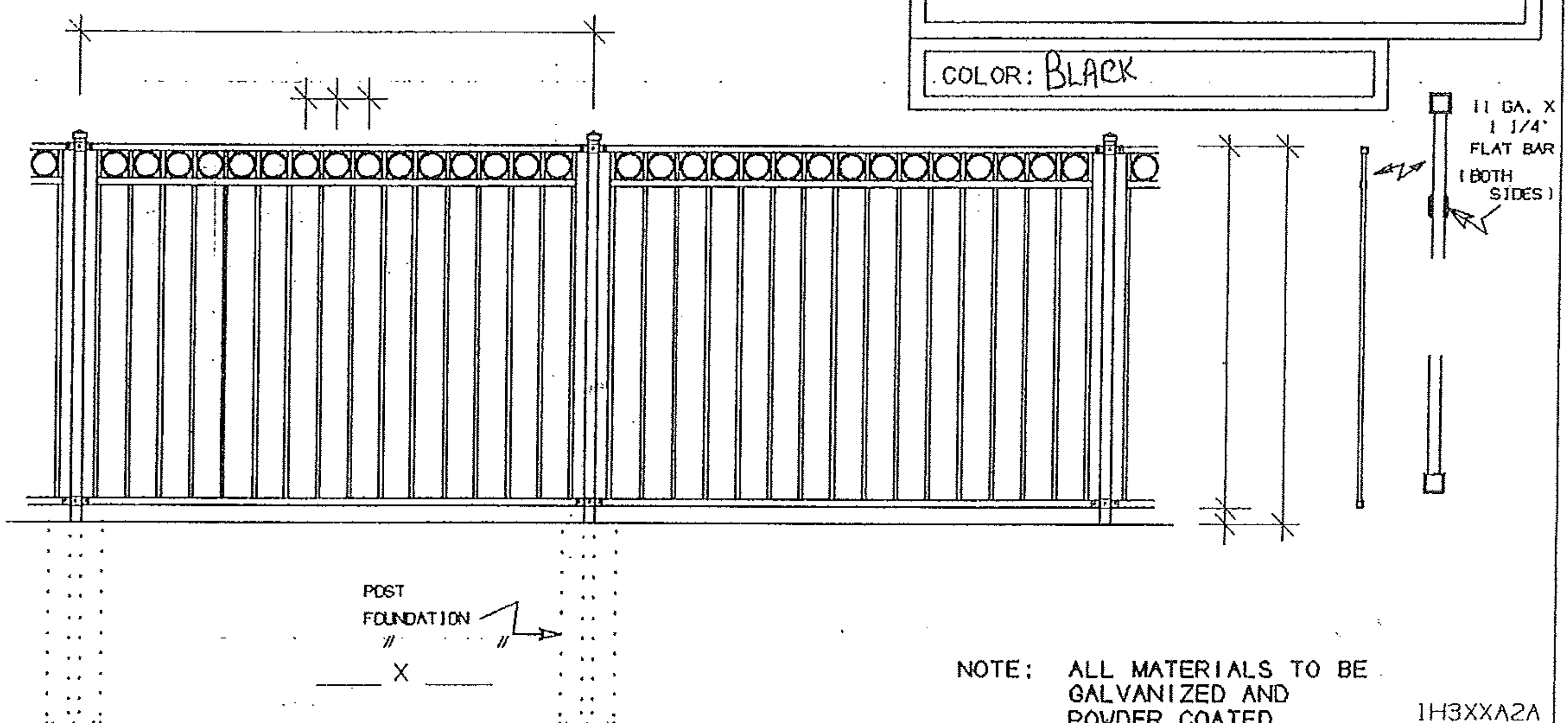
& ( ) ___" X ___" X ___ GA.

POSTS: ___ IN. SQ. X ___ GA. WALL
___ FT.- ___ IN. ON CENTER

POST FOUNDATIONS: ___ IN. X ___ IN.

COLOR: BLACK

HOUSTON STYLE



NOTE: ALL MATERIALS TO BE GALVANIZED AND POWDER COATED

1H3XXA2A
jmb

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Financial Issues

COUNCIL ACTION (ID # 2477)

DOC ID: 2477

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RBC Capital Markets

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

CITY OF LIBERTY, TEXAS

GENERAL OBLIGATION REFUNDING ANALYSIS & PLAN OF FINANCE

DATED: JULY 24, 2012

INTRODUCTION:

As a function of a wide array of events, tax-exempt interest rates began a renewed downward trend starting last November. At this writing, tax-exempt rates are near their lowest since 1967. This has prompted a significant increase in re-financings across all financial sectors including public finance. As the City's financial advisor, RBC Capital Markets has undertaken an analysis of the City's outstanding debt to identify refinancing opportunities that could benefit it citizens. This plan of finance is designed to address those opportunities.

FINANCIAL BACKGROUND:

The City of Liberty has six ad valorem property tax secured debt obligations outstanding as follows:

Issue:	Original Amount:	Currently Outstanding:
Certificates of Obligation, Series 2004	$4,100,000	$2,990,000
Certificates of Obligation, Series 2007	8,100,000	6,745,000
Certificates of Obligation, Series 2010	2,565,000	2,565,000
Certificates of Obligation, Series 2010A	4,705,000	4,585,000
General Obligation Ref. Bonds, Series 2010	3,115,000	2,020,000
Certificates of Obligation, Series 2012	1,750,000	1,750,000

The outstanding debt issues bear interest at rates ranging from 1.95% to 5.50% depending on the original series. The issue with the 5.5% interest rate is the Taxable Series 2010 Certificates of Obligation issued in support of the electric system. Of the remaining debt issues; the one with the highest interest rates is the Certificates of Obligation, Series 2004, which bears interest at rates ranging from 3.8% to 4.5%. This, together with its call date of March 1, 2014 (the date at which it can be repaid with no penalties) allows it to be refunded at a currently projected gross dollar savings of approximately $150,165 or a net present value savings of approximately $131,500 or 5.56% of the par value of the refunded bonds.

The other outstanding debt issues of the City, due to the interest rates attached thereto or their respective call dates, do not presently represent a refunding opportunity.

The City's current underlying bond ratings are A by Standard and Poor's. With this rating, it is unclear whether municipal bond insurance would provide any benefit to the City. For purposes of this analysis, the estimated costs and benefits of insurance was assumed. We can re-evaluate at time of pricing.

COSTS OF ISSUANCE:

The anticipated savings described above are net after all related costs of issuance. A detailed estimate of costs of issuance can be provided but is currently estimated at $70,000.

THE STRUCTURE:

The refunding structure proposed is level debt service savings over the existing life of the debt which has a final maturity of 2024. In other words, the structure has not changed, the maturities have been neither shortened nor lengthened.

SELLING THE DEBT:

There are three generally prescribed methods for selling public debt. They include selling by competitive bid, selling on a negotiated sale basis and conducting a private placement. The first two methods involve sales to the general pubic and would require obtaining bond ratings, preparing public offering documents and engaging underwriters. The private placement method entails developing a term sheet and a bid form and distributing same to a number of commercial banks (both locally and on a regional basis) and requesting bids. If the bids fairly represent current market conditions, we would present the City with a bond purchase agreement between the winning bidder and the City reflecting those terms.

Typically, advance refundings, which are timing and interest rate sensitive, are sold by the negotiated sale method. However, given the size and relatively short duration of the issue, it is our recommendation that explore a private placement method due to the potential cost savings to the City. If that proves to be unsuccessful, we would recommend a negotiated method of sale. If such is advisable, it would require the City to engage an underwriting firm. Given the size of this issue, we would recommend the use of a single underwriter to handle distribution. The selection of that firm is entirely up to the City. We would be happy to assist the City in underwriter selection if requested.

TIMING:

General Obligation Refunding Bonds do not require special notices or hearings. There are two methods for handling council approval. The first is traditional in that the Council approves a plan of finance and authorizes the Director of Finance, working with the Financial Advisor, to proceed with document preparation and set a predetermined date to sell the bonds and bring to the Council an ordinance complete with interest rates for approval. Given the volatility of the markets and the interest rate and time sensitivity of advance refundings, another method has become popular. That is utilizing a "parameters" resolution method. In this method, an ordinance authorizing the issuance of the debt is presented to council that does not set out the final interest rates but instead delegates authority to approve such final terms to one or more City officials; typically the City Manager and/or the Director of Finance, SO LONG AS CERTAIN PARAMETERS APPROVED BY THE COUNCIL ARE MET. The parameters set out in the ordinance included a maximum amount of debt to be issued, the maximum level of interest rates that can be approved, a maximum maturity of the debt and a minimum level of savings that must be achieved. Finally, the ordinance would put a time limit on the authorization. In this manner, City administration has the latitude to monitor the market as preparations are made and to choose the market conditions in which to enter rather than being forced to accept whatever market conditions exist at the time of a predetermined sale date. We recommend the parameters resolution method of sale.

SUMMARY:

Interest rates are at historical lows. It's possible they could go even lower. However, current market conditions give the City the opportunity to lock in substantial savings without incurring interest rate risk. We recommend that the City move forward with the refunding.

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Electric

COUNCIL ACTION (ID # 2478)

DOC ID: 2478

EXPLANATION:
At this time, Management is still gathering information for this agenda item.

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

Meeting: 08/14/12 06:00 PM
Department: Administration
Category: Utility Issue

RESOLUTION (ID # 2481)

DOC ID: 2481

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LIBERTY, TEXAS, INDICATING ITS INTENT TO ADOPT THE AMENDMENT TO THE ELECTRIC SERVICE AND RATE AGREEMENT WITH BOOMERANG TUBE, LLC

WHEREAS, Boomerang Tube, LLC, has opened a facility for the purpose of the production, of among other things, steel pipe and tube at 1100 FM 3361, Liberty, Texas 77575; and

WHEREAS, Boomerang Tube, LLC, is a major industrial customer that has located and invested capital in Liberty, Texas; and

WHEREAS, Boomerang Tube, LLC and the City of Liberty have previously agreed on an Electrical Service and Rate Agreement; and

WHEREAS, the City of Liberty desires to amend the Electric Service and Rate Agreement regarding the security deposit Boomerang Tube is required to pay the City.

NOW, THEREFORE, BE IT RESOLVED that through the adoption of this Resolution, the City of Liberty hereby adopts the Amendment to the Electric Service and Rate Agreement with Boomerang Tube, LLC and authorizes the Mayor of the City of Liberty, Carl Pickett, to execute same.

PASSED AND APPROVED this ______ day of August, 2012.

CITY OF LIBERTY, TEXAS

____
Carl Pickett
Mayor

ATTEST:

____

Dianne Tidwell
City Secretary

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Various Fees

COUNCIL ACTION (ID # 2479)

DOC ID: 2479

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WASTE MANAGEMENT

July 23, 2012

Certified Mail Receipt # 7009 3410 0001 5740 2560

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

Dear Mr. Broz:

Waste Management sincerely appreciates the opportunity you have provided us to service the waste collection services in your city. We go to great lengths to assure you dependability and quick response that you deserve, and try on an ongoing basis to further streamline and improve our services to minimize an increase in our own cost of doing business.

Unfortunately, some items remain outside our control. The upward trend in maintenance costs, coupled with the continual increase in insurance rates, has forced us to review profitability on each account.

Therefore, pursuant with the terms of our agreement, we wish to exercise our option to increase the rate by 1.9%, representing the CPI-Trash & Garbage as reported by the Bureau of Labor Statistics. The new rate will effect your October billing.

I have attached a complete new price list and data from the Bureau of Labor Statistics. Should you have any questions or comments, please call me at 713-423-1762 or email twoodson@wm.com.

Sincerely,

Terry R Woodson
Municipal Marketing Manager
Waste Management

City of Liberty

Effective October 1, 2012

6% Franchise Fee will be added per RFP Specfications

Price Matrix

Residential Service	CS	2 x week	$	12.18
	Special Waste	Quarterly		

Commercial Service

Non Containerized Hand Pickup	*1 x week*	*$*	*24.70*	
96-gal Cart	*1 x week*	*$*	*28.87*	**per cart**

Commercial Dumsters *WM-will handle billing*

Size	**1X**	**2X**	**3X**	**4X**	**5X**	**6X**
2 yard	47.24	93.43	137.51	152.22	181.50	227.81
3 yard	70.86	132.27	164.81	183.71	228.57	289.27
4 yard	91.33	162.71	187.90	208.40	256.81	315.34
6 yard	105.99	184.75	216.25	262.44	341.17	393.66
8 yard	119.06	233.14	288.95	398.91	472.39	550.26

Locking Dumpsters $ 10.50 per month

Extra Pickups

2 yard	$	47.24	Swap Out Fee	$	26.24
3 yard'	$	52.49			
4 yard	$	57.49			
6 yard	$	62.98			
8 yard	$	68.23			

Roll OFF Rates *WM-will handle billing*

20 yard	$	340.88	Perm rental	$	4.73	per day
30 yard	$	431.38	Delivery Charge	$	136.46	
40 yard	$	518.37	Dead Head		1/2 pull rate	

6.09. **Protection From Scattering:** Each vehicle shall be equipped with a cover which may be net with mesh not greater than one and one-half (1-1/2) inches, or tarpaulin, or fully enclosed metal top to prevent leakage, blowing or scattering of refuse onto public or private property. Such cover shall be kept in good order and used to cover the load going to and from the Disposal Site, during loading operations, or when parked if contents are likely to be scattered. Vehicles shall not be overloaded so as to scatter Refuse.

6.10. **Point of Contact**. All dealings and contacts between Contractor and the City shall be directed between the Municipal Marketing Department of Contractor, or such other individual identified by Contractor, and the Contract Administrator designated by the City.

7. LICENSE AND TAXES:

Contractor shall obtain at its sole expense all licenses and permits required by the City and the State, and shall maintain same in full force and effect.

8. BILLING:

(a) City shall provide billing and bill collection services for Residential Units, Commercial Hand Loads Units, and Services during the term of this Agreement. Within thirty (30) days of the end of each month during which collection services are provided by Contractor hereunder, Contractor shall submit to the City an invoice setting forth sums due by the City to Contractor for services rendered under this Agreement for the prior month. City shall remit to Contractor payment for such services within thirty (30) days after receipt of invoice. Past due invoices shall bear interest at the highest rate permitted by law.

(b) The City shall notify Contractor in writing of any Customer that has failed to pay the City for waste collection services, and Contractor, upon written direction from City, shall cease servicing such delinquent Customer until notified by the City.

(c) The Contractor shall provide billing and bill collection services for Commercial Units and Industrial Units during the term of this Agreement. Industrial Units shall pay Contractor's invoices within thirty (30) days after receipt of such invoices. Contractor shall cease providing service to any units for non-payment and impose reasonable fees for reconnection. Past due invoices shall bear interest at the highest rate permitted by law.

9. MODIFICATION TO RATES:

9.01 **CPI / Fuel Adjustment**. Base Rates charged by Contractor for services will remain fixed as set forth in Section 4 above and will not be adjusted for changes in the CPI (as hereinafter defined), until September 30, 2011. Commencing on October 1, 2011, and continuing annually on each anniversary date of the Commencement Date of this Agreement, upon thirty (30) days' notice to the City, the Base Rates for services shall be adjusted by the same percentage as the Consumer

Price Index for All Urban Consumers (published by the United States Bureau of Labor Statistics, Consumer Price Index, U.S. City Average, All Urban Consumers, Garbage and Trash Collection, Not Seasonally Adjusted, Base Period December 1983 = 100) (the "C.P.I.") shall have increased during the preceding twelve months. In the event the U.S. Department of Labor, Bureau of Labor Statistics ceases to publish the C.P.I., the parties hereto agree to substitute another equally authoritative measure of change in the purchasing power of the U.S. dollar as may be then available so as to carry out the intent of this provision.

9.02 **Fuel Adjustment**. Every calendar quarter, the Base Rates shall be subject to a fuel surcharge as follows: an additional one percent (1%) for every twenty five cent ($0.25) increase in the price of diesel fuel above and including $4.00 per gallon (with a 1% surcharge beginning at $4.25 per gallon and a 2% surcharge at $4.50 per gallon, etc.). The diesel fuel price shall be as determined by reference to the Energy Information Administration of the US Department of Energy ("EIA/DOE")'s Weekly Retail On Highway Diesel Prices for the Gulf Coast. The EIA/DOE currently publishes these prices on their website at the following location: http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp. The determination of the average price of diesel fuel from the aforesaid website shall be made on the first Monday prior to the end of the quarter (or the first business day thereafter if such Monday is a Federal Holiday).

9.03 **Additional Adjustments**. Contractor shall also be entitled to request an increase in Base Rates from time to time during the term of this Agreement, and upon thirty (30) days' written notice to the City, to offset any change in conditions which increase the Contractor's costs, including but not limited to, increases in disposal costs, increases in landfill fees, changes in the ordinances under which the Contractor is to operate, or changes in federal, state or local laws, rules or regulations. Documentation of such increases shall be submitted to the City at its request. The City has the right to reject Contractor's request for an increase during the thirty day notice period. If the City rejects Contractor's request for an increase, Contractor has the right to accept City's rejection or terminate this Agreement upon thirty (30) days written notice to the City.

9.04 **Franchise Fee:** Contractor shall pay the City of Liberty a 6% franchise fee on all gross collections of all residential and commercial and industrial services provided within the city. Such payments will be paid to the city each calendar quarter with in thirty (30) days from the end of the quarter.

10. CITY'S OBLIGATIONS:

The City agrees to perform all obligations required of the City pursuant to the terms of this Agreement, including, but not limited, the following:

(a) The City shall designate the Contract Administrator, who shall communicate City decisions to Contractor on a timely basis from time to time as required

THESE SERVICES ARE BILLED BY THE CITY FROM UTILITY BILLING			
	1-Oct-11	INCREASE	1-Oct-12
RESIDENTIAL			
WM TO CITY	$11.95	$0.23	$12.18
CITY TO CUSTOMER	$15.63	$0.23	$15.86
COMMERCIAL HAND P/U			
WM TO CITY	$24.21	$0.49	$24.70
CITY TO CUSTOMER	$28.21	$0.49	$28.70
96 GAL CART			
WM TO CITY	$28.33	$0.54	$28.87
CITY TO CUSTOMER	$34.70	$0.54	$35.24
THESE SERVICES ARE BILLED BY WASTE MANAGEMENT UNLESS SPECIAL CIRCUMSTANCES			
2 Yard (X1)	$46.36	$0.88	$47.24
2 Yard (X2)	$91.69	$1.74	$93.43
2 Yard (X3)	$134.95	$2.56	$137.51
2 Yard (X4)	$149.38	$2.84	$152.22
2 Yard (X5)	$178.12	$3.38	$181.50
2 Yard (X6)	$223.56	$4.25	$227.81
3 Yard (X1)	$69.54	$1.32	$70.86
3 Yard (X2)	$129.80	$2.47	$132.27
3 Yard (X3)	$161.74	$3.07	$164.81
3 Yard (X4)	$180.28	$3.43	$183.71
3 Yard (X5)	$224.31	$4.26	$228.57
3 Yard (X6)	$283.88	$5.39	$289.27
4 Yard (X1)	$89.63	$1.70	$91.33
4 Yard (X2)	$159.68	$3.03	$162.71
4 Yard (X3)	$184.40	$3.50	$187.90
4 Yard (X4)	$204.51	$3.89	$208.40
4 Yard (X5)	$252.02	$4.79	$256.81
4 Yard (X6)	$309.46	$5.88	$315.34
6 Yard (X1)	$104.01	$1.98	$105.99
6 Yard (X2)	$181.31	$3.44	$184.75
6 Yard (X3)	$212.22	$4.03	$216.25
6 Yard (X4)	$257.55	$4.89	$262.44
6 Yard (X5)	$334.81	$6.36	$341.17
6 Yard (X6)	$386.32	$7.34	$393.66

8 Yard (X1)	$116.84	$2.22	$119.06
8 Yard (X2)	$228.79	$4.35	$233.14
8 Yard (X3)	$283.56	$5.39	$288.95
8 Yard (X4)	$391.47	$7.44	$398.91
8 Yard (X5)	$463.58	$8.81	$472.39
8 Yard (X6)	$540.84	$10.28	$551.12
Extra P/U			
2 Yard	$46.36	$0.88	$47.24
3 Yard	$51.51	$0.98	$52.49
4 Yard	$56.66	$1.08	$57.74
6 Yard	$61.81	$1.17	$62.98
8 Yard	$66.96	$1.27	$68.23
Locking Dumpsters	$10.30	$0.20	$10.50
Swap Out Fee	$25.75	$0.49	$26.24
Roll Off			
20 Yard	$334.52	$6.36	$340.88
30 Yard	$423.34	$8.04	$431.38
40 Yard	$508.70	$9.67	$518.37
Perm Rental	$4.64	$0.09	$4.73
Delivery Charge	$133.92	$2.54	$136.46

Consumer Price Index - All Urban Consumers
Original Data Value

Series Id: CUUR0000SEHG02
Not Seasonally Adjusted
Area: U.S. city average
Item: Garbage and trash collection
Base Period: DECEMBER 1983=100
Years: 2002 to 2012

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1
2002	280.4	280.9	281.1	282.1	282.2	282.1	283.8	283.6	284.3	284.8	285.1	285.4	283.0	
2003	286.2	287.3	288.4	290.3	291.0	291.2	292.0	293.4	293.8	294.8	297.0	297.4	291.9	
2004	299.4	300.8	301.2	301.1	301.7	302.4	303.5	304.2	305.2	305.9	306.7	307.4	303.3	
2005	307.4	308.8	309.6	310.2	311.7	312.5	314.3	315.4	317.3	319.1	320.6	320.6	314.0	
2006	323.0	324.6	325.3	326.8	327.3	328.8	329.6	331.9	334.3	335.9	336.9	337.2	330.1	
2007	340.087	340.898	342.033	343.286	343.198	343.836	345.081	347.168	347.949	348.684	351.136	353.439	345.566	
2008	356.901	358.059	358.550	359.586	361.533	363.159	366.043	368.960	369.651	371.155	371.648	371.093	364.695	
2009	371.828	372.503	373.241	375.392	375.599	376.582	377.494	377.879	378.285	379.560	379.208	379.248	376.402	
2010	380.036	382.490	383.362	383.615	383.405	383.749	383.832	385.010	385.920	385.909	387.216	387.884	384.369	
2011	389.727	391.854	391.855	392.754	395.477	395.329	395.723	396.605	397.028	397.106	398.910	398.720	395.091	
2012	398.880	400.381	401.692	400.913	401.067	402.793								

Annual 2012	402.793
Annual 2011	395.329
Difference	7.464
Percentage Difference	1.9%

Source: Bureau of Labor Statistics

Generated on: July 23, 2012 (10:23:31 AM)

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

Meeting: 08/14/12 06:00 PM

Department: Administration
Category: Current Projects

COUNCIL ACTION (ID # 2480)

DOC ID: 2480

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