

NOTICE OF PUBLIC MEETING
THE FREEPORT CITY COUNCIL
MONDAY, JUNE 17TH, 2013, 6:00 P.M.
FREEPORT MUNICIPAL COURT ROOM
FREEPORT POLICE DEPARTMENT, 430 NORTH BRAZOSPORT BLVD.
FREEPORT, TEXAS
AGENDA
FORMAL SESSION

1. Call to order.
2. Invocation.
3. Pledge of Allegiance.
4. Consideration of approving the June 3rd, 2013 Council Minutes. Pg. 386-389
5. Attending citizens and their business.
6. Taking Oath of Office by new Chief of Police – Dan Pennington Pg. 390
7. Consideration of approving Ordinance No. 2013-2038 amending the budget for fiscal year 2012-2013. Pg. 391-396
8. Consideration of approving an Economic Development Agreement for Troy Brimage/ Braztex Development, LLC. Pg. 397-411
9. Consideration of approving Resolution No. 2013-2410 approving the Certificate of Formation and Bylaws of Freeport Redevelopment Authority, a Local Government Corporation and authorizing the Mayor to sign and the City Secretary to attest and file the Certificate with the Secretary of State. Pg. 412-444
10. Consideration of action taken on any item discussed in Executive Session.

Work Session:

- A. Presentation by Edith Fischer, Director of Tourism of the Brazosport Convention & Visitors Council promoting and request for continued funding. Pg. 445
- B. Discussion regarding the Annual Financial Report ending September 30, 2012 by Kennemer Masters & Lunford.
- C. Discussion regarding CenterPoint Energy possible transmission line re-route options in the area of City Park. Pg. 446-448
- D. Discuss priorities and goals for upcoming budget year 2013-2014.

Executive Session

Section 551.071, Government Code

Consultation with City Attorney concerning pending or contemplated litigation, settlement offers or other matters in which his duty to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Government Code, to wit:

- Pending Litigation – Freeport Marina Lawsuits
Karen Jewel, John Hightower, Brooks Bass, James Barnett, Roy Yates
- Formation of a Local Government Corporation/ Charles Williams

Adjourn

Items not necessary discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

In compliance with the Americans with Disabilities Act, the City of Freeport will provide for reasonable accommodations for persons attending City Council Meetings. Request should be received 48 hours prior to the meeting. Please contact the City Secretary office at 979-233-3526.

I, Delia Munoz City Secretary for the City of Freeport, Texas certify that this agenda was posted on the official bulletin board/glass door of City Hall, facing the rear parking lot of the building, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, June 13th, 2013 at or before 5:00 p.m.

Delia Munoz - City Secretary
City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of the City of Freeport met on Monday, June 3rd, 2013 at 6:06 p.m., at the Freeport Municipal Court Room, 430 North Brazosport Boulevard, for the purpose of considering the following agenda items:

City Council: Mayor Norma M. Garcia
Councilwoman Michelle Kent
Councilman Fred Bolton
Councilwoman Sandra Loeza
Councilwoman Sandra Barbree

Staff: Jeff Pynes, City Manager
Gilbert Arispe, Asst. City Manager
Delia Munoz, City Secretary
Julian "Pat" Taylor
Brian Davis, Fire Chief
Larry Fansher, Parks Director
Bob Welch, Finance Director

Visitors: Mike Darlow Lila Diehl
Eric Hayes Shannon Daughtry
Darlene Weir Manning Rollerson
Brenda Laird James Hollis
Connie Westfall Jerry Meeks
Michelle Russell Abby Webster
Paul Rodriguez Kevin Reaves

Call to order.

Mayor Norma Garcia called the meeting to order at 6:08 p.m.

Invocation.

Julian Taylor offered the invocation.

Pledge of Allegiance.

Brenda Laird led the Pledge of Allegiance.

Consideration of approving the May 20th, 2013 Council Minutes.

On a motion by Councilwoman Barbree, seconded by Councilwoman Kent, with all present voting "aye", Council unanimously approved the May 20th, Council Minutes. Pg. 386

Attending citizens and their business.

Manning Rollerson complained about the defective light poles and pot holes on Ave. J.

The selection of the Mayor Pro Tem.

On a motion by Councilwoman Loeza, seconded by Councilwoman Barbree, with all present voting “aye”, Council approved City Secretary Delia Munoz naming Councilwoman Michelle Kent as having the longest length of continuous service and by the City Charter should serve as the Mayor Pro Tem.

Consideration of approving Resolution No. 2013-2409 authorizing designated signators for contractual documents for requesting funds pertaining to the Texas Community Development Block Grant Disaster Recovery Program project.

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting “aye”, Council unanimously approved Resolution No. 2013-2409 authorizing designated signators for contractual documents for requesting funds pertaining to the Texas Community Development Block Grant Disaster Recovery Program project.

Consideration of approving Veolia Water’s proposal for the Community Development Block Grant project- pipe cleaning and camera inspection.

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting “aye”, Council unanimously approved Veolia Water’s proposal for the Community Development Block Grant project – pipe cleaning and camera inspection.

Consideration of selling the City’s interest on Block 507, Lot 6, Velasco Townsite, known as 14 North Ave. F., Tx. Id No. 8110-1034-001.

This item was reagendaed.

Consideration of approving the appointment of a Chief of Police by the City Manager according to Section 4.02. of the Home Rule Charter.

Mayor Norma Garcia closed the executive session and reconvened the formal session at 8:00 p.m.

City Manager Mr. Pynes recommended Interim Police Chief Mr. Dan Pennington for the new Chief of Police for the City of Freeport.

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting 3 to 2, Council approved Mr. Dan Pennington for the new Chief of Police for the City of Freeport. Mayor Norma Garcia and Councilman Bolton opposed due to not having a firm commitment on relocating to Freeport.

Mayor Garcia opened the Work Session at 6:10 p.m.

Work Session:

Update by Mike Darlow of Perdue Brandon Fielder Collins & Mott LLP concerning the collection report. (Book)

Mike Darlow presented to Council pie charts on account break down; Deferrals, Bankruptcy, Uncollectable, Bad addresses, Partial Payments Pending and Trust Accounts.

Power Point presentation by James Hollis, Transportation Director regarding the Gulf Coast Center/Connect Transit system.

Mr, Hollis presented to Council trip data thru April 2013. Southern Brazoria County transit buses provide transportation in Angleton, Lake Jackson, Clute and Freeport. They now offer demand response services to the general public within Galveston and Brazoria Counties. Demand response destinations include, but not limited to medical facilities on Galveston Island as well as the Veteran's Hospital in Harris County. Connect Transit does not provide trips that begin and end in Harris County.

Executive Session

Section 551.071, Government Code

Consultation with City Attorney concerning pending or contemplated litigation, settlement offers or other matters in which his duty to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Government Code, to wit;

- Freeport Marina Legations.

No action taken.

Section 551.074, Government Code

Deliberations concerning the responsibilities and duties of a public officer or employee.

- City Manager

Consultation regarding the appointment of the Chief of Police, according to Section 4.02, of the Home Rule Charter.

No action taken

Section 551.074, Government Code

Deliberations concerning the appointment, employment of a public officer or employee:

- Dan Pennington
- Kevin Reaves

(Action taken in open session item 10)

Section 551.071, Government Code

Consultation with City Attorney concerning pending or contemplated litigation, settlement offers or other matters in which his duty to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Government Code, to wit;

- Freeport Marina Legations.

No action take.

Adjourn

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting “aye”, Council adjourned at 8:01 p.m.

Mayor Norma M. Garcia
City of Freeport, Texas

City Secretary – Delia Munoz
City of Freeport, Texas

In the name and by the authority of
THE STATE OF TEXAS
OATH OF OFFICE

I, DAN PENNINGTON, do
solemnly swear (or affirm), that I will faithfully execute the duties of the Office of
Chief of Police
Of the State of Texas, and will to the best of my ability preserve, protect, and defend
the Constitution and laws of the United States and of this State, so help me God.

Affiant

SWORN TO and subscribed before me by affiant on this 17th day of JUNE,
~~2009~~. 2013.

Signature of Person Administering Oath

Printed Name

Title

ORDINANCE NO. 2013-2038

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; CONTAINING FINDINGS OF FACTS; AMENDING THE BUDGET FOR THE FISCAL YEAR 2012-2013; CONTAINING SAVINGS CLAUSES; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, pursuant to the provisions of Subsection (a) of Section 102.007 of Chapter 102 of the Local Government Code and the provisions of Article 9 of the Home Rule Charter of the City of Freeport (hereinafter sometimes "the City"), the budget for the 2012-2013 fiscal year of the City was finally approved by the City Council, being the governing body thereof, by its Ordinance No. 2012-2023, read, passed and adopted on the 17th day of September, 2012, (hereinafter sometimes "the Budget"); and,

WHEREAS, Subsection (b) of Section 102.009 of the Local Government Code provides that, after final approval of the budget, the governing body of a municipality may spend municipal funds only in strict compliance with the budget, except in an emergency, but Section 102.010 of said Code provides that the provisions of Chapter 102 thereof do not prevent the governing body of such municipality from making changes in the budget for municipal purposes; and

WHEREAS, Subsection (c) of Section 102.009 of said Code provides that the governing body of a municipality may authorize an expenditure as an amendment to the original budget only in the case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention; and,

WHEREAS, Section 9.16 of the City's Home Rule Charter provides that the budget may be amended and appropriations altered in accordance therewith in cases of public necessity, the actual fact of which shall have been declared by the City Council; and,

WHEREAS, the adoption of this ordinance and the amendment of the Budget is necessary for and in the best interest of the health, safety and general welfare of the inhabitants of the City.

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

SECTION ONE (1): FINDINGS OF FACT

In connection with the amendment and revision of the Budget, the City Council of the City makes the following findings:

(1) The amendments and revisions set forth in the Budget were the result of numerous public workshop meetings called and conducted in the manner required by the Texas Open Meetings Act, codified as Chapter 551, Government Code.

(2) A public hearing was held on the Budget on September 4, 2012, and conducted in the manner required by Section 102.006 of the Local Government Code and the City's Home Rule Charter.

(3) Notice of such public hearing was published in the Brazosport Facts, a newspaper of general circulation in and the official newspaper of the City in the manner and time required by Chapter 102 of said Code and the City's Home Rule Charter.

(4) A grave public necessity exists and to meet an unusual and unforeseen conditions that could not have been included in the original budget through the use of reasonably diligent thought and attention and the Budget must be amended and revised with respect of the new or additional expenditures set forth in Exhibit "A" attached hereto and made a part hereof, such unusual and unforeseen conditions also being set forth in said Exhibit "A".

(5) The proposed changes are set forth in Exhibit "A" attached hereto and made a part hereof.

(6) All of the changes set forth in Exhibit "A" are for municipal purposes.

(7) The several amounts stated in Exhibit "A" as the amended or revised expenditures are hereby appropriated to and for the objects and purposes therein named.

(8) The contingent appropriations, as amended and revised in said Exhibit "A", do not exceed three (3%) percent of the total amended and revised budget appropriations reflected therein.

(9) The amended and revised expenditures of the general fund and the debt service fund contained in the Budget, as amended by said Exhibit "A", do not exceed the resources of each fund, as amended and revised.

SECTION ONE (2):

The existing budget of the City of Freeport, Texas, for the fiscal year 2012-2013 is hereby amended and revised as reflected in said Exhibit "A".

SECTION THREE (3):

As required by Subsections (c) and (d) of Section 102.009 of the Local Government Code, upon the passage and adoption of this ordinance, the amended and revised budget adopted hereby shall be filed with the City Secretary of the City to be maintained in the official records of the City, and a certified copy of this ordinance, with Exhibit "A" attached thereto, shall be filed by the City Secretary with the County Clerk of Brazoria County, Texas, and the State Comptroller of Public Accounts for the State of Texas.

SECTION FOUR (4):

nothing contained in this ordinance shall cause any rights heretofore vested to be altered, affected or impaired in any way and all such rights may be hereafter enforced as if this ordinance had not been adopted.

SECTION FIVE (5):

In the event any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

SECTION SIX (6):

This ordinance shall take effect and be in force from and after its passage and adoption.

READ, PASSED AND ADOPTED this _____ day of June, 2013.

Norma Moreno Garcia, Mayor,
City of Freeport, Texas

ATTEST:

Delia Muñoz, City Secretary,
City of Freeport, Texas

APPROVED AS TO FORM ONLY:


Wallace Shaw, City Attorney,
City of Freeport, Texas

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200 West 2nd Street
Freeport, TX 77541
PH: (979) 233-3526
FX: (979) 373-0113

Council

MEMORANDUM

To: Mayor and Council

From: Bob Welch

Re: Request for Amendment of Budgeted Funds #2

Date: June 17, 2013

We are requesting the following amendments to the 2012-2013 Budget:

BUDGET AMENDMENTS	ACCT#	ACCOUNT DESCRIPTION	BUDGET AMENDMENTS	
			DEBITS	CREDITS
1 DONATIONS YOUTH ART YOUTH ART RECORD DONATION FROM FREEPORT LNG	10-360-906 10-410-437	DONATION YOUTH ART YOUTH ART	1,500	1,500
2 DONATION YOUTH ART YOUTH ART RECORD DONATION FROM DOW CHEMICAL	10-360-906 10-410-437	DONATIONS YOUTH ART YOUTH ART	1,500	1,500
3 DONATIONS-MUSEUM MUSEUM FUNDRAISER RECORD DONATION FROM PHILLIPS 66	10-360-910 10-578-483	DONATIONS-MUSEUM MUSEUM FUNDRAISER	15,000	15,000
4 FEDERAL NARCOTICS EXPENSE SALE OF SEIZED EQUIPMENT RECORD SALE OF SEIZED EQUIPMENT-POLICE DEPT.	10-525-619 10-361-525	FEDERAL NARCOTICS EXPENSE SALE OF SEIZED EQUIPMENT	2,375	2,375
5 SEMINARS/DUES/TRAVEL SALE OF SEIZED EQUIPMENT RECORD SALE OF SEIZED EQUIPMENT-POLICE DEPT.	10-525-602 10-361-525	SEMINARS/DUES/TRAVEL SALE OF SEIZED EQUIPMENT	1,696	1,696
6 CAPTAL OUTLAY-EMS RECORD PURCHASE OF NEW AMBULANCE-FUNDS TAKEN FROM PRIOR YEAR ACCUMULATED EXCESS REVENUES	20-535-899	CAPITAL OUTLAY-EMS	107,024	
7 DONATIONS-MUSEUM MUSEUM FUNDRAISER RECORD DONATION FROM THE SALVATION ARMY	10-360-910 10-578-483	DONATIONS-MUSEUM MUSEUM FUNDRAISER	500	500
8 2008 - PORT SECURITY GRANT POLICE - PROFESSIONAL SERVICES RECORD 2008 PORT SECURITY GRANT REVENUE	10-360-411 10-525-413	2008- PORT SECURITY GRANT POLICE PROFESSIONAL SERVICES	5,138	5,138

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9	CAPITAL OUTLAY - POLICE DEPT. AMEND BUDGET TO ADD 2008 THE 25% MATCHING FUNDS FOR THE 2008 PORT SECURITY GRANT-POLICE DEPARTMENT	10-525-899	CAPITAL OUTLAY - POLICE DEPT.	147,985	
10	DONATIONS CHILDREN'S EXHIBIT MUSEUM CHILDREN'S EXHIBIT RECORD DONATION FROM UNION PACIFIC FOUNDATION TO THE CHILDREN'S EXHIBIT	10-360-801 10-578-484	DONATIONS CHILDREN'S EXHIBIT MUSEUM CHILDREN'S EXHIBIT	15,000	15,000
11	BWA WATER RESALE VEOLIA OTHER MOVE BUDGETED FUNDS FROM VEOLIA OTHER TO BWA WATER- BWA INCREASED RATES BY 2.7%	56-565-496 56-565-498	BWA WATER RESALE VEOLIA OTHER	35,512	35,512
12	VEOLIA CONTRACT OPERATIONS TRANSFER FROM GENERAL FUND TRANSFER TO WATER & SEWER ADJUST BUDGET FOR A 2.1% INCREASE IN VEOLIA CONTRACT OPERATION RATES	56-565-499 56-710-010 10-700-056	VEOLIA CONTRACT OPERATIONS TRANSFER FROM GENERAL FUND TRANSFER TO WATER & SEWER FUND	22,118 22,118	22,118

SUMMARY EFFECT ON GOVERNMENTAL FUNDS:

BUDGET ADJUSTMENTS	ACCT#	CURRENT BUDGET	BUDGET AMEND	AMENDED BUDGET
DONATIONS YOUTH ART	10-360-906	0	-3,000	-3,000
YOUTH ART	10-410-437	3,500	3,000	6,500
DONATIONS MUSEUM	10-360-910	0	-15,500	-15,500
MUSEUM FUNDRAISER	10-578-483	11,957	15,500	27,457
FEDERAL NARCOTICS EXPENSE	10-525-619	35,000	2,375	37,375
SALE OF SEIZED EQUIPMENT	10-361-525	0	-4,071	-4,071
SEMINARS/DUES/TRAVEL	10-525-602	24,213	1,696	25,909
2008 - PORT SECURITY GRANT	10-360-411	0	-5,138	-5,138
POLICE-PROFESSIONAL SERVICES	10-525-413	29,940	5,138	35,078
POLICE - CAPITAL	10-525-899	134,773	147,985	282,758
DONATIONS CHILDREN'S EXHIBIT	10-360-801	-12,500	-15,000	-27,500
MUSEUM CHILDREN'S EXHIBIT	10-578-484	12,500	15,000	27,500
BWA WATER RESALE	56-565-496	1,314,988	35,512	1,350,500
VEOLIA OTHER	56-565-498	183,489	-35,512	147,977
VEOLIA CONTRACT OPERATIONS	56-565-499	1,991,802	22,118	2,013,920
TRANSFER FROM GENERAL FUND	56-710-010	-258,282	-22,118	-280,400
TRANSFER TO WATER & SEWER FUND	56-700-056	258,282	22,118	280,400
CAPITAL OUTLAY-EMS	20-535-899	70,000	107,024	177,024
		3,799,662	277,127	4,076,789
Net effect on Fund Balance:			DECREASE	\$277,127

AGREEMENT

THE STATE OF TEXAS

COUNTY OF BRAZORIA

KNOW ALL MEN BY THESE PRESENTS:

This agreement (the "Agreement") is made and entered into by and between the City of Freeport, a Texas home rule municipal corporation created and located in Brazoria County, Texas (the "City"), and BrazTex Development, LLC (the "Company"), 1624 Brazosport Blvd, Freeport, Texas 77541.

WITNESSETH:

WHEREAS, it is the established policy of the City to adopt such reasonable measures from time to time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Freeport (the "City"), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company owns a 1.6 acre tract of unimproved land within the City, located at 201 Front Street, Freeport, Texas 77541 (the "Property"), and more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, the company proposes to construct 16 single family homes on the Property (the "Improvements"), as part of the project more particularly described in Exhibit "B", attached hereto and made a part hereof (the "Project"); and,

WHEREAS, the Brazoria County Appraisal District (the "BCAD") has determined the value of the unimproved Property for ad valorem taxation is \$ 448,000, (the "Base Taxable Value") and,

WHEREAS, the taxable value of the Improvements to be added to the City tax base will be an estimated value of \$4,800,000.00, exclusive of the value of the land; and

WHEREAS, the annual economic benefit to the City upon the completion of construction of the Project will provide an additional \$33,600.00 in ad valorem taxes, \$9,216.00 in City water and sewer revenues as well as an increase in other sales and use taxes; and more particularly described in Exhibit "C"; and,

WHEREAS, the construction of the Improvements, new single family homes in the City, will make the City more attractive to business, commerce and industry in the City's competition for new private investment by existing businesses and relocation of new businesses and industries to the City; and,

WHEREAS, the Company's construction of the Improvements will create new jobs in the City and the Company will make reasonable efforts to promote the employment of City residents at the Project; and,

WHEREAS, subject to the terms, conditions and limitations of this Agreement, the City agrees to provide to the Company the maximum total sum of \$215,675.00 in the form of the rebate of City ad valorem taxes actually collected by the City on the Property and the Improvements (the "Rebate"). The Rebate will be paid in annual installments equal in amount to the ad valorem taxes collected each year by the City from the taxable value of the Improvements in excess of the Base Taxable Value until the maximum total sum

of the Rebate is paid, or this Agreement is otherwise terminated; and more particularly described in Exhibit "D"; and,

WHEREAS, the Company has agreed, in exchange and as consideration for the Rebate, to satisfy and comply with certain terms and conditions set forth herein; and

WHEREAS, this Rebate is found by the City Council to be suitable for the expansion of the City and the creation and retention of primary jobs in the City through the provision of new single family homes to encourage relocation of businesses, industries and population to the City;

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the City and the Company agree as follows:

1. The Company covenants and agrees that it will commence construction on the Improvements on the Property within a term of not more than 60 days from the effective date of the Agreement. This Agreement shall be effective upon the signature of the Mayor of the City for a period of ten years.
2. The Company also covenants and agrees to complete the Improvements not later than five years from the effective date of this Agreement. Extensions of the five year deadline for such completion may be granted in writing by the City Manager for a maximum total period of six months, and can be granted solely upon a showing by the Company of extenuating circumstances or uncontrollable delays. Any extension beyond six months must be approved by the City Council of Freeport. Only those portions of the Project will be included in the calculation of the Rebate that are completed by the issuance of a City certificate of occupancy, certified by the BCAD to the City as taxable property and for which the City has collected ad valorem taxes during the term of this Agreement. It is agreed that for the purposes of calculating the Rebate, the value of each completed home, lot and improvement is a minimum of \$300,000.00 per site, which equates to \$2,100.00 per year per Improvement site at the effective tax rate for 2013 on the effective date of this Agreement, provided that the amount of the payment of the Rebate will be limited by the provisions of paragraph 3 hereof.
3. The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.
4. In consideration of the Company's representations, promises, and covenants, and subject to the terms, limitations and restrictions below, the City agrees to pay the Rebate in annual installments, without interest, to the Company the total sum of \$215,675.00. The City shall provide payment of the Rebate from any source of money available to the City however the amount of the Rebate in any year this Agreement is in effect shall be limited to the amount of the Property Revenues. Under this Agreement, Property Revenues shall mean the annual amount of City ad valorem taxes generated from the Property and Improvements and collected by the City above the Base Property Revenue, during the term of this Agreement. As used herein, Base Property Revenue shall mean the amount of ad valorem taxes collected by the City on the total appraised taxable value of the Property as of January 1 of the year in which this Agreement is effective. Ad valorem taxes will be deemed to be collected when such taxes have been received and deposited into the City's depository bank. The Rebate shall be paid to the Company in annual installments of each year in which there are Property Revenues, in the amount of the Property Revenues, unless such Rebate shall cease in accordance with Paragraph 5 below.

5. Each year this Agreement is in effect, the City shall calculate, based on the actual collection of Property Revenues, the amount of Property Revenues collected and received by the City, in cooperation with the Company. The City hereby covenants and agrees upon the effective date of this Agreement to create upon the books and records of the City a special fund (the "Rebate Fund") for the benefit of the Company for the purpose of paying the annual installment of the Rebate, which the City may fund from any lawful source, but only to the extent of the Rebate amount is payable to the Company. The City may, but is not obligated, to fund the Rebate Fund from the Property Revenues. The Rebate Fund shall always remain unencumbered by the City and segregated from all other funds of the City. The Rebate Fund shall be held in trust by the City for the benefit of the Company to be used in accordance with the terms hereof as long as the Company is in compliance with the terms of this Agreement and this Agreement is in effect. Upon the termination of the Agreement, any Property Revenues that remain in the Rebate Fund may be transferred to any fund of the City to be used for any lawful purpose by the City Council of the City of Freeport.
6. Subject to the terms, restrictions and limitations of this Agreement, the City agrees to provide the company the Rebate during the term of this Agreement to assist in the construction of the Improvements at the Property, and to promote the creation of new employment.
7. It is understood and agreed that either person responsible for a default of this Agreement shall reimburse the other party for any and all reasonable attorney's fees and cost incurred by the other party as a result of any default.
8. This Agreement shall inure to the benefit of and be binding upon the City and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for as long as this Agreement, or any extension thereof, remains in effect.
9. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (1) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, with a return receipt requested.

If to City: City of Freeport
 Attn: City Manager
 200 West Second Street
 Freeport, Texas 77541

If to the Company: Braztex Development LLC
 Attn: Troy Brimage
 1624 North Brazosport Blvd.
 Freeport, Texas 77541

This Agreement shall be performable and enforceable in Brazoria County, Texas and shall be construed in accordance with the laws of the State of Texas.

10. Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties.
11. The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.
12. This Agreement shall bind and benefit the respective parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.
13. THE COMPANY SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY, ITS AGENTS AND EMPLOYEES FROM ALL SUITS, ACTIONS, OR CLAIMS OF ANY CHARACTER, TYPE, OR DESCRIPTION BROUGHT OR MADE FOR OR ON ACCOUNT OF ANY INJURY OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF, OR OCCASIONED BY, THE ACTS OF COMPANY OR ITS AGENTS OR EMPLOYEES. THE COMPANY SHALL PROVIDE A DEFENSE OF SUCH CLAIMS AT ITS OWN EXPENSE WITH LEGAL COUNSEL WHO SHALL REPORT TO, AND BE APPROVED BY THE CITY
14. 5.1 Default.
 - a. The following shall constitute an event of default by the Company:
 - i. if the Company fails to commence construction of the Improvements within 60 days of the Effective Date of this Agreement.
 - ii. if the Company does not complete the construction of the Improvements as specified y this Agreement; or if
 - iii. if the Company does not perform any other of its obligations hereunder in substantial compliance with this Agreement.
 - b. In the event of default by the Developer, the City may take the following action:
 - i. in addition to the other rights given the City under this Agreement, the City may cease payments hereunder; or
 - ii. in addition to the other rights given the City under this Agreement, further seek actual damages incurred by the City for any such default.
15. In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, or any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder

of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the Parties including the City by its Mayor on this ____ day of _____, 2013 (the "Effective Date")

BRAZTEX DEVELOPMENT, LLC

BY:

NAME: Troy Brimage

TITLE: President

Attest:

CITY OF FREEPORT, TEXAS

BY:

Name: Mayor Norma Moreno Garcia

Attest:

Exhibit A

STATE OF TEXAS, COUNTY OF BRAZORIA, DISTRICT NO. 1. I, JOHN BRIDGE and MATT READ, REGISTERED LAND SURVEYORS, HEREBY CERTIFY THAT THE FOREGOING SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THE SURVEY WAS MADE ON THE 15th DAY OF FEBRUARY, 2013, AND THE INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS, ON THE 15th DAY OF FEBRUARY, 2013, AT 10:00 AM. THE INSTRUMENT IS CORRECT AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF AND I AM NOT PROVIDING ANY INFORMATION FOR THE PURPOSES OF THIS INSTRUMENT.

WITNESSED BY HAND AND SEAL OF OFFICE, THIS 15th DAY OF FEBRUARY, 2013, AT FRESBURG, BRAZORIA COUNTY, TEXAS.

JOHN BRIDGE
MATT READ

STATE OF TEXAS, COUNTY OF BRAZORIA, DISTRICT NO. 1. I, JOHN BRIDGE and MATT READ, REGISTERED LAND SURVEYORS, HEREBY CERTIFY THAT THE FOREGOING SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THE SURVEY WAS MADE ON THE 15th DAY OF FEBRUARY, 2013, AND THE INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS, ON THE 15th DAY OF FEBRUARY, 2013, AT 10:00 AM. THE INSTRUMENT IS CORRECT AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF AND I AM NOT PROVIDING ANY INFORMATION FOR THE PURPOSES OF THIS INSTRUMENT.

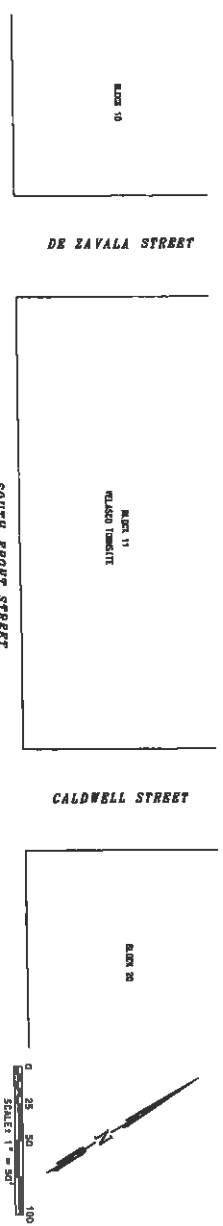
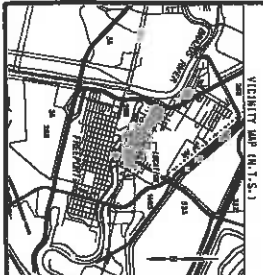
WITNESSED BY HAND AND SEAL OF OFFICE, THIS 15th DAY OF FEBRUARY, 2013, AT FRESBURG, BRAZORIA COUNTY, TEXAS.

JOHN BRIDGE
MATT READ

STATE OF TEXAS, COUNTY OF BRAZORIA, DISTRICT NO. 1. I, JOHN BRIDGE and MATT READ, REGISTERED LAND SURVEYORS, HEREBY CERTIFY THAT THE FOREGOING SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THE SURVEY WAS MADE ON THE 15th DAY OF FEBRUARY, 2013, AND THE INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS, ON THE 15th DAY OF FEBRUARY, 2013, AT 10:00 AM. THE INSTRUMENT IS CORRECT AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF AND I AM NOT PROVIDING ANY INFORMATION FOR THE PURPOSES OF THIS INSTRUMENT.

WITNESSED BY HAND AND SEAL OF OFFICE, THIS 15th DAY OF FEBRUARY, 2013, AT FRESBURG, BRAZORIA COUNTY, TEXAS.

- 1. BEARING OF EACH LINE TO BE THE BEARING OF THE PREVIOUS LINE, UNLESS OTHERWISE NOTED.
- 2. ALL DISTANCES ARE IN FEET AND DECIMALS THEREOF.
- 3. THIS SURVEY IS MADE FOR THE PURPOSES OF A TITLE GUARANTEE FROM A TITLE COMPANY.
- 4. THIS SURVEY IS MADE WITHIN THE LIMITS OF SECTION 99, ELITCHELL SURVEY, BRAZORIA COUNTY, TEXAS.
- 5. THIS SURVEY IS MADE WITHIN THE LIMITS OF SECTION 99, ELITCHELL SURVEY, BRAZORIA COUNTY, TEXAS.



OLD BRAZOS RIVER

APPROVED BY THE CITY COUNCIL OF THE CITY OF FRESBURG, BRAZORIA COUNTY, TEXAS, ON THIS 15th DAY OF FEBRUARY, 2013.

APPROVED BY THE CITY COUNCIL OF THE CITY OF FRESBURG, BRAZORIA COUNTY, TEXAS, ON THIS 15th DAY OF FEBRUARY, 2013.

APPROVED BY THE CITY COUNCIL OF THE CITY OF FRESBURG, BRAZORIA COUNTY, TEXAS, ON THIS 15th DAY OF FEBRUARY, 2013.

THE BOARD OF SUPERVISORS OF THE WELLSBORO DISTRICT DOES NOT object to the proposed subdivision of the land described in this plat, provided that the following conditions are met:

- 1. THAT THE PROPOSED SUBDIVISION BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.
- 2. THAT THE PROPOSED SUBDIVISION BE IN ACCORDANCE WITH THE LAWS OF THE COUNTY OF BRAZORIA.
- 3. THAT THE PROPOSED SUBDIVISION BE IN ACCORDANCE WITH THE LAWS OF THE CITY OF FRESBURG.

THE CITY CLERK OF THE CITY OF FRESBURG, TEXAS, HAS FILED THIS INSTRUMENT FOR RECORD IN THE PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS, ON THE 15th DAY OF FEBRUARY, 2013, AT 10:00 AM.

STATE OF TEXAS, COUNTY OF BRAZORIA, DISTRICT NO. 1. I, JOHN BRIDGE and MATT READ, REGISTERED LAND SURVEYORS, HEREBY CERTIFY THAT THE FOREGOING SURVEY WAS MADE BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS. THE SURVEY WAS MADE ON THE 15th DAY OF FEBRUARY, 2013, AND THE INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF BRAZORIA COUNTY, TEXAS, ON THE 15th DAY OF FEBRUARY, 2013, AT 10:00 AM. THE INSTRUMENT IS CORRECT AND TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF AND I AM NOT PROVIDING ANY INFORMATION FOR THE PURPOSES OF THIS INSTRUMENT.

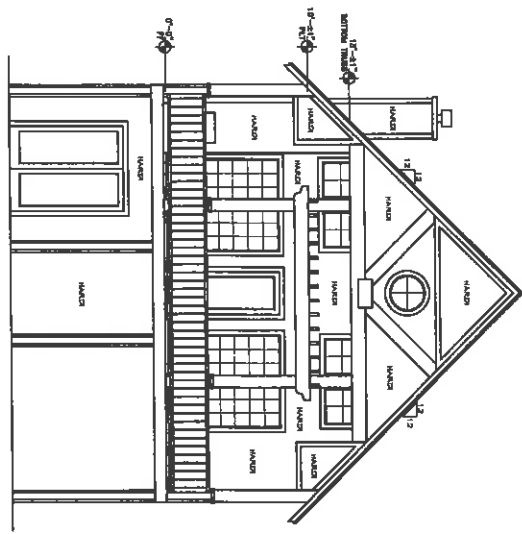


Doyle & Wachstetter, Inc. Surveying and Mapping GPS/GIS

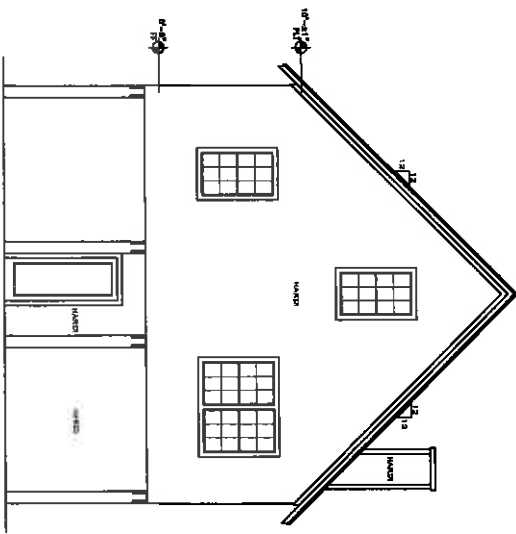
CITY OF FRESBURG BRAZORIA COUNTY, TEXAS

JUNE 2013

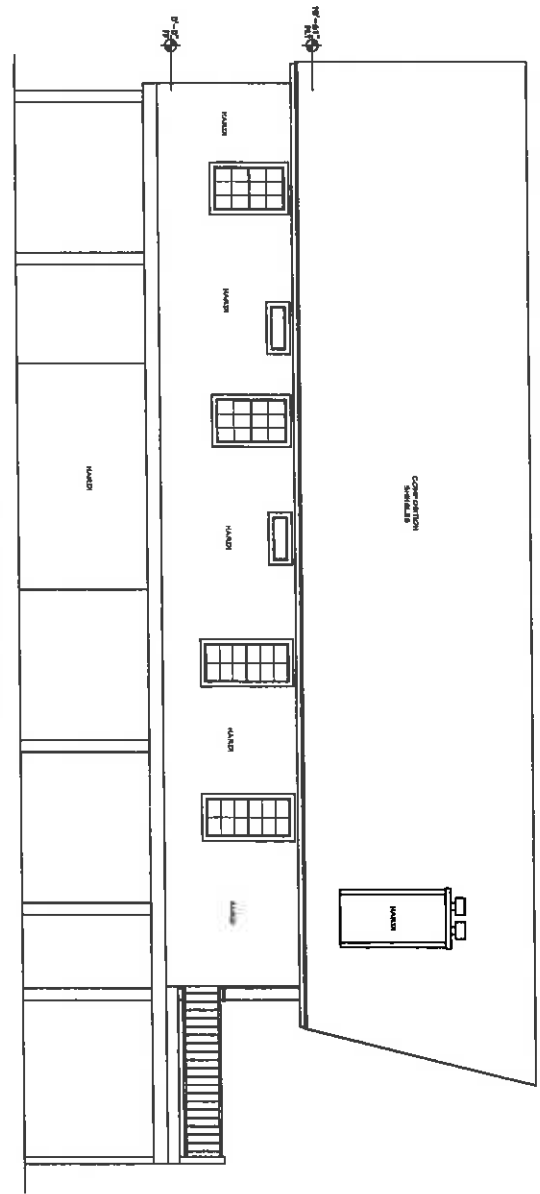
Exhibit B



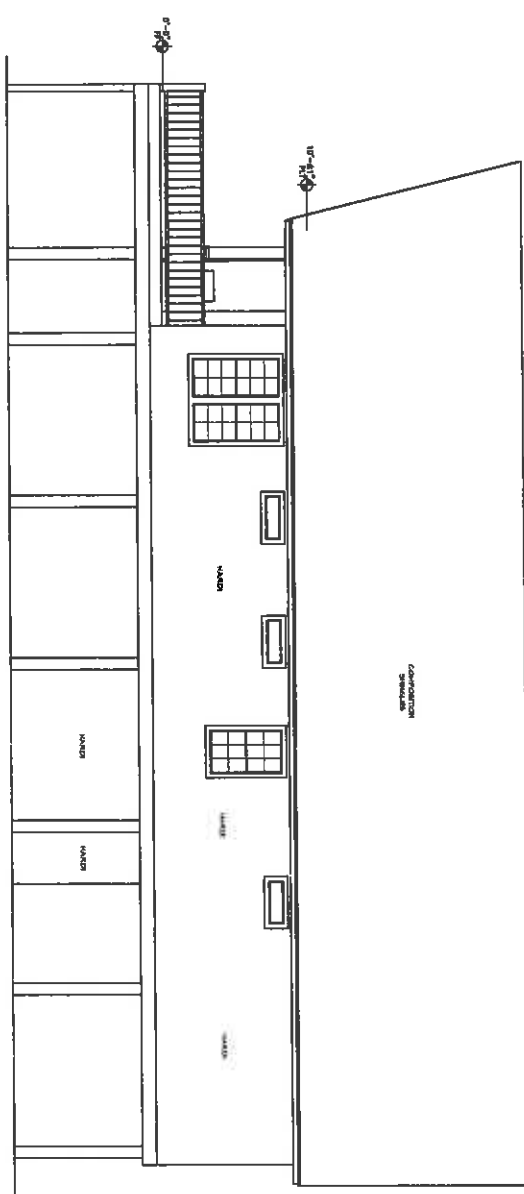
1 FRONT VIEW
SCALE 1/4" = 1'



3 REAR VIEW
SCALE 1/4" = 1'



2 LEFT SIDE VIEW
SCALE 1/4" = 1'



4 RIGHT SIDE VIEW
SCALE 1/4" = 1'

A 1

05-17-13

ELEVATIONS
TROY BRIMAGE
2001 FRONT STREET - FREEPORT, TEXAS
JOB #: 20131681

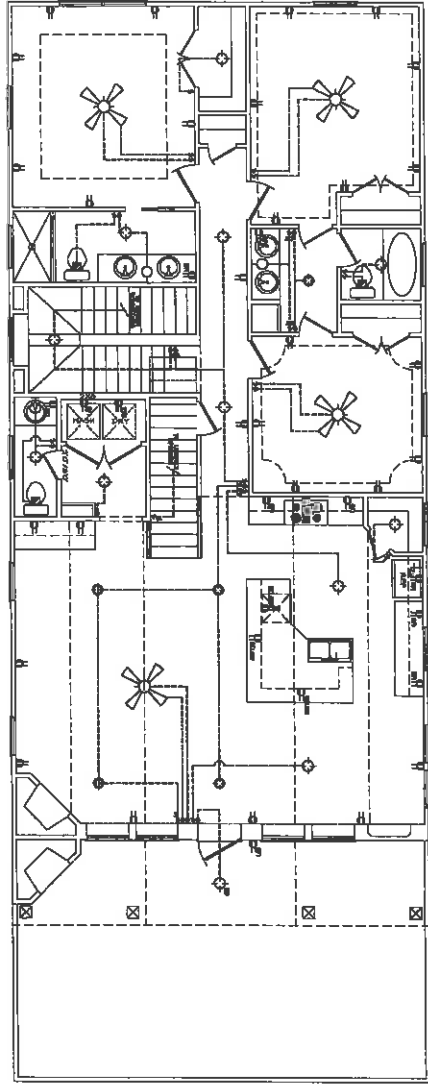
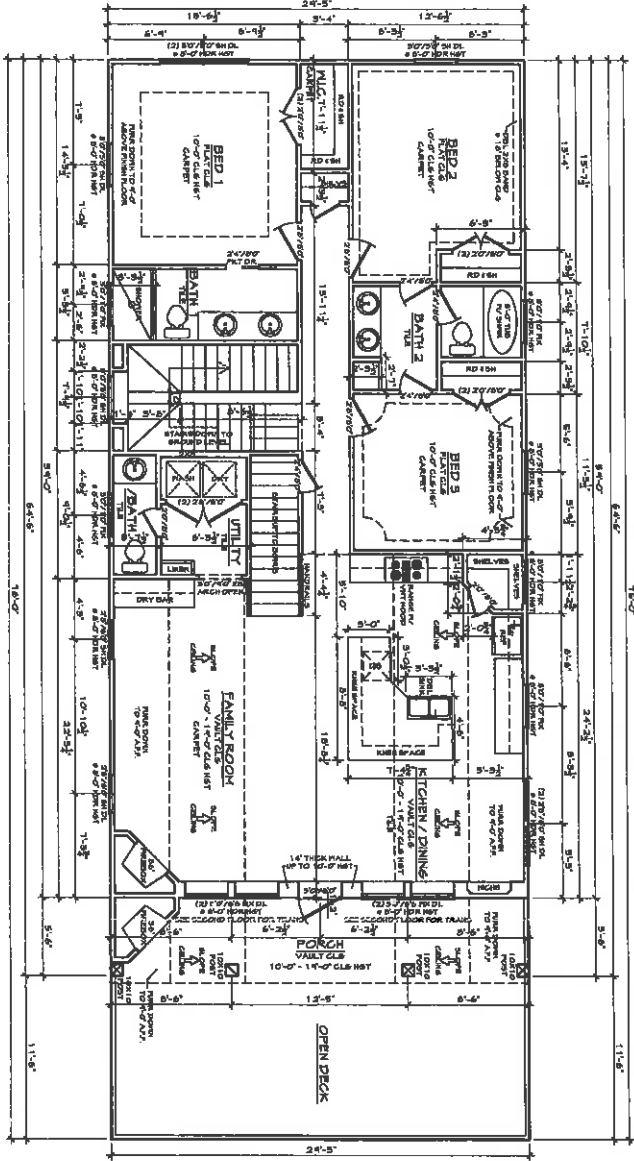
DWG. SCALE:
1/4" = 1'-0"

REVISION HISTORY	
NUMBER	DATE

Moonlight House
Plans
979-482-1967

PERMIT THESE PLANS IN A BIDDING FILE, FOR CONSTRUCTION OF A HOUSE, WITHOUT THE SIGNATURE OF AN ARCHITECT OR ENGINEER FOR ALL JURISDICTIONS AND WITHOUT THE SIGNATURE OF AN ARCHITECT OR ENGINEER FOR ALL JURISDICTIONS. THESE PLANS ARE THE PROPERTY OF MOONLIGHT HOUSE PLANS, AND SHALL NOT BE REPRODUCED, COPIED, OR ALTERED IN ANY MANNER.

1 FLOOR PLAN
SCALE 1/4" = 1'



SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
⊠	SMOKE DETECTOR	⊠	RECESSED LIGHT FIXTURE
⊡	220 V. DUPLEX RECEPT OUTLET	⊡	CEILING MOUNTED LIGHT FIXTURE
⊢	110 V. DUPLEX RECEPT OUTLET	⊢	WALL MOUNT LIGHT FIXTURE
⊣	3 WAY SWITCH	⊣	VENT
⊤	2 WAY SWITCH	⊤	SMOKE DETECTOR
⊥	3 WAY SWITCH WITH DIMMER	⊥	220 V. DUPLEX RECEPT OUTLET
⊦	FISH BUTTON SWINGS DOOR	⊦	110 V. DUPLEX RECEPT OUTLET
⊧	DOOR BELL	⊧	GROUND FAULT INTERRUPTER
⊨	CHIME	⊨	DUPLEX RECEPT OUTLET
⊩	TELEVISION JACK	⊩	WATER PROOF OUTLET
⊪	PHONE JACK	⊪	SINGLE POLE SWITCH
⊫	6MB LINE CONNECTION	⊫	DIMMER SWITCH
⊬	GARAGE DOOR OPENER	⊬	2 WAY SWITCH WITH DIMMER
⊭	JUNCTION BOX	⊭	FISH BUTTON SWINGS DOOR
⊮	FLOOD LIGHTS	⊮	DOOR BELL

ELECTRICAL NOTES:
 -SMOKE DETECTORS IN ALL BED ROOMS, REQUIRE 110V TO HOUSE WIRING SYSTEM. IF PLANNED TO CONNECT PROVIDE 60A FUSION ON BATH PLUGS AT WATER HEATER & A/C UNIT. PROVIDE ELECTRICAL DISCONNECT AT A/C UNIT.

NOTE:
 ELECTRICAL APPROVED SIGN BY THE ENGINEER IS NECESSARY TO SHOW THAT ELECTRICAL WORK IS IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE AND ALL APPLICABLE NATIONAL, STATE & LOCAL ELECTRICAL CODES.

05-17-13
A2

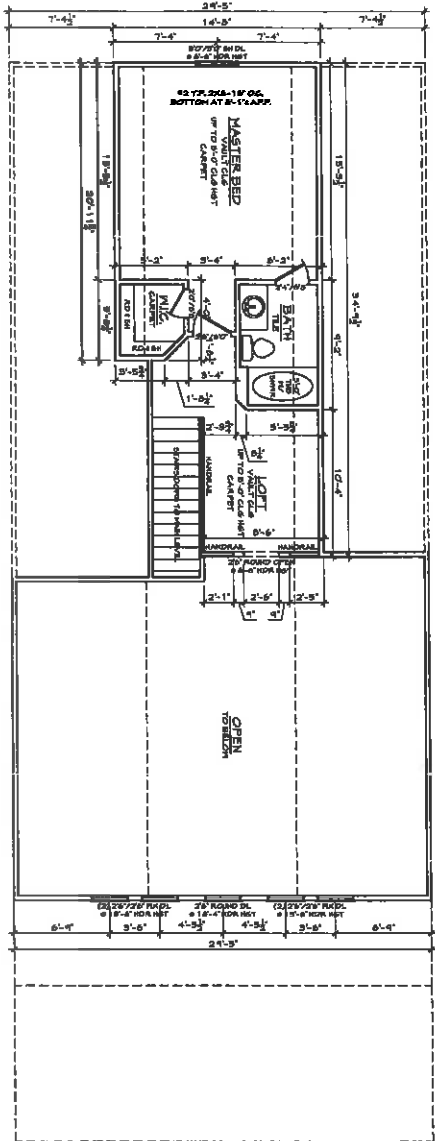
FLOOR PLAN
TROY BRIMAGE
 2001 FRONT STREET - FREEPORT, TEXAS
 JOB #: 2013166T

REVISION HISTORY	NUMBER	DATE
DWG. SCALE:	1/4" = 1'-0"	

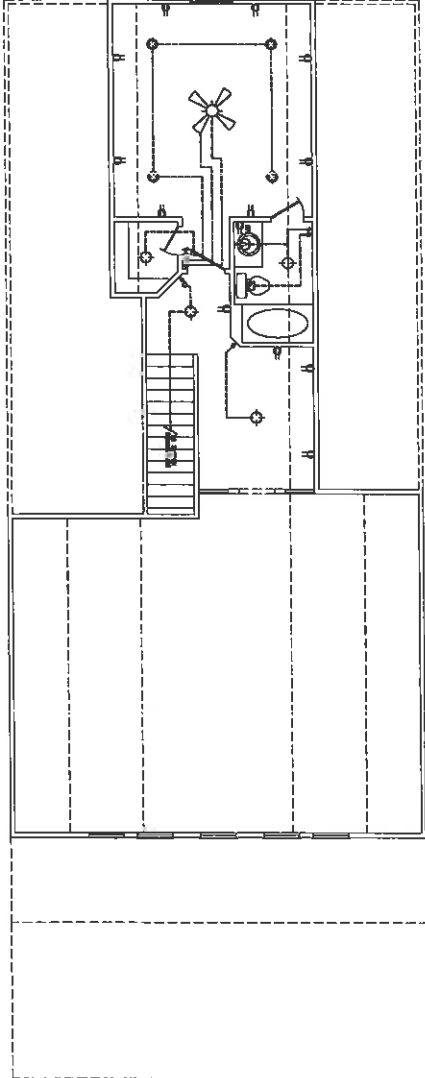
Moonlight House
 Plans
 970-482-1067

THIS DOCUMENT IS THE PROPERTY OF MOONLIGHT HOUSE PLANS, INC. AND IS NOT TO BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM. ALL RIGHTS ARE RESERVED.

1 FLOOR PLAN
SCALE 1/4" = 1'



2 ELECTRICAL
SCALE 1/4" = 1'



ABBREVIATIONS

SI	SKETCH	SI	STAIR	SI	STAIR
S2	SKETCH	S2	STAIR	S2	STAIR
S3	SKETCH	S3	STAIR	S3	STAIR
S4	SKETCH	S4	STAIR	S4	STAIR
S5	SKETCH	S5	STAIR	S5	STAIR
S6	SKETCH	S6	STAIR	S6	STAIR
S7	SKETCH	S7	STAIR	S7	STAIR
S8	SKETCH	S8	STAIR	S8	STAIR
S9	SKETCH	S9	STAIR	S9	STAIR
S10	SKETCH	S10	STAIR	S10	STAIR

ELECTRICAL NOTES:
 -SMOKE DETECTORS IN ALL BED ROOMS, BREAKER 110V TO 120V
 -SMOKE DETECTOR TO BE CONNECTED TO ALL EXHAUST FANS TO OUTSIDE
 -PROVIDE 50% PROTECTION ON BATH PLUGS
 -PROVIDE LIGHT FIXTURES & SMOKE DETECTORS AT MASTER BEDROOM AT AC UNIT
 -PROVIDE BIDDING DISCONNECT AT AC UNIT

SYMBOL	DESCRIPTION
⊕	RECESSED LIGHT FIXTURE
⊙	CEILING MOUNTED LIGHT FIXTURE
⊚	HALL MOUNT LIGHT FIXTURE
⊛	VENT
⊞	SMOKE DETECTOR
⊟	220V DUPLEX RECEPT OUTLET
⊠	110V DUPLEX RECEPT OUTLET
⊡	110V FLOOR OUTLET
⊢	GROUND FULT INTERRUPTER DUPLEX RECEPT OUTLET
⊣	WATER PROOF OUTLET
⊤	SINGLE POLE SWITCH
⊥	2 WAY SWITCH
⊦	DINER SWITCH
⊧	2 WAY SWITCH WITH DINER
⊨	FISH BUTTON GARAGE DOOR
⊩	DOOR BELL
⊪	CHIME
⊫	TELEVISION JACK
⊬	PHONE JACK
⊭	GAS LINE CONNECTION
⊮	GARAGE DOOR OPENER
⊯	JUNCTION BOX
⊰	FLOOR LIGHTS

NOTE:
 ELECTRICAL APPOINTMENT SHOWN ON THIS DRAWING IS FOR INFORMATION ONLY. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AUTHORITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE ELECTRICAL WORK AND SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AUTHORITIES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE ELECTRICAL WORK AND SHALL OBTAIN ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AUTHORITIES.

A3
05-11-13

2ND FLOOR TROY BRIMAGE
 2001 FRONT STREET - FRESBURG, TEXAS
 JOB #: 20131687

DATE SCALE	1/4" = 1'-0"
REVISION HISTORY	NUMBER DATE

Moonlight House Plans
 870-482-1987

THIS DRAWING, SPECIFICATIONS AND MEASUREMENTS ARE THE PROPERTY OF MOONLIGHT HOUSE PLANS AND SHALL BE KEPT IN CONFIDENCE. NO PART OF THIS DRAWING, SPECIFICATIONS OR MEASUREMENTS SHALL BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF MOONLIGHT HOUSE PLANS.

8

Exhibit C



Norma Moreno Garcia
Mayor

Jeff Pynes
Chief Executive Officer
City Manager

Michelle Kent
Councilmember
Mayor Pro Tem
Ward A

COUNCIL MEMORANDUM

Gilbert Arispe
Assistant City Manager

Fred Bolton
Councilmember
Ward B

Sandra Loeza
Councilmember
Ward C

Date: June 17, 2013

Sandra Barbree
Councilmember
Ward D

To: Mayor and City Council
From: Bob Welch, Finance Director

The City of Freeport would realize from an investment constructing 16 homes with a value of \$300,000.00 each a total increase in the tax base of \$4,800,000.00. The annual increase in tax revenues would total \$33,600.00 based on our current tax rate \$.70 per \$100.00 of valuation.

The City of Freeport would realize an annual increase of \$9,216.00 in water and sewer revenues as well as an increase in other sales and use taxes.

Please contact me if you have any questions.

Bob Welch

Bob Welch
Finance Director



Exhibit D

BRIDGE POINT

201 FRONT ST.

FREEPORT, TEXAS 77541

BRIDGE POINT/380 REQUEST						
Engineering	\$15,350.00					
Demo/ Exsisting Structures	\$109,750.00					
Road	\$38,500.00					
Fence	\$9,875.00					
Entrance	\$9,950.00					
Landscape	\$6,250.00					
Water/ Sewer	\$6,275.00					
Electrical	\$5,275					
Site Prep	\$29,800.00					
Purchase of Property	\$300,000.00					
TOTAL	\$515,675.00					
LESS PURCHASE OF PROPERTY	\$215,675.00					

RESOLUTION NO. 2013-2410

A RESOLUTION OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; APPROVING THE CERTIFICATE OF FORMATION AND BYLAWS OF FREEPORT REDEVELOPMENT AUTHORITY, A LOCAL GOVERNMENT CORPORATION AND AUTHORIZING THE EXECUTION OF SUCH CERTIFICATE BY THE MAYOR AND, IF NECESSARY, THE MAYOR PRO TEM, AND THE FILING OF THE SAME WITH THE SECRETARY OF STATE OF TEXAS; CONTAINING A SEVERANCE CLAUSE; PROVIDING THAT THIS RESOLUTION SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND ADOPTION; AND PROVIDING THAT THE ORIGINAL OF THIS RESOLUTION SHALL BE MAINTAINED BY THE CITY SECRETARY IN THE PERMANENT RECORDS OF SAID CITY.

WHEREAS, the City of Freeport, Texas, hereinafter sometimes "the City," is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Chapter 431 of the Texas Transportation Code authorizes the creation of public non-profit corporations for the promotion and development of transportation facilities and systems that are public, not private, in nature, although such facilities and systems may benefit private interests as well as the public; and,

WHEREAS, Chapter 394 of the Local Government Code authorizes the formation of public non-profit corporations for the financing of housing for to be occupied by persons of low and moderate income; and,

Whereas, Section 3.07(u) of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Resolution; and,

WHEREAS, the City Council of the City has determined and do here now declare that the adoption of this resolution and the creation of a public non-profit corporation for such purposes is necessary to the health, safety and general welfare of the inhabitants of the City.

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

First, the City Council of the City of Freeport, Texas, hereby approves the certificate of formation and bylaws for the Freeport Redevelopment Authority attached hereto as Exhibit "A" and "B", respectively, and authorizes the execution OF such certificate by the Mayor and, if necessary, the Mayor Pro Tem.

Second,, in the event any section or provision of this resolution is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

Third, this resolution shall take effect and be in force from and after its passage and adoption.

Fourth, the original of this resolution, after execution and attestation, shall be maintained by the City Secretary in the permanent records of the City.

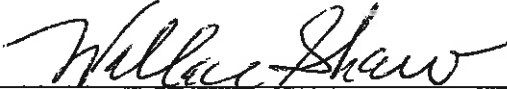
READ, PASSED AND ADOPTED this _____ day of _____, 2013.

Norma Moreno Garcia, Mayor,
City of Freeport, Texas

ATTEST:

Delia Munoz, City Secretary,
City of Freeport, Texas

APPROVED AS TO FORM ONLY:



Wallace Shaw, City Attorney,
City of Freeport, Texas

C:\Freeport.Rsl\Fpt Redvlp Auth-Formtn Crt-Rsl

Exhibit A

**CERTIFICATE OF FORMATION
OF THE
CITY OF FREEPORT, REDEVELOPMENT AUTHORITY,
A LOCAL GOVERNMENT CORPORATION**

We, the undersigned natural persons, each of whom is eighteen (18) years of age or older, a resident of the City of Freeport, Texas, acting as incorporators of a nonprofit corporation (the "Corporation") created in accordance with the provisions of Subchapter D, the Texas Transportation Corporation Act, Chapter 431 of the Texas Transportation Code, as amended (the "Act"), and the Texas Housing Finance Corporations Act, Chapter 394 of the Texas Local Government Code, as amended ("Chapter 394"), do hereby adopt the following Certificate of Formation for such Corporation:

ARTICLE I

The name of the Corporation is the City of Freeport Redevelopment Authority, a Local Government Corporation.

ARTICLE II

The Corporation is a public, nonprofit corporation.

ARTICLE III

Subject to the provisions of the Article XV hereof, the period of its duration is perpetual.

ARTICLE IV

The purpose for which the Corporation is organized are as follows:

(a) to aid, assist, and act on behalf of the City in the performance of its governmental function to promote the common good and general welfare of the City, including, without limitation, accomplishing the governmental purpose of the development of the geographic area of the City included in the area of the Velasco Town-site, a legal description of which is attached hereto as Exhibit "A", (the "Area") for commercial, residential and industrial purposes (the "purposes") as well as assisting

and aiding the City, the Urban Renewal Authority and other City agencies in the furtherance of the promotion, development, encouragement and maintenance of employment, commerce economic development and public facility development in the Area.

(b) to receive, hold, administer, and disburse any money, securities, or other property which may be transferred to the Corporation by gift, devise, bequest, or otherwise, for any of the uses or purposes set forth above, and to invest, lend, conserve, use, and disburse such money, securities, or other property, and the income derived therefrom, for the uses and purposes herein specified, in accordance with the judgment and discretion of the Board of Directors;

(c) to receive, hold, administer, and disburse any money, securities, or other property which may be transferred to the Corporation by gift, devise, bequest, or otherwise, for any of the uses or purposes set forth above, and to invest, lend, conserve, use, and disburse such money, securities, or other property, and the income derived therefrom, for the uses and purposes herein specified, in accordance with the judgment and discretion of the Board of Directors;

(d) to purchase, exchange, contract for, lease, rent, and in any and all other ways acquire, take, own, improve, and hold, and to sell, convey, mortgage, lease, rent to others, or otherwise dispose of real estate, improvements in real estate, interests in real estate, and personal property of every kind, character, and description;

(e) to borrow money or raise money and to issue notes, bills, bonds, and other obligations and to mortgage, pledge, hypothecate, or otherwise encumber any and all of the revenues and assets of the Corporation as security therefor for the purpose of carrying out the goals of the Corporation; and

(f) to do any and all things necessary or convenient to the accomplishment of any of the purposes or for the exercise of any of the powers herein set forth, whether herein specified or not, either alone or in connection with other firms, individuals, or corporations, whether in the State or throughout the United States, and elsewhere.

The Corporation is formed as a local government corporation pursuant to the provisions of Subchapter D, Chapter 431, of the Act.

ARTICLE V

(a) Before the consummation of the sale and delivery of any bonds or notes, the Corporation shall obtain approval by the governing body of each of the City as evidenced by the adoption of written resolutions.

(b) In the exercise of the powers of the Corporation, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public purpose of the Corporation, all of which agreements, and the specific uses, and the method of withdrawals and expenditure of the proceeds of the bonds or notes, and must be included as a part of the approval process of the City required by paragraph (a) above.

ARTICLE VI

The Corporation shall have no members and shall be a nonstick corporation.

ARTICLE VII

The City, by resolutions adopted on _____, authorized the creation of the Corporation and approved this Certificate of Formation and the Corporation's Bylaws pursuant to Subchapter D of the Act.

The Corporation shall not have and exercise all of the rights, powers, privileges, authority, and functions given under the Act, Chapter 394, Chapter 552, and under the general laws of the State to nonprofit corporations incorporated under the Texas Nonprofit Corporation Law (now known as Chapter 22 of Title 1 of the Texas Business Organizations Code, as amended) which are consistent with the provisions of the Act with respect to the Services provided, together with all powers incidental thereto or necessary therefor.

The Corporation shall have all other powers of a like or different nature not prohibited by law which are available to nonprofit corporations in the State and which are necessary or useful for the ownership and operation of the Services.

The Corporation is a constituted authority and a public instrumentality within the meaning of the regulations of the United States Treasury Department and the rulings of

the Internal Revenue Service prescribed and promulgated pursuant to section 103 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the City as provided in this Certificate of Formation. However, the Corporation is not a political subdivision or political corporation of the State within the meaning of its constitution and laws, including, without limitation, Article III, Section 52 of the constitution, and no agreements, bonds, debts, or obligations, or the lending of credit, or a grant of public money or thing of value, of or by the Governing Bodies or any other political corporation, subdivision, or agency of the State, or a pledge of the faith and credit of any of them. However, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code, as amended), the Corporation is a governmental unit and its actions are governmental functions.

ARTICLE VIII

This Certificate of Formation may at any time and from time to time be amended as provided in the Act and Chapter 394 so as to make any changes therein and add any provisions thereto which might have been included in the Certificate of Formation in the first instance.

Any such amended shall be effected in either of the following manners: (i) the members of the Board of Directors of the Corporation shall file with the City Council of the City, a written application requesting permission to amend the Certificate of Foundation, specifying in such application and, if they shall each by appropriate resolution duly find and determine that it is advisable that the proposed amendments be made and shall approve the form of the proposed amendments, then the Board of Directors of the Corporation may amend the Certificate of Formation by adopting such amendments at a meeting of the Board of Directors and delivering the amendment to the Secretary of State; or (ii) the City Council of the City may collectively, at its sole discretion, and at any time, amend this Certificate of Formation, and change the structure, organization, programs, or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act and any limitation provided by the Constitution and general laws of the State and United States of America of the impairment of contracts entered into by the Corporation), by written resolution adopting

the amendment to the Certificate of Formation of the Corporation or articles of dissolution at a meeting of the City Council of the City and delivering amendments or dissolution to the Secretary of State, as provided in the Act and Chapter 394. Restated Certificate of Formation may be filed with the Secretary of State as provided in the Act and Chapter 394.

ARTICLE IX

The Corporation shall be subject to the Open Meetings Act, Chapter 551 of the Texas Government Code, as amended, and the Public Information Act, Chapter 552 of the Texas Government Code, as amended.

ARTICLE X

The street address of the initial registered office of the Corporation __200 West Second Street Freeport Texas,77541__, and the name of its initial registered agent at such address is _Mayor Norma Moreno Garcia__.

ARTICLE XI

The initial Bylaws of the Corporation shall be adopted by the Corporation's Board of Directors and shall, together with this Certificate of Formation, govern the initial affairs of the Corporation until and unless amended in accordance with the provisions of the Act and Chapter 394 and this Certificate of Formation. The Bylaws and each amendment and repeal of the Bylaws must be approved by the City Council of the City by resolution.

ARTICLE XII

The management of the affairs of the Corporation is vested in the Board of Directors, as allowed by this Certificate of Formation.

The number of directors constituting the initial Board of Directors of the Corporation is five (5). The composition of the Board shall be as follows: City Council members of the City; At all times, appointments to the Board of Directors shall be in

compliance with Texas Transportation Code § 431.102. The City Council of the City shall make all appointments to the Corporation's Board of Directors.

The names and addresses of the persons who are to serve as the initial Board of Directors, until their successors are appointed and qualified are as follows:

1. Norma Moreno Garcia
2. Michelle M. Kent
3. Fred Bolton
4. Sandra Loeza
5. Sandra Babree

ARTICLE XIII

The name and street address of each incorporator, each of whom is a resident of the City are as follows:

1. Norma Moreno Garcia-200 West Second Street Freeport Texas,77541
2. Michelle M. Kent-200 West Second Street Freeport Texas,77541
3. Fred Bolton-200 West Second Street Freeport Texas,77541
4. Sandra Loeza-200 West Second Street Freeport Texas,77541
5. Sandra Babree-200 West Second Street Freeport Texas,77541

ARTICLE XIV

No director shall be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director, except to the extent the director is found liable, (i) for any breach of the director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith that constitute a breach of duty or which involve intentional misconduct of the director or a knowing violation of law, (iii) for any transaction from which the director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the director's office, or (iv) for acts or omissions for which the liability of a director is expressly provided by statute. Any repeal or amendment of this Article by the Board of Directors shall be prospective only,

and shall not adversely affect any limitation on the personal liability of a director existing at the time of such repeal or amendment. In addition to the circumstances in which a director is not personally liable as set forth in the preceding sentences, a director shall not be liable to the fullest extent permitted by an amendment to the State statutes hereafter enacted that further limits the liability of a director.

ARTICLE XV

(a) The City Council by written resolutions, may authorize and direct the dissolution of the Corporation. However, the Corporation shall not be dissolved, and its business shall not be terminated, by act of the City or otherwise, so long as the Corporation shall be obligated to pay any bonds, notes, or other obligations.

(b) No action shall be taken pursuant to paragraph (a) of this Article or pursuant to paragraph (b) of Article XVI of this Certificate of Formation, in any manner or at any time that would impair any contract, lease, right, or other obligation theretofore executed, granted, or incurred by the Corporation.

ARTICLE XVI

(a) All properties owned by the Corporation shall be held for the use and benefit of the public on a nondiscriminatory basis. No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to be benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered.

(b) If, after the close of any fiscal year (as determined by the Bylaws), the Board of Directors shall determine that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then any net earnings derived from sources thereafter accruing in connection with public facilities financed pursuant to the Act, and revenues received in connection with public facilities financed pursuant to

the Act shall be used solely for the purposes permitted by the Act and this Certificate of Formation.

ARTICLE XVII

The Corporation may indemnify any director, officer, employee or agent or former director, officer, employee, or agent of the Corporation for expenses and costs, including attorney's fees, actually or necessarily incurred by the person in connection with any claim asserted against the person, by action in court or other forum, by reason of such person having been a director, officer, employee or other agent, except that the Corporation may not provide indemnity in a matter if the director, officer, employee, or agent is guilty of negligence or misconduct in relation to the matter.

ARTICLE XVIII

This document becomes effective when the document is filed by the secretary of state.

ARTICLE XIX

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certified under penalty of perjury that the undersigned is authorized to execute the filing instrument.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 2013.

Norma Moreno Garcia, Mayor
City of Freeport, Texas

ATTEST:

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Delia Munoz, City Secretary
City of Freeport, Texas

This Certificate of Formation may at any time, and from time to time, be amended by the City Council of the City of Freeport, Texas, subject to such restrictions and in accordance with such procedures as may be provided in Act.

Signed this ____ day of _____, 2013.

Norma Moreno Garcia, Mayor
City of Freeport, Texas

ATTEST:

Delia Munoz, City Secretary
City of Freeport, Texas

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

Before me, a notary public, on this day personally appeared _____
and _____, known to me to be the persons whose names are

subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

Given under my hand and seal of office this _____ day of _____, 2013.

Notary Public, State of Texas

Exhibit B

EXHIBIT "B"

BYLAWS

OF

FREEPORT REDEVELOPMENT AUTHORITY

A Texas Local Government Corporation

(Created on Behalf of the City of Freeport, Texas)

Date of Adoption: _____, 2013

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BYLAWS
OF
FREEPORT REDEVELOPMENT AUTHORITY

ARTICLE I
PURPOSES

The Freeport Redevelopment Authority (the "Authority") is organized and will be operated exclusively for one or more charitable purposes, within the meaning of Section 501(c) (3) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). The Authority is organized for the purpose of aiding, assisting, and acting on behalf of the City of Freeport, Texas (the "City") in the performance of its governmental functions to promote the common good and general welfare of the following areas: the Velasco Townsite, an Urban Renewal Area (the "Area"), and any other similar areas designated as economic development areas created by or consented to by the City by the City Council of the City that is determined to be a consistent with this Article I (collectively, ("Economic Development Areas"): to promote, develop, encourage and maintain housing, employment, commerce, transportation and economic development in the City; to administer, manage and supervise economic development implemented by or on behalf of the City.

The Authority is further organized to aid, assist and act on behalf of the City:

- (a) in the implementation of the economic development of the Area;
- (b) in the development and implementation of City Economic Development and other policies for the Area including the acquisition, the sale or lease of land for economic development purpose; and
- (c) in the development, construction, acquisition, maintenance and administration of any other project in the Area and any other economic development area.

The Authority is formed pursuant to the provisions of Subchapter D of Chapter 431, Texas Transportation Code (the "Act"), as it now or may hereafter be amended, and Chapter 394, Texas Local Government Code, which authorizes the Authority to assist and at on behalf of the City.

The Authority shall have and exercise all of the rights, powers, privileges, authority, and functions given by the general laws of Texas to non-profit corporations incorporated under the Act including, without limitation, Chapter 22, Texas Business Organization trade.

The Authority shall have all other powers of a like or different nature not prohibited by law which are available to a non-profit corporation in Texas and which are necessary or useful to enable the Authority to perform the purpose for which it is created, including the power to issue bonds, notes or other obligations, and otherwise exercise its borrowing power to accomplish the purposes for which it was created, provided that the Authority shall not issue bonds or obligations without the consent of the City Council of the City.

The Authority is created as a local government corporation pursuant to the Act and shall be a governmental unit within the meaning of Subdivision (2), Section 101.001, Texas Civil Practice and Remedies Code. The operations of the Authority are governmental and not proprietary functions for purposes of the Texas Tort Claims Act, Section 101.001 et seq., Texas Civil Practice and Remedies Code. The Authority shall have the power to acquire land in accordance with the Act as amended from time to time.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Appointment, Classes, Powers, Number, and Term of Office. All powers of the Authority shall be vested in the Board of Directors (the "Board"). The Board shall initially consist of five (5) persons who shall be the elected members of the City Council of the City of Freeport.

Each Director shall serve for a term of _____ years, or until his or her successor is appointed by the City unless such Director has been appointed to fill an unexpired term in which case the term of the Director shall expire on the expiration date of the term of the Director whose position he or she was appointed to fill. The initial terms shall begin on the filing of the Authority's Certificate of Formation with the Texas Secretary of State and shall end on December 31, _____. The number of Directors may only be increased or decreased by an amendment to the Bylaws, with the written consent of the City Council of the City.

If any of the following persons are not serving as a member of the Board, he or she shall serve as an ex-office, non-voting member of the Board:

- (1) City Manager;
- (2) Public Works and Municipal Utilities;
- (3) City Attorney;
- (4) Director of the City Planning and Development; and
- (5) Director of the Area Economic Development Foundation.

Any person designated as an ex-officio member of the Board is entitled to notice of and to attend meetings of the Board.

In addition, the Board of Directors of the Authority may designate one or more representatives of Brazoria County, or other political subdivisions as ex officio, non-voting members of the Board of Directors.

Section 2. Meetings of Directors. The Directors may hold their meetings and may have an office and keep the books of the Authority at such place or places within the City as the Board may from time to time determine; provided, however, in the absence of any such determination, such place shall be the registered office of the Authority in the State of Texas. The Board shall meet in accordance with and file notice of each meeting of the board for the same length of time and in the same manner and location as is required of the City under Chapter 551, Texas Government Code (the "Open Meetings Act").

Section 3. Annual Meetings. The annual meeting of the Board shall be held at the time and at the location in the City designated by the resolution of the Board for the purposes of transacting such business as may be brought before the meeting.

Section 4. Regular Meetings. Regular meetings of the Board shall be held at such times and places be held whenever called by the Chairperson of the Board or the Secretary or by a majority of the Directors who are serving duly appointed terms of office at the time the meeting is called.

The Secretary shall give notice of each special meeting in person, by telephone, facsimile, mail or telegraph at least three (3) days before the meeting to each Director and to the public in compliance with the Open Meetings Act. Notice of each emergency meeting shall also be given in the manner required of the City under Section 551.045 of the Open Meetings Act. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Authority may be considered and acted upon at a special or emergency meeting. At any meeting at which every Director shall be

present, even though without any notice, any matter pertaining to the purposes of the Authority may be considered and acted upon to the extent allowed by the Open Meetings Act.

Section 5. Quorum. A majority of the Board then appointed and serving shall constitute a quorum for the consideration of matters pertaining to the purposes of the Authority. If at any meeting of the Board there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the Directors present and voting at a meeting at which a quorum is in attendance shall constitute the act of the Board, unless the act of a greater number is required by law, by the Certificate of Formation, or by these Bylaws.

A Director who is present at a meeting of the Board at which any corporate action is taken shall be presumed to have assented to such action unless his dissent or abstention shall be entered in the minutes of the meeting or unless he shall file his written dissent or abstention to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent or abstention by registered mail to the Secretary of the Authority immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a Director who voted in favor of the action.

Section 6. Conduct of Business. At the meetings of the Board, matters pertaining to the purposes of the Authority shall be considered in such order as from time to time the Board may determine.

At all meetings of the Board, the Chairperson shall preside, and in the absence of the Chairperson, the Vice Chairperson shall preside. In the absence of the Chairperson and the Vice Chairperson, a chairperson shall be chosen by the Board from among the Directors present.

The Secretary of the Authority shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Executive Committee, Other Committees. The Board may, by resolution passed by a majority of the Directors, designate three (3) or more Directors to constitute an executive committee or other type of committee. To the extent provided in

the authorizing resolution, a committee shall have and may exercise all of the authority of the Board in the management of the Authority, except where action of the Board is specified by statute. A committee shall act in the manner provided in the authorizing resolution. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Authority, and shall report the same to the Board from time to time. Committees authorized to exercise the powers of the Board shall give notice of any meeting in the manner required for a meeting of the Board.

Section 8. Compensation of Directors. Directors, as such, shall not receive any salary or compensation for their services as Directors; provided, that nothing contained herein shall be construed to preclude any Director from receiving compensation which is not excessive and which is at commercially reasonable rates for personal services (rendered in other than a "Director" capacity) which are reasonable and necessary in carrying out the Authority's purposes.

Section 9. Board of Advisory Directors. The Board may establish a Board of Advisory Directors composed of members who are, in the judgment of the Board, qualified to advise with respect to the activities of the Authority. Members of the Board of Advisory Directors shall serve for a term of one (1) year or such longer term as may be fixed by the Board, not to exceed four (4) years. Advisory Directors may be removed by the Board at any time with or without cause. The number of members of the Board of Advisory Directors shall be fixed from time to time by the Board. The officers and Directors of the Authority may consult with the Board of Advisory Directors from time to time with respect to the activities of the Authority but the Board of Advisory Directors shall in no way restrict the powers of the Board nor limit its responsibilities or obligations. The Board of Advisory Directors shall have no responsibility for the management of the affairs of the Authority. Advisory Directors shall not receive any salary or compensation for their services as Advisory Directors; provided, that nothing contained herein shall be construed to preclude any Advisory Director from receiving compensation which is not excessive and which is at commercially reasonable rates for personal services (rendered in other than an

"Advisory Director" capacity) which are reasonable and necessary in carrying out the Authority's purposes.]

Section 10. Director's Reliance on Consultant Information. A Director shall not be liable if while acting in good faith and with ordinary care, he relies on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Authority or another person, that were prepared or presented by:

- (a) one or more other officers or employees of the Authority;
- (b) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
- (c) a committee of the Board of which the Director is not a member.

ARTICLE III OFFICERS

Section 1. Titles and Term of Office. The officers of the Authority shall be a Chairperson of the Board, one or more vice Chairpersons of the Board, a president, one or more vice presidents, a secretary, a treasurer, an investment officer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that neither the Chairperson of the Board nor the President shall hold the office of Secretary. The term of office for each officer (other than the Chairperson) shall commence on the date of such officer's election and terminate on the earlier of two (2) years; the date that the officer is replaced by the board; or, if the officer is a member of the Board, the date that the officer is no longer a member of the Board. The Chairperson shall serve for the term designated by the Mayor and City Council of the City.

All officers shall be subject to removal, with or without cause, at any time by a vote of a majority of the whole Board then appointed and serving.

A vacancy in the office of any officer (other than the Chairperson) shall be filled by the City Council.

Section 2. Powers and Duties of the Chairperson. The Chairperson shall be a member of the Board and shall preside at all meetings of the Board. The

Chairperson shall be designated, by the Mayor of the City. He or she shall have such duties as are assigned by the Board. The Chairperson may call special or emergency meetings of the Board.

Section 3. Powers and Duties of the Vice Chairperson. The Vice Chairperson shall be a member of the Board. The Vice Chairperson shall perform the duties and exercise the powers of the Chairperson upon the Chairperson's death, absence, disability, or resignation, or upon the Chairperson's inability to perform the duties of his or her office. Any action taken by the Vice Chairperson in the performance of the duties of the Chairperson shall be conclusive evidence of the absence or inability to act of the Chairperson at the time such action was taken.

Section 4. Powers and Duties of the President. The President shall be the principal executive officer of the Authority and, subject to the Board, he or she shall be in general charge of the properties and affairs of the Authority. In furtherance of the purposes of the Authority and subject to the limitations contained in the Certificate of Formation, the President, Chairperson, or Vice Chairperson may sign and execute all bonds, notes, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the Authority.

Section 5. Vice Presidents. A Vice President shall have such powers and duties as may be assigned to him or her by the Board or the President, including the performance of the duties of the President upon the death, absence, disability, or resignation of the President, or upon the President's inability to perform the duties of his or her office. Any action taken by the Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken.

Section 6. Treasurer. The Treasurer shall have custody of all the funds and securities of the Authority which come into his or her hands. When necessary or proper, he or she may endorse, on behalf of the Authority, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Authority in such bank or banks or depositories as shall be designated in the manner prescribed by the Board; he or she may sign all receipts and vouchers for payments made to the Authority, either alone or jointly with such other officer as is designated by the

Board; *whenever* required by the Board, he or she shall render a statement of his or her case account; he or she shall enter or cause to be entered regularly in the books of the Authority to be kept by him or her for that purpose full and accurate accounts of all moneys received and paid out on account of the Authority; he or she shall perform all acts incident to the position of Treasurer subject to the control of the Board; and he or she shall, if required by the Board, give such bond for the faithful discharge of his or her duties in such form as the Board may require.

Section 7. Secretary. The Secretary shall keep the minutes of all meetings of the Board in books provided for that purpose; he or she shall attend to the giving and serving of all notices; in furtherance of the purposes of the Authority and subject to the limitations contained in the Certificate of Formation, he or she may sign with the President in the name of the Authority and/or attest the signatures thereof, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Authority; he or she shall have charge of the Authority's books, records, documents and instruments, except the books of account and financial records and securities of which the Treasurer shall have custody and charge, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to the inspection of any Director upon application at the office of the Authority during business hours; and, he or she shall in general perform all duties incident to the office of Secretary subject to the control of the Board.

Section 8. Compensation. Officers may be entitled to receive such salary or compensation for personal services which are necessary and reasonable in carrying out the Authority's purposes as the Board may from time to time determine, provided, that in no event shall the salary or compensation be excessive. Board members, even in their capacity as officers, are not entitled to compensation except as otherwise provided in Article II, Section 9.

Section 9. Officer's Reliance on Consultant Information. In the discharge of a duty imposed or power conferred on an officer of the Authority, the officer may in good faith and with ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Authority or another person, that were prepared or presented by:

(a) one or more other officers or employees of the Authority, including members of the Board; or

(b) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Authority shall begin October 1 of each year.

Section 2. Seal. The seal of the Authority shall be such as from time to time may be approved by the Board.

Section 3. Notice and Waiver of Notice. Whenever any notice whatever, other than public notice of a meeting given to comply with the Open Meetings Act, is required to be given under the provisions of these Bylaws, such notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the books of the Authority, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Resignations. Any Director, officer or Advisory Director may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Gender. References herein to the masculine gender shall also refer to the feminine in all appropriate cases and vice versa.

Section 6. Appropriations and Grants. The Authority shall have the power to request and accept any appropriation, grant, contribution, donation, or other form of aid from the federal government, the State, any political subdivision, or municipality in the State, or from any other source.

ARTICLE V

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right to Indemnification. Subject to the limitations and conditions as provided in this Article V and the Certificate of Formation, each person who was or is made a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (hereinafter a "proceeding"), or any appeal in such a proceeding or any inquiry or investigation that could lead to such a proceeding, by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a Director or officer of the Authority or while a Director or officer of the Authority is or was serving at the request of the Authority as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise shall be indemnified by the Authority to the fullest extent permitted by the Texas Non-Profit Corporation Act, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Authority to provide broader indemnification rights than said law permitted the Authority to provide prior to such amendment) against judgments, penalties (including excise and similar taxes and punitive damages), fines, settlements and reasonable expenses (including, without limitation, attorneys' fees) actually incurred by such person in connection with such proceeding, and indemnification under this Article V shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder. The rights granted pursuant to this Article V shall be deemed contract rights, and no amendment, modification or repeal of this Article V shall have the effect of limiting or denying any such rights with respect to actions taken or proceedings arising prior to any such amendment, modification or repeal. It is expressly acknowledged that the indemnification provided in this Article V could involve indemnification for negligence or under theories of strict liability.

Section 2. Advance Payment. The right to indemnification conferred in this Article V shall include the right to be paid in advance or reimbursed by the Authority the reasonable expenses incurred by a person of the type entitled to be indemnified under Section 1 who was, is or is threatened to be made a named defendant or respondent in a proceeding in advance of the final disposition of the proceeding and without any determination as to the person's ultimate entitlement to indemnification; provided, however, that the payment of such expenses incurred by any such person in advance of the final disposition of a proceeding, shall be made only upon delivery to the Authority of a written affirmation by such Director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under this Article V and a written undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Article V or otherwise.

Section 3. Indemnification of Employees and Agents. The Authority, by adoption of a resolution of the Board, may indemnify and advance expenses to an employee or agent of the Authority to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Directors and officers under this Article V; and the Authority may indemnify and advance expenses to persons who are not or were not Directors, officers, employees or agents of the Authority but who are or were serving at the request of the Authority as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person to the same extent that it may indemnify and advance expenses to Directors under this Article V.

Section 4. Appearance as a Witness. Notwithstanding any other provision of this Article V, the Authority may pay or reimburse expenses incurred by a Director or officer in connection with his or her appearance as a witness or other participation in a proceeding involving the Authority or its business at a time when he or she is not a named defendant or respondent in the proceeding.

Section 5. Non-exclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article V shall not be exclusive of any other right which a Director or officer or other person indemnified pursuant to Section 3 of this Article V may have or hereafter acquire under any law (common or statutory), provision of the Certificate of Formation of the Authority or these Bylaws, agreement, vote of shareholders or disinterested Directors or otherwise.

Section 6. Insurance. The Authority may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee or agent of the Authority or is or was serving at the request of the Authority as a Director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, proprietorship, employee benefit plan, trust or other enterprise against any expense, liability or loss, whether or not the Authority would have the power to indemnify such person against such expense, liability or loss under this Article V.

Section 6. Notification. Any indemnification of or advance of expenses to a Director or officer in accordance with this Article V shall be reported in writing to the members of the Board with or before the notice of the next regular meeting of the Board and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

Section 7. Savings Clause. If this Article V or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Authority shall nevertheless indemnify and hold harmless each Director, officer or any other person indemnified pursuant to this Article V as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Article V that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VI

[PROVISIONS RELATING TO MINORITY CONTRACTING

The Authority shall attempt to stimulate the growth of disadvantaged businesses inside the City by encouraging the full participation of disadvantaged businesses in all phases of its procurement activities and affording those disadvantaged businesses a full and fair opportunity to compete for Authority contracts. The Authority shall establish one or more programs designed to increase participation by disadvantaged businesses in contract awards which will conform to City approved programs. Any program established by the Authority shall provide that disadvantaged businesses certified by the City shall be the disadvantaged businesses certified for Authority contracts.]

ARTICLE VII

CODE OF ETHICS

Section 1. Policy and Purposes.

(a) It is the policy of the Authority that Directors and officers conduct themselves in a manner consistent with sound business and ethical practices; that the public interest always be considered in conducting corporate business; that the appearance of impropriety be avoided to ensure and maintain public confidence in the Authority; and that the Board establish policies to control and manage the affairs of the Authority fairly, impartially, and without discrimination.

(b) This Code of Ethics has been adopted as part of the Authority's Bylaws for the following purposes: (a) to encourage high ethical standards in official conduct by Directors and corporate officers; and (b) to establish guidelines for such ethical standards of conduct.

Section 2. Conflicts of Interest.

(a) Except as provided in subsection(c), a Director or officer is prohibited from participating in a vote, decision, or award of a contract involving a business entity or real property in which the Director or the officer has a substantial interest, if it is foreseeable that the business entity or real property will be economically benefited by the action. A person has a substantial interest in a business (i) if his or her ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of

\$15,000 or more of the fair market value of the business entity, or (ii) if the business entity provides more than ten percent of the person's gross income. A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the second degree by affinity or the third degree by consanguinity to a Director or officer is considered a substantial interest.

(b) If a Director or a person related to a Director in the first or second degree by affinity or the first, second, or third degree by consanguinity has a substantial interest in a business entity or real property that would be pecuniarily affected by any official action taken by the Board, such Director, before a vote or decision on the matter, shall file an affidavit stating the nature and extent of the interest. The affidavit shall be filed with the Secretary of the Board.

(c) A Director who has a substantial interest in a business entity that will receive a pecuniary benefit from an action of the Board may vote on that action if a majority of the Board has a similar interest in the same action or if all other similar business entities in the Authority will receive a similar pecuniary benefit.

(d) An employee of a public entity may serve on the Board.

Section 3. Acceptance of Gifts. No Director or officer shall accept any benefit as consideration for any decision, opinion, recommendation, vote or other exercise of discretion in carrying out official acts for the Authority. No Director or officer shall solicit, accept, or agree to accept any benefit from a person known to be interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of the Director's or officer's discretion. As used here, "benefit" does not include:

(a) a fee prescribed by law to be received by a Director or officer or any other benefit to which the Director or officer is lawfully entitled or for which he lives legitimate consideration in a capacity other than as a Director or officer;

(b) a gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the Director or officer;

(c) an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

(1) not more than one honorarium is received from the same person in a calendar year;

(2) not more than one honorarium is received for the same service; and

(3) the value of the honorarium does not exceed \$250 exclusive of reimbursement for travel, food, and lodging expenses incurred by the Director or officer in performance of the services;

(d) a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest is reported as may be required by law.

Section 4. Bribery. A Director or officer shall not intentionally or knowingly offer, confer or agree to confer on another, or solicit, accept, or agree to accept from another:

(a) any benefit as consideration for the Director's or officer's decision, opinion, recommendation, vote, or other exercise of discretion as a Director or officer;

(b) any benefit as consideration for the Director's or officer's decision, vote, recommendation, or other exercise of official discretion in a judicial or administrative proceeding; or

(c) any benefit as consideration for a violation of a duty imposed by law on the Director or officer.

Section 5. Nepotism. No Director or officer shall appoint, or vote for, or confirm the appointment to any office, position, clerkship, employment or duty, of any person related within the second degree by affinity (marriage relationship) or within the third degree of consanguinity (blood relationship) to the Director or officer so appointing, voting or confirming, or to any other Director or officer. This provision shall not prevent the appointment, voting for, or confirmation of any person who shall have been continuously employed in any such office, position, clerkship, employment or duty at least thirty (30) days prior to the appointment of the Director or officer so appointing or voting.

**ARTICLE VIII
AMENDMENTS**

A proposal to alter, amend, or repeal these Bylaws shall be made by the affirmative vote of a majority of the full Board then appointed and serving at any annual or regular meeting, or at any special meeting if notice of the proposed amendment be contained in the notice of said special meeting. However, any proposed change or amendment to the Bylaws must be approved by the City Council of the City to be effective.

BRAZOSPORT
CONVENTION & VISITORS COUNCIL
A Division of The Brazosport Area Chamber of Commerce

April 5, 2013

Mr. Jeff Pynes
City Manager
200 West Second Street
Freeport, TX 77541

Dear Mr. Pynes:

The Brazosport Area Chamber of Commerce would like to request to be on the city council agenda for the June 17th meeting. At that time an update will be given on the Brazosport Convention & Visitors Council's tourism promotion. We will also ask for continued funding for our marketing efforts.

Feel free to contact Sandra Shaw or myself if you have any questions.

Sincerely,

Edith Fischer
Director of Tourism

Jeff Pynes

From: Jeff Pynes <jpynes@freeport.tx.us>
Sent: Tuesday, June 11, 2013 2:46 PM
To: citymanager@freeport.tx.us
Subject: FW: CenterPoint Energy - Possible Transmission Re-Route Options in City Park
Attachments: Structure Erosion - Reroute Options with & without Aerial View.pdf

From: Voss, Steven H [<mailto:steven.voss@centerpointenergy.com>]
Sent: Tuesday, June 11, 2013 1:11 PM
To: 'jpynes@freeport.tx.us'
Cc: Spurgeon, James M.
Subject: CenterPoint Energy - Possible Transmission Re-Route Options in City Park

Mr. Pynes,

Please see the attached. These are drawings (one with an aerial view & one without an aerial view) of our possible re-route options in the area of the City Park that we have spoken about. The red & green lines are the possible re-routes through the park in order to attempt to avoid trimming the trees in the park that are currently set to be trimmed. The pink line is the re-route on the west side of Highway 288 but we would tie into the transmission line in the existing easement in the park which goes over the trees. If we stay with the pink line for our re-route, since we would remain in the current easement in the park, we will need to trim the trees. There may still be some minor tree trimming with the red or green lines but not as much trimming as with the pink line. Please note that these re-routes are depended upon CenterPoint Energy obtaining a new easement from the Port of Freeport & possibly a new easement from the School District.

Would you please review these options & advise me which is the preferred route the City would like us to take? I have been advised to ask for a response by next Wednesday, June 19. The reason we ask for a decision so quickly is because we need to place our order for the material ASAP. If you would like CenterPoint Energy to take the red or green line route, we will ask that the City trade easements with us, being we would release the current easement in exchange for the City of Freeport granting CenterPoint Energy a new easement for the new route. We will ask the City of Freeport to provide us an email acknowledging that the City will trade CenterPoint Energy easements if you would like us to use the red or green route.

If I don't hear back from you by June 19, we will accept that to indicate that you would like us to stay with our original plan, being the pink line.

If you have any questions, please feel free to contact me.

Thank you,

Steven Voss, SR/WA
Sr. Right of Way Agent
713-207-8145
Surveying & Right of Way Division
CenterPoint Energy

