

LOUIS R. RIGBY
Mayor
BRANDON LUNSFORD
Councilmember At Large A
STEVE GILLETT
Councilmember At Large B
DANNY EARP
Councilmember District 1



CHUCK ENGELKEN
Councilmember District 2
BILL BENTLEY
Mayor Pro-Tem
Councilmember District 3
THOMAS GARZA
Councilmember District 4
JAY MARTIN
Councilmember District 5
NANCY OJEDA
Councilmember District 6

CITY COUNCIL MEETING AGENDA

Notice is hereby given of a Regular Meeting of the La Porte City Council to be held August 26, 2019, beginning at 6:00 pm in the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

- 1. CALL TO ORDER**
- 2. INVOCATION** – The invocation will be given by Minister Rachel Cotton, Pleasant Hill Church of Deliverance.
PLEDGES – Will be led by Councilmember Chuck Engelken.
U.S. Flag
Texas Flag: Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.
- 3. PUBLIC COMMENTS** (Limited to five minutes per person.)
- 4. CONSENT AGENDA** *(Approval of Consent Agenda items authorizes each to be implemented in accordance with staff recommendations provided. An item may be removed from the consent agenda and added to the Statutory Agenda for full discussion upon request by a member of the Council present at this meeting.)*
 - (a)** Approve the minutes of the City Council meetings held on August 12 and 13, 2019. [Mayor Louis R. Rigby]
 - (b)** Authorize the City Manager to execute a Water Service Agreement with Eurecat U.S. Inc, for its facility at 13100 Baypark Road, in the Bayport Industrial District. [Lorenzo Wingate, City Engineer]
 - (c)** Approve proposed changes to the Civil Service Pay scale. [Matt Hartleib, HR Manager]
- 5. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES**
 - (a)** The City Council will hold a public hearing to receive comments regarding a recommendation by the Planning and Zoning Commission to adopt Ordinance 2019-3750 amending the City's Future Land Use Map Component of the Comprehensive Plan for an approximately 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, by changing the land use designation from "Commercial" to "Light Industrial", followed by discussion and possible action regarding a recommendation by the Planning and Zoning Commission to adopt Ordinance 2019-3750 amending the City's Future Land Use Map Component of the Comprehensive Plan for an approximately 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, by changing the land use designation from "Commercial" to "Light Industrial". [Ian Clowes, City Planner]

- (b) The City Council will hold a public hearing to receive comments regarding a recommendation by the Planning and Zoning Commission to adopt Ordinance 2019-3751 amending the Code of Ordinances of the City of La Porte, Chapter 106 "Zoning" by granting Zone Change #19-92000002, a change from General Commercial (GC) to Planned Unit Development (PUD) for a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, followed by discussion and possible action to consider adopting Ordinance 2019-3751 amending the Code of Ordinances of the City of La Porte, Chapter 106 "Zoning" by granting Zone Change #19-92000002, a change from General Commercial (GC) to Planned Unit Development (PUD) for a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision. [Ian Clowes, City Planner]
- (c) The City Council will hold a public hearing to receive comments regarding a recommendation by the Planning and Zoning Commission to adopt Ordinance 2019-3752 amending the Code of Ordinances of the City of La Porte, Chapter 106 "Zoning" by granting Special Conditional Use Permit #19-91000003 to allow for an industrial office/warehouse facility on a 5.051 acre tract of land, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision in the Planned Unit Development (PUD) zoning district; followed by discussion, and possible action to consider adopting Ordinance 2019-3752 amending the Code of Ordinances of the City of La Porte, Chapter 106 "Zoning" by granting Special Conditional Use Permit #19-91000003 to allow for an industrial office/warehouse facility on a 5.051 acre tract of land, legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision in the Planned Unit Development (PUD) zoning district. [Ian Clowes, City Planner]

STATUTORY AGENDA

- (a) Presentation, discussion, and possible action to adopt Ordinance 2019-3746 for the purpose of granting a franchise to CenterPoint Energy Resources Corp., to locate and operate facilities for transmission of natural gas in public rights-of-way, for a term of ten years, second reading. [Corby Alexander, City Manager]
- (b) Presentation, discussion, and possible action to proceed with allocating additional funding for Five Points Plaza Improvements. [Lorenzo Wingate, City Engineer]
- (c) Presentation, discussion, and possible action to adopt Resolution 2019-12 designating MRC Global (US), Inc. as an enterprise project. [Ryan Cramer, Economic Development Coordinator]
- (d) Presentation, discussion, and possible action on the recommendations of the Ch. 172 Employee, Retiree Insurance and Benefits Board regarding employee and retiree health benefits. [Matt Hartleib, HR Manager]

7. REPORTS

- (a) Receive report of the Fiscal Affairs Committee meeting. [Councilperson Chuck Engelken]
- (b) Receive report of the La Porte Development Corporation Board meeting. [Councilperson Nancy Ojeda]

8. ADMINISTRATIVE REPORTS

- City Council Meeting, Monday, September 9, 2019
- Planning and Zoning Commission Meeting, Thursday, September 19, 2019
- City Council Meeting, Monday, September 23, 2019
- Zoning Board of Adjustment Meeting, Thursday, September 26, 2019

- 9. COUNCIL COMMENTS** *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Mayor, Councilmembers, and City staff, for which no formal action will be discussed or taken.*

10. ADJOURNMENT

If, during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive Session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 - consultation with counsel on legal matters; Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.074 - personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; Section 551.076 - implementation of security personnel or devices; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (281-470-5019), two working days prior to the meeting for appropriate arrangements.

CERTIFICATE

I, Lee Woodward, City Secretary, do hereby certify that a copy of the August 26, 2019, City Council agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.LaPorteTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING _____

TIME OF POSTING _____

TAKEN DOWN _____

Lee Woodward, City Secretary



Council Agenda Item August 26, 2019

1. **CALL TO ORDER**

2. **INVOCATION** – The invocation will be given by Minister Rachel Cotton, Pleasant Hill Church of Deliverance.
PLEDGES – Will be led by Councilmember Chuck Engelken.
U.S. Flag
Texas Flag: Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.

3. **PUBLIC COMMENTS** (Limited to five minutes per person.)



Council Agenda Item August 26, 2019

- 4. CONSENT AGENDA** *(Approval of Consent Agenda items authorizes each to be implemented in accordance with staff recommendations provided. An item may be removed from the consent agenda and added to the Statutory Agenda for full discussion upon request by a member of the Council present at this meeting.)*
- (a)** Approve the minutes of the City Council meetings held on August 12 and 13, 2019. [Mayor Louis R. Rigby]
 - (b)** Authorize the City Manager to execute a Water Service Agreement with Eurecat U.S. Inc, for its facility at 13100 Baypark Road, in the Bayport Industrial District. [Lorenzo Wingate, City Engineer]
 - (c)** Approve proposed changes to the Civil Service Pay scale. [Matt Hartleib, HR Manager]

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Councilperson District 4
JAY MARTIN
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NANCY OJEDA
Councilperson District 6

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF LA PORTE
AUGUST 12, 2019**

The City Council of the City of La Porte met in a regular meeting on Monday, August 12, 2019, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at 6:00 p.m., with the following in attendance:

Councilpersons present: Louis Rigby, Brandon Lunsford, Steve Gillett, Danny Earp, Chuck Engelken, Bill Bentley, Thomas Garza, Jay Martin, Nancy Ojeda

Councilpersons absent: None

Council-appointed officers present: Corby Alexander, City Manager; Lee Woodward, City Secretary; Clark Askins, Assistant City Attorney

1. CALL TO ORDER – Mayor Rigby called the meeting to order at 6:00 p.m.

2. INVOCATION – The invocation was given by Dr. Dee Spears, Fairmont Park Church.

PLEDGES – The pledges of allegiance to the U.S. and Texas flags were led by Councilperson Bill Bentley.

3. PUBLIC COMMENTS (Limited to five minutes per person.) Justin Suringer expressed his concern that he has been intimidated and assaulted by LPPD. Jeff Martin spoke on behalf of the La Porte-Bayshore Chamber of Commerce to thank the Council for City summer camps and City staff. Randy Rowan asked the Council to review Charter 2.02(b) and when and how the Council judges the qualifications of Council candidates. Donna O'Conner spoke in support of all the local first responders and their response to Friday evening's drownings at Sylvan Beach.

4. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES

(a) The City Council will hold a public hearing to receive comments regarding proposed City of La Porte Wharton Weems Blvd./S. Broadway St. Sidewalk Improvements – SRTS project, and discuss and possibly adopt Resolution 2019-10 in support of project funding and a commitment to project development, implementation, construction, maintenance, management and financing. [Teresa Evans, Planning and Development Director]

Mayor Rigby opened the public hearing at 6:17 p.m. Teresa Evans, Planning and Development Director, provided a presentation. Maggie Anderson expressed concerns about the curb placement. Mason Peres said there was already crosswalk access to Bayshore Elementary and suggested the Council wait and revise the project. The Mayor closed the public hearing at 6:28 p.m.

Councilperson Garza moved to authorize the City Manager to apply for a Texas Department of Transportation (TxDOT) Safe Routes to School (SRTS) grant and approve Resolution 2019-10 in support of project funding and a commitment to project development, implementation, construction, maintenance, management and financing; the motion was adopted, 9-0.

5. STATUTORY AGENDA

(a) Approve the minutes of the meeting held on July 22, 2019. [Mayor Louis R. Rigby]

Councilperson Bentley moved to approve the minutes of the meeting held on July 22, 2019; the motion was adopted, 9-0.

(b) Presentation, discussion, and possible action regarding appointments and re-appointments to various boards, committees, and commissions. [Mayor Louis R. Rigby]

Councilperson Engelken moved to approve the following, with Betty Moore being appointed for a term of up to six years; the motion was adopted, 9-0. Items 8 and 9 were handled next, in advance of 5c.

Airport Advisory Board – three-year terms
Deborah Rihn-Harvey as Fixed Base Operator Lessee
Tucker Grant as Licensed Pilot with Aircraft Housed at Airport
Gideon Jones as Resident Licensed Pilot with Aircraft Housed at Airport

Building Codes Appeals Board – three-year terms
Bryan Moore, Jr.

Ch. 172 Employee, Retiree Insurance and Benefits Board – two-year terms
Donna O'Connor
Juliane Graham

Fire Control, Prevention & Emergency Medical Services District Board – two-year terms
Patrick McElroy
Steve Gillett
Ronald Nowetner
Dewey Walls, Jr.

La Porte Area Water Authority (LPAWA) – two-year terms
Cambria Beasley
Stephen Barr
Doug Martin

La Porte Development Corporation Board - two-year terms
Chuck Engelken
Nancy Ojeda
Richard Warren

La Porte Health Authority – two-year terms
Abdul R. Moosa, M.D.
Robert D. Johnston, M.D.

La Porte Tax Increment Reinvestment Zone Number One (TIRZ #1) Board of Directors – two-year terms
Peggy Antone
Alton Porter
Doug Martin

La Porte Redevelopment Authority – two-year terms (This is the same membership as the TIRZ Board, but the Mayor is required to appoint the members to this board, including the LPISD and Harris County appointments to the TIRZ.)
Peggy Antone
Alton Porter
Doug Martin

Planning and Zoning Commission – three-year terms
Councilperson Martin is reappointing Lou Ann Martin as the District 5 member
Councilperson Lunsford is appointing Donna O'Connor as the At Large A member

City Representative to the Southeast Texas Housing Finance Corporation Board – Council may appoint for up to a six-year term
Betty Moore

Zoning Board of Adjustment – two-year terms
Nettie Warren
Phillip Hoot
Pat McCabe

(c) Presentation, discussion, and possible action regarding the City of La Porte Fiscal Year 2019-2020 Proposed Budget. [Corby Alexander, City Manager]

Staff provided an overview of all funds and expected year-end balances and an overview of budget proposals for the coming year. Without objection, the City Council agreed to add a goal for themselves to increase transparency. The Council adjourned for the evening at 8:51 p.m., fixing the time to which to adjourn as 6:00 p.m. on Tuesday, August 13.

(d) Items 5d, 6, and 7 will be handled on August 13, 2019.

6. REPORTS

(a) Receive a report on the Drainage and Flooding Committee Meeting. [Councilperson Jay Martin]

7. ADMINISTRATIVE REPORTS

- Planning and Zoning Commission Meeting, Thursday, August 15, 2019
- Zoning Board of Adjustment Meeting, Thursday, August 22, 2019
- Fiscal Affairs Committee Meeting, Monday, August 26, 2019
- La Porte Development Corporation Board Meeting, Monday, August 26, 2019

• City Council Meeting, Monday, August 26, 2019

- 8. EXECUTIVE SESSION – The City Council reserves the right to meet in closed session on any agenda item, should the need arise, and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, in accordance with the authority contained in:**

City Council will meet in closed session pursuant to Texas Government Code Section 551.071 – Consultation with Attorney, Section 551.072 – Deliberation regarding value of real property, to discuss industrial districts and negotiations with industry representatives for terms of new Industrial District Agreements.

This item was handled on August 12, between items 5b and 5c. Councilperson Earp has a Conflict of Interest affidavit on file for the item and did not participate in the session or vote. The Council adjourned into executive session at 6:41 p.m.

- 9. RECONVENE into regular session and consider action, if any, on item(s) discussed in executive session.**

The Council reconvened into open session at 6:56 p.m. Councilperson Ojeda moved to approve the new value construction be taxed at a 30% rate for six years; the motion was adopted, 7-0 (Councilperson Garza was out of the room).

- 10. COUNCIL COMMENTS regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies.**

ADJOURN – Without objection, Mayor Rigby adjourned the meeting for the evening at 8:51 p.m., to resume at 6:00 p.m. on Tuesday, August 13, 2019.

Lee Woodward, City Secretary

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JAY MARTIN
Councilperson District 5
NANCY OJEDA
Councilperson District 6

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LA PORTE AUGUST 13, 2019

The City Council of the City of La Porte met in a regular meeting on Monday, August 13, 2019, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at 6:00 p.m., with the following in attendance:

Councilpersons present: Louis Rigby, Brandon Lunsford, Steve Gillett, Danny Earp, Chuck Engelken, Bill Bentley, Thomas Garza, Jay Martin, Nancy Ojeda

Councilpersons absent: None

Council-appointed officers present: Corby Alexander, City Manager; Lee Woodward, City Secretary

1. **CALL TO ORDER** – Mayor Rigby called the meeting to order at 6:00 p.m.

4. *(Items 2-4, 5a, 5b, and 8-9 handled on August 12, 2019.)*

5. STATUTORY AGENDA

(c) **Presentation, discussion, and possible action regarding the City of La Porte Fiscal Year 2019-2020 Proposed Budget. [Corby Alexander, City Manager]**

(Discussion resumed at 6:00 p.m.) The City Manager agreed to the inclusion of \$185,194 for a Facilities Maintenance Division and provide direction for how that could be best arranged. The Council took a ten-minute recess at 7:47 and reconvened at 7:57 p.m.

Councilperson Martin signed a Conflict of Interest affidavit concerning the Chamber of Commerce contract as a part of the Hotel/Motel Fund budget and did not participate in the discussion of that part of the evening. Jeff Martin of the La Porte-Bayshore Chamber of Commerce also answered questions for the Council. Without objection, the Council agreed to increasing the annual contribution to the Chamber to \$165,000 in the new contract beginning in 2020. Without objection, the Council asked Parks Director Ros Epting to let the Heritage Society know they were not inclined to take on the part-time employee and relay they were willing to increase the funding to \$6,480.

(d) **Presentation, discussion and possible action regarding a recommended date for holding the public hearing on the City of La Porte's Fiscal Year 2019-2020 Proposed Budget. [Shelley Wolny, Treasurer]**

Councilperson Engelken moved that the public hearing for the City's FY 2019-2020 Proposed Budget be held on September 9, 2019, City Council meeting; the motion was adopted, 9-0.

6. REPORTS

(a) **Receive a report on the Drainage and Flooding Committee Meeting. [Councilperson Jay Martin]**

Councilperson Martin reported on the Drainage and Flooding Committee met on Monday and reviewed grant application, noting several had been downgraded and delayed by the grantors. He said the Committee would meet again on September 9.

7. ADMINISTRATIVE REPORTS

- Planning and Zoning Commission Meeting, Thursday, August 15, 2019
- Zoning Board of Adjustment Meeting, Thursday, August 22, 2019
- Fiscal Affairs Committee Meeting, Monday, August 26, 2019
- La Porte Development Corporation Board Meeting, Monday, August 26, 2019

(Items 8-9 were handled on August 12, 2019.)

10. COUNCIL COMMENTS regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies.

Councilmembers thanked staff for the excellent job they have done on the budget; congratulated Mr. Mayo on his promotion; requested a report on the tax services used for City tax collections; asked for an update on water bill donations; reminded all of the blood drive tomorrow at the Methodist Church; thanked LPPD for Safety Camp; expressed gratitude to Mr. Dolby for his conservative management of the City's funds and to City staff for a job well done on the budget over the last several months; lauded Parks for the Kids Rodeo; recognized LPPD for the LPPD Citizens' Police Academies and the DWI Awareness presentation given recently at Municipal Court; asked that all keep last Friday's Sylvan Beach drowning victims in mind, as well as the first responders who serve in so many such tragic incidents; expressed appreciation for the revised budget process; shared thanks for Grace Church's recent government appreciation services; and thanked the Chamber for their new teachers' luncheon.

ADJOURN – Without objection, Mayor Rigby adjourned the meeting at 9:24 p.m.

Lee Woodward, City Secretary



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Lorenzo Wingate, P.E., Engineer</u>
Department: <u>Public Works</u>
<input type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>N/A</u>
Account Number:	<u>N/A</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Exhibits: Area map
Approved IDA–Ordinance 2007-IDA-019
Water service application
Water service agreement

SUMMARY

Eurecat U.S. Inc. approached the City for a revision to their water service agreement for their facility located at 13100 Baypark Road, in the Bayport Industrial District. The company has added thirty-three (33) additional employees and is planning a 99,000 square foot building expansion which requires fire protection.

The City Council has approved a policy to provide water and sanitary sewer service to companies located outside the city limits and within the City's industrial districts (ETJ). These companies are required by policy to maintain a current Industrial District Agreement (IDA) with the City. Additionally, the applicant is subject to an administrative fee of \$7,700. As required, a non-refundable payment of twenty-five percent (25%) of the total administrative fees has been received, with the remaining balance (\$5,775) to be paid upon approval of the water service agreement.

Based on the previously approved demand for domestic uses, which the applicant has requested to remain unchanged, the average monthly volume for potable water is 71,675 gallons. Under the terms of the policy, the company will pay one and one-half (1-1/2) times the City's current utility rate for service. The company will pay two (2) times the City's current utility rate for service for any additional monthly usage beyond 71,675 gallons.

The terms of Eurecat U.S. Inc.'s Water Service Agreement will expire on December 31, 2019, plus any renewals or extensions thereof. However, these agreements will automatically expire at such time as there is no effective Industrial District Agreement between the parties, or if the City exercises its right of termination.

RECOMMENDED MOTION

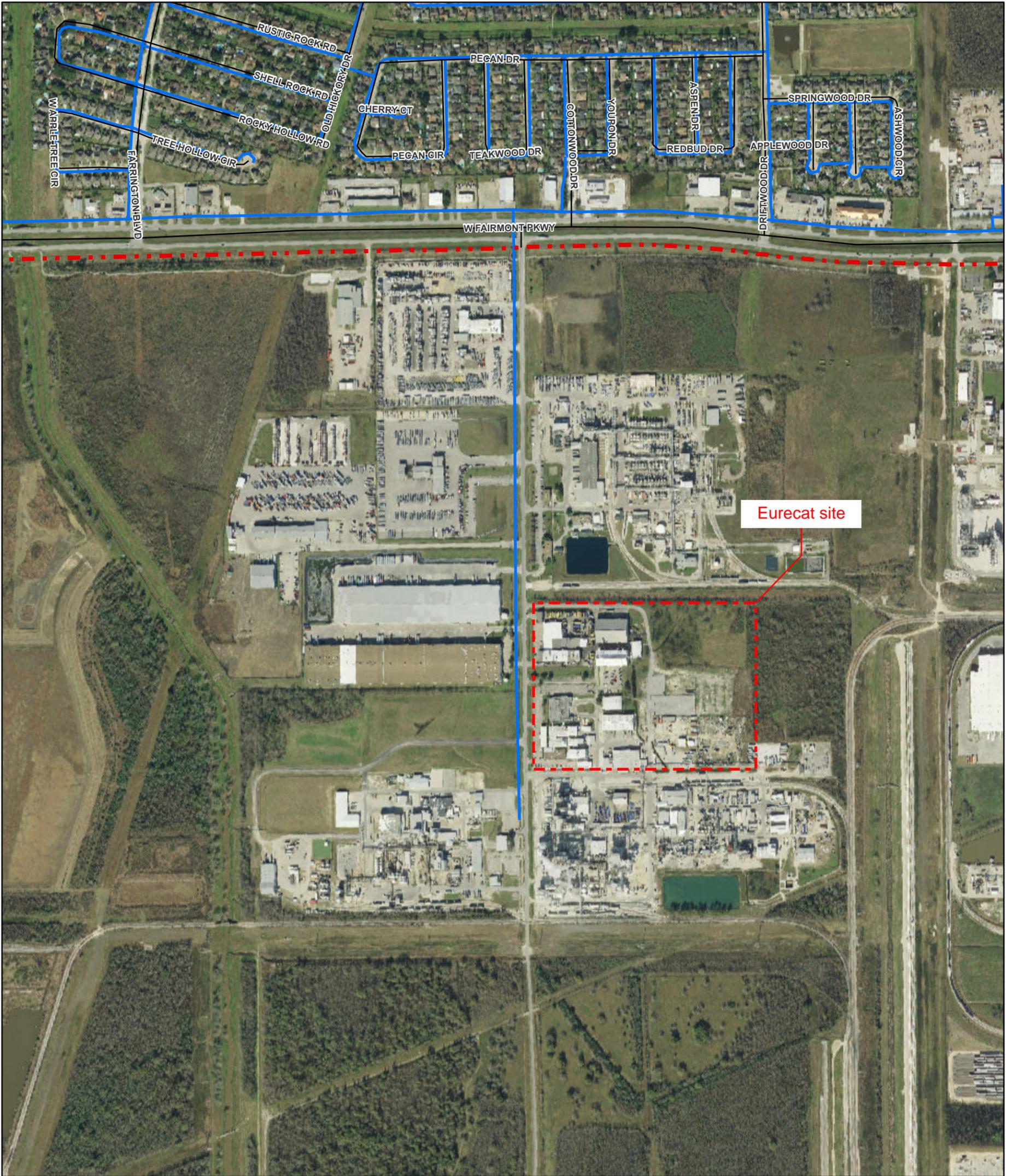
Authorize the City Manager to execute a Water Service Agreement with Eurecat U.S. Inc. for its facility at 13100 Baypark Road, in the Bayport Industrial District.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

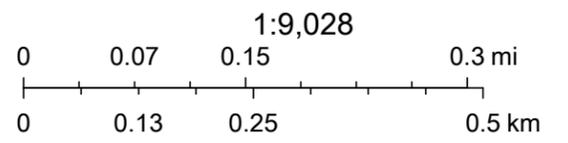
Date

Eurecat Area Map



7/17/2019 11:19:20 AM

- Base Map Layer - Streets
- - - Base Map Layer - City Limits
- Water System - Water Mains



ORDINANCE NO. 2007-IDA-19

AN ORDINANCE AUTHORIZING THE EXECUTION BY THE CITY OF LA PORTE OF AN INDUSTRIAL DISTRICT AGREEMENT WITH EURECAT U.S. INCORPORATED, A NEW JERSEY CORPORATION FOR THE TERM COMMENCING JANUARY 1, 2008, AND ENDING DECEMBER 31, 2019, MAKING VARIOUS FINDINGS AND PROVISIONS RELATING TO THE SUBJECT, FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW, AND PROVIDING AN EFFECTIVE DATE HEROF.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE:

Section 1. Eurecat U.S. Incorporated, a New Jersey Corporation has executed an industrial district agreement with the City of La Porte, for the term commencing January 1, 2008, and ending December 31, 2019, a copy of which is attached hereto, incorporated by reference herein, and made a part hereof for all purposes.

Section 2. The Mayor, the Assistant City Manager, the City Secretary, and the City attorney of the City of La Porte, be and they are hereby, authorized and empowered to execute and deliver on behalf of the City of La Porte, the industrial district agreement with the corporation named in Section 1 hereof.

Section 3. The City Council officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 4. This Ordinance shall be effective from and after its passage and approval, and it is so ordered.

PASSED and **APPROVED**, this 3rd day of December, 2007.

CITY OF LA PORTE



Alton Porter, Mayor

ATTEST:



Martha Gillett, City Secretary

APPROVED:



Knox Askins, City Attorney

RECEIVED

NO. 2007-IDA- 19 §
STATE OF TEXAS §
COUNTY OF HARRIS §

NOV 19 2007

CITY MANAGER'S
OFFICE

INDUSTRIAL DISTRICT AGREEMENT

This AGREEMENT made and entered into by and between the CITY OF LA PORTE, TEXAS, a municipal corporation of Harris County, Texas, hereinafter called "CITY", and Eurecat U.S. Incorporated, a New Jersey corporation, hereinafter called "COMPANY",

W I T N E S S E T H:

WHEREAS, it is the established policy of the City Council of the City of La Porte, Texas, to adopt such reasonable measures from time to time as are permitted by law and which will tend to enhance the economic stability and growth of the City and its environs by attracting the location of new and the expansion of existing industries therein, and such policy is hereby reaffirmed and adopted by this City Council as being in the best interest of the City and its citizens; and

WHEREAS, pursuant to its policy, City has enacted Ordinance No. 729, designating portions of the area located in its extraterritorial jurisdiction as the "Battleground Industrial District of La Porte, Texas", and Ordinance No. 842A, designating portions of the area located in its extraterritorial jurisdiction as the "Bayport Industrial District of La Porte, Texas", hereinafter collectively called "District", such Ordinances being in compliance with the Municipal Annexation Act of Texas, codified as Section 42.044, Texas Local Government Code; and

WHEREAS, Company is the owner of land within a designated Industrial District of the City of La Porte, said land being legally described on the attached Exhibit "A" (hereinafter "Land"); and said Land being more particularly shown on a plat attached as Exhibit "B", which plat describes the ownership boundary lines; a site layout, showing all improvements, including pipelines and railroads, and also showing areas of the Land previously annexed by the City of La Porte; and

WHEREAS, City desires to encourage the expansion and growth of industrial plants within said Districts and for such purpose desires to enter into this Agreement with Company pursuant to Ordinance adopted by the City Council of said City and recorded in the official minutes of said City:

FINAL DRAFT: November 1, 2007

NOW, THEREFORE, in consideration of the premises and the mutual agreements of the parties contained herein and pursuant to the authority granted under the Municipal Annexation Act and the Ordinances of City referred to above, City and Company hereby agree with each other as follows:

I.

City covenants, agrees and guarantees that during the term of this Agreement, provided below, and subject to the terms and provisions of this Agreement, said District shall continue to retain its extraterritorial status as an industrial district, at least to the extent that the same covers the Land belonging to Company and its assigns, unless and until the status of said Land, or a portion or portions thereof, as an industrial district may be changed pursuant to the terms of this Agreement. Subject to the foregoing and to the later provisions of this Agreement, City does further covenant, agree and guarantee that such industrial district, to the extent that it covers said Land lying within said District and not now within the corporate limits of City, shall be immune from annexation by City during the term hereof (except as hereinafter provided) and shall have no right to have extended to it any services by City, and that all Land, including that which has been heretofore annexed, shall not have extended to it by ordinance any rules and regulations (a) governing plats and subdivisions of land, (b) prescribing any building, electrical, plumbing or inspection code or codes, or (c) attempting to exercise in any manner whatever control over the conduct of business thereon; provided, however, any portion of Land constituting a strip of land 100' wide and contiguous to either Fairmont Parkway, State Highway 225, or State Highway 146, shall be subject to the rules and regulations attached hereto as Exhibit "C" and made a part hereof; and provided, however, it is agreed that City shall have the right to institute or intervene in any administrative and/or judicial proceeding authorized by the Texas Water Code, the Texas Clean Air Act, the Texas Health & Safety Code, or other federal or state environmental laws, rules or regulations, to the same extent and to the same intent and effect as if all Land covered by this Agreement were not subject to the Agreement.

II.

In the event that any portion of the Land has heretofore been annexed by City, Company agrees to render and pay full City ad valorem taxes on such annexed Land and improvements, and tangible personal property.

Under the terms of the Texas Property Tax Code (S.B. 621, Acts of the 65th Texas Legislature, Regular Session, 1979, as amended), the appraised value for tax purposes of the annexed portion of Land, improvements, and tangible personal property shall be determined by the Harris County Appraisal District. The parties hereto recognize that said Appraisal District has no authority to appraise the Land, improvements, and tangible personal property in the unannexed area for the purpose of computing the "in lieu"

payments hereunder. Therefore, the parties agree that the appraisal of the Land, improvements, and tangible personal property in the unannexed area shall be conducted by City, at City's expense, by an independent appraiser of City's selection. The parties recognize that in making such appraisal for "in lieu" payment purposes, such appraiser must of necessity appraise the entire (annexed and unannexed) Land, improvements, and tangible personal property.

Nothing herein contained shall ever be interpreted as lessening the authority of the Harris County Appraisal District to establish the appraised value of Land, improvements, and tangible personal property in the annexed portion, for ad valorem tax purposes.

III.

A. The properties upon which the "in lieu of" taxes are assessed are more fully described in subsections 1, 2, and 3 of subsection C, of this Paragraph III (sometimes collectively called the "Property"); provided, however, pollution control equipment installed on the Land which is exempt from ad valorem taxation pursuant to the provisions of Sec. 11.31 of the Texas Property Tax Code is exempt from ad valorem taxation and "in lieu of taxes" hereunder. Property included in this Agreement shall not be entitled to an agricultural use exemption for purposes of computing "in lieu of taxes" hereunder.

B. On or before the later of December 31, 2008, or 30 days from mailing of tax bill and in like manner on or before each December 31st thereafter, through and including December 31, 2019, Company shall pay to City an amount of "in lieu of taxes" on Company's Property as of January 1st of the current calendar year ("Value Year").

C. Company and City agree that the following percentages ("Percentage Amount") shall apply during each of the Value Years:

Value Year 2008:	62%
Value Year 2009:	62%
Value Year 2010:	62%
Value Year 2011:	62%
Value Year 2012:	62%
Value Year 2013:	62%
Value Year 2014:	63%
Value Year 2015:	63%
Value Year 2016:	63%
Value Year 2017:	63%
Value Year 2018:	63%
Value Year 2019:	63%

Company agrees to pay to City an amount of "in lieu of taxes" on Company's land, improvements and tangible personal property in the unannexed area equal to the sum of:

1. Percentage Amount of the amount of ad valorem taxes which would be payable to City if all of the Company's Land and improvements which existed on January 1, 2008, and each January 1 thereafter of the applicable Value Year during the term of this Agreement, (excluding amounts which would be so payable with respect to any Substantial Increase in value of such Land and improvements to which subparagraph 2, below applies), had been within the corporate limits of City and appraised each year by City's independent appraiser, in accordance with the applicable provisions of the Texas Property Tax Code; and

2. (a) On any Substantial Increase in value of the Land, improvements, and tangible personal property (excluding inventory) dedicated to new construction, in excess of the appraised value of same on January 1, 2007, resulting from new construction (exclusive of construction in progress, which shall be exempt from taxation), for each Value Year following completion of construction in progress, an amount equal to Twenty-five percent (25%), if construction is completed in Value years 2008 through 2013; and Twenty percent (20%), if construction is completed in Value years 2014 through 2019, of the amount of ad valorem taxes which would be payable to City if all of said new construction had been within the corporate limits of City and appraised by City's independent appraiser, in accordance with the applicable provisions of the Texas Property Tax Code.

In the case of new construction which is completed in Value Year 2016 or later, and provided, further, that City and Company enter into an Industrial District Agreement after the expiration of this Industrial District Agreement, then, and in such events, such new construction shall be entitled to additional Value Years under the new Agreement at a Twenty percent (20%) valuation under this subparagraph (a), for a total of six (6) Value Years, but not extending beyond Value Year 2022.

- (b) A Substantial Increase in value of the Land, improvements, and tangible personal property (excluding inventory) as used in subparagraph 2(a) above, is defined as an increase in value that is the lesser of either:
 - i. at least Five percent (5%) of the total appraised value of Land and improvements, on January 1, 2007; or
 - ii. a cumulative value of at least \$3,500,000.00.

For the purposes of this Agreement, multiple projects that are completed in a Value Year can be cumulated to arrive at the amount for the increase in value.

- (c) If existing Property values have depreciated below the Property value established on January 1, 2007, an amount equal to the amount of the depreciation will be removed from the calculation under this subparagraph 2 to restore the value to the January 1, 2007, value; and
3. Percentage Amount of the amount of ad valorem taxes which would be payable to City on all of the Company's tangible personal property of every description, located in an industrial district of City, including, without limitation, inventory, (including inventory in a federal Foreign Trade Zone and including Freeport exempted inventory), oil, gas, and mineral interests, items of leased equipment, railroads, pipelines, and products in storage located on the Land, if all of said tangible personal property which existed on January 1, 2008, and each January 1 thereafter of the applicable Value Year during the term of this Agreement, (excluding amounts which would be so payable with respect to any Substantial Increase in value of such tangible personal property to which subparagraph 2, above applies), had been within the corporate limits of City and appraised each year by the City's independent appraiser, in accordance with the applicable provisions of the Texas Property Tax Code.

with the sum of 1, 2 and 3 reduced by the amount of City's ad valorem taxes on the annexed portion thereof as determined by appraisal by the Harris County Appraisal District.

4. Notwithstanding the above, should City elect to grant the freeport inventory exemption authorized by Article VIII, Section 1-j of the Texas Constitution and Section 11.251 of the Texas Property Tax Code to taxpayers within the City limits, then the freeport inventory exemption shall apply to parties to this Agreement. Further, should inventory or any other class or type of property become exempt from taxation by constitutional amendment or act of the Texas Legislature (including, but not limited to, Article VIII, Section 1-n, of the Texas Constitution and Section 11.253 of the Texas Property Tax Code), such class or type of property shall be exempt for purposes of this Agreement, unless the City Council of the City of La Porte shall by Ordinance provide for the continued taxation of such property under the authority of any applicable provisions of the Texas Constitution and Texas Statutes.

5. City and Company acknowledge circumstances might require the City to provide emergency services to Company's Property described on Exhibit "A" attached hereto. Emergency services are limited to fire, police, and public works emergency services. If Company is not a member of Channel Industries Mutual Aid Association (CIMA), Company agrees to reimburse City for its costs arising out of any emergency response requested by Company to Company's property, and to which City agrees to respond. If Company is a member of CIMA, the obligations of Company and City shall be governed by the CIMA agreement, to which agreement City is a party.

IV.

This Agreement shall extend for a period beginning on the 1st day of January, 2008, and continuing thereafter until December 31, 2019, unless extended for an additional period or periods of time upon mutual consent of Company and City as provided by the Municipal Annexation Act; provided, however, that in the event this Agreement is not so extended for an additional period or periods of time on or before August 31, 2019, the agreement of City not to annex property of Company within the District shall terminate. In that event, City shall have the right to commence immediate annexation proceedings as to all of Company's property covered by this Agreement, notwithstanding any of the terms and provisions of this Agreement.

Company agrees that if the Texas Municipal Act, Section 42.044, Texas Local Government Code, is amended after January 1, 1994, or any new legislation is thereafter enacted by the Legislature of the State of Texas which imposes greater restrictions on the right of City to annex land belonging to Company or imposes further obligations on City in connection therewith after the annexation of such land, Company will waive the right to require City to comply with any such additional restrictions or obligations and the rights of the parties shall be then determined in accordance with the provisions of said Texas Municipal Annexation Act as the same existed January 1, 1994.

V.

This Agreement may be extended for an additional period or periods by agreement between City and Company and/or its assigns even though it is not extended by agreement between City and all of the owners of all land within the District of which it is a part.

VI.

A. In the event Company elects to protest the valuation for tax purposes set on its said properties by City or by the Harris County Appraisal District for any year or years during the terms hereof, nothing in this Agreement shall preclude such protest and

Company shall have the right to take all legal steps desired by it to reduce the same.

Notwithstanding such protest by Company, and except as otherwise provided in Article VI(B), Company agrees to pay to City on or before the date therefor hereinabove provided, at least the total of (a) the total amount of ad valorem taxes on the annexed portions, plus (b) the total amount of the "in lieu of taxes" on the unannexed portions of Company's hereinabove described property which would be due to City in accordance with the foregoing provisions of this Agreement on the basis of renditions which shall be filed by Company.

When the City or Harris County Appraisal District (as the case may be) valuation on said property of Company has been so finally determined, either as the result of final judgment of a court of competent jurisdiction or as the result of other final conclusion of the controversy, then within thirty (30) days thereafter Company shall make payment to City of any additional payment due hereunder, or City shall make payment to Company of any refund due, as the case may be, based on such final valuation, together with applicable penalties, interests, and costs.

B. Should Company disagree with any appraisal made by the independent appraiser selected by City pursuant to Article II above (which shall be given in writing to Company), Company shall, within twenty (20) calendar days of receiving City's invoice, give written notice to the City of such disagreement. In the event Company does not give such written notice of disagreement within such time period, the appraisal made by said independent appraiser shall be final and controlling for purposes of the determination of "in lieu of taxes" payments to be made under this Agreement.

Should Company give such notice of disagreement, Company shall also submit to the City with such notice a written statement setting forth what Company believes to be the market value of Company's hereinabove described property. Both parties agree to thereupon enter into good faith negotiations in an attempt to reach an agreement as to the market value of Company's property for "in lieu" purposes hereunder. If, after the expiration of thirty (30) days from the date the notice of disagreement was received by City, the parties have not reached agreement as to such market value, the parties agree to submit the dispute to final arbitration as provided in subparagraph 1 of this Article VI(B).

Notwithstanding any such disagreement by Company, Company agrees to pay to City on or before December 31 of each year during the term hereof, at least the total of (a) the ad valorem taxes on the annexed portions, plus (b) the total amount of the "in lieu" payments which would be due hereunder on the basis of Company's written valuations statement submitted to City by Company hereunder, or the total assessment and "in lieu of taxes" thereon for the last preceding year, whichever is higher.

1. A Board of Arbitrators shall be created composed of one person named by Company, one by City, and a third to be named by those two. In case of no agreement on this arbitrator in 10 days, the parties will join in a written request that the Chief Judge of the U.S. District Court for the Southern District of Texas appoint the third arbitrator who, (as the "Impartial Arbitrator") shall preside over the arbitration proceeding. The sole issue to be determined in the arbitration shall be resolution of the difference between the parties as to the fair market value of Company's property for calculation of the "in lieu" payment and total payment hereunder for the year in question. The Board shall hear and consider all relevant and material evidence on that issue including expert opinion, and shall render its written decision as promptly as practicable. That decision shall then be final and binding upon the parties, subject only to judicial review as may be available under the Texas General Arbitration Act (Chapter 171, "General Arbitration", Texas Civil Practice and Remedies Code). Costs of the arbitration shall be shared equally by the Company and the city, provided that each party shall bear its own attorneys fees.

VII.

City shall be entitled to a tax lien on Company's above described property, all improvements thereon, and all tangible personal property thereon, in the event of default in payment of "in lieu of taxes" payments hereunder, which shall accrue penalty and interest in like manner as delinquent taxes, and which shall be collectible by City in the same manner as provided by law for delinquent taxes.

VIII.

This Agreement shall inure to the benefit of and be binding upon City and Company, and upon Company's successors and assigns, affiliates and subsidiaries, and shall remain in force whether Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the property belonging to it within the territory hereinabove described, and the agreements herein contained shall be held to be covenants running with the land owned by Company situated within said territory, for so long as this Agreement or any extension thereof remains in force. Company shall give City written notice within ninety (90) days, with full particulars as to property assigned and identity of assignee, of any disposition of the Land, and assignment of this Agreement.

IX.

If City enters into an Agreement with any other landowner with respect to an industrial district or enters into a renewal of any

existing industrial district agreements after the effective date hereof and while this Agreement is in effect, which contains terms and provisions more favorable to the landowner than those in this Agreement, Company and its assigns shall have the right to amend this Agreement and City agrees to amend same to embrace the more favorable terms of such agreement or renewal agreement.

X.

The parties agree that this Agreement complies with existing laws pertaining to the subject and that all terms, considerations and conditions set forth herein are lawful, reasonable, appropriate, and not unduly restrictive of Company's business activities. Without such agreement neither party hereto would enter into this Agreement. In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, articles or other parts of this Agreement or the application thereof to any person, firm, corporation or circumstances shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrase, clause, sentence, paragraph, section, article or other part of the Agreement shall be deemed to be independent of and separable from the remainder of this Agreement and the validity of the remaining parts of this Agreement shall not be affected thereby.

XI.

Upon the commencement of the term of this Agreement, all other previously existing industrial district agreements with respect to said Land shall terminate.

XII.

Notices by a party to the other party hereto, shall be mailed or delivered as follows:

To the City of La Porte:

City Manager
City of La Porte
604 West Fairmont Parkway
La Porte, TX 77571

To Company:

Eurecat U.S. Incorporated
(COMPANY)
Attention: _____ Department
1331 Gemini, Suite 310
Houston, Tx. 77058

Company shall promptly notify City of any change of ownership of Property, any assignment of this Agreement, and of any change of billing address.

Company shall notify City annually, on or before June 1, of any changes to the following information:

Plant Manager

Name: Smarklund
Address: 1331 Gemini, Suite 310
Houston, Tx. 77058
Phone: 281-218-0669
Fax: 281-218-9850
Email: Smarklund@eurecat.com

Tax Agent/Billing Contact

Name: Judy Schmidt
Address: 1331 Gemini, Suite 310
Houston, Tx. 77058
Phone: 832-284-0604
Fax: 281-218-9850
Email: jschmidt@eurecat.com

ENTERED INTO effective the 1st day of January, 2008.

By: Eurecat U.S. Incorporated
Smarklund (COMPANY)
Name: SOREN MARKLUND
Title: PRESIDENT
Address: 1331 Gemini, Suite 310
Houston, Tx. 77058

ATTEST:

Madda Hill
City Secretary

By: CITY OF LA PORTE
Alton E. Porter
Alton E. Porter
Mayor

APPROVED:

Knox W. Askins
Knox W. Askins
City Attorney
City of La Porte

By: John Joerns
John Joerns
Assistant City Manager

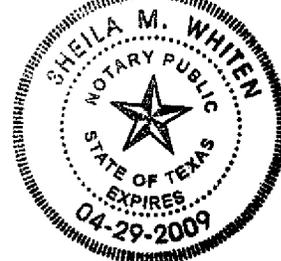
P.O. Box 1218
La Porte, TX 77572-1218
281.471.1886
281.471.2047 fax
knoxaskins@comcast.net

CITY OF LA PORTE
604 West Fairmont Parkway
La Porte, TX 77571

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 16 day of November, 2007, by _____, _____ corporation, a _____ corporation, on behalf of said entity.

Sheila M. Whiten
Notary Public, State of Texas



STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 17 day of April, 2008, by Alton E. Porter, Mayor of the City of La Porte, a municipal corporation, on behalf of said entity.

[Signature]
Notary Public, State of Texas



Exhibit A

Description of the Land

FIELD NOTES FOR A 5.416 ACRE (235,925 SQUARE FEET) TRACT OF LAND, BEING OUT OF A CALLED 53.41 ACRE TRACT OF LAND AS REFERENCED IN A CORRECTION DEED DATED JANUARY 18, 2005 FROM AKZO NOBEL CHEMICALS INC. TO ALBEMARLE CATALYSTS COMPANY LP, RECORDED UNDER HARRIS COUNTY CLERK'S FILE NUMBER (HCCF#) Y238202 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY (OPROP), SAID 53.41 ACRE TRACT BEING FULLY DESCRIBED IN A DEED DATED JULY 30, 2004 FROM AKZO NOBEL CHEMICALS INC. TO AKZO NOBEL CATALYSTS LLC, RECORDED UNDER HCCF# X869695 OPROP, LOCATED IN THE GEORGE B. MCKINSTRY LEAGUE, ABSTRACT 47 AND THE WILLIAM M. JONES SURVEY, ABSTRACT 482, HARRIS COUNTY, TEXAS, SAID 5.416 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS: (Bearings are based on North 02 deg. 28 min. 16 sec. West along the west line of said 53.41 acre tract).

COMMENCING at a found brass cap in concrete stamped "2679" for the northwest corner of said 53.41 acre tract and the southwest corner of a called 125.179 acre tract of land as described in a deed dated December 20, 1974 from Friendswood Development Company to Petrolite Corporation and recorded under HCCF# E340787 OPROP, being on the east right-of-way line of Baypark Road (100' wide, HCCF# E717339);

THENCE, South 02 deg. 28 min. 16 sec. East, along the west line of said 53.41 acre tract and the said east right-of-way line, a distance of 70.00 feet to a 3/8 inch iron rod with cap stamped "Landtech", set, for the northwest corner and **POINT OF BEGINNING** of the herein described tract;

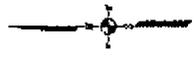
THENCE, North 87 deg. 28 min. 10 sec. East, 70 feet south of and parallel to the north line of said 53.41 acre tract, a distance of 647.67 feet to a 3/8 inch iron rod with cap stamped "Landtech", set, for the northeast corner of the herein described tract;

THENCE, South 02 deg. 28 min. 16 sec. East, a distance of 362.73 feet to a 3/8 inch iron rod with cap stamped "Landtech", set, for the southeast corner of the herein described tract;

THENCE, South 87 deg. 11 min. 51 sec. West, a distance of 647.68 feet to a 3/8 inch iron rod with cap stamped "Landtech", set, for the southwest corner of the herein described tract, being on the said east right-of-way line;

THENCE, North 02 deg. 28 min. 16 sec. West, along said east right-of-way line, a distance of 365.80 feet to the **POINT OF BEGINNING** and containing 5.416 acres (235,925 square feet) of land.

**RECEIVED
HCAD / I & A
AGENT SECTION**

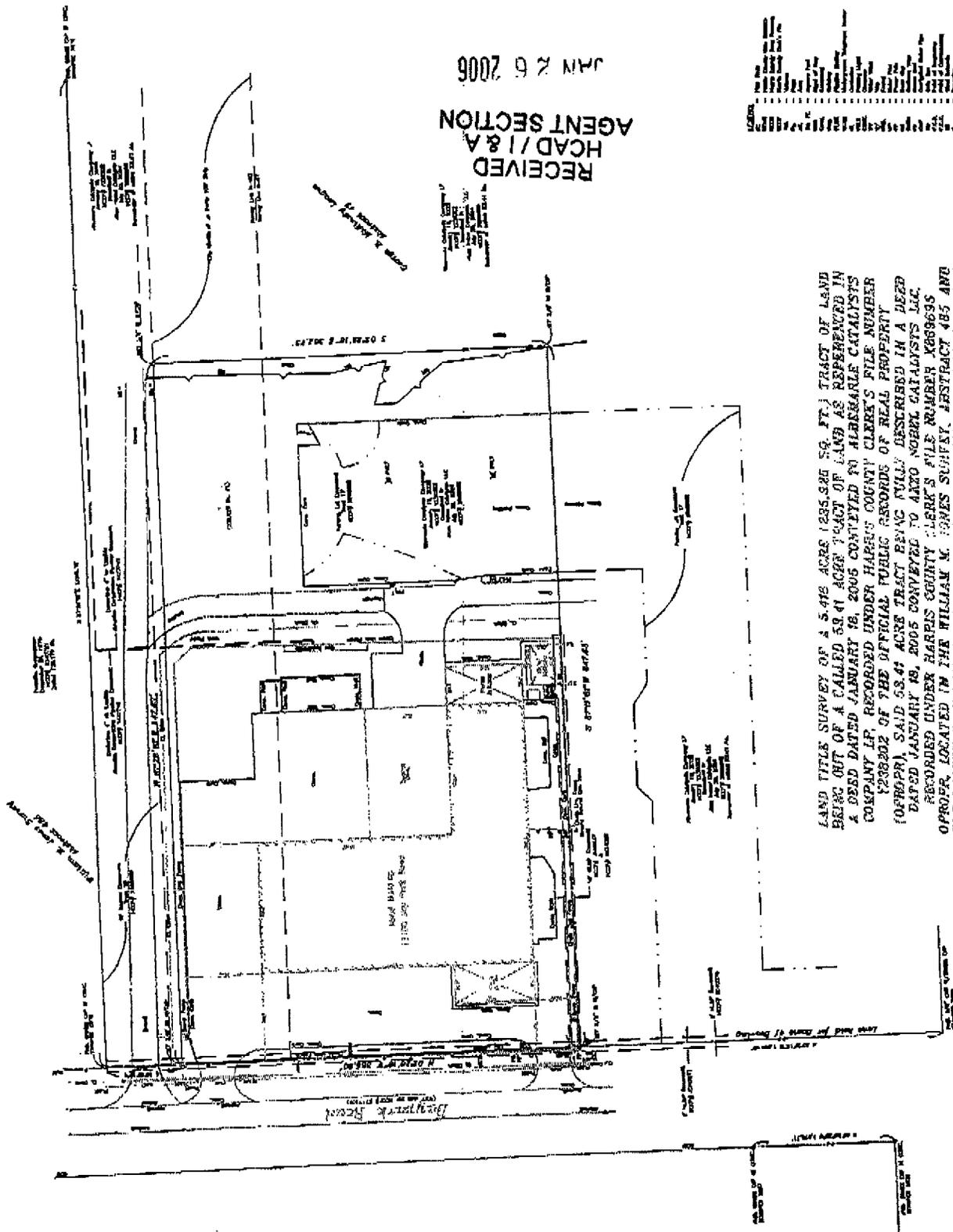


Notes:

1. THIS SURVEY IS BASED UPON THE RECORDS OF THE PUBLIC RECORDS OF HARRIS COUNTY, TEXAS.
2. THE BOUNDARIES OF THIS TRACT ARE BASED UPON THE RECORDS OF THE PUBLIC RECORDS OF HARRIS COUNTY, TEXAS.
3. THE AREA OF THIS TRACT IS 5.476 ACRES (235,925 SQ. FT.).
4. THE TRACT IS LOCATED IN THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 14 WEST, COUNTY OF HARRIS, STATE OF TEXAS.
5. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.
6. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.
7. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.
8. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.
9. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.
10. THE TRACT IS SUBJECT TO THE EASEMENTS AND INTERESTS SHOWN HEREON.

© 2007 Landtech Consultants, Inc.
 2827 NORTH LOOP WEST
 HOUSTON, TEXAS 77008
 (713) 861-7063

RECEIVED
 HCAD / I & A
 JAN 26 2006



LAND TITLE SURVEY OF 5.476 ACRES (235,925 SQ. FT.) TRACT OF LAND BEING OUT OF A CALLED 58.41 ACRES TRACT OF LAND AS REFERENCED IN A DEED DATED JANUARY 18, 2005 CONVEYED TO ALBERKLE CATALYSTS COMPANY LP, RECORDED UNDER HARRIS COUNTY CLERK'S FILE NUMBER 2288202 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY (049028), SAID 58.41 ACRES TRACT BEING FULLY DESCRIBED IN A DEED DATED JANUARY 18, 2005 CONVEYED TO AMCO NOBOL CATALYSTS LLC, RECORDED UNDER HARRIS COUNTY CLERK'S FILE NUMBER 2859693 OF PROPR. LOCATED IN THE WILLIAM M. JONES SURVEY, ABSTRACT 485 AND THE GEORGE B. MCKINSTRY LEASE, ABSTRACT 47, HARRIS COUNTY, TEXAS.

"EXHIBIT C"

Page 1 of 3

RULES AND REGULATIONS

Any portion of Land constituting a strip of land 100' wide and contiguous to either Fairmont Parkway, State Highway 225, or State Highway 146 shall be subject to the following rules and regulations pertaining to new signage, screening, driveways and median crossovers. These rules and regulations shall apply after the effective date of this Agreement when Company develops or constructs improvements on vacant Land described in Exhibit "A" which is adjacent to Fairmont Parkway, State Highway 225, or State Highway 146.

1. Any sign erected in said 100' strip of land shall be subject to the following provisions:
 - ◆ One freestanding identification sign shall be permitted for each side of an industrial establishment that fronts on an improved public right-of-way.
 - ◆ Freestanding identification signs for single tenant buildings shall not exceed 150 square feet in area.
 - ◆ One freestanding identification sign for identifying multiple businesses is allowable at the intersection of improved public rights-of-way.
 - ◆ Freestanding identification signs for multiple businesses shall not exceed 350 square feet.
 - ◆ Freestanding identification signs shall not exceed 45 feet in height.
 - ◆ Minimum setback for sign construction shall be ten (10) feet from property lines.
2. When Land adjacent to said 100' strip is developed, the initial 50' of said strip beyond any existing pipeline easement contiguous to either Fairmont Parkway, State Highway 225, or State Highway 146 shall be screened by one of the following techniques:
 - a) Leaving in place existing trees, vegetation, underbrush, etc. to provide a thorough and effective visual screening of the development. Existing trees shall, together with other vegetation and underbrush, create a continuous visual screen.

"EXHIBIT C"
Page 2 of 3

- b) The use of earthen berms with approximately 3:1 side slopes, 50' wide at the base and 8' high. The berms may be landscaped with a combination of trees, shrubs, and ground cover. All berms and landscaping will be maintained by the property owners.

- c) A screening plan, to be approved by the City, that includes a combination of trees, shrubs, and ground cover that after 5 years growth will be at least 20 feet in height and shall, together with shrubs and ground cover, create a continuous visual screen. Provided, however, in public utility easements or rights-of-way, the vegetation shall be installed and maintained in a manner which is acceptable to the public utility company, and does not interfere with the operation and maintenance of the public utility facilities.

For items b and c above, the actual length of required screening along the roadway will be equal to the length of the new development that is parallel to the roadway. Screening shall not be required for new development that is to the rear of or behind existing facilities.

In all cases the 50' strip, along the entire roadway frontage, shall be dedicated as a landscape easement and shall be kept free from any improvements except for approved driveway access and identification signs.

For cases of new development or improvements where a 50' landscape easement is not available or practical, Company shall meet with City to determine a suitable landscaping alternative.

- d) In the case of land contiguous to Fairmont Parkway, in addition to the other requirements of these Rules and Regulations, Company shall dedicate to City by Plat a ten foot (10') wide pedestrian and bicycle easement, extending along Company's Fairmont Parkway boundary, within the fifty foot (50') landscape easement. The pedestrian easement shall not be within any pipeline facility, except for necessary crossings.
3. Driveways opening from said strip of land onto State Highway 225 or State Highway 146 shall be subject to the rules and regulations of the Texas Department of Transportation and provisions of the City's Code of Ordinances, whichever is more restrictive.

Driveways opening from said strip of land onto Fairmont Parkway shall be subject to the rules and regulations of Harris County and provisions of the City's Code of Ordinances, whichever is more restrictive.

"EXHIBIT C"
Page 3 of 3

4. Driveways opening from said strip of land onto Fairmont Parkway shall be approved by the City and may require the installation of separate acceleration/deceleration lanes.
5. Installation of a median crossover on Fairmont Parkway shall be subject to the approval of both Harris County and City.

CITY OF LA PORTE PLANNING DEPARTMENT
604 West Fairmont Parkway, La Porte, TX 77571
Phone: 281.471.5020, Fax: 281.470.5005
www.laportetx.gov

- City Use Only -

Rec'd by: _____ Date: _____
Date of Initial Review Meeting: _____
Date of Internal Review Meeting: _____
Request Meets Policy Guidelines?: Y or N
Date of Notification to Company: _____

**APPLICATION for WATER / SEWER SERVICE to COMPANIES
WITH AN INDUSTRIAL DISTRICT AGREEMENT (IDA)**

Note: Submittal of partial or incomplete information may delay processing of your application

1.) COMPANY NAME (per Applicant's IDA w/ City):

Name: Eurecat U.S. Inc
Phone #: 281-474-3076
Fax #: 281-474-7776
E-Mail: _____
Company Address: 13100 Baypark Road
Pasadena, TX 77507

2.) *SITE TENANT (if other than "Company"):

Company Name: _____
Phone #: _____
Fax #: _____
Address: _____
Contact Name: _____

3.) PROPERTY DATA (If available, include any survey, plat, site plan, map or sketch of the subject site with this form):

*Company's Industrial District Agreement No.: 2007 - IDA - 19
*Site Address: 13100 Baypark Road, Pasadena, TX 77507
Site HCAD ID(s): _____ ; _____ ; _____
Total Site Acreage (Per Exhibit "A" of Company's IDA): 13.3 Acres (6.5 Acres existing + 6.8 new)

4.) SITE FACILITY INFORMATION (If available, include any site plan or sketch of the subject facility with this form):

New Construction

Describe Project: Install (1) 6" private water line main supplying (1) new fire hydrant and fire sprinkler system in the new 99,000 SF building per NFPA -13

New Tenant Requesting Additional Water and/or Sanitary Sewer Allocation

(Specify reason(s) for additional allocation request: _____)

*Full-time Regular + Full-time Contract Employees who will occupy this facility: 77 Total Full-Time Employees

**Current Amount of Water Allocated to Company by existing Water Service Agreement: 7,1675 gallons per month

**Current Amount of Sewer Allocated to Company by existing Sewer Service Agreement: NA gallons per month

5.) WATER SERVICE IS REQUESTED to COMPANY'S SITE FOR THE FOLLOWING PURPOSE(S):

Domestic Uses (i.e. Drinking, Flushing, Etc.)

Other (describe): Fire Protection, No request to change current allocation

6.) SANITARY SEWER SERVICE IS REQUESTED to COMPANY'S SITE FOR THE FOLLOWING PURPOSE(S):

Domestic Uses (i.e. Wastewater from domestic uses)

Other (describe): _____

* An Administrative Fee of \$100 per employee is assessed for each agreement (Min Fee = \$5,000; Max Fee = \$15,000)

**If Applicable

STATE OF TEXAS §

COUNTY OF HARRIS §

CITY OF LA PORTE
WATER SERVICE AGREEMENT

This AGREEMENT made and entered into by and between the CITY OF LA PORTE, TEXAS, a municipal corporation of Harris County, Texas, hereinafter called "CITY", and Eurecat U.S. Incorporated hereinafter called "COMPANY".

I.

COMPANY is the owner of certain real property which is situated within the CITY'S Battleground or Bayport Industrial District and not within the corporate limits of the CITY. CITY and COMPANY are parties to a current Industrial District Agreement.

II.

COMPANY is desirous of purchasing potable water from CITY for usual human domestic uses. Previous planning considerations for the long-range potable water supply of CITY did not include the needs of properties located outside the corporate limits of CITY. COMPANY recognizes that CITY cannot at this time provide permanent and unlimited water service. CITY agrees, however, to provide limited potable water service to COMPANY. For and in consideration of furnishing domestic potable water by CITY, the parties hereto agree as follows, to-wit:

III.

COMPANY has made certain representations to CITY as to the number of employees that will be located at the COMPANY'S property as of the date of this agreement, upon which representations CITY has relied in entering into this Agreement.

Upon review of these representations, the City has determined the following:

Number of Full-Time Employees on site	<u>77</u>
+ Number of Full-Time Contract Employees on site	<u> </u>
= Total On-Site Full-Time Employees	<u>77</u>
Potable Water Approved for Domestic Use (Total on-site Employees times 50 gpd per employee)	<u>2,350*</u>
Total Amount of Potable Water Approved for COMPANY (Average Daily Volume, gpd)	<u>2,350*</u>

***Eurecat U.S. Inc. requested that previously approved usage remain unchanged. Thus, approved amount is based on 47 total employees.**

IV.

CITY has determined that adequate resources are available to CITY to furnish potable water to COMPANY based on the following terms and conditions, to-wit:

- (A) COMPANY shall pay to CITY a one-time administrative fee of \$ 7,700.
- (B) The total amount of potable water approved to COMPANY is established at 2,350 () gallons per day. This number is based on an average of fifty (50) gallons per employee per day as established by CITY.
- (C) The average monthly volume of 71,675 () gallons is established by multiplying the average daily volume by a factor of 30.5, which shall be used to facilitate CITY'S utility service billings.
- (D) Nothing contained in this Agreement shall obligate CITY to furnish more than the average monthly volume of 71,675 () gallons. Repeated consumption greater than the established average monthly volume may result in termination of service.
- (E) COMPANY shall pay the standard water tap/meter fee based on CITY'S current tap/meter fee schedule. Upon final approval of COMPANY'S on-site and/or off-site utility construction by CITY, COMPANY shall pay the CITY'S standard water deposit fee through CITY'S Utility Billing Division prior to receiving water service from CITY.
- (F) The cost of water up to the average monthly volume of 71,675 () gallons shall be billed at one hundred fifty percent (150%) of the CITY'S rate as established from time to time for commercial customers inside its corporate limits.
- (G) The cost of water for amounts used in excess of the established average monthly volume shall be billed at two hundred percent (200%) of the CITY'S rate as established from time to time for commercial customers inside its corporate limits.
- (H) COMPANY shall submit a preliminary site plan showing the total acreage of the tract including present and proposed improvements and a suitable location map of the site. COMPANY'S development may be subject to certain additional requirements as described in Exhibit A. These requirements shall be shown on the final site plan and approved by City.
- (I) COMPANY'S site design and site development will, in certain cases, be subject to specific "Rules and Regulations" as defined in Exhibit "C" of COMPANY'S Industrial District Agreement with CITY.
- (J) All plumbing installed by COMPANY connected to the domestic water line from CITY, shall meet all applicable State of Texas and CITY plumbing code requirements.
- (K) A reduced pressure zone backflow preventer shall be installed and maintained by COMPANY to protect CITY from any possible cross-connections.
- (L) COMPANY'S potable water supply system will be segregated from any existing and future fire protection system.

- (M) The total cost for the engineering design and construction of any potable water main, service line, back flow preventer, meter or other required appurtenances will be the responsibility of COMPANY.
- (N) COMPANY agrees to be bound by all applicable ordinances of CITY, relative to the furnishing of potable water to customers within the corporate limits of CITY.
- (O) There shall be no resale of water provided by CITY, nor any extension of service lines by COMPANY to serve other parties.
- (P) CITY'S personnel shall have the right of prior review and approval of COMPANY'S plans and specifications for the plumbing system(s). CITY shall have the right to inspect any and all work related to the furnishing of potable water to COMPANY.
- (Q) CITY shall have the right to interrupt or temporarily suspend said water service to COMPANY if an emergency arises and there is not an adequate water supply to meet the needs of the citizens of La Porte.
- (R) CITY reserves the right to enforce its drought contingency plan on all water customers at CITY'S sole discretion.
- (S) CITY does not guarantee its water system to provide specific water pressure and/or water volume requirements of COMPANY.

V.

All expenses of the installation of the meter; service lines from the main to the meter; and from the meter to COMPANY'S facilities, shall be solely at the expense of COMPANY. COMPANY shall own and maintain all service lines and plumbing facilities beyond the meter. CITY shall own the meter.

VI.

In the event a State or Harris County license, permit, or permission to install the water main is revoked, or relocation or adjustment is required, CITY will not be responsible for the expense of such relocation, adjustment, or replacement.

VII.

CITY reserves the right of entry at all reasonable times for the purpose of inspection of COMPANY'S water facilities, reading its water meter(s) and to observe compliance with the terms and conditions of this Agreement. When exercising its right of entry, CITY shall notify COMPANY in advance. CITY also agrees to follow established health and safety policies in effect at COMPANY'S facility.

VIII.

CITY reserves the right to terminate this agreement in the event of violation of the terms and provisions hereof by COMPANY. CITY will provide COMPANY with written notice of any defects and COMPANY shall have the opportunity to cure any defects. Failure to correct defects

within ten (10) calendar days from date of written notice by CITY may result in termination of Agreement. CITY shall have the right to summarily correct, at COMPANY'S expense, any defect or deficiency, when in its opinion the integrity of the public water supply is threatened.

IX.

Upon receipt of written notice of termination, COMPANY shall have up to six (6) months to prepare for transition to another water supply. If the transition is not complete within said six-month period, CITY shall have the right to terminate water service at its sole discretion.

X.

In the event of any conflict between the terms and provisions of this Water Service Agreement and the terms and provisions of the Industrial District Agreement between the parties, the terms and provisions of the Water Service Agreement shall control, to the extent of such conflict. The term of this Agreement shall expire on December 31, 2019 plus any renewals and extensions thereof. However, this Agreement shall automatically expire at such time as there is no effective Industrial District Agreement between the parties or if CITY exercises its right of termination.

ENTERED INTO effective the _____ day of _____.



Signature of Company's Authorized Representative

Printed Name: FERNANDO FEITOSA DE OLIVEIRA

Company Representative's Title: VICE PRESIDENT OF OPERATIONS

Company's Address:

13100 Baypark Road
Pasadena, TX 77507

ATTEST:

CITY OF LA PORTE

Patrice Fogarty
City Secretary

Louis R. Rigby
Mayor

APPROVED:

Knox W. Askins
City Attorney

By:

Corby Alexander
City Manager

EXHIBIT "A"
to Water Service Agreement

The Water Service Agreement is hereby amended and supplemented to include the following additional requirements agreed to by CITY and COMPANY. These requirements represent contractual obligations of COMPANY to receive water service from CITY per the terms of the Water Service Agreement and this addendum. COMPANY shall fulfill each of the following additional requirements as set forth below.

Additional Requirements of COMPANY:

1. Fire Sprinkler Plan included for reference.
2. Additional potable water usage shall be limited to fire prevention: 6" tap;
15,000 gallon water storage tank for fire prevention system (tested quarterly);
testable double check backflow preventer to be installed on 6" fire line;
3. Eurecat U.S. Inc. requested that previously approved usage remain unchanged. Thus, approved amount is based on 47 total employees.

Initial for Approval:

CITY APPROVAL: _____

COMPANY APPROVAL:  _____



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: August 26, 2019
Requested By: Matt Hartleib, HR Manager
Department: Administration/Human Resources
 Report Resolution Ordinance

Exhibits: Proposed 2020 Civil Service Pay Scale
2017-2021 Meet and Confer Agreement

Appropriation	
Source of Funds:	_____
Account Number:	_____
Amount Budgeted:	<u>\$281,702.00</u>
Amount Requested:	<u>\$280,301.00</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

SUMMARY

As required by the previously approved City of La Porte/La Porte Police Officer Association multi-year Meet and Confer Agreement, representatives of the City of La Porte and representatives of the La Porte Police Officer Association began work in April 2019 to complete the annual process prescribed in Article III-Wages. This process includes a market study of comparator police agencies, calculation of a market median, analysis of the budgetary impact of resulting pay scale changes, and adjustment as needed to comply with the total salary budget increase cap for covered employees.

This year's market study resulted in proposed changes to the scale equal to a 4.98% budgetary increase over the previous year for salaries. The cap for year three (3) of the agreement (Fiscal Year 2019-20) is 5%; therefore, no additional adjustments were required. On July 2, 2019, City and Association teams met and agreed to the proposed pay scale. As required, the full membership body of the Police Association has also affirmatively voted to accept the proposed pay scale.

The existing agreement and current pay scale, are pursuant to the provisions of the Texas Local Government Code and will be in effect until September 30, 2019.

RECOMMENDED MOTION

I move to approve the proposed changes to the City of La Porte Civil Service pay scale as presented.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

Attachment A

Civil Service Median Salary Schedule FY 2020 (October 1, 2019 - September 30, 2020)

Police Officer	CS1	CS1-0	CS1-1	CS1-2	CS1-3	CS1-4	CS1-5	CS1-6	CS1-7	CS1-8	CS1-9	CS1-10	CS1-11	CS1-12	CS1-15	CS1-20
		0	1	2	3	4	5	6	7	8	9	10	11	12	15	20
		27.85	28.71	29.56	30.42	31.27	32.13	32.98	33.84	34.69	35.55	36.40	37.26	38.11	38.86	39.61

Sergeant	CS2	CS2-0	CS2-1	CS2-2	CS2-3	CS2-4	CS2-5	CS2-6
		0	1	2	3	4	5	6
		39.25	40.27	41.30	42.32	43.35	44.37	45.40

Lieutenant	CS3	CS3-0	CS3-1	CS3-2	CS3-3
		0	1	2	3
		46.76	48.37	49.99	51.60

Meet and Confer Agreement

Between

The City of La Porte

And

The La Porte Police Officers' Association

October 1, 2017 – September 30, 2021

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Definitions

For the purposes of this agreement, the following definitions shall apply:

- A) "Accredited College or University" means one that is listed by an accrediting agency approved by the United States Department of Education, and as of result of that accreditation, offers courses that are "accredited"
- B) "Chief" means the Chief of Police of the La Porte Police Department or his designee.
- C) "City" means the City of La Porte, Texas.
- D) "Coveted position" as used in this Agreement means any position in the Department to which more than one sworn employee has expressed an interest in being assigned by the Chief.
- E) "Department" means the La Porte Police Department.
- F) "Employee" means a sworn Police Officer who is a member of the bargaining unit.
- G) "Employer" means the City of La Porte.
- H) "Officer" means any sworn Police Officer who is covered by this Agreement.
- I) "Association" means the La Porte Police Officers' Association
- J) "TCOLE" means the Texas Commission on Law Enforcement.
- K) "TLGC" means the Texas Local Government Code.

Unless otherwise stated, it is understood and mutually agreed that masculine and feminine pronouns refer to, and include, both genders equally.

Article I

Authority and Recognition

1. The City of La Porte and the La Porte Police Officers' Association have voluntarily met and reached agreement on the conditions set out in this agreement pursuant to the provisions of the Texas Local Government Code, Chapter 142 et. seq., Subsection B. To the extent that this Agreement is in conflict with or changes Chapter 143, TLGC or any other statute, executive order, local ordinance, or rule, this Agreement shall supersede such provision, as authorized by Section 142.067 of the TLGC.
2. The City recognizes the La Porte Police Officers' Association as the sole and exclusive bargaining agent for all non-probationary Police Officers in the La Porte Police Department, excluding the Chief of Police and the Assistant Chiefs of Police.

Article II

Hiring Preemptions

1. In adopting this Agreement, the parties recognize the need for more flexibility in the hiring process to meet the needs of the Department and believe it improves the selection process by allowing for the lateral hiring of experienced Police Officers, Certified Texas State Peace Officers, and/or otherwise qualified mature applicants.
2. Effective with the ratification of this Agreement, the City shall be allowed to fill vacancies in the entry level Police Officer classification by hiring experienced police officers and/or peace officers certified by TCOLE without requiring these applicants to take a civil service exam. An applicant hired pursuant to this Article may be appointed directly to a pay grade/step commensurate with his/her level of experience; however applicants hired in this manner shall not receive any sort of longevity or seniority relating to promotional eligibility, shift bidding, pay or other privileges of employment. Once a newly-hired Police Officer is placed in the appropriate pay grade/step, the Officer shall progress through the remaining steps of the pay scale on each anniversary date, so long as all eligibility requirements contained in this Agreement are met.

To qualify for the lateral entry program, applicants must pass a physical fitness exam, a comprehensive background investigation, to include psychological, polygraph, medical exam, drug screening and a 12 month probationary period. Applicants must additionally meet the following criteria:

- Education and Experience: Graduation from an accredited Police Academy.
 - Licenses and Certificates: Possess a Basic Peace Officer license issued by TCOLE by the time of appointment.
3. Police Officers hired pursuant to this Article shall be compensated according to his or her total number of years of full time experience in law enforcement, up to a maximum of seven (7) years. The Chief of Police shall make the final determination of whether an applicant meets the criteria of the Lateral Entry Program, and his decision shall be final and non-appealable to the Civil Service Commission or to any court. No rank will transfer.
 4. Specifically, this Article preempts, to the extent of any conflict, all contrary State statutes, local ordinances, executive orders or civil service provisions as they relate to the hiring of the classification of Police Officer. More specifically, this Article pre-empts TLGC, Section

143.023 (c), and permits the Department to hire persons 45 years of age and above, provided that the person has five (5) years of cumulative active military service, or five (5) years of continuous service as a certified peace officer in the State of Texas by the estimated date of hire and can meet all other hiring criteria required for employment as a Police Officer with the City of La Porte. A person is not eligible to apply for a position as a Police Officer in the Department unless the person will be at least 21 years of age at the time of commission and meets minimum eligibility requirements for a Police officer as outlined in local civil service and TCOLE rules.

5. To the extent that any of these provisions differ from Chapter 143 of the Texas Local Government Code, this Article supersedes and pre-empts those provisions as permitted by Chapter 142.067 of the Texas Local Government Code. In addition to the pre-emption noted in Subsection 4 above, this Article also pre-empts Sections 143.024, 143.025, and 143.026 of the Texas Local Government Code.

Article III

Wages

1. The City of La Porte and the La Porte Police Officers' Association hereto agree that a "market approach" philosophy shall be used as a guideline to determine appropriate wage scales for Officers of the Department. In implementing this approach, the parties agree to compare wage rates with Police Officers in comparative cities within the region via a market survey. The definition of "market" is the median salary for each pay grade for the Cities surveyed.
2. The City and Association further agree that the aforementioned market survey will be renewed in April of each year during the term of this Agreement and that median level salary rates for Police Officers covered in this Agreement shall be revised to reflect the current market, as determined from the results of the market survey. Any annual increase will reflect the market survey up to, but not to exceed, a set percentage of the collective salary budget for police officers as compared to the immediately preceding fiscal year according to the following schedule.
 - a. Year 1 – 3%
 - b. Year 2 – 4%
 - c. Year 3 – 5%
 - d. Year 4 – 5%
3. This agreement makes no changes to the current step schedule for the ranks of Police Officer, Sergeant, and Lieutenant.
4. Each year, The Association will appoint a representative to work with the City's HR Manager in conducting a salary survey from Texas City, Galveston, Baytown, League City, Pasadena, Pearland, Friendswood, Sugarland, Missouri City, and Deer Park. The salary survey will reflect employee salaries as of April 1 of the current year. The Association will provide name of their appointed representative to the City's HR Manager no later than April 1 of the current year. The City's HR Manager shall coordinate the survey, with the assistance of the City's Finance Department and the Association's appointed representative, and will have the information collected and the proposed adjusted pay scales completed and presented to the Association and City Bargaining Team members no later than May 31 of the current year. Once the above mentioned salary survey has been completed, the proposed adjusted pay scales will be created by:

- a) Determining both the median minimum and maximum salary range for each of Police Officer, Sergeant, and Lieutenant for the above ten (10) listed cities using the Median Salary Worksheet. Salaries for the City of La Porte are not included when determining the median salary ranges.
 - b) For Police Officer, the minimum median salary will be set as the new La Porte CS1-0 salary. The maximum median salary will be set as the new La Porte CS1-12 salary. CS1-0 will then be subtracted from CS1-12 and that amount will then be evenly distributed across the range. CS1-15 is then 75 cents above CS1-12 and CS1-20 is then 75 cents above CS1-15.
 - c) For Sergeant, CS2-0 is 3% above CS1-12 or the minimum median salary for the rank of Sergeant from the salary survey, whichever is higher. The maximum median is then CS2-6. Subtract CS2-0 from CS2-6, then evenly distribute across the range.
 - d) For Lieutenant, CS3-0 is 3% above CS2-6 or the minimum median salary for the rank of Lieutenant whichever is higher. The maximum median is then CS3-3. Subtract CS3-0 from CS3-3 and then evenly distribute across the range.
5. The new step pay rates will then become effective on October 1 (the first day of the fiscal year following the current fiscal year), so long as the proposed increase does not exceed the designated percentage of the approved salary budget for the current fiscal year.
 6. Should the new step pay rates be projected to exceed the designated percentage of the collective salary budget for police officers for the current fiscal year, the proposed increase for each individual step will be reduced by the same percentage in order to meet the applicable cap. This will be accomplished by first determining the percentage that the proposed collective salary budget exceeded the applicable cap of the actual collective salary budget for the current fiscal year and then reducing each individual step by that same percentage.
 7. Once proposed pay scales have been created by the City Finance and Human Resources Departments each April, the City and Association bargaining team members will review the proposed pay scales revisions and ensure that same are accurate. Once agreed upon, the new rates will take effect subject to the approval of City Council and the Association.
 8. Employees shall receive step increases on the anniversary of their appointment to their current rank. If an employee receives a less than satisfactory performance evaluation

(anything below a 3), the employee will not receive a pay increase of any type (including lump sum payments referenced in Article III Subsection (4) and the current step increase will be held until the employee earns a satisfactory evaluation (3 or above). Once the employee's performance evaluation has been improved to a satisfactory rating, the employee shall be placed at the then-current step for his/her time in grade. If an employee receives an "exceptional" evaluation (above a 4), the employee will be moved up two steps on his/her anniversary date. Upon receiving the next evaluation, that employee shall be placed at the then-current step for his/her time in grade. This Section will not apply to any cost of living raises or pay scale adjustments.

9. If an employee receives a less than satisfactory performance evaluation, as outlined in this Article, the employee may appeal the performance evaluation according to the following process:
 - a) All performance evaluation appeals shall be submitted by the affected employee to the Chief of Police in writing within seven (7) calendar days from the date that the employee receives the evaluation.
 - b) The Chief of Police shall render a written decision to the affected employee within seven (7) calendar days of the date the appeal was received by the Chief of Police.
 - c) If the Chief of Police upholds the performance evaluation, the employee may submit such evaluation appeal to the City Manager. Such appeal must be filed within seven (7) calendar days of the date the Chief of Police rendered or should have rendered a written decision.
 - d) The City Manager shall render a written decision to the affected employee within seven (7) calendar days of the date the employee filed the appeal with the City manager.
 - e) If the appeal remains unresolved, the employee or his/her representative may file the appeal to the civil service commission. The commission shall hear the appeal at their next regular scheduled civil service meeting. The City of La Porte and the affected employee or his/her representative may present witnesses, evidence and other relevant information to the civil service commission. The civil service commission shall render a decision as to the validity of the performance evaluation and such decision shall be final and binding upon all parties.

- f) The time limitations described herein may be waived by mutual agreement in writing by the City of La Porte and the affected employee.
- g) It is the intent of all parties subject to this agreement that any aforementioned evaluation appeal be resolved at the lowest level possible.
10. Employees who have reached the last step of the wage scale and who have received a "satisfactory" performance evaluation of 3 or above shall be paid a lump sum of one thousand dollars (\$1,000.00) each year on the anniversary of appointment to their current rank. Employees who have reached the last step of the wage scale and who have received an "exceptional" evaluation (above a 4), shall be paid an additional one thousand dollar (\$1,000) bonus, for a total lump sum payment of two thousand dollars (\$2,000), on the anniversary of appointment to their current rank. As is the case with other exceptional employees receiving additional performance based wage step incentives, the additional bonus provided to employees who have already reached the last step of the wage scale will be available to the employees a maximum of once every other year.
11. To the extent that any of these provisions differ from Chapter 143 of the Texas Local Government Code, this Article supersedes and pre-empts those provisions as permitted by Chapter 142.067 of the Texas Local Government Code. This Article specifically pre-empts Sections 143.041(b) of the Texas Local Government Code.
12. The City and the Association agree that all provisions of the City of La Porte Emergency Pay Policy, as adopted by the La Porte City Council on July 23, 2012, shall apply to all officers covered under this Agreement.

Article IV

Incentive Pay

1. The City shall pay each employee holding a Masters Certificate granted by TCLEOSE the sum of \$150.00 per month. The City shall pay each employee holding an Advanced Certificate granted by TCLEOSE the sum of \$125.00 per month. The City shall pay each employee holding an Intermediate certificate granted by TCLEOSE the sum of \$100.00 per month.
2. The City shall pay each employee holding a Master's Degree obtained from an accredited university the sum of \$150.00 per month. The City shall pay each employee holding a Bachelor's Degree obtained from an accredited university the sum of \$125.00 per month. The City shall pay each employee holding an Associate Degree obtained from an accredited university the sum of \$100.00 per month.
3. In an effort to encourage Police Officers to continue their college education, effective with the signing of this agreement, Police Officers are entitled to receive both certificate and educational incentive pay, up to a maximum of three hundred (\$300.00) per month. Employees shall not be permitted to earn monthly incentive pay for more than one TCOLE certificate and/or for more than one college degree.
4. To ensure that records are accurate and incentive pay is issued in a timely manner, Police Officers are solely responsible for reporting and providing proper documentation to the Chief of Police or his/her designee to show that the Police Officer has completed training and/or education outside the Department. Police Officers are not entitled to retroactive incentive pay. Incentive pay shall begin at the beginning of the next pay period after the date on which the Police Officer provides proof of certification and/or receipt of a college degree in accordance with this Article.
5. To the extent that any of these provisions differ from Chapter 143 of the Texas Local Government Code, this Article supersedes and pre-empts those provisions as permitted by Chapter 142.067 of the Texas Local Government Code. Specifically, this Article pre-empts Section 143.044(b) and (c).

Article V

Education

1. In order to be eligible for voluntary transfer into a coveted position, as that term is defined in this Agreement, within the Police Department, all Officers hired after 13 July 2009 must have completed a minimum of 20 college hours from an accredited college or university.
2. Except as provided in Section 3 below, in order to be eligible to participate in promotional examinations for Sergeant or Lieutenant, Officers must have completed a minimum of 60 college hours from an accredited college or university or have a combination of a minimum of 20 college hours from an accredited college or university and 40 TCOLE training credits calculated at the rate of 20 training hours equal to 1 training credit, for a total of 60 hours.
3. The 60 hour college requirement established in Section 2 above shall be waived for officers wishing to take the promotional examination for Sergeant if the officer is able to provide appropriate evidence, namely a federal form 00214, showing that they honorably served four (4) or more full years in one or more branches of the U.S. military.
4. To the extent that any of these provisions differ from Chapter 143 of the Texas Local Government Code, this Article supersedes and pre-empts those provisions as permitted by Chapter 142.067 of the Texas Local Government Code. Specifically, this Article pre-empts Section 143.028(b), and 143.031.

Article VI

Promotion to the Ranks of Sergeant and Lieutenant

1. With the exception of the below provisions, promotions to the rank of Sergeant and Lieutenant shall be in accordance with applicable Civil Service Law as established in Texas Local Government Code Chapter 143. Each promotional candidate from the police department who receives a grade of at least 70 points on a promotional examination will be considered as having passed the examination.
2. Seniority points will only be added to the promotional candidate's score if the applicant scores 70 or more points on the written examination. Candidates eligible to receive seniority points will have 1 seniority point added to their test score for every full year they have served in their current classification (grade), up to a maximum of 10 seniority points. For example, Sergeants who take, and pass, the Lieutenant promotional exam will only receive seniority points for each full year they have served as a sergeant. Cut off for seniority point calculations will be the date of the candidate's written examination.
3. In order to be eligible to take the Sergeant's test, officers and/or detectives must have served with the La Porte Police Department at least four (4) continuous years as a commissioned peace officer preceding the date of such promotional examination.
4. In addition to any seniority points a promotional candidate is eligible to receive, promotional candidates who successfully pass a Sergeant or Lieutenant promotional examination and who have participated in the La Porte Police Department's Leadership Mentoring Program for at least six (6) full months prior to the date of the promotional examination, shall have an additional 2.5 points added to their written exam score.
5. Police Officers promoted to Sergeant and Lieutenant must serve a probationary period within the new classification. The probationary period

is completed following six (6) months of continuous service in the new classification. Should a police officer fail to successfully complete their probationary period, they shall be returned to the rank they held immediately prior to the promotion.

6. In accordance with applicable Civil Service Law as established in Texas Local Government Code Chapter 143, Section 143.035, an alternative promotional testing system may be used. The City and the Association agree that an alternative promotional testing system will only be used if it is

(1) proposed by the Chief prior to a promotional test notification from the City AND (2) accepted by a majority of the candidates for promotion who submit the required letter of interest in participating in the promotional process. This process must be repeated with each promotional test the City intends to administer and shall not carry over from one promotional test to the other. If an Assessment Center is selected as part of the alternative testing system, it shall be administered following the below procedures:

- A) Positions in the rank of Sergeants and Lieutenants shall be filled from an eligibility list created by a promotional procedure consisting of a written examination and an Assessment Center conducted in accordance with this Agreement.
- B) Officers who pass the Sergeant's or Lieutenant's written promotional examination with a score of seventy percent (70%) or higher will proceed to the next step of the examination process, which is an Assessment Center.
- C) The score for the Written Examination and the Assessment Center shall be between 0 and 100 points each. As such, after the Assessment Center scoring has been completed for the rank of Sergeant and/or Lieutenant, the eligibility list shall be calculated as follows:

- 1. Written examination 0- 100 points
- 2. Assessment Center 0- 100 points
- 3. Seniority Points 2 – 10 points
- 4. LMP Participation Points 0 – 2.5 points

- D) Prior to the written test being administered, the Human Resources Department will generate a list of potential assessment center consultants. The Chief shall then appoint two (2) members to serve on an Assessment Center Review Committee (ACRC). The ASSOCIATION shall also select two (2) individuals to serve on the ACRC. ACRC members must not be officers who are participating in any of the current year's promotional examinations. Consulting with the Chief and other supervisors/managers of the department, ACRC members shall establish assessment criteria based on job content and responsibility. Once assessment criteria have been established, the ACRC shall meet to consider the list of consultants provided by the Human Resources Department and select the Assessment Center Consultant from the list (which may be subject to City purchasing policies and procedures).
- E) After the Assessment Center Consultant has been selected, the Consultant will orient the ACRC. The Consultant will collectively confer with both the Chief and the ACRC on the needs or issues affecting the design of the Assessment Center. Any input from the ASSOCIATION will be summarized by the ACRC and made available to anyone who requests it. The Consultant shall make all final decisions concerning the design and implementation of the Assessment Center.
- F) The Consultant designs the Assessment Center and also selects the assessors; however, all assessors must meet the following criteria:
1. Active duty or retired, sworn officers of similar rank to the one being assessed for promotion, or above, from cities with a population of 25,000 or greater;
 2. Shall not reside in La Porte or any city contiguous to La Porte;
 3. Shall not be related, by blood or marriage, to any candidates for promotion;
 4. Shall not personally know or be an acquaintance of any candidate for promotion;
 5. Shall have two (2) years of experience in the promoted or equivalent rank; and

6. Shall not be a current or former employee of the City of La Porte.

G) The assessors selected by the Consultant will assess the candidates for the rank. The assessors shall award up to one hundred (100) points to each candidate participating in the assessment center. The assessment sessions may be recorded, and candidates may review their own session by making an appointment with the Human Resources Department during normal business hours. Examination reviews will be conducted on the officer's off-duty time and copies of the videotapes will not be distributed. Except for specific violations of any of the aforementioned criteria, or as provided by law, assessment center scores shall be deemed final and are not subject to appeal.

Article VII

Physical Fitness

1. Officers hired after 13 July 2009, shall be required to pass an annual physical fitness assessment in order to be eligible for voluntary transfer to a coveted position, as defined in this Agreement, or to participate in promotional exams. The physical fitness assessment will be the same as the assessment required by the City of La Porte Civil Service Rule for Police applicants.
2. All Police Officers employed by the La Porte Police Department are encouraged to voluntarily participate in a quarterly physical fitness assessment. The physical fitness assessment will be the same as the assessment required by the City of La Porte Civil Service Rule for police applicants. Employees may, at their option, instead choose to voluntarily participate in the general City-employee wellness program.
3. Employees participating in Police Department's physical fitness program or the City's general employee wellness program shall not be paid for time spent preparing for assessments, personal conditioning, or engaging in any work-out related activities. When on-duty, police officers will, however, be allowed to participate in quarterly assessments during their work hours. Under no circumstances will participating Police Officers be eligible to simultaneously receive the cash bonus under both the general City- employee wellness program and the Police Department's physical fitness program.
4. All Police Officers who pass the physical fitness assessment will be authorized to wear a special "physical fitness award ribbon" on their uniform and will receive a physical fitness cash bonus of \$250.00 for each quarterly physical fitness assessment successfully passed to be paid at the end of the calendar year. At no time shall such fitness bonus exceed \$1000.00 annually.
5. To the extent that any of these provisions differ from Chapter 143 of the Texas Local Government Code, this Article supersedes and pre-empts those provisions as permitted by Chapter 142.067 of the Texas Local Government Code. Specifically, this Article pre-empts Section 143.044(d).

Article VIII

Compensatory Time

1. All sworn Police Officers shall be eligible to accumulate and accrue compensatory time at a rate of time and one-half the hours actually worked, up to a maximum of 40 hours. All compensatory time provisions of the Fair Labor Standards Act shall be adhered to by the City of La Porte and the Police Officers covered under this agreement.

2. As with other forms of leave, compensatory time may be accrued and taken only after the employee submits a written request and receives approval by his or her immediate supervisor. Compensatory time off shall be granted at the sole discretion of the Department, and will not be granted if overtime is required to achieve minimum staffing levels. The City may opt to pay employees for accrued compensatory time at any time.

Article IX

Association Leave

1. Except as provided for under Section 2 below, during the term of this Agreement, each year on or before December 31 the City shall assess from each Association member two (2) hours of accrued vacation leave time to be placed in an Association business leave pool. Association members, with the approval of the Association Board of Directors, shall be allowed to debit the pool during the calendar year when attending to Association related business, including, but not limited to, time spent representing the Association at meetings or events; representing members at disciplinary hearings, grievances or on other job-related matters; attending seminars or training programs; and attending to business associated with the "meet and confer" process.
2. Any Association member shall have the option to opt out of participating in the Association Leave Pool and avoid the aforementioned vacation leave assessment by notifying the Human Resources Department prior to January 1st of any applicable year, during the term of this Agreement. Such notice shall be in writing and the Human Resources Department shall thereafter send a copy of it said notice to the Association within thirty (30) days. Should any officer willingly and voluntarily give or provide additional minutes of credited leave time to the pool, he/she may do so by delivering by proving written notice to the Human Resources Department, who then will furnish a copy of same to the Association within thirty (30) days. The Human Resources Department shall provide the Association with a statement as to the leave balance in this pool every ninety (90) days.
3. The Association shall request Association Leave off for eligible members at least forty-eight (48) hours in advance, by delivering written notice to the Chief. Association Leave shall be viewed the same as requests for regular vacation and will be subject to supervisory approval, with staffing and other considerations taken into account. As with all other forms of leave, if the Chief of Police deems it necessary, he/she may order Association members on Association Leave to immediately report back to work.

- 4 The pool shall be cumulative during the term of this Agreement. The City is only required to make an individual assessment from Association members who have at least two (2) hours of accrued vacation time at the time the City makes the assessment.

- 5 The Chief will consider requests for additional time off without pay to attend to other Association business. Any such request shall be in writing and delivered to the Chief at least forty-eight (48) hours in advance of the requested leave.

Article X

Grievance Procedure

- 1) The purpose of this grievance procedure is to establish effective machinery for the fair, expeditious and orderly adjustment of grievances. A grievance involving the interpretation, application or enforcement of a specific clause of this agreement by one or more employees shall be brought to the attention of the Association Grievance Committee in writing within fifteen
(15) calendar days of when the employee knew or should have known of the occurrence or occurrences that gave rise to the grievance. The Association may bring a grievance that is an on-going practice by the City which affects the bargaining unit as a whole "Class Action" within fifteen
(15) calendar days of when the Association knew or should have known of the grievance.

Within fifteen (15) calendar days of the receipt of the grievance, the grievance committee shall determine if a valid grievance exists. If, in the opinion of the Association Grievance Committee, no grievance exists or the Association denies the grievance, the Association Grievance Committee shall notify the employee. If the Association Grievance Committee accepts the grievance, the Association shall, within seven (7) calendar days of accepting the grievance, present written notice of the grievance to the Chief of Police.

- 2) The Chief of Police shall render a written decision to the Association Grievance Committee within seven (7) calendar days of the date the Association Grievance Committee filed such grievance with the Chief of Police.
- 3) If the grievance remains unresolved, the Association Grievance Committee or its representative may submit said grievance to the office of the City Manager. Said grievance, if submitted, must be filed within seven (7)

calendar days of the date the Chief of Police rendered or should have rendered a written decision.

- 4) The City Manager shall render a written decision within seven (7) calendar days of the date the Association Grievance Committee filed said grievance with the City Manager.
- 5) If the grievance remains unresolved, the Association Grievance Committee or its representative may request that the grievance be submitted for grievance mediation through an independent third-party such as the Federal Mediation and Conciliation Services (FMCS). The parties hereto agree that any fees and expenses associated with mediation shall be shared equally by the submitting Police Officer and by the City. The costs of a witness are paid by the party who calls the witness. The costs of an attorney are paid by the party that retains the attorney's services.
- 6) If the grievance remains unresolved following mediation, the Association Grievance Committee or its representatives may request that the grievance be submitted to arbitration, said request must be submitted in writing to the office of the City manager within seven (7) calendar days from the date an official impasse is declared relating to mediation.
- 7) Either party may request the Federal Mediation and Conciliation Services (FMCS) or American Arbitration Association (AAA) to provide a list of arbitrators in accordance with its selection rules. Either party shall have the right to reject the list submitted by FMCS or AAA. In that event, the FMCS or AAA will be requested to submit another list. The Parties shall select an arbitrator from the list. The parties, by mutual agreement, may select to use AAA expedited rules.
 - A) The powers of the arbitrator shall be limited as follows:
 - 1) He shall have no power to add, to subtract from, or modify any of the terms of this agreement.

- 2) The arbitrator shall deal only with the grievances that occasioned the arbitrator's appointment.
 - 3) The decision of the arbitrator, if within the scope of the arbitrator's authority, shall be final and binding upon the parties.
 - 4) The arbitrator shall be empowered to determine whether an issue is subject to arbitration pursuant to this agreement.
-
- 8) The parties hereto agree that the Arbitrator's fees and expenses are shared equally by the appealing Police Officer and by the City. The costs of a witness are paid by the party who calls the witness. The costs of an attorney are paid by the party that retains the attorney's services.
 - 9) A grievance not filed within any of the time limitations specified herein shall not be considered timely and shall be void. The time limitations described herein may be waived by mutual agreement in writing by the Association Grievance Committee and the appropriate management official.

Article XI

Duration

- 1) The provisions covered under this agreement will be effective upon ratification by the La Porte Police Officers' Association and approval by the La Porte City Council, in accordance with Chapter 142 of the Texas Local Government Code. This Agreement shall expire at midnight September 30, 2021. In the event that a new Agreement has not been reached by that date, the parties may mutually agree to extend this Agreement.

- 2) The City of La Porte and the La Porte Police Officers' Association shall begin the "meet and confer" process no later than May 1, 2018, unless the parties mutually agree in writing to defer the start of the process to a later date.

The foregoing instrument has been negotiated, reviewed and approved by each of the signatories indicated below:

LA PORTE POLICE OFFICERS' ASSOCIATION

Ratified by La Porte Police Officers' Association Membership on 11th day of September, 2017.

By: *Matthew Navarra*
President, La Porte Police Officers' Association

Attest: *Marcus Apdr*
Secretary, La Porte Police Officers' Association

Treasurer

CITY OF LA PORTE, TEXAS

Approved by La Porte City Council on 11th day of September 2017.

By: *[Signature]*
City Manager, City of La Porte, Texas

By: *Kenneth Adams*
Chief of Police, City of La Porte, Texas

Attest: *Patricia Sogarty*
City Secretary, City of La Porte, Texas



Attachment A - Pay rate schedule 2017-2018

Police Officer	CS1	CS1-0	CS1-1	CS1-2	CS1-3	CS1-4	CS1-5	CS1-6	CS1-7	CS1-8	CS1-9	CS1-10	CS1-11	CS1-12	CS1-15	CS1-20
		0	1	2	3	4	5	6	7	8	9	10	11	12	15	20
Hourly rate		25.39	26.18	26.97	27.76	28.55	29.34	30.13	30.92	31.71	32.50	33.29	34.08	34.83	35.58	36.33

Sergeant	CS2	CS2-0	CS2-1	CS2-2	CS2-3	CS2-4	CS2-5	CS2-6
		0	1	2	3	4	5	6
Hourly rate		36.29	37.25	38.21	39.17	40.13	41.09	42.05

Lieutenant	CS3	CS3-0	CS3-1	CS3-2	CS3-3
		0	1	2	3
Hourly rate		43.31	44.89	46.47	48.04

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REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Ian Clowes, City Planner</u>
Department: <u>Planning & Development</u>
<input type="radio"/> Report <input type="radio"/> Resolution <input checked="" type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>N/A</u>
Account Number:	<u>N/A</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Exhibits: **Ordinance No. 2019-3750**
 P&Z Recommendation Letter
 Proposed Land Use Map
 Existing Land Use Map

SUMMARY & RECOMMENDATION

This item is a request for consideration to amend the city's Future Land Use Plan in conjunction with a request by Justin Bennett of Phelan-Bennett Development, applicant, on behalf of Carrington F. Weems owner, who is seeking approval of a Zone Change from the General Commercial (GC) zoning district to the Planned Unit Development (PUD) zoning district. The proposed zone change would allow for the development of an industrial office/warehouse building on the site. The property in question is located at the NE corner of S. 16th St. and the W. M St. ROW, and is legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision.

The city's Future Land Use Plan (FLUP) identifies the subject property as "Commercial". In order to accommodate the proposed zone change, staff recommends amending the existing FLUP map to show the property as "Light Industrial".

The requested item was previously heard by the Planning and Zoning Commission on March 21, 2019 where it was recommended for approval on a 9-0 vote. The City Council heard the item at their May 13, 2019 meeting where a motion to deny the item was upheld by a vote of 5-4.

This request is in conjunction with a request for a Special Conditional Use Permit (SCUP) to allow for the construction of a 109,000 square foot industrial facility. The applicant failed to gain approval of the previous SCUP request and has since

resubmitted with minor changes. These changes would limit the building size to no greater than 109,000 square feet and limit the total number of bay doors to 9.

The Planning and Zoning Commission, at their June 20, 2019 regular meeting, voted 4-3 to recommend approval of the proposed Future Land Use Amendment.

ACTION REQUIRED BY COUNCIL

1. Conduct public hearing.
 2. Consider action on a recommendation by the Planning and Zoning Commission to approve an Ordinance amending the City's Future Land Use Plan, for a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW and is legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision.
-

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

ORDINANCE NO. 2019-3750

AN ORDINANCE ADOPTING AN UPDATE TO THE FUTURE LAND USE MAP COMPONENT OF THE COMPREHENSIVE PLAN OF THE CITY OF LA PORTE, TEXAS UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF LA PORTE, TEXAS; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.

WHEREAS, Section 211.004 of the Texas Local Government Code provides that zoning regulations must be adopted in accordance with a Comprehensive Plan;

WHEREAS, Section 213.003 of the Texas Local Government Code provides that a municipality may amend a Comprehensive Plan by ordinance, after public hearing and review by the municipality's planning commission or department; and

WHEREAS, Section 213.003 of the Texas Local Government Code also provides that a municipality may establish, in its charter or by ordinance, procedures for adopting and amending a Comprehensive Plan; and

WHEREAS, Chapter 106, "Zoning" Article I, Section 106-3, and Article II, Section 106-65 of the Code of Ordinances of the City of La Porte, delegates to the Planning and Zoning Commission the duty to review and make recommendations relevant to modifications of the Comprehensive Plan and Zoning Ordinance; and

WHEREAS, the City of La Porte has a Comprehensive Plan, which Plan was adopted by the City Council of the City of La Porte, Texas in 1986, and which Plan has been the subject of multiple amendments since its adoption;

WHEREAS, pursuant to mandate of Chapter 106, "Zoning" of the Code of Ordinances of the City of La Porte, the Planning and Zoning Commission of the City of La Porte has reviewed all elements of the Comprehensive Plan, and as duly approved by the City Council of the City of La Porte, to consider possible amendments thereto; and

WHEREAS, at the La Porte Planning and Zoning Commission meeting which occurred on June 20, 2019, the La Porte Planning and Zoning Commission reviewed the Future Land Use Map component of the Comprehensive Plan for the purpose of considering proposed amendments thereto, to change the designation for that 5.051 acre tract of land located at the northeast corner of S. 16th St. and the W. M St. ROW, and legally described as follows: Lots 1-32, Block 1144 and Lots 1-32 Block 1143, La Porte Subdivision, City of La Porte, Harris County, Texas, from its present designation of "Commercial", to "Light Industrial", and at the conclusion of such review the La Porte Planning and Zoning Commission voted to recommend the adoption of said proposed amendments to the Future Land Use Plan component of the Comprehensive Plan, to the La Porte City Council;

NOW, THEREFORE, BE IT RESOLVED BY

THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, THAT:

Section 1 That an amendment to the Future Land Use Map component of the Comprehensive Plan of the City of La Porte, Texas, which is incorporated to this ordinance by reference herein and attached hereto as Exhibit A, be and is hereby authorized, approved, and adopted by the City Council of the City of La Porte, Texas, after duly noticed public hearing held at its July 22, 2019 meeting, and receipt of the recommendations of the Planning and Zoning Commission of the City of La Porte, Texas.

Section 2 The City Secretary of the City of La Porte or her designated representative shall be required to make this amendment to the Comprehensive Plan available to the public and duly mark and note the updated reference on the Future Land Use Plan component of the Comprehensive Plan of the City of La Porte, Texas.

Section 3 The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject to this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon.

The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 4 This Ordinance shall be in effect from and after its passage and approval.
Passed and approved this the 26th day of AUGUST, 2019.

CITY OF LA PORTE, TEXAS

By: _____

Louis R. Rigby, Mayor

ATTEST:

By: _____

Lee Woodward, City Secretary

APPROVED:

By: _____

Clark Askins, Assistant City Attorney



June 21, 2019

Honorable Mayor Rigby and City Council
City of La Porte

RE: Request #19-92000002 to Amend the Future Land Use Map

Dear Mayor Rigby and City Council:

The La Porte Planning and Zoning Commission held a meeting on June 20, 2019 for a request to amend the City's Future Land Use Plan as adopted in the Comprehensive Plan for a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW, and is legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision. The request was for approval of a change of the future land use designation from "Commercial" use to "Light Industrial" use

The Commission voted 4-3 to recommend approval of the proposed amendments to the City's Future Land Use Map.

Respectfully submitted,

Ian Clowes, City Planner
On Behalf of the Planning and Zoning Commission



EXHIBIT A

PROPOSED LAND USE MAP

**Zone Change
#19-92000002**

**NE Corner
S. 16th and W. M**

 Subject Property



This product is for informational purposes and may not have been prepared for or be suitable for legal purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries

1 inch = 212 feet

JULY 2019

PLANNING DEPARTMENT





CURRENT LAND USE MAP

**Zone Change
#19-9200002**

**NE Corner
S. 16th and W. M**

 Subject Property



This product is for informational purposes and may not have been prepared for or be suitable for legal purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries

1 inch = 212 feet

JULY 2019

PLANNING DEPARTMENT





REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Ian Clowes, City Planner</u>
Department: <u>Planning & Development</u>
<input type="radio"/> Report <input type="radio"/> Resolution <input checked="" type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>N/A</u>
Account Number:	<u>N/A</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Exhibits: **Ordinance No. 2019-3751**
 P&Z Recommendation Letter
 Aerial Map
 Zoning Map
 Future Land Use Map
 Applicant Information

SUMMARY & RECOMMENDATION

Justin E. Bennet of Phelan-Bennett Development, applicant, on behalf of Carrington F. Weems, owner seeks approval of a Zone Change from the General Commercial (GC) zoning district to the Planned Unit Development (PUD) zoning district. The subject property is located at the NE corner of S. 16th St. and the W. M St. right of way (ROW) and is legally described as Lots 1-32, Block 1144 and Lots 17-32 & Tracts 1-16, Block 1143, La Porte Subdivision.

The 5.051 acre property is currently undeveloped. The applicant requests a zone change to PUD with a Special Conditional Use Permit (SCUP), allowing for construction of a single 109,000 square foot office/warehouse industrial building. If approved, the applicant will apply for a street/alley closure for the remaining city ROW (15th St. and 2 alleys).

The requested item was previously heard by the Planning and Zoning Commission on March 21, 2019 where it was recommended for approval on a 9-0 vote. The City Council heard the item at their May 13, 2019 meeting where a motion to deny the item was upheld by a vote of 5-4.

This request is in conjunction with a request for a Special Conditional Use Permit (SCUP) to allow for the construction of a 109,000 square foot industrial facility. The applicant failed to gain approval of the previous SCUP request and has since

resubmitted with minor changes. These changes would limit the building size to no greater than 109,000 square feet and limit the total number of bay doors to 9.

Staff mailed public notice to all property owners located within 200 feet of the subject property and received one (1) comment sheet in opposition of the proposed request.

The Planning and Zoning Commission, at their June 20, 2019 regular meeting, voted 4-3 to recommend approval of the proposed Zone Change.

ACTION REQUIRED BY COUNCIL

1. Conduct public hearing.
2. Consider action on a recommendation by the Planning and Zoning Commission to approve an Ordinance for zone change request #19-92000002, for a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW and legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

ORDINANCE NO. 2019-3751

AN ORDINANCE AMENDING CHAPTER 106 “ZONING” OF THE CODE OF ORDINANCES OF THE CITY OF LA PORTE, BY CHANGING THE ZONING CLASSIFICATION OF A 5.051 ACRE TRACT OF LAND LOCATED AT THE NORTHEAST CORNER OF S. 16TH ST. AND THE W. M STREET R.O.W. AND LEGALLY DESCRIBED AS LOTS 1-32, BLOCK 1144 AND LOTS 1-32, BLOCK 1143, LA PORTE SUBDIVISION, FROM GENERAL COMMERCIAL (GC) TO PLANNED UNIT DEVELOPMENT (PUD); MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. Chapter 106 “Zoning” of the Code of Ordinances is hereby amended by changing the zoning classification of the following described property, to wit: a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M Street R.O.W. and legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, Harris County, Texas, from General Commercial (GC) to Planned Unit Development (PUD).

Section 2. All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

Section 3. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by Chapter 551, TX. Gov’t Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 5. The City Council of the City of La Porte hereby finds that public notice was properly mailed to all owners of all properties located within two hundred feet (200’) of the properties under consideration in compliance with code provisions.

Section 6. It is directed that the Official Zoning Map of the City of La Porte, Texas be changed to reflect the zoning classification established by this ordinance

Section 7. The City Council of the City of La Porte hereby finds, determines, and declares that all prerequisites of law have been satisfied and hereby determines and declares that the amendments to the City of La Porte Zoning Map and Classification contained in this Ordinance as amendments thereto are desirable and in furtherance of the goals and objectives stated in the City of La Porte's Comprehensive Plan.

Section 8. This ordinance shall be effective after its passage and approval.

PASSED AND APPROVED this the 26th day of AUGUST, 2019.

CITY OF LA PORTE, TEXAS

By: _____
Louis R. Rigby, Mayor

ATTEST:

Lee Woodward, City Secretary

APPROVED:

Clark Askins, Assistant City Attorney



June 21, 2019

Honorable Mayor Rigby and City Council
City of La Porte

RE: Zone Change Request #19-92000002

Dear Mayor Rigby and City Council:

The La Porte Planning and Zoning Commission held a public hearing at the June 20, 2019 meeting on a zone change request by Justin Bennet of Phelan-Bennett Development, applicant; on behalf of Carrington F. Weems, owner; for a zone change of property legally described Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, from General Commercial (GC) to Planned Unit Development (PUD). The site is a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M St. ROW.

The Commission voted 4-3 to recommend approval of the proposed zone change.

Respectfully submitted,

Ian Clowes, City Planner
On Behalf of the Planning and Zoning Commission



FLUP MAP

**Zone Change
#19-9200002**

**NE Corner
S. 16th and W. M**

 Subject Property



This product is for informational purposes and may not have been prepared for or be suitable for legal purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries

1 inch = 212 feet



**JULY 2019
PLANNING DEPARTMENT**



Zone Change Application

Planning and Development Department

PROJECT INFORMATION

Address where zone change is being requested: 0 North 16th Street, La Porte, Texas 77571
Legal description where zone change is being requested: LTS 1 THRU 32 Block 1144 LTS 17 THRU 32 & TRS 1 THRU 16 BLK 1143 LA PORTE
HCAD Parcel Number where zone change is being requested: 0242030430001
Zoning District: General Commercial Lot area: 177,855 Square-Feet
A request for approval of a zone change is hereby made to the City of La Porte.
Description of Request: Rezone to Planned Unit Development to re-plot and develop into one single lot for a new building.

Attached hereto is a Project Description Letter describing the project and outlining the reasons why such SCUP should be approved.

PROPERTY OWNER(S) INFORMATION

Name: F. Carrington Weems, II
Company (if applicable): _____
Address: 1603 Clay Street
City: Houston State: Texas Zip: 77019
Phone: (713) 416-1562 Email: carringtonweems@yahoo.com

AUTHORIZED AGENT (If other than owner)

Name: Justin E. Bennett
Company (if applicable): Phelan-Bennett, LLC
Address: 5301 Polk Street, Building 25
City: Houston State: Texas Zip: 77023
Phone: 713-502-2704 Email: jbennett@phelandevco.com

OWNER(S) & AGENT CERTIFICATION

I hereby depose and state under the penalties of perjury that all statements, proposals and/or plans submitted with/or contained in this application are true and correct and the application is complete to the best of my knowledge and belief.

Agent's Signature: [Signature] Date: 5/15/2019
Owner(s)' Signature(s): [Signature] Date: 5/15/2019

STAFF USE ONLY:

Case Number: _____

Date Application Received:

June 28, 2019

The City of La Porte
Attention: City Mayor/City Council
604 West Fairmont Parkway
La Porte, Texas 77571

Re: South 16th Street Development
Zoning Change/Special Conditional Use Permit

Mr. Mayor and Council Members:

Since my last presentation to La Porte City Council with respect to the above-reference project requests, I have made several building design changes to address concerns expressed by Council Members. Please refer to Exhibit A, which depicts the revisions to the building site plan and elevations.

As I previously presented, I believe it is noteworthy to explain the intended future use of the proposed facility. As designed, my industrial building is single-side loaded, and it can accommodate one to two users ranging from 30,000 square-feet up to 108,000 square-feet. Given the smaller size of the building combined with the fact that it **cannot** provide a cross-dock loading configuration (i.e. in-bound loading on one side and out-bound loading on the opposite side) nor can the building offer trailer storage on site, this will discourage a heavy truck operation to locate at this project. The facility also has only one point of access along South 16th Street, which would deter a warehousing group that required multiple points of access for a significant number of truck trips per day. Moreover, with the additional design limitations that I have placed on the facility, specifically a reduced number of dock doors and reduced dock maneuvering space, this industrial building will be less attractive to a high-trucking warehouse use.

The following design changes have been made to the building:

- The number of dock doors has been reduced by **50%** to 7 dock doors.
- The length of the dock maneuvering area has been reduced from 125 Feet to 102 Feet.
- Passenger vehicle parking has been added along the South property line.
- The dock maneuvering area has been further set back from South 16th Street.

Attached as Exhibit B is a design manual developed by NAIOP, a leading national commercial real estate association and HPA, Inc., one of the nation's largest industrial architects. This manual designates minimum design features for "warehouse" design. As depicted on Exhibit B,

the minimum truck turning radius for standard semi-trucks designates the minimum maneuvering distance for a single truck, which is 111 Feet and the minimum maneuvering distance for multiple trucks, which is 131 Feet. The manual further states that a 131-foot to 130-foot maneuvering yard is the most functional for users. Therefore, by reducing the dock maneuvering area to 102 feet in my proposed industrial building, this site feature will discourage a high trucking operation due to this operational inefficiency relative to semi-truck loading/unloading and circulation.

I respectfully request your favorable consideration of my Zoning Change and Special Conditional Permit Use Requests.

I look forward to our visit on July 22, 2019, and please contact me if you have any questions regarding this matter.

Very Truly Yours,



Justin E. Bennett

cc: F. Carrington Weems



High Frequency Truck Route

W Fairmont Pkwy

Vacant Land

Hospitality

Fairfield Inn
140 Rooms
5 Floors-65' High
(to be constructed)

Hotel

SITE

Vacant Land

West L Street will never be improved (natural landscape buffer/screening)

Truck Yard/
Industrial

Truck Yard

Rail Yard

Industrial

Industrial

Industrial

Industrial

Industrial

Regional Detention

Industrial

146

State Hwy 146

Cypress Cove St

Beach St

S 8th St

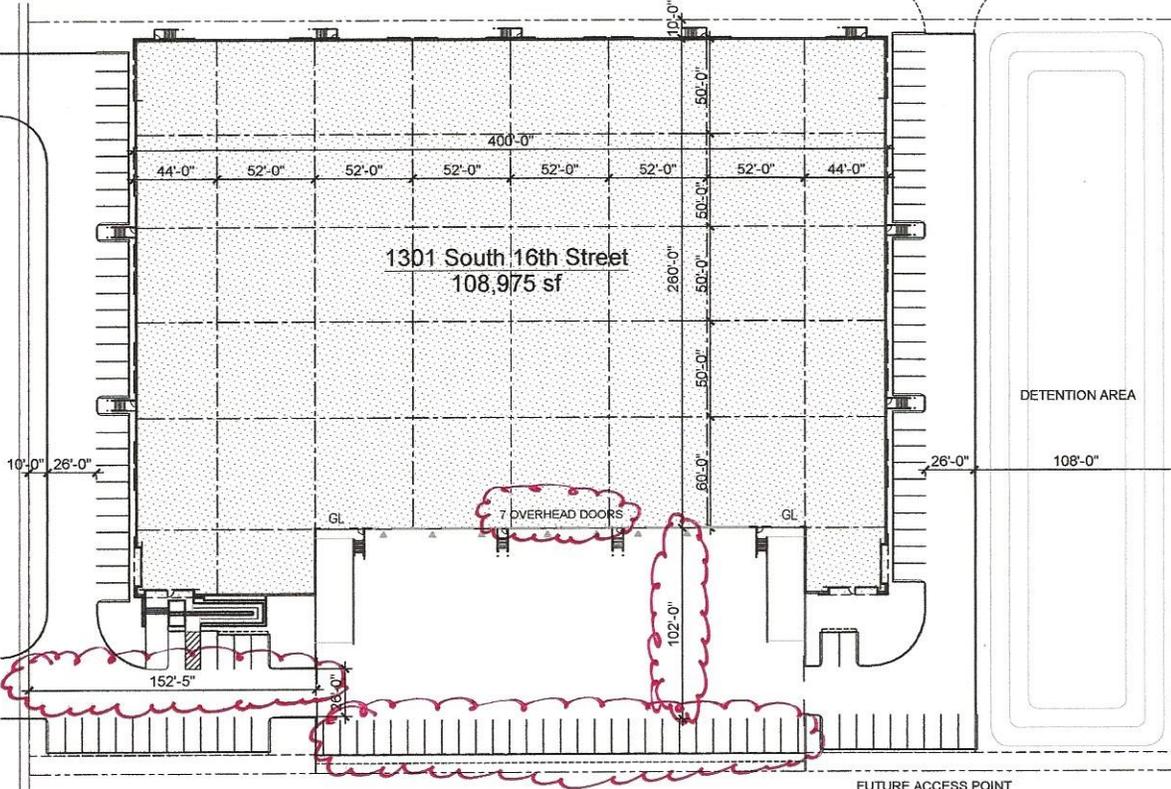
LAND USE LEGEND

- Commercial
- Light Industrial
- Planned Unit Development

WEST L STREET (UNIMPROVED)
USED FOR FIRE DEPARTMENT ACCESS

FIRE DEPARTMENT APPARATUS
ACCESS ROAD - 80,000 psf CAPACITY
(DECOMPOSED GRANITE)

SOUTH 16th STREET
(HIGH FREQUENCY TRUCK ROUTE)



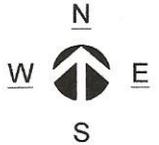
1301 South 16th Street
108,975 sf

DETENTION AREA

7 OVERHEAD DOORS

CHANGES TO SITE PLAN:

1. REDUCED DOCK DOORS BY 50% TO 7 DOCK DOORS.
2. REDUCED DOCK MANEUVERING AREA BY 23'-0" TO 102'-0".
3. ADDED PASSENGER VEHICLE PARKING ALONG SOUTH PROPERTY LINE OPPOSITE DOCK DOORS.
4. INCREASED DOCK SETBACK FROM SOUTH 16TH STREET TO 152'-5".



SITE PLAN / FLOOR PLAN
Scheme 10

28 June 2019

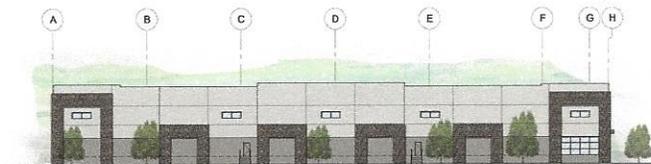
WEST M STREET (UNIMPROVED)

1301 South 16th Street
La Porte, Texas

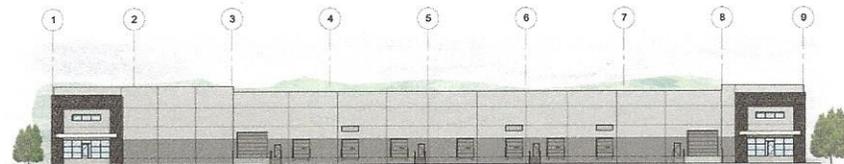


PHELAN-BENNETT
DEVELOPMENT 5301 Polk Street - Building 25 - Houston, Texas 77003

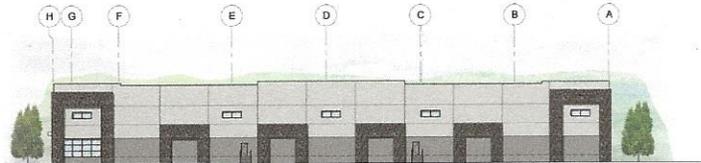

Carlie Coatsworth Architects, Inc.



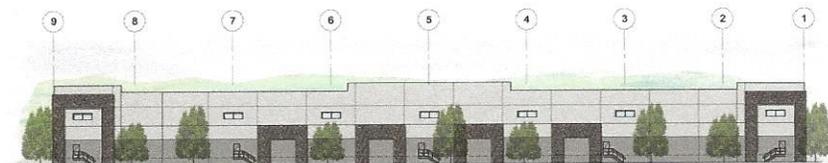
WEST ELEVATION



SOUTH ELEVATION



EAST ELEVATION



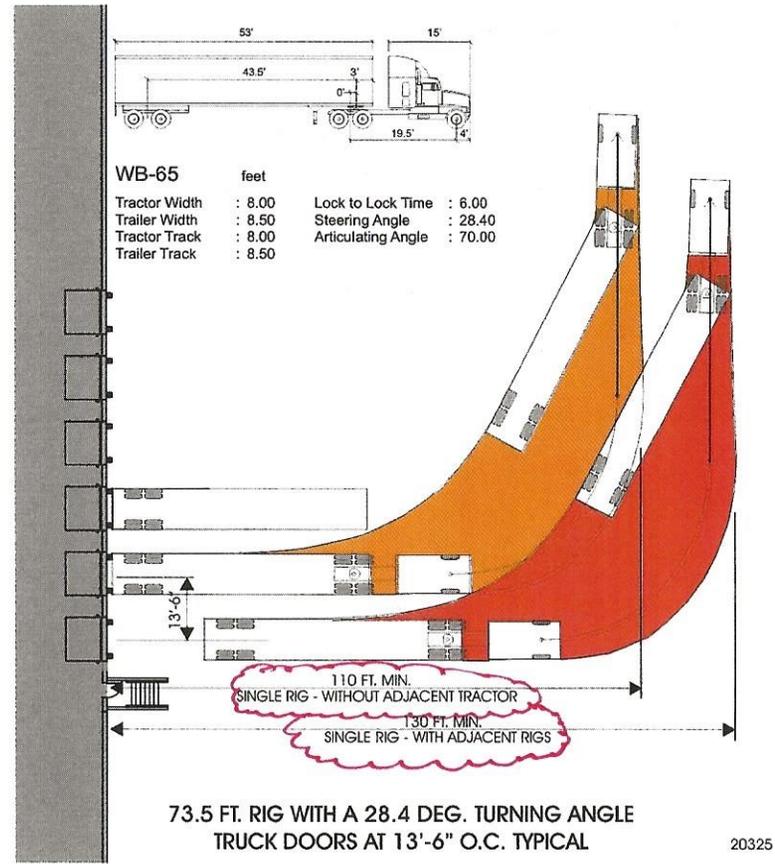
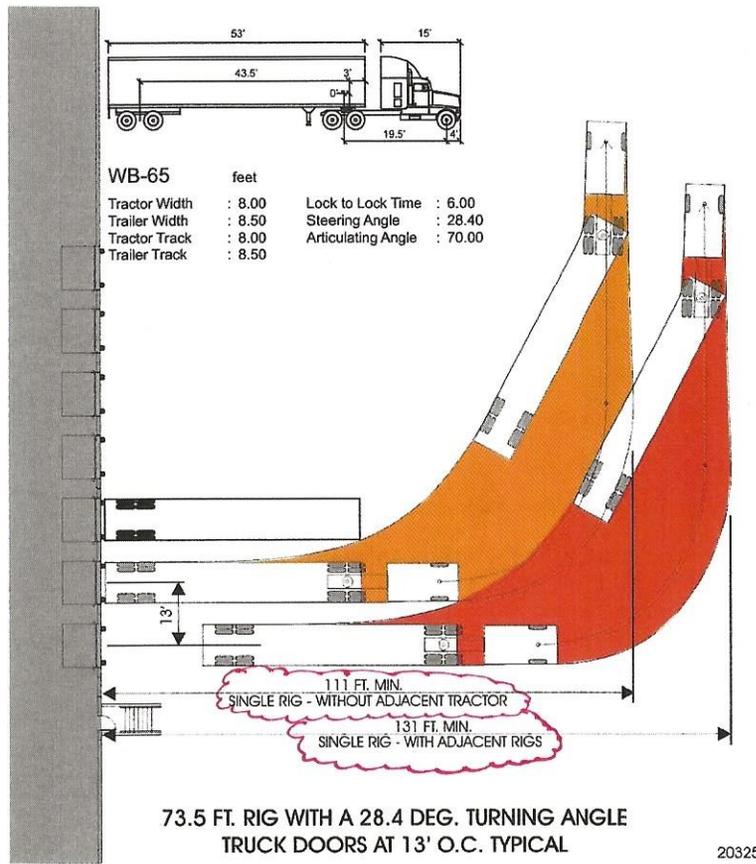
NORTH ELEVATION

-  PAINT 1 - LIGHT FIELD PAINT
-  PAINT 2 - MEDIUM BASE PAINT
-  STONE 1 - DARKER SHADE STONE
-  GLAZING

Building Elevations

1301 South 16th Street
La Porte, Texas

PRELIMINARY ELEVATIONS
SCHEME 10
26 June 2019



These two diagrams illustrate the minimum turning radius requirements for a "normal" WB-65 interstate rig in backing in and pulling out of a typical dock condition. The door spacing shown here of 13' O.C. and 13' 6" O.C. are derived from an objective of maximizing the number of doors in a facility and will be discussed later. They are the most commonly utilized door spacings in the Southern California market. The WB-65 configuration is representative of the maximum size rig in California (57' trailers are allowed only on smaller tractors as they are limited to a 65' overall rig length). The 131'-130' yard indicated here provides the most functionality for the user by allowing a single swing turn in the largest California rig when there is a full rig parked at the adjacent door.

West L Street Will Remain Unimproved

Fire Department Turnaround in right of way to be converted to driveway upon construction of road. Area to be paved with "Grass Blocks"

Proposed Future Street Trees to be installed upon construction of West L Street

South 16th Street

PROPOSED BUILDING

Detention Pond

Future West M Street

Proposed Street Trees to be installed upon construction of West M Street

PROPOSED LANDSCAPE DEVELOPMENT:

- A. West L Street:
Trees: Live Oaks
Shrubs: Dwarf Oleander, Waxleaf Ligustrum
- B. South 16th Street:
Trees: Shumard Oaks
Shrubs: Dwarf Waxmyrtles, Dwarf Oleander
- C. West M Street:
Trees: Mexican Sycamore
Shrubs: Dwarf Waxmyrtles, Dwarf Oleander
- D. Landscape Plantings Around Building:
Trees: American Holly, Japanese Blueberry
Shrubs: Indian Hawthorns, Drift Red Roses, Little John Bottlebrush, Iris, Variegated Flax Lilies.
- E. All unpaved areas to be hydromulched
Common Bermuda.

Landscape Development Plan
for Proposed 99,659 SF. Building Site
La Porte, Texas



Wong & Associates, Inc.
P.O. Box 2028 Bellaire, Texas 77402-2028
Tel. 713-777-9198 Cell : 713-557-9298
Member: American Society of Landscape Architects

TELEPHONE INVESTMENTS, INC.
19 PECAN GORGE COURT
SUGAR LAND, TEXAS 77479

June 27, 2019

City of La Porte
City Mayor
Members of City Council
604 West Fairmont Parkway
La Porte, Texas 77571

Re: Phelan-Bennett Development – Proposed South 16th Street Project
Zoning Change and Special Conditional Use Permit Request

Dear Mr. Mayor and Members of City Council:

Telephone Investments, Inc. owns that certain 2.29 acres of undeveloped land along South 13th Street and M Street in La Porte, Texas.

My partners and I understand that our immediate neighbor to the West has requested City Council's approval with respect to a zoning change (Commercial to Planned Unit Development) and a Special Conditional Use Permit for the development of a 108,000 square-foot industrial/distribution type facility.

I have met with Justin Bennett of Phelan-Bennett Development who is the applicant regarding the above-referenced requests. Mr. Bennett provided my partners and me a detailed overview of his proposed project. We understand the design, function and speculative nature of his project, and we approve of this use of the neighboring land and his related industrial improvements.

This letter shall serve as our full support of Mr. Bennett's project, and we believe his intended zone change to Planned Unit Development and related Special Conditional Use Permit request is consistent with a land use/improvement adjacent to a high frequency truck court within the vicinity of an established industrial park.

As adjacent neighbors to Mr. Bennett's proposed project, we respectfully request City Council's approval of the same.

Very Truly Yours,


Nizar Manesia
Telephone Investments, Inc.



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Ian Clowes, City Planner</u>
Department: <u>Planning & Development</u>
<input type="radio"/> Report <input type="radio"/> Resolution <input checked="" type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>N/A</u>
Account Number:	<u>N/A</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: **Ordinance No. 2019-3752**
 Proposed SCUP
 P&Z Recommendation Letter
 Aerial Map
 Zoning Map
 Applicant Information

SUMMARY & RECOMMENDATION

Applicant, Justin Bennet of Phelan-Bennett Development; on behalf of Carrington F. Weems, owner, is seeking approval of a Special Conditional Use Permit (SCUP) to allow for an office/warehouse facility in the PUD zoning district; on approximately 5.051 acres of land, legally described as Lots 1-32, Block 1144 and Lots 17-32 & Tracts 1-16, Block 1143, La Porte Subdivision. The subject site is located at the NE Corner of S. 16th St. and W. M St.

The property is currently undeveloped. The owner of the property is in the process of changing the zoning from GC to PUD. The proposed SCUP, will allow them to construct a spec office/warehouse facility. Preliminary layouts for the project show a 109,000 square foot building fronting onto S. 16th St. with the truck docks to the south. The truck bays will be screened from view of S. 16th and SH 146 by architectural elements on the proposed building.

The requested item was previously heard by the Planning and Zoning Commission on March 21, 2019 where it was recommended for approval on a 9-0 vote. The item was not heard by the City Council due to the failure of the requested zone change, making the SCUP unnecessary.

Staff did not receive any returned comment sheets for the proposed SCUP.

The Planning and Zoning Commission, at their June 20, 2019 regular meeting, voted 4-3 to recommend approval of the proposed SCUP, as presented with three (3) additional conditions highlighted in red. Below is a list of all proposed conditions.

1. All uses permitted in the City of La Porte Zoning Ordinance Use Chart under BI and LI (Sec. 106-310, Table A “Commercial and Industrial Uses” of the City of La Porte Code of Ordinances) as may be amended from time to time, are permitted with the exception of any uses required to be located adjacent to a high frequency truck route.
2. Number of “dock high doors” shall be limited to no more than 7 for a total number of large garage type doors not to exceed 9. (This is a reduction from the original request which proposed 14 dock high doors and 2 garage doors for a total of 16).
3. Total square footage of the building footprint shall not exceed 109,000 square feet.
4. All surfaces on site intended for parking, drive aisles, or outside storage must be paved with either asphalt or concrete.
5. The following uses/activities shall NOT be permitted on the property:
 - a. Shipping/tank containers, equipment or raw materials stored “off chassis” overnight anywhere on the property
 - b. Stacking of shipping/tank containers anywhere on the property.
 - c. Uses required to be located adjacent to a high frequency truck route.
6. The requirements for development will be in accordance with Sec 106-522, Table A “Industrial Area Requirements”, of the City of La Porte Code of Ordinances, as may be amended from time to time.
7. The building facade of the building erected on the property will meet the Tier 2 design guideline requirements for the BI zoning district.
8. The front of the building will face 16th Street.
9. The truck docks will be designed such that they are screened from view from 16th Street.
10. The development will meet all guidelines and permitting requirements of the Code of Ordinances of the City of La Porte in effect as of the date of permitting, including all set back requirements.
11. Screening will be provided along the northern and eastern property line and will meet the requirements of Sec. 106-444 of the City of La Porte Code of Ordinances.
12. All driving surfaces will be dust free in accordance with City of La Porte Code of Ordinances.
13. On site detention will be provided

Any substantive modifications to this Special Conditional Use Permit will require an amendment to this SCUP in accordance with Chapter 106, “Zoning” of the City’s Code of Ordinances.

ACTION REQUIRED BY COUNCIL

1. Conduct public hearing.
2. Consider approval or other action on a recommendation by the Planning and Zoning Commission to approve an Ordinance for SCUP #19-91000003

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

ORDINANCE NO. 2019-3752

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF LA PORTE, CHAPTER 106, MORE COMMONLY REFERRED TO AS THE ZONING ORDINANCE OF THE CITY OF LA PORTE, BY GRANTING SPECIAL CONDITIONAL USE PERMIT NO. 19-91000003, TO ALLOW FOR AN INDUSTRIAL OFFICE/WAREHOUSE USE IN A PLANNED UNIT DEVELOPMENT (PUD) ZONING DISTRICT, ON A 5.051 ACRE TRACT OF LAND AND BEING LEGALLY DESCRIBED AS LOTS 1-32, BLOCK 1144 AND LOTS 1-32, BLOCK 1143, LA PORTE SUBDIVISION, LA PORTE, HARRIS COUNTY, TEXAS; MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. Chapter 106 “Zoning” of the Code of Ordinances is hereby amended by granting Special Conditional Use Permit #19-91000003 attached hereto as Exhibit A and incorporated by reference for all purposes, to allow for an Industrial Office/Warehouse use on a 5.051 acre tract of land located at the NE corner of S. 16th St. and the W. M Street R.O.W. and legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision, La Porte, Harris County, Texas, and situated within a Planned Unit Development (PUD) zoning district.

Section 2. All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

Section 3. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by Chapter 551, TX. Gov’t Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 5. The City Council of the City of La Porte hereby finds that public notice was properly mailed to all owners of all properties located within two hundred feet (200') of the properties under consideration.

Section 6. The City Council of the City of La Porte hereby finds, determines, and declares that all prerequisites of law have been satisfied and hereby determines and declares that the amendments to the City of La Porte Zoning Classification contained in this Ordinance as amendments thereto are desirable and in furtherance of the goals and objectives stated in the City of La Porte's Comprehensive Plan.

Section 7. This ordinance shall be effective after its passage and approval.

PASSED AND APPROVED this the 26th day of AUGUST, 2019.

CITY OF LA PORTE, TEXAS

By: _____
Louis R. Rigby, Mayor

ATTEST:

Lee Woodward, City Secretary

APPROVED:

Clark Askins, Assistant City Attorney

EXHIBIT A

**City of La Porte
Special Conditional Use Permit #19-9100003**

This permit is issued to: Justin E. Bennet of Phelan-Bennet Development
Owner or Agent

5301 Polk St., Bldg. 25, Houston, TX 77023
Address

For Development of: Spec Office/Warehouse
Development Name

0 S. 16th Street, La Porte. TX (HCAD 0242030430001)
Address

Legal Description: Lots 1-32 of Block 1144 (including the 15' alley), Lots 1-32 of Block 1143 (including the 15' alley) and the 15th Street ROW from West L Street to West M Street

Zoning: PUD, Planned Unit Development

Use: Industrial Office/Warehouse

Permit Conditions:

This Special Conditional Use Permit (SCUP) is applicable for the subject property, a copy of which shall be maintained in the files of the City's Planning and Development Department upon approval. Project development shall be in accordance with the following conditions:

1. All uses permitted in the City of La Porte Zoning Ordinance Use Chart under BI and LI (Sec. 106-310, Table A "Commercial and Industrial Uses" of the City of La Porte Code of Ordinances) as may be amended from time to time, are permitted with the exception of any uses required to be located adjacent to a high frequency truck route.
2. Number of "dock high doors" shall be limited to no more than 7 for a total number of large garage type doors not to exceed 9.
3. Total square footage of the building footprint shall not exceed 109,000 square feet.
4. All surfaces on site intended for parking, drive aisles, or outside storage must be paved with either asphalt or concrete.
5. The following uses/activities shall NOT be permitted on the property:
 - a. Shipping/tank containers, equipment or raw materials stored "off chassis" overnight anywhere on the property
 - b. Stacking of shipping/tank containers anywhere on the property.
 - c. Uses required to be located adjacent to a high frequency truck route.
6. The requirements for development will be in accordance with Sec 106-522, Table A "Industrial Area Requirements", of the City of La Porte Code of Ordinances, as may be amended from time to time.
7. The building facade of the building erected on the property will meet the Tier 2 design guideline requirements for the BI zoning district.
8. The front of the building will face 16th Street.

9. The truck docks will be designed such that they are screened from view from 16th Street.
10. The development will meet all guidelines and permitting requirements of the Code of Ordinances of the City of La Porte in effect as of the date of permitting, including all set back requirements.
11. Screening will be provided along the northern and eastern property line and will meet the requirements of Sec. 106-444 of the City of La Porte Code of Ordinances.
12. All driving surfaces will be dust free in accordance with City of La Porte Code of Ordinances.
13. On site detention will be provided.

Failure to start construction of the site within 12 months after issuance or as scheduled under the terms of a special conditional use permit shall void the permit as approved, except upon an extension of time granted after application to the Planning and Zoning Commission.

If contract or agreement is terminated after completion of any stage and there is ample evidence that further development is not contemplated, the ordinance establishing such special conditional use permit may be rescinded by the City Council, upon its own motion or upon the recommendation of the Planning and Zoning Commission of the City of La Porte, and the previous zoning of the entire tract shall be in full effect on the portion which is undeveloped.

Validation Date: _____

Director of Planning and Development

City Secretary



June 21, 2019

Honorable Mayor Rigby and City Council
City of La Porte

RE: Special Conditional Use Permit Request #19-91000003

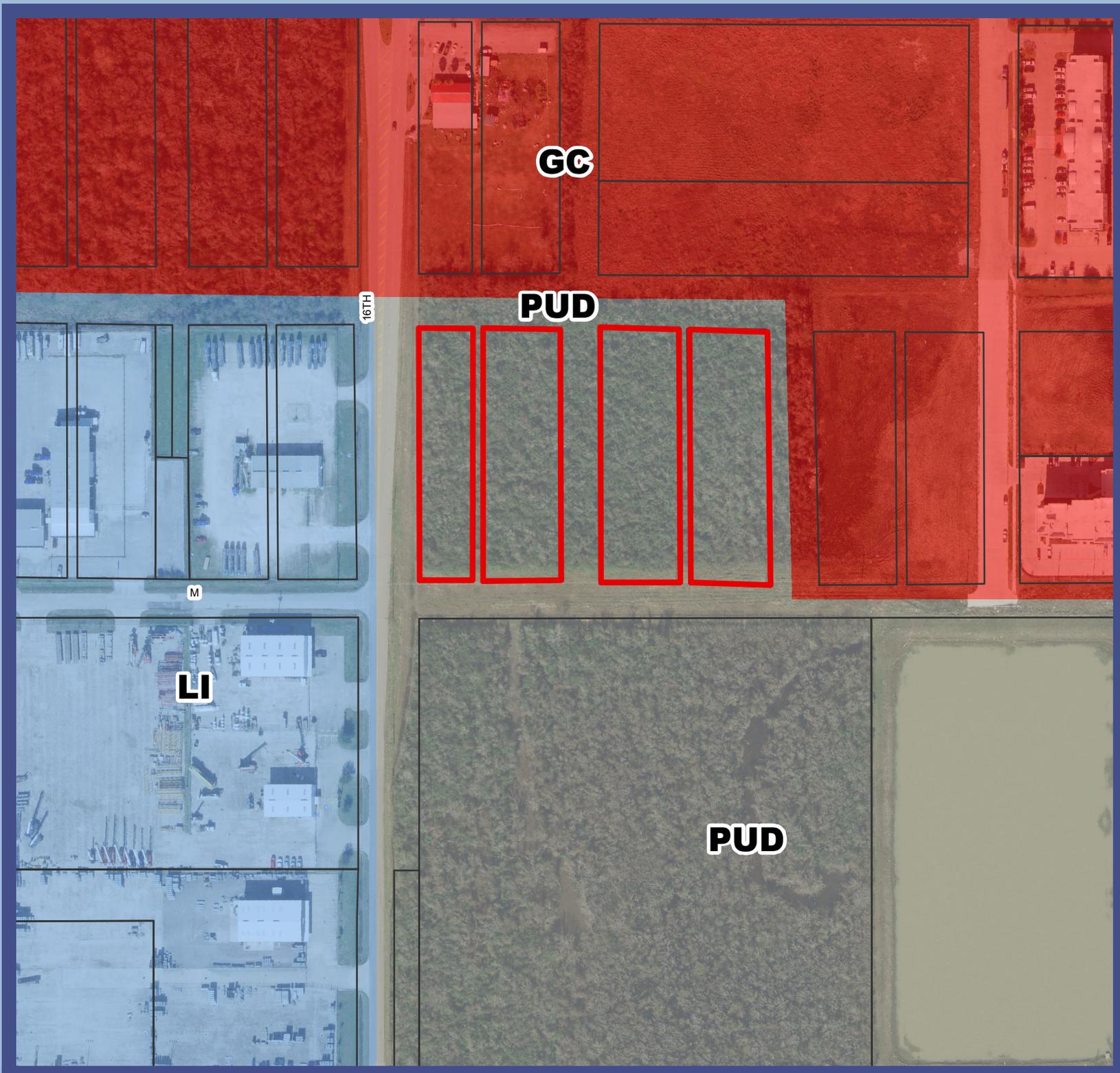
Dear Mayor Rigby and City Council:

The La Porte Planning and Zoning Commission held a regular meeting on June 20, 2019 to hear a Special Conditional Use Permit request by, Justin Bennet of Phelan-Bennett Development, applicant; on behalf of Carrington F. Weems, owner; for a Special Conditional Use Permit to allow for an industrial office/warehouse use. The subject site is located at the NE corner of S. 16th St. and the W. M St. ROW, and is legally described as Lots 1-32, Block 1144 and Lots 1-32, Block 1143, La Porte Subdivision. The subject site is zoned Planned Unit Development (PUD) and Section 106-659 of the Code of Ordinances requires a Special Conditional Use Permit in order for the above referenced use to be permitted within the PUD zoning district.

The Commission voted 4-3 to recommend approval of the proposed SCUP with a number of additional conditions. These conditions have been added to the final SCUP document.

Respectfully submitted

Ian Clowes, City Planner
On behalf of the Planning and Zoning Commission



ZONING MAP

SCUP
#19-91000003

NE Corner
S. 16th and W. M

 Subject Parcel



This product is for informational purposes and may not have been prepared for or be suitable for legal purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries

1 inch = 211 feet



JULY 2019
PLANNING DEPARTMENT



Special Conditional Use Permit Application

Planning and Development Department

604 West Fairmont Parkway

La Porte, Texas 77571

281-470-5057

OVERVIEW

Approval of a Special Conditional Use Permit (SCUP) is required under the following circumstances:

1. To consider approval of certain uses identified as "Conditional Uses" in the city's Commercial and Industrial Use table (Section 106-310 of City of La Porte Code of Ordinances) and Residential Use table (Section 106-331).
2. When developing property in a Planned Unit Development (PUD) zone district, consideration of a SCUP is required in accordance with Section 106-659 of the Code of Ordinances.

SCUP requests are reviewed by the Planning and Zoning Commission as a public hearing. The Commission consists of residents of the community appointed by City Council. The Commission meets on the third Thursday of every month, as necessary. The Commission will forward a recommendation to the City Council for final consideration.

SUBMITTAL REQUIREMENTS

The following application package must be submitted to the Planning and Development Department at least three (3) weeks prior to the desired hearing date.

- Completed **application form**.
- Application fee** of \$400; nonrefundable.
- Site plan, conceptual site plan or general plan**, drawn to scale and dimensioned to show the location of proposed improvements for the development.
- Project description/justification letter** that thoroughly explains what is being requested and why such SCUP should be approved by the Planning and Zoning Commission and City Council.
- Affidavit of posting** fully executed that ensures the applicant will post the required public hearing sign on the property for at least 10 days prior to the Planning and Zoning Commission meeting date. Such sign will be provided by the Planning and Development Department.

PROCESS

- Upon receipt of a complete application package by the Planning and Development Department, the SCUP request will be scheduled for the next available Planning and Zoning Commission meeting date as a public hearing.
- The Planning and Development Department will provide the applicant with a Notice of Public Hearing sign that must be posted on the property where the SCUP is being requested. The sign must be posted on the property visible and within 20 feet from the abutting street for a minimum of 10 days before the scheduled public hearing.
- The Planning and Development Department will publish notice of the public hearing in the Bay Area Observer and at City Hall in conformance with legal requirements. Additionally, the city will send notice of the public hearing to all property owners within 200 feet of the subject property where the SCUP is being requested.



Special Conditional Use Permit Application

Planning and Development Department

- The Planning and Zoning Commission public hearing will be held in the City Council Chamber at City Hall (604 W. Fairmont Parkway). At the meeting, the Planning and Zoning Commission will conduct a public hearing and provide a recommendation to the City Council on the proposed SCUP. If additional information is requested by the Commission, the public hearing may be continued to a future meeting date.
- The Commission and City Council may impose special conditions on an SCUP in an attempt to ensure compatibility of the proposed development with surrounding properties and the community as a whole.
- The Commission is tasked to review the proposed SCUP and offer a recommendation to the City Council for approval, denial, or approval with conditions.
- Following the Commission's public hearing, their recommendation on the proposed SCUP is then forwarded to City Council for consideration.
- For the City Council public hearing, the Planning and Development Department will publish notice of the public hearing in the Bay Area Observer and post notice at City Hall in conformance with legal requirements.
- The City Council public hearing will be held in the City Council Chamber at City Hall (604 W. Fairmont Parkway). At the meeting, the City Council will conduct a public hearing and render a decision on the proposed SCUP. However, if additional information is requested by the City Council, the public hearing may be continued to a future meeting date.
- The following is an excerpt from the City of La Porte's Code of Ordinances pertaining to SCUP requests.

CODE REQUIREMENTS

Conditional Use Permits

Sec. 106-216. - General conditions for all conditional uses in all zoning districts.

- (a) A special conditional use permit may be granted by the city council for the construction of a building and/or the establishment of a use as described in this or any other section, upon a tract of land in single ownership or under unified control.
- (b) Upon application for a special conditional use permit and submission of a general plan, major development site plan, minor development site plan, or preliminary plat (as the case may be), the city planning and zoning commission shall conduct a public hearing, duly advertised and with proper notice being given to all parties affected, as provided in [section 106-171](#) (Amendment procedures). The general site plan, major development site plan, minor development site plan, or preliminary plat shall be drawn to scale and shall show the arrangement of the project in detail, including parking facilities, location of buildings, building uses to be permitted, means of ingress and egress, and other pertinent information, together with the information required by the development ordinance of the city.
- (c) After public hearing and upon recommendation of the city planning and zoning commission, the city council may modify the final planned unit development plan and issue a special conditional use permit containing such requirements and safeguards as are necessary to protect adjoining property.
- (d) Failure to begin construction within one year after issuance or as scheduled under the terms of a special conditional use permit shall void the permit as approved, except upon an extension of time granted after application to the planning and zoning commission.

June 28, 2019

The City of La Porte
Attention: City Mayor/City Council
604 West Fairmont Parkway
La Porte, Texas 77571

Re: South 16th Street Development
Zoning Change/Special Conditional Use Permit

Mr. Mayor and Council Members:

Since my last presentation to La Porte City Council with respect to the above-reference project requests, I have made several building design changes to address concerns expressed by Council Members. Please refer to Exhibit A, which depicts the revisions to the building site plan and elevations.

As I previously presented, I believe it is noteworthy to explain the intended future use of the proposed facility. As designed, my industrial building is single-side loaded, and it can accommodate one to two users ranging from 30,000 square-feet up to 108,000 square-feet. Given the smaller size of the building combined with the fact that it **cannot** provide a cross-dock loading configuration (i.e. in-bound loading on one side and out-bound loading on the opposite side) nor can the building offer trailer storage on site, this will discourage a heavy truck operation to locate at this project. The facility also has only one point of access along South 16th Street, which would deter a warehousing group that required multiple points of access for a significant number of truck trips per day. Moreover, with the additional design limitations that I have placed on the facility, specifically a reduced number of dock doors and reduced dock maneuvering space, this industrial building will be less attractive to a high-trucking warehouse use.

The following design changes have been made to the building:

- The number of dock doors has been reduced by **50%** to 7 dock doors.
- The length of the dock maneuvering area has been reduced from 125 Feet to 102 Feet.
- Passenger vehicle parking has been added along the South property line.
- The dock maneuvering area has been further set back from South 16th Street.

Attached as Exhibit B is a design manual developed by NAIOP, a leading national commercial real estate association and HPA, Inc., one of the nation's largest industrial architects. This manual designates minimum design features for "warehouse" design. As depicted on Exhibit B,

the minimum truck turning radius for standard semi-trucks designates the minimum maneuvering distance for a single truck, which is 111 Feet and the minimum maneuvering distance for multiple trucks, which is 131 Feet. The manual further states that a 131-foot to 130-foot maneuvering yard is the most functional for users. Therefore, by reducing the dock maneuvering area to 102 feet in my proposed industrial building, this site feature will discourage a high trucking operation due to this operational inefficiency relative to semi-truck loading/unloading and circulation.

I respectfully request your favorable consideration of my Zoning Change and Special Conditional Permit Use Requests.

I look forward to our visit on July 22, 2019, and please contact me if you have any questions regarding this matter.

Very Truly Yours,



Justin E. Bennett

cc: F. Carrington Weems

High Frequency Truck Route

W Fairmont Pkwy

Vacant Land

Hospitality

Fairfield Inn
140 Rooms
5 Floors-65' High
(to be consutracted)

Hotel

S 13th St

SITE

Vacant Land

West L Street will never be improved (natural landscape buffer/screening)

Truck Yard/
Industrial

Truck Yard

Rail Yard

Industrial

Industrial

Regional Detention

Industrial

Industrial

Industrial

Industrial

LAND USE LEGEND

Commercial

Light Industrial

Planned Unit Development

High Frequency Truck Route

S 13th St

W 10th St

146

State Hwy 141

Gypress Cove St

S 8th St

Beach St

WEST L STREET (UNIMPROVED)
USED for FIRE DEPARTMENT ACCESS

FIRE DEPARTMENT APPARTUS
ACCESS ROAD - 80,000 psf CAPACITY
(DECOMPOSED GRANITE)

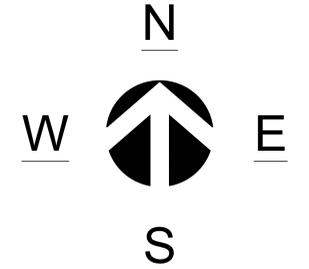
SOUTH 16th STREET
(HIGH FREQUENCY TRUCK ROUTE)

1301 South 16th Street
108,975 sf

DETENTION AREA

CHANGES TO SITE PLAN:

1. REDUCED DOCK DOORS BY 50% TO 7 DOCK DOORS.
2. REDUCED DOCK MANEUVERING AREA BY 23'-0" TO 102'-0".
3. ADDED PASSENGER VEHICLE PARKING ALONG SOUTH PROPERTY LINE OPPOSITE DOCK DOORS.
4. INCREASED DOCK SETBACK FROM SOUTH 16TH STREET TO 152'-5".



SITE PLAN / FLOOR PLAN
Scheme 10

28 June 2019

WEST M STREET (UNIMPROVED)

FUTURE ACCESS POINT

400'-0"

44'-0"

52'-0"

52'-0"

52'-0"

52'-0"

52'-0"

52'-0"

44'-0"

10'-0"

50'-0"

260'-0"

50'-0"

50'-0"

102'-0"

60'-0"

26'-0"

108'-0"

26'-0"

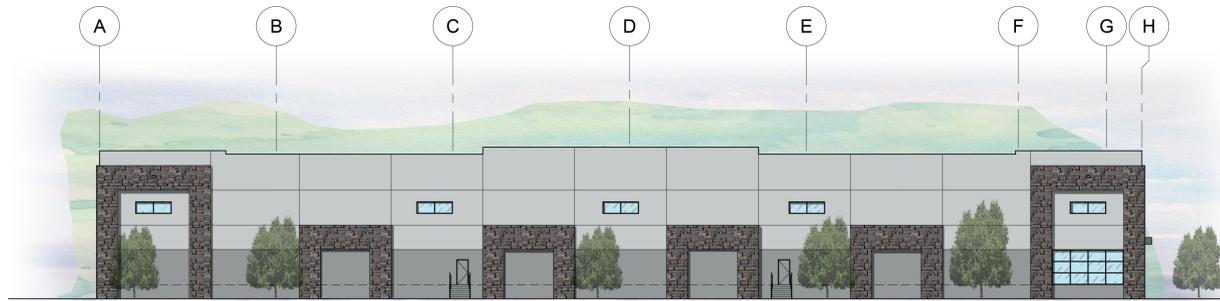
152'-5"

GL

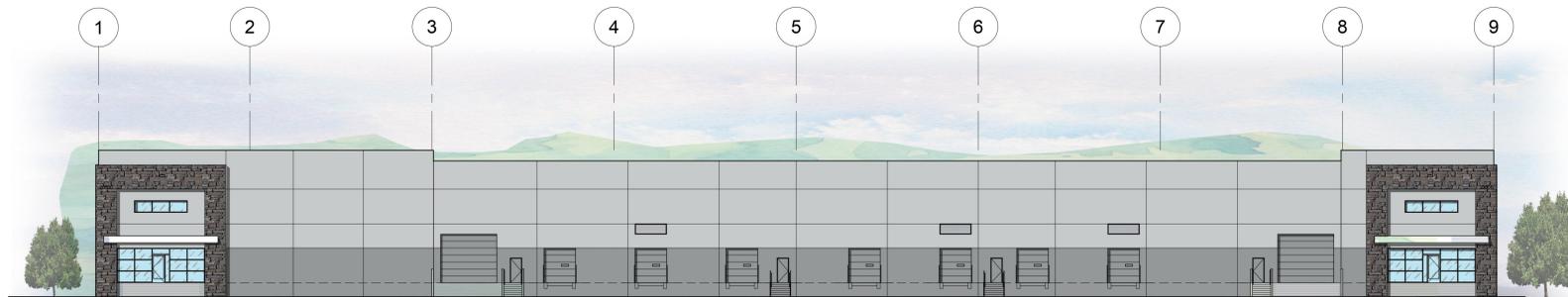
GL

7 OVERHEAD DOORS

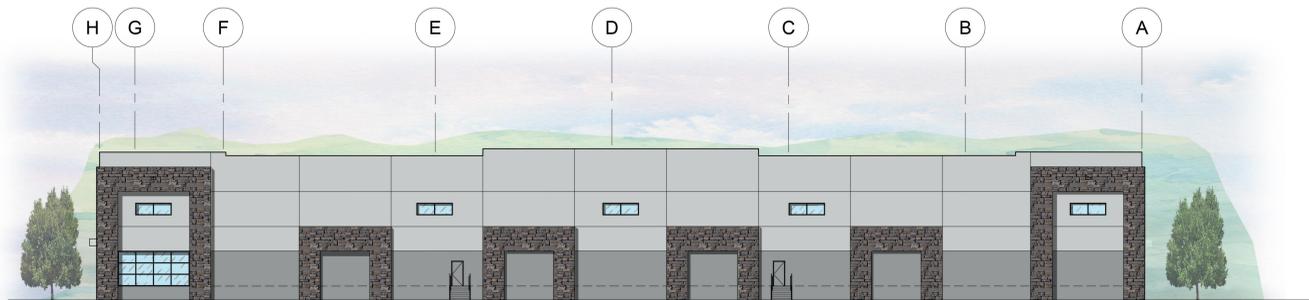
p:\2019\19500_pheplan development\19500-50 psd\reports, lxi\19500-50 scheme_10 site plan floor plan elevations for pbin 20200723.rvt



WEST ELEVATION



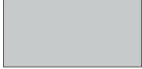
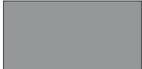
SOUTH ELEVATION



EAST ELEVATION



NORTH ELEVATION

-  PAINT 1 - LIGHT FIELD PAINT
-  PAINT 2 - MEDIUM BASE PAINT
-  STONE 1 - DARKER SHADE STONE
-  GLAZING

Building Elevations

1301 South 16th Street
La Porte, Texas

PRELIMINARY ELEVATIONS
SCHEME 10
26 June 2019

 **PHELAN-BENNETT**
DEVELOPMENT 5301 Polk Street - Building 25 - Houston, Texas 77023

West L Street Will Remain Unimproved

Fire Department Turnaround in right of way to be converted to driveway upon construction of road. Area to be paved with "Grass Blocks"

Proposed Future Street Trees to be installed upon construction of West L Street

South 16th Street

PROPOSED BUILDING

Detention Pond

Future West M Street

Proposed Street Trees to be installed upon construction of West M Street

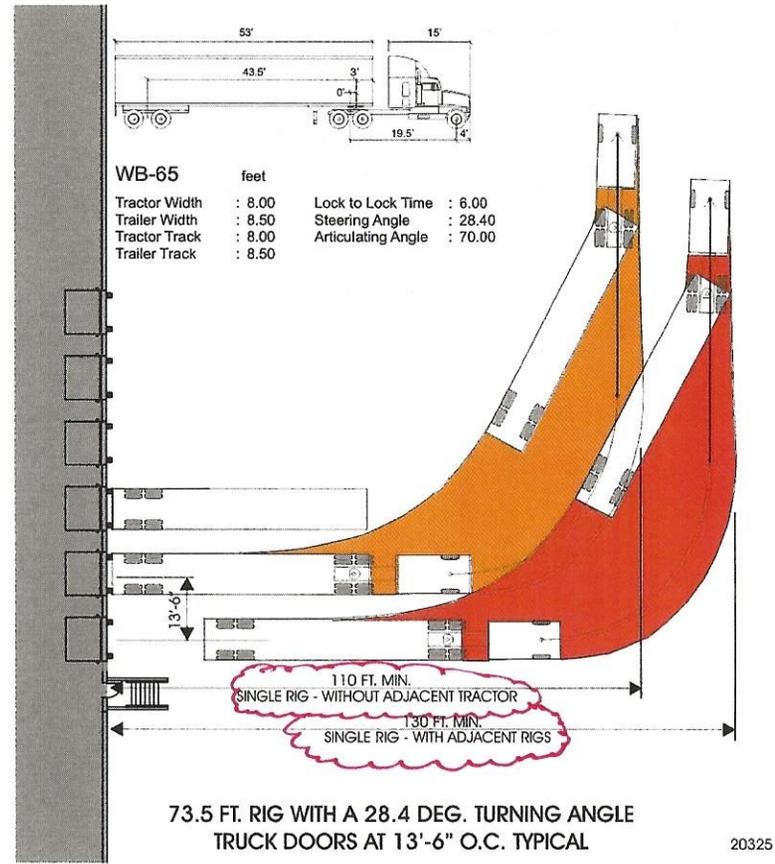
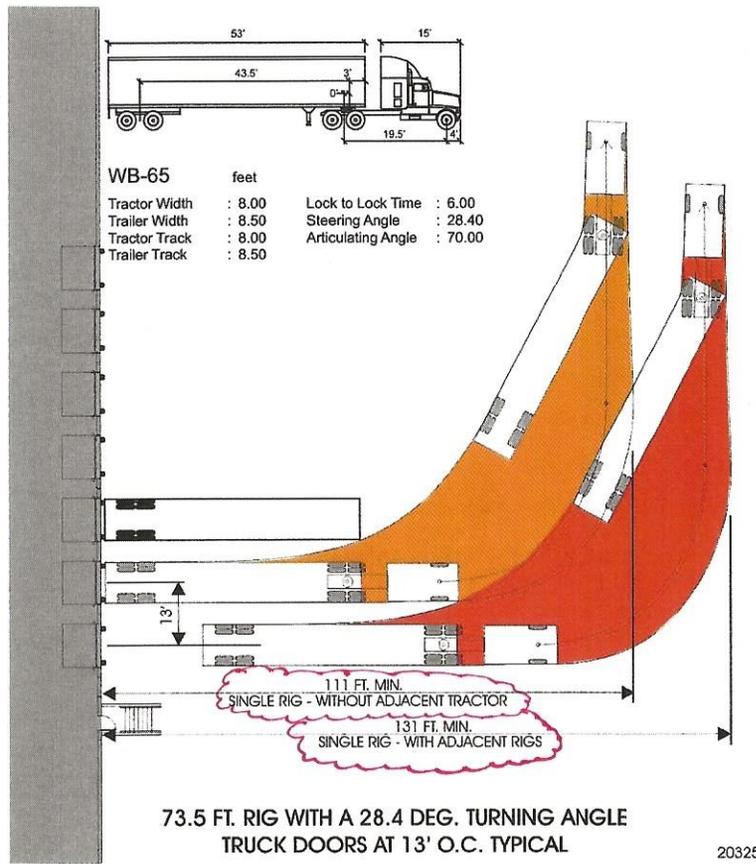
PROPOSED LANDSCAPE DEVELOPMENT:

- A. West L Street:
Trees: Live Oaks
Shrubs: Dwarf Oleander, Waxleaf Ligustrum
- B. South 16th Street:
Trees: Shumard Oaks
Shrubs: Dwarf Waxmyrtles, Dwarf Oleander
- C. West M Street:
Trees: Mexican Sycamore
Shrubs: Dwarf Waxmyrtles, Dwarf Oleander
- D. Landscape Plantings Around Building:
Trees: American Holly, Japanese Blueberry
Shrubs: Indian Hawthorns, Drift Red Roses, Little John Bottlebrush, Iris, Variegated Flax Lillies.
- E. All unpaved areas to be hydromulched
Common Bermuda.

Landscape Development Plan
for Proposed 99,659 SF. Building Site
La Porte, Texas



Wong & Associates, Inc.
P.O. Box 2028 Bellaire, Texas 77402-2028
Tel: 713-777-9198 Cell: 713-557-9298
Member: American Society of Landscape Architects



These two diagrams illustrate the minimum turning radius requirements for a "normal" WB-65 interstate rig in backing in and pulling out of a typical dock condition. The door spacing shown here of 13' O.C. and 13' 6" O.C. are derived from an objective of maximizing the number of doors in a facility and will be discussed later. They are the most commonly utilized door spacings in the Southern California market. The WB-65 configuration is representative of the maximum size rig in California (57' trailers are allowed only on smaller tractors as they are limited to a 65' overall rig length). The 131'-130' yard indicated here provides the most functionality for the user by allowing a single swing turn in the largest California rig when there is a full rig parked at the adjacent door.



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Corby Alexander, City Manager</u>
Department: <u>Administration/CMO</u>
<input type="radio"/> Report <input type="radio"/> Resolution <input checked="" type="radio"/> Ordinance

Appropriation	
Source of Funds:	_____
Account Number:	_____
Amount Budgeted:	_____
Amount Requested:	_____
Budgeted Item:	<input type="radio"/> Yes <input type="radio"/> No

Exhibits: Ordinance

SUMMARY

CenterPoint Energy is coming forward to renew their gas franchise ordinance. This will be the second reading and final approval. The first reading was on June 24th (30 days minimum between readings, per the City Charter, Sec. 7.01). At the first reading staff brought forward to City Council for an increase in the gas franchise fee amount from 3% to 4.5% with the City maintaining original jurisdiction. During the first reading the La Porte City Council instructed staff to bring forward an ordinance without a rate increase. When staff brought the revision to the original request forward to CenterPoint they agreed without objection.

The attached gas franchise fee ordinance allows CenterPoint Energy to use City right-of-way to deliver natural gas to its customers. In exchange for having this right granted, CenterPoint Energy pays the City 3.0% of its gross receipts for gas sold in La Porte and 7¢ per Mcf for natural gas transported by CenterPoint for its Transport Customers quarterly. The City of La Porte will continue to maintain original jurisdiction during the period of this agreement.

City Charter 7.01. - Enfranchisement.

a. Power of council. City council shall have power by ordinance to grant, amend, renew and extend all franchises of all public utilities of every character operating within the city. All ordinances granting, amending, renewing or extending franchises for public utilities shall not be finally passed until thirty (30) days after the first reading; and no such ordinance shall take effect until sixty (60) days after its final passage; and pending such time, the notice and caption of such ordinance, noting the place where the full text may be examined by the public, shall be published once each week for four (4) consecutive weeks in the official newspaper of the city, and the expense of such publication [is] to be borne by the proponent of the franchise. No public utility franchise shall be transferable except with the approval of council expressed by ordinance.

RECOMMENDED MOTION

Consider and discuss approval or other action, then provide a second reading on a new ten year gas franchise ordinance with CenterPoint Energy.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

**CITY OF LA PORTE, TEXAS
ORDINANCE NO. _____**

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY RESOURCES CORP., D/B/A CENTERPOINT ENERGY TEXAS GAS OPERATIONS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF LA PORTE, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; CONTAINING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. GRANT OF AUTHORITY. Subject to the terms, conditions and provisions of this ordinance, the right, privilege and franchise is hereby granted to CenterPoint Energy Resources Corp., D/B/A CenterPoint Energy Texas Gas Operations, hereinafter called “Company”, to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the Public Rights-of-Way of the City of La Porte, Texas for the transportation, delivery, sale and distribution of natural gas within the corporate limits of the City of La Porte, Texas as the same are now and as the same may from time to time be extended.

Section 2. DEFINITIONS.

- A. “City” shall mean the City of La Porte, Texas.
- B. “City Group” shall have the meaning set forth in Section 13 of this Franchise Ordinance.
- C. “Company” shall mean CenterPoint Energy Resources Corp., D/B/A CenterPoint Energy Texas Gas Operations, a Delaware Corporation, and shall not mean any of its affiliates and subsidiaries who shall have no right, privilege or franchise granted hereunder.
- D. “Facilities” shall mean pipes, pipelines, natural gas mains, laterals, feeders, regulators, meters, fixtures, connections and attachments and other instrumentalities and appurtenances, used in or incident to providing transportation, distribution, supply and sales of natural gas for heating, lighting, power and any other purposes for which natural gas may now or hereafter be used.
- E. “Public Rights-of-Way” shall mean the areas in, under, upon, over, across, and along any and all of the present and future Streets (as defined herein) or streams now or hereafter owned or controlled by City.
- F. “Street” shall mean the surface and the space above and below any public street, road, highway, alley, bridge, sidewalk, or other public place or way.
- G. “Transport Customer” shall have the meaning set forth in Section 8 of this Franchise Ordinance.

Section 3. TERM OF FRANCHISE. This Franchise shall become effective on the Effective Date

described in Section 21 of this Franchise Ordinance and shall be in full force and effect for a term of ten (10) years.

Section 4. CONSTRUCTION AND MAINTENANCE OF NATURAL GAS DISTRIBUTION SYSTEM. All Facilities installed by Company shall be of sound material and good quality, and shall be laid so that they will not interfere with the artificial drainage of the City or its underground fixtures, or with navigation in or the natural drainage of any stream. All Facilities shall be installed in accordance with applicable Federal and State regulations and in the absence of such regulations in accordance with accepted industry practice. Within the Public Rights-of-Way, the location and route of the Facilities by the Company shall be subject to the reasonable and proper regulation, direction and control of the City or the City official to whom such duties have been delegated. Such regulation shall include, but not be limited to, the right to require in writing to the extent provided in Section 14 of this Franchise Ordinance, the relocation of Company's Facilities at Company's cost within the Public Rights-of-Way of the City whenever such relocation shall be reasonably necessary to accommodate the widening, change of grade, or relocation by City of Streets or Public Rights-of-Way, or construction or relocation by City of City utility lines or drainage facilities. Company shall keep current and up-to-date maps showing the physical location of Company's facilities and make such maps available for inspection by the City at no cost during normal working hours.

Section 5. STREETS TO BE RESTORED TO GOOD CONDITION. Company and its contractors shall give City reasonable notice, via electronic mail, of the dates, location, and nature of all work to be performed on its Facilities within the Public Rights-of-Way. Following completion of work in the Public Rights-of-Way, Company shall repair the affected Public Rights-of-Way as soon as possible, but in all cases Company shall comply with all City ordinances (including but not limited to Chapter 62, Article IV "Management of Public Rights-of-Way of the City of La Porte Code of Ordinances) governing time periods and standards relating to excavating in the Public Rights-of-Way. No street, alley, highway or public place shall be encumbered for a longer period than shall be necessary to execute the work.

Section 6. PERMITS. Company and its contractors shall obtain a permit prior to its commencement of any planned engineering work, including replacements, extensions and public relocations, within the Public Rights-of-Way, except as otherwise provided below. No permit shall be required for Routine Maintenance in the Public Rights-of-Way, but the Company must provide email notification to the City at least one day prior to the Company's commencement of such work. Company shall be exempt from any existing or future professional engineering stamp or certification requirement of the City. No permit shall be required to promptly initiate emergency repairs and repairs pursuant to the rules and regulations of the Railroad Commission of Texas. All work shall be preceded by an 811 call and be subject to the Texas One-Call Statute (Texas Utilities Code, Chapter 251, and any successor statutes). Company shall give the City telephone notice of the initiation of emergency repairs involving breaks in the paved surface of the Public Rights-of-Way, including sidewalks and curbs, as soon as practicable under the circumstances and shall submit a permit promptly following completion of the work. Company and contractors performing work for the Company shall not be required to obtain any permits for relocations of Facilities requested by the City, provided that the relocated facilities are placed in the location designated by the City and relocation is otherwise in accordance with the City's request to relocate. This Franchise shall constitute a permit to park vehicles in the Streets and other Public Rights-of-Way when necessary for the installation, replacement, abandonment, operation or maintenance of Company's Facilities. Company and contractors performing work for Company shall not be required to pay any fee in addition to the franchise fee in order to obtain a permit to perform work on Company's Facilities, or park within the Streets and other Public Rights-of-Way. City shall not be required to pay any fee in order to obtain a letter of consent from

the Company regarding the City's abandonment of Public Rights-of-Way. However, any third party associated with the City's abandonment shall pay all costs related to the abandonment process.

Section 7. QUALITY OF SERVICE. The service furnished hereunder to the City and its inhabitants shall be in accordance with the quality of service rules of the Railroad Commission of Texas (Texas Administrative Code, Title 16, Part 1, Chapter 7), state and federal regulations. Company shall furnish the grade of service to its customers as provided by its rate schedules and shall maintain its system in reasonable operating condition during the continuance of this Franchise. An exception to this requirement is automatically in effect, but only for so long as is necessary, when caused by a shortage in materials, supplies and equipment beyond the control of the Company as a result of fires, strikes, riots, storms, floods and other casualties, governmental regulations, limitations and restrictions as to the use and availability of materials, supplies and equipment and as to the use of the services, and unforeseeable and unusual demands for service. In any of such events the Company shall do all things reasonably within its power to restore normal service as quickly as practicable.

Section 8. PAYMENT TO THE CITY. In consideration of the rights and privileges herein granted, the administration of the Franchise by the City, the temporary interference with the use of Public Rights-of-Way and cost and obligations undertaken by the City in relation thereto and in lieu of any license, charge, fee, street or alley rental or other character of charge for use and occupancy of the Streets, alleys, and public places of the City, and in lieu of any inspection fee, the Company agrees to pay to the City franchise fees in the amount and manner described herein as follows:

Company agrees to pay to the City quarterly during the continuance of this Franchise a sum of money equal to **three percent (3.00%)** of the Company's gross receipts for the preceding calendar quarter received by the Company from the sale of gas within the corporate limits of the City plus seven cents (7¢) per Mcf for natural gas transported by Company for its Transport Customers during such quarter, without offset or exclusion of any amounts received by Company for receipts associated with Miscellaneous Service Charges, as defined and set forth in the Company's tariff. "Transport Customer" means any person or entity for whom Company transports gas through the distribution system of Company within the corporate limits of City for consumption within the corporate limits of City. The franchise fees hereunder shall be calculated for the calendar quarters ending March 31, June 30, September 30, and December 31 and shall be payable on or before the fifteenth day of May, August, November, and February following the quarter for which payment is made, beginning with the first such date following the Effective Date of this Franchise and each August 15th, November 15th, February 15th, and May 15th thereafter; provided, however, the first such payment shall be prorated as necessary to reflect only those gross receipts received and transportation volumes delivered by Company after the Effective Date of this Franchise. If the ten (10) year term of this Franchise provided for in Section 3 above ends on any day other than the last day of a calendar quarter, then the last payment shall be prorated as necessary. In no event shall the Company be required to remit to the City franchise fee amounts that for any reason whatsoever are not fully recoverable from its customers. Upon receipt of the above amount of money, the City Secretary shall deliver to the Company a receipt for such amount. If any payment due date required herein falls on a weekend or bank holiday, payment shall be made on or before the close of business of the first working day after the payment due date.

Section 9. ANNEXATIONS BY CITY. This Franchise shall extend to and include any and all territory that is annexed by the City during the term of this Franchise. Within sixty (60) days from the receipt of notice from the City of any such annexation, the Company shall assure that any and all customers within such annexed territory are included and shown on its accounting system as being within the corporate limits of the City of La

Porte, Texas. After such sixty (60) day period the payment provisions specified in Section 7 of this Franchise Ordinance shall apply to gross receipts and transport fees received by the Company from customers located within such annexed territory. Company shall true-up its map of City boundaries to the City's map on an annual basis.

Section 10. NON-EXCLUSIVE FRANCHISE. Nothing contained in this Franchise shall ever be construed as conferring upon the Company any exclusive rights or privileges of any nature whatsoever.

Section 11. COMPLIANCE AND REMEDIES.

(a) In the event the Company by act or omission violates any material term, condition or provision of this Franchise, the City shall notify the Company in writing of such violation. Should the Company fail or refuse to correct any such violation within thirty (30) days from the date of City's notice, the City shall, upon written notification to the Company, have the right to terminate this agreement. Any such termination and cancellation shall be by ordinance adopted by City Council; provided, however, before any such ordinance is adopted, the Company must be given at least sixty (60) days' advance written notice. Such notice shall set forth the causes and reasons for the proposed termination and cancellation, shall advise the Company that it will be provided an opportunity to be heard by City Council regarding such proposed action before any such action is taken and shall set forth the time, date and place of the hearing.

(b) Other than its failure, refusal or inability to pay its debts and obligations, including, specifically, the payments to the City required by this Franchise, the Company shall not be declared in default or be subject to any sanction under any provision of this Franchise in those cases in which performance of such provision is prevented by reasons beyond its control.

(c) The rights and remedies of City and Company set forth herein shall be in addition to, and not in limitation of, any other rights and remedies provided at law or in equity and City's exercise of any particular remedy shall not constitute a waiver of its rights to exercise any other remedy.

Section 12. RESERVE OF POWERS. Except as otherwise provided in this Franchise, the City by the granting of this Franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers, claims and rights, now or hereafter vested in the City under the Constitution and statutes of the State of Texas and under the Charter and Ordinances of the City of La Porte or other applicable law, to regulate public utilities within the City and to regulate the use of the Streets by the Company; and the Company by its acceptance of this Franchise agrees that, except as otherwise provided in this Franchise, all lawful powers and rights, whether regulatory or otherwise, as are or as may be from time to time vested in or reserved to the City, shall be in full force and effect and subject to the exercise thereof by the City at any time and from time to time.

Section 13. INDEMNITY. THE COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL PROTECT AND HOLD THE CITY AND ITS OFFICERS, AGENTS, AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "CITY GROUP") HARMLESS AGAINST ANY AND ALL CLAIMS OR DEMANDS FOR DAMAGES TO ANY PERSON OR PROPERTY BY REASON OF THE CONSTRUCTION AND MAINTENANCE OF THE COMPANY'S NATURAL GAS DISTRIBUTION SYSTEM, OR IN ANY WAY GROWING OUT OF THE RIGHTS GRANTED BY THIS FRANCHISE, EITHER DIRECTLY OR INDIRECTLY, OR BY REASON OF ANY ACT, NEGLIGENCE OR NONFEASANCE OF THE COMPANY OR THE CONTRACTORS, AGENTS OR

EMPLOYEES OF THE COMPANY OR ITS SUCCESSORS AND ASSIGNS, AND SHALL REFUND TO CITY GROUP ALL SUMS WHICH CITY GROUP MAY BE ADJUDGED TO PAY ON ANY SUCH CLAIM, OR WHICH MAY ARISE OR GROW OUT OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED OR BY THE ABUSE THEREOF, AND THE COMPANY OR ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD CITY GROUP HARMLESS FROM AND ON ACCOUNT OF ALL DAMAGES, COSTS, EXPENSES, ACTIONS, AND CAUSES OF ACTION THAT MAY ACCRUE TO OR BE BROUGHT BY, A PERSON, PERSONS, COMPANY OR COMPANIES AT ANY TIME HEREAFTER BY REASON OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED, OR OF THE ABUSE THEREOF.

Section 14. RELOCATION OF FACILITIES. The Company shall, upon written request of the City, relocate its Facilities within Public Rights-of-Way at Company's own expense, exclusive of Facilities installed for service directly to City, whenever such shall be reasonably necessary on account of the widening, change of grade, or relocation by City of Public Rights-of-Way, or construction or relocation by City of City utility lines or drainage facilities. City shall bear the costs of all relocations of Facilities installed for service directly to City and of any relocation of other Facilities requested by City for reasons other than the widening, change of grade, or relocation by City of Public Rights-of-Way, or construction or relocation by the City of City utility lines or drainage facilities.

Section 15. GOVERNMENTAL FUNCTION. All of the regulations and activities required by this Franchise are hereby declared to be governmental functions and for the health, safety and welfare of the general public.

Section 16. RECORDS AND REPORTS.

(a) Books of Account. The Company shall keep complete and accurate books of accounts and records of its business and operations under and in connection with this Franchise. All such books of accounts and records shall be kept at the company's principal office in Houston, Texas.

(b) Access by City. The City may conduct an audit or other inquiry or may pursue a cause of action in relation to the payment of the franchise fee only if such audit, inquiry, or pursuit of a cause of action concerns a payment made less than three (3) years before the commencement of such audit, inquiry, or pursuit of a cause of action. Each party shall bear its own costs of any such audit or inquiry. Upon receipt of a written request from the City, all books and records related to Company's operations under this Franchise shall be made available for inspection and copying no later than thirty (30) days from receipt of such request.

(c) Interest on Underpayments and Overpayments. (1) Amounts due to City for late payments shall include interest, compounded daily equal to the return on equity plus three percent (3%) granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City. (2) If the City identifies, as a result of a franchise fee compliance review, amounts owed by the Company from prior periods or prior underpayments, then the Company shall pay simple interest on such amounts equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City. Said interest shall be payable on such sums from the date the initial payment was due until it is paid and shall not be billed to customers. (3) Amounts due Company for past overpayments shall include simple interest equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City; provided, however, if there is a change in

the approved return on equity during the time period subject to the City's audit or inquiry, then for each time period during which there was an overpayment, the approved return on equity in effect during such time period shall be used in calculating interest under this subparagraph (c). Interest payable on such sums shall be credited to customers.

Section 17. EASEMENT. In consideration for the compensation set forth in Section 8 of this Franchise Ordinance, City agrees that if City sells, conveys, or surrenders possession of any portion of the Public Right-of-Way that is being used by Company pursuant to this Franchise, City, to the maximum extent of its right to do so, shall first grant Company an easement for such use and the sale, conveyance, or surrender of possession of the Public Right-of-Way shall be subject to the right and continued use of Company.

Section 18. ACCEPTANCE. The Company shall, within thirty (30) days following the final passage and approval of this Franchise, file with the City Secretary of the City of La Porte either 1) a written statement signed in its name and behalf in the following form or 2) this document duly executed below by the Vice President of Regional Operations:

“To the Honorable Mayor: and City Council of the City of La Porte, Texas:

CenterPoint Energy Resources Corp., D/B/A CenterPoint Energy Texas Gas Operations, its successors and assigns, hereby accepts the attached Franchise Ordinance and agrees to be bound by all of its terms and provisions.”

CENTERPOINT ENERGY RESOURCES CORP.,
DBA CENTERPOINT ENERGY TEXAS GAS
OPERATIONS

By:

Talmage R. Centers Jr., Division Vice President,
Regional Operations

Dated this _____ day of _____ 2019.

Section 19. SEVERABILITY. If any provision, section, subsection, sentence, clause or phrase of this Franchise is for any reason held to be unconstitutional, void, or invalid or for any reason unenforceable, the validity of the remaining portions of this Franchise shall not be affected thereby, it being the intent the City of La Porte, Texas in adopting this Franchise that no portion hereof or provision hereof shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation and, to this end, all provisions of this ordinance are declared to be severable.

Section 20. NOTICES. Every notice, order, petition, documents or other direction or communication to be served upon the City or the Company shall be deemed sufficiently given if sent by registered or certified mail, return receipt requested. Every such communication to the Company shall be sent to:

CenterPoint Energy Resources Corp.

Vice President Regulatory Relations
PO Box 4567
Houston, TX 77210-4567

With a copy to:

General Counsel, Gas Division
PO Box 2628
Houston, TX 77252-2628

Every such communication to the City or the City Council shall be sent to the:
Mayor, City of La Porte, Texas
604 W. Fairmont Pkwy.
La Porte, Texas 77571

With a Copy to:

City Secretary
604 W. Fairmont Pkwy.
La Porte, Texas 77571

Section 21. PUBLICATION, PASSAGE AND EFFECTIVE DATE. This Franchise, having been published in the official newspaper of the City of La Porte, Texas once each week for four consecutive weeks after its final passage, shall take effect sixty days after final passage (“Effective Date”). The Company shall pay the cost of those publications.

Section 22 COMPLIANCE WITH TEXAS OPEN MEETINGS LAW. The City Council officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 23. REPEAL. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict only.

Section 24. COMPLIANCE WITH CHARTER AND ORDINANCES. This Franchise, the rights granted hereby and the operations and activities performed by Company pursuant hereto shall be subject to applicable provisions of the Charter of the City of La Porte, Texas. Except to the extent otherwise expressly provided herein, the Franchise and rights granted hereby and the operations and activities performed by Company pursuant hereto, shall be subject to all valid ordinances and regulations of the City insofar as such ordinances and regulations (a) do not shorten the term hereof or terminate, abrogate, or materially and adversely affect the Franchise and right granted to Company hereby, (b) do not conflict with or are not inconsistent with the terms and provisions contained in this ordinance, (c) do not modify, preempt, or cause Company to violate

the terms of a tariff approved by the Railroad Commission of Texas, Railroad Commission Rules, or the Gas Utility Regulatory Act, or (d) do not unreasonably regulate the Company's operations and activities in the City Right of Way.

Section 25. APPROVAL. Read in full on its first reading at a regular meeting of the City Council of La Porte, Texas, on the 24th day of May 2019, and read in full and passed and adopted on its second reading at a regular meeting of the City Council of La Porte, Texas, on the _____ day of _____, 2019 and approved by the Mayor.

APPROVED:

MAYOR OF THE CITY OF
LA PORTE, TEXAS

ATTEST:

CITY SECRETARY OF LA PORTE, TEXAS

APPROVED AS TO FORM:

CITY ATTORNEY OF LA PORTE, TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, the duly appointed, qualified and acting City Secretary of City of La Porte, Texas, do hereby certify that the above and foregoing ordinance was read on first and second readings at regular meetings of the City Council of said City of La Porte, Texas, held on the 24th day of May, 2019 and on the ____ day of _____, 2019; that written notice of the date, place and subject of said meetings were posted on a bulletin board located at a place convenient to the public in the City Hall, as well as on the City of La Porte, Texas' website, for at least 72 hours preceding the day of said meetings; that Mayor Louis Rigby and six (6)

Council members:

- | | |
|---------------------|-----------------|
| 1. Steve Gillette | 5. Bill Bentley |
| 2. Brandon Lunsford | 6. Danny Earp |
| 3. Jay Martin | |
| 4. Thomas Garza | |

were present at the meeting for the first reading of the above and foregoing ordinance and acted as the Council throughout; that the Mayor _____, and _____ Council members:

- | | |
|----------|----------|
| 1. _____ | 5. _____ |
| 2. _____ | 6. _____ |
| 3. _____ | 7. _____ |
| 4. _____ | 8. _____ |

were present at the meeting for the second reading of the above and foregoing ordinance and acted as the Council throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; and that the same has been duly filed with the City Secretary and recorded by the City Secretary in

full in the books for the purpose of recording the ordinances of the City of La Porte, Texas.

EXECUTED under my hand and the official seal of the City of La Porte, Texas at said City, this

_____ day of _____, 2019.

City Secretary
City of La Porte, Texas

[SEAL]



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>Lorenzo Wingate, City Engineer</u>
Department: <u>Public Works</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>015</u>
Account Number:	<u>015-7070-530-1100</u>
Amount Budgeted:	<u>015 \$400,000</u>
Amount Requested:	<u>N/A</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: Conceptual designs and preliminary cost estimates
Events and Activities Chart

SUMMARY & RECOMMENDATION

The FY 2016-17 budget included an allocation from the La Porte Development Corporation of \$400,000 for the design and construction of a covered open-air pavilion, restroom facility, storage facility, and parking at Five Points. The pavilion and facilities will serve the area during recurring events such as Movie in the Park, Main Street Trade Days, and other outdoor programming. The Director of Parks & Recreation has identified the following as potential programming for the Five Points area:

- Shop La Porte – vendors at Five Points in conjunction with Main Street Trade Days during National Shop Small month (November)
- Back to School Bash – movie, possible school supply handout (work with civic and non-profit organizations that already do this type of event), vendors, activities, etc.
- Table Reservations – put picnic tables under the pavilion and do something similar to what is being done at Seabreeze Park, where residents can reserve tables (for a fee if applicable) for events
- Programming – senior picnic, goat yoga, classes, etc.
- If City Council decided to invest in a splash pad at this location, there could be a decrease in the opportunities for further programming based on splash pad usage.
- Any added programming will require Parks & Recreation Department to budget additional funding for those added programs and staffing.
- The attached exhibit shows current events and activities, as well as proposed events and activities at Five Points Plaza.

Staff presented a proposal for design phase services at the March 26, 2018, City Council meeting, which the City Council denied and then directed staff to utilize the design-build procurement method to complete the project. At the May 13, 2019, City Council meeting, staff

presented a proposal to complete the project using the design-build procurement method, which City Council rejected and directed staff to bring a new proposal for design.

After conferring with staff regarding the project scope, Huitt-Zollars submitted a proposal in the amount of \$28,740 to provide preliminary design phase services, including the provision of a proposed site plan, building floor plan, exterior 3D views, and a detailed probable construction cost estimate. Huitt-Zollars was authorized to proceed with preliminary design efforts on June 19, 2019.

The proposed FY 2019-20 CIP Projects presented to City Council on July 8, 2019, included a proposed allocation of \$350,000 to supplement the \$400,000 allocated to the Five Points Plaza Project within the approved FY 206-17 budget. In the July 8, 2019, discussion of the proposed FY 2019-20 CIP Projects, the City Council directed staff to present Huitt-Zollars' conceptual plan(s) and associated opinion of probable costs to assist with determining funding allocations for the Five Points Plaza Project.

ACTION REQUIRED BY COUNCIL

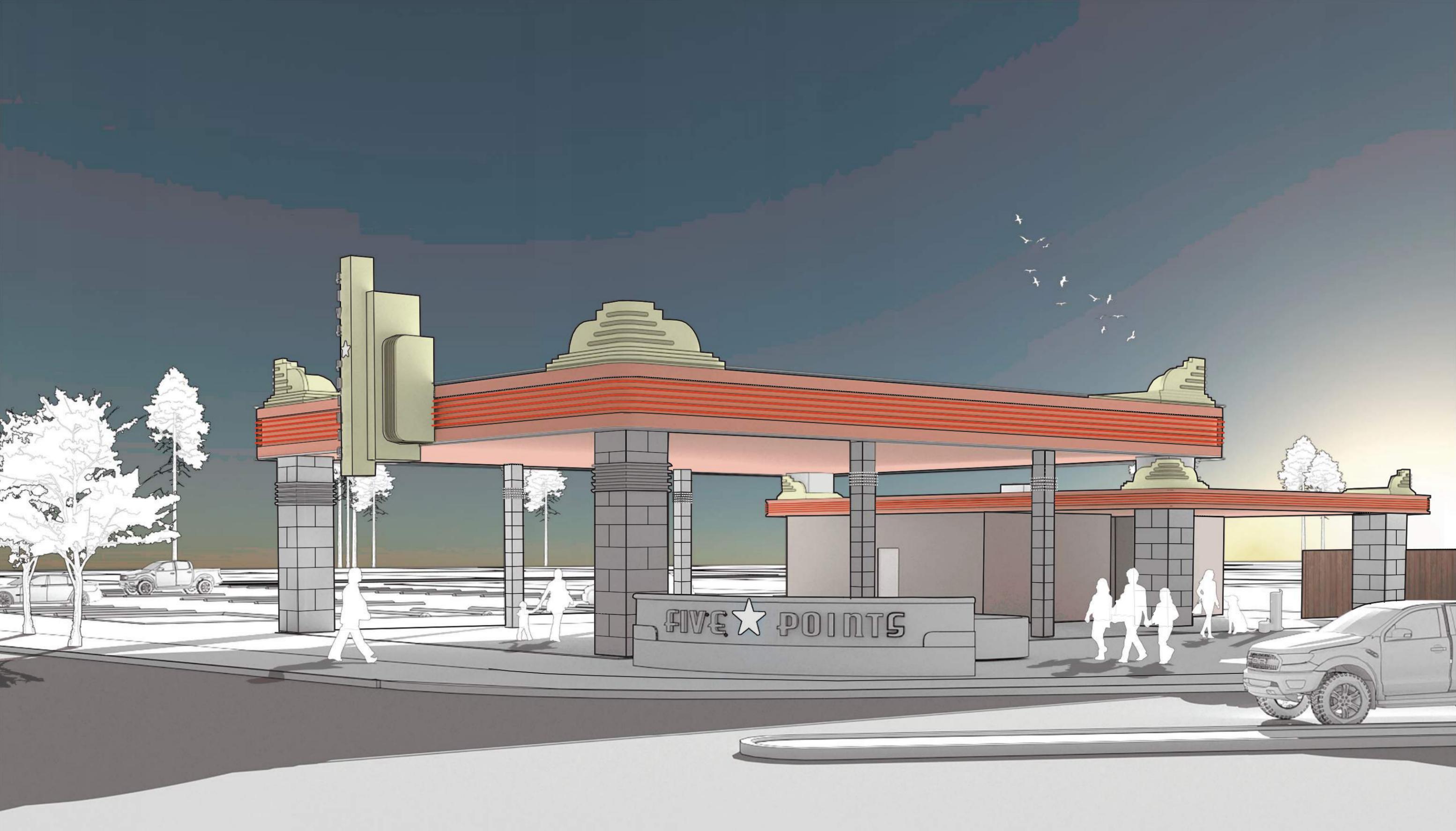
Discuss options presented and provide staff direction on how to proceed with allocating additional funding for Five Points Plaza Improvements.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date









DRAWING LEGEND

- ① 4,000 SF OPEN AIR PAVILION
- ② 250 SF STORAGE
- ③ MENS RESTROOM - 5 FIXTURES
- ④ WOMENS RESTROOM - 5 FIXTURES
- ⑤ WATER FOUNTAIN W/ DOG BOWL



SITE PLAN

AUGUST 26, 2019
SCALE = 1:40

	Project Name:	5 Points Plaza - Pavilion, Restroom, Storage & NEW Parking			
	Project Size: SF	5730			
	Date:	08.26.2019			
ITEM #	ITEM DESCRIPTION	Unit	Unit Price	Est Qty.	Total Per Item
1	Overhead	SF	\$ 10.00	5754	\$ 57,540.00
2	Concrete	SF	\$ 6.00	5754	\$ 34,524.00
3	Galv. Steel Building Frame	SF	\$ 19.50	5754	\$ 112,203.00
4	Blocking and Rough Carpentry	SF	\$ 1.10	5754	\$ 6,329.40
5	Firecaulk, Misc Caulking	LS	\$ 0.50	5754	\$ 2,877.00
6	Insulation	LS	\$ 2.00	5754	\$ 11,508.00
7	Roof - Standing Seam	LS	\$ 7.00	5754	\$ 40,278.00
8	Light Guage Metal Frame	LS	\$ 8.00	5754	\$ 46,032.00
9	Sheathing/Waterproofing Membrane	LS	\$ 6.00	5754	\$ 34,524.00
10	Electrical	LS	\$ 23,500.00	1	\$ 23,500.00
11	Exterior Finishes- Stucco & Dec. Metal Panel Columns	SF	\$ 15.00	5754	\$ 86,310.00
12	Door/Frame/Hardware Installation	EA	\$ 450.00	3	\$ 1,350.00
13	Hardware	EA	\$ 125.00	3	\$ 375.00
14	Plumbing	LS	\$ 16,500.00	1	\$ 16,500.00
15	Asphalt Repairs	LS		22000	\$ 24,200.00
16	New Asphalt Parking	LS	\$ 6.82	12,000	\$ 81,840.00
17	CMU backup wall	SF	\$ 16.00	1754	\$ 28,064.00
18	Drinking Fountain	EA		1	\$ 2,200.00
				Subtotal	\$ 610,154.40
				Subtotal	\$ 610,154.40
				Project Contingency (15% of CC)	\$ 91,523.16
				* Escalation Contingency (4%)	\$ 24,406.18
				Design Fee (11% of CC)	\$ 67,116.98
				**Const. Management (3% of CC)	\$ 18,304.63
				Geotech	\$ 2,600.00
				Total Project Cost	\$ 814,105.35
				ALTERNATE	
				HVAC	\$ 21,000.00
				Splash Pad (2,000 SF)	\$ 172,000.00





DRAWING LEGEND

- ① 250 SF STORAGE
- ② MENS RESTROOM W/ 5 FIXTURES EA.
- ③ WOMENS RESTROOM W/ 5 FIXTURES EA.
- ④ WATER FOUNTIAN W/ DOG BOWL

☆ FUTURE SPLASH PAD LOCATION



SITE PLAN

AUGUST 26, 2019
SCALE = 1:40

Project Name:		5 Points Plaza - Phase 1 - Restrooms & Storage			
Project Size: SF		1,754			
Date:		08.26.2019			
ITEM #	ITEM DESCRIPTION	Unit	Unit Price	Est Qty.	Total Per Item
1	Overhead	SF	\$ 10.00	1754	\$ 17,540.00
2	Concrete Slab	SF	\$ 6.00	1754	\$ 10,524.00
3	Galv. Steel Building Frame	SF	\$ 19.50	1754	\$ 34,203.00
4	Blocking and Rough Carpentry	SF	\$ 1.10	1754	\$ 1,929.40
5	Firecaulk, Misc Caulking	LS	\$ 0.50	1754	\$ 877.00
4	Insulation	LS	\$ 2.00	1754	\$ 3,508.00
7	Roof - Standing Seam	LS	\$ 7.00	1754	\$ 12,278.00
8	Door/Frame/Hardware Installation	EA	\$ 450.00	3	\$ 1,350.00
9	Hardware	EA	\$ 125.00	3	\$ 375.00
10	Light Guage Metal Frame	LS	\$ 8.00	1754	\$ 14,032.00
11	Sheathing/Waterproofing Membrane	LS	\$ 11.00	1754	\$ 19,294.00
12	Plumbing	LS	\$ 16,500.00	1	\$ 16,500.00
13	Asphalt Repairs	LS		22000	\$ 24,200.00
14	Electrical	LS	\$ 17,500.00	1	\$ 17,500.00
15	CMU backup wall	SF	\$ 16.00	1754	\$ 28,064.00
16	Exterior Finishes- Stucco & Dec. Metal Panel Columns	SF	\$ 23.00	1754	\$ 40,342.00
17	Drinking Fountain	EA	\$ 2,200.00	1	\$ 2,200.00
				Subtotal	\$ 244,716.40
LS=Lump Sum LF= Linear Footage EA=Each				Subtotal	\$ 244,716.40
				Project Contingency (15% of CC)	\$ 36,707.46
				* Escalation Contingency (4%)	\$ 9,788.66
				Design Fee (11% of CC)	\$ 26,918.80
				**Const. Management (3% of CC)	\$ 7,341.49
				Geotech	\$ 2,200.00
				Phase 1 Total Phase Cost	\$ 327,672.81
ALTERNATE				HVAC	\$ 21,000.00

Project Name:		5 Points Plaza - Phase 2 - Parking & Pavilion			
Project Size: SF		4000			
Date:		08.26.2019			
ITEM #	ITEM DESCRIPTION	Unit	Unit Price	Est Qty.	Total Per Item
1	Overhead	SF	\$ 10.00	4000	\$ 40,000.00
2	Concrete	SF	\$ 6.00	4000	\$ 24,000.00
3	Galv. Steel Building Frame	SF	\$ 19.50	4000	\$ 78,000.00
4	Blocking and Rough Carpentry	SF	\$ 1.10	4000	\$ 4,400.00
5	Firecaulk, Misc Caulking	LS	\$ 0.50	4000	\$ 2,000.00
6	Insulation	LS	\$ 2.00	4000	\$ 8,000.00
7	Roof - Standing Seam	LS	\$ 7.00	4000	\$ 28,000.00
8	Light Guage Metal Frame	LS	\$ 8.00	4000	\$ 32,000.00
9	Sheathing/Waterproofing Membrane	LS	\$ 6.00	4000	\$ 24,000.00
10	Electrical	LS	\$ 23,500.00	1	\$ 23,500.00
11	Exterior Finishes- Stucco & Dec. Metal Panel Columns	SF	\$ 15.00	4000	\$ 60,000.00
16	New Asphalt Parking	LS	\$ 6.82	12,000	\$ 81,840.00
				Subtotal	\$ 405,740.00
LS=Lump Sum LF= Linear Footage EA=Each				Subtotal	\$ 405,740.00
				Project Contingency (15% of CC)	\$ 60,861.00
				* Escalation Contingency (4%)	\$ 16,229.60
				Design Fee (11% of CC)	\$ 44,631.40
				**Const. Management (3% of CC)	\$ 12,172.20
				Geotech	\$ 2,600.00
				Phase 2 Total Phase Cost	\$ 542,234.20
				Total Project Cost in Phases	\$ 869,907.01
ADDONS:				Splash Pad (2,000 SF)	\$ 172,000.00

EVENTS AND ACTIVITIES

	Current Events/Activities @ Five Points	Additional Proposed Events/Activities @ Five Points	Other events in La Porte that could possibly cause conflicts each month
January			
February	Mardi Gras on Main		Father Daughter Dance (2 nights) Black History Month (Civic Club)
March		Spring Break Movie Night	Pet Palooza
April		Easter Hop and Shop (in conjunction with Main Street Trade Days; depends on when Easter falls if this is held in March or April) Arbor Day Tree and Seedball Giveaway (move from RFC)	San Jacinto Festival Sylvan Beach Day
May			
June	Summer Party on Main Juneteenth Donuts & Coffee (Civic Club)		Juneteenth Triathlon
July	Rotary 4th of July Parade Parks & Rec Month-July Jackpot Golden Ticket (find the ticket for a prize)		Fireworks Multiple Parks & Rec Month Events throughout the City
August		Back to School Bash	Kids' Rodeo
September		Fall Movie Night (September or October, not on a Friday night)	Health & Safety Fair Hurricane Preparedness Workshop
October	Fall Festival (Operated by a Church)		Family Fright Night
November	Half Marathon	Shop La Porte (in conjunction with Main Street Trade Days)	National Night Out
December	Christmas on Main		Breakfast with Santa
Additional Notes	We have a geocache at Five Points	Possible Classes/Programs: Art Fitness Senior Picnic	Main Street Trade Days (Monthly)



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>
Requested By: <u>R. Cramer, Econ. Dev. Coordinator</u>
Department: <u>Administration/CMO</u>
<input type="radio"/> Report <input checked="" type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	_____
Account Number:	_____
Amount Budgeted:	_____
Amount Requested:	_____
Budgeted Item:	<input type="radio"/> Yes <input type="radio"/> No

Exhibits: Resolution, Enterprise Zone Application

SUMMARY

In May 2010, the City Council passed an ordinance electing to participate in the Texas Enterprise Zone Program. MRC Global (US) Inc. has approached the City asking for the City to designate their new project off of Highway 146 South as an enterprise project with the State. The Office of the Governor Economic Development and Tourism through the Economic Development Bank will consider MRC Global (US) as an enterprise project pursuant to a nomination and an application made by the City of La Porte.

The Texas Enterprise Zone Program is a program which the State remits a portion of their sales and use tax collections back to a business in exchange for capital investment and job creation. The City pays or relinquishes nothing for a business to be a part of this program. MRC Global's capital investment will be \$6 million and retained 435 jobs and create 65 new jobs for benefit. To be counted "for benefit" the job must average weekly wage which meets or exceeds the average county weekly wage in the county in which the qualified business site is located.

Cities of our size get six nominations per biennium. As of September 1, 2019, the new State biennium will begin, refreshing the city's allotment of six nominations. This would leave us with five nominations to use by August 31, 2021. The City finds that MRC Global (US) meets the criteria for designation as an enterprise project since the business will be engaged in the active conduct of a trade or business at a qualified business site inside an enterprise zone and at least twenty-five percent (25%) of the business' new permanent jobs in the enterprise zone will be held by residents of any enterprise zone in this state, economically disadvantaged individuals, or veterans. There has been and will continue to be a high level of cooperation between public, private and neighborhood entities within the area. The designation of MRC Global (US) as an enterprise project will contribute significantly to the achievement of plans of the City for development and revitalization of the area. Additionally, MRC Global (US) meets the criteria for tax relief and shall pay sales tax when eligible and the City has adopted incentives MRC Global (US) could be eligible for and nominates MRC Global (US) for enterprise project status on the grounds it is located at a qualified business site inside an enterprise zone, will create a higher level of employment, economic activity and stability.

RECOMMENDED MOTION

Consider approval or other action regarding a resolution designating MRC Global (US) Inc. as an enterprise project.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

RESOLUTION NO. 2019-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, NOMINATING MRC GLOBAL (US) INC. TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT AND TOURISM (“OOGEDT”) THROUGH THE ECONOMIC DEVELOPMENT BANK (“BANK”) FOR DESIGNATION AS AN ENTERPRISE PROJECT (“PROJECT”) UNDER THE TEXAS ENTERPRISE ZONE PROGRAM UNDER THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (“ACT”)

WHEREAS, on the 10th day of May, 2010, the City of La Porte, Texas (City) passed and approved Ordinance No. 2010-3248 electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined in Ordinance 2010-3248; and

WHEREAS, the Office of the Governor Economic Development and Tourism (OOGEDT), through the Economic Development Bank (Bank), will consider MRC Global (US) Inc. as an enterprise project pursuant to a nomination and an application made by the City; and

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals and veterans; and

WHEREAS, pursuant to Chapter 2303, Subchapter F, of the Texas Enterprise Zone Act, Texas Government Code (the "Act"), MRC Global (US) Inc. has applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that MRC Global (US) Inc. meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F, of the Act on the following grounds:

1. MRC Global (US) Inc. is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site inside an enterprise zone, and at least twenty-five percent (25.0%) of the business' new permanent jobs in the enterprise zone will be held by residents of any enterprise zone in this state, economically disadvantaged individuals, or veterans; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
3. The designation of MRC Global (US) Inc. as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

WHEREAS, the City finds that MRC Global (US) Inc. meets the criteria for tax relief and shall pay sales tax when eligible, and that the City has adopted incentives MRC Global (US) Inc. could be eligible for and nominates MRC Global (US) Inc. for enterprise project status on the grounds that it will be located at a qualified business site inside an enterprise zone, will create a higher level of employment, economic activity and stability; and

WHEREAS, the City finds that it is in the best interest of the City to nominate MRC Global (US) Inc. as an enterprise project pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE: That the findings of the City and its actions approving this resolution taken at the council meeting are hereby approved and adopted.

BE IT FURTHER RESOLVED that MRC Global (US) Inc. is a "qualified business", as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F, of the Act.

BE IT FURTHER RESOLVED that the enterprise project designation shall take effect on the date of designation of the enterprise project by the OOGEDT through the Bank, and terminate five years from the date of designation.

PASSED AND APPROVED this the _____ day of _____, 2019.

CITY OF LA PORTE

Louis R. Rigby, Mayor

ATTEST:

APPROVED AS TO FORM:

Lee Woodward, City Secretary

Clark T. Askins, Assistant City Attorney



Texas Enterprise Project Application

Office of the Governor
Economic Development and Tourism
Texas Economic Development Bank

For Office Use Only:

Date Received: _____

Application Fee Submitted

Project: _____

Community: _____

Received By: _____

MRC Global (US) Inc.

City of La Porte

I. APPLICATION FEE

- Non-refundable Application Fee submitted, made payable to **Office of the Governor** in the amount of:
 - \$500 for a Half Enterprise Project
 - \$750 for an Enterprise Project
 - \$1,500 for a Double Jumbo Enterprise Project
 - \$2,250 for a Triple Jumbo Enterprise Project

II. PUBLIC HEARING

		Not Applicable <input checked="" type="checkbox"/>
Copy Attached		Date
<input type="checkbox"/> Public Hearing Held		_____
<input type="checkbox"/> Government Posting (Tab 2)		_____
<input type="checkbox"/> Published in Newspaper of General Circulation (Tab 3)		_____
<input type="checkbox"/> Notice of Hearing to the Economic Development Bank (Tab 4)		_____
<input type="checkbox"/> Transcript or Minutes of all Public Hearings Held Attached (Tab 5)		
<input type="checkbox"/> Interlocal Agreement (Tab 6)		

III. OFFICIAL ACTION

- Nominating Ordinance or Order Attached (Tab 7) Ordinance/Order No. 2010-3248
 Date Passed 5/10/2010
- Nominating Resolution Attached, if applicable (Tab 7) Resolution No. TBD
 Date Passed 8/26/2019

IV. DESIGNATION SOUGHT / ALLOCATIONS AVAILABLE

Enterprise Project (counts as one designation)	<input checked="" type="checkbox"/> Yes -or-
Double Jumbo Enterprise Project (counts as two designations)	<input type="checkbox"/> Yes -or-
Triple Jumbo Enterprise Project (counts as three designations)	<input type="checkbox"/> Yes
Number of Designations Allocated to this Jurisdiction per State Biennium (six or nine)	_____ 6
Number of Designations Already Used this State Biennium	_____ 1
Number of Designations Represented in this Application	_____ 1
Number of Designations Applied for including Other Application(s) applied for during this Round	_____ 1
Number of Project Designations Remaining for Governing Body if all Applications are Approved	_____ 4

MRC Global (US) Inc.

V. QUALIFIED BUSINESS SITE

Nominating Jurisdiction

Nominating Jurisdiction City of La Porte

If Nominating Jurisdiction is a Municipality, skip to **Primary Business Address of the Qualified Business Site**

Population of Nominating County at 2010 Census _____

Population is **Less** than 1,000,000:

The qualified business site **IS NOT** located in a municipality's city limits or ETJ It is Not

Population is 1,000,000 or more:

Is the qualified business site located in a municipality's city limits or ETJ? Yes No

If yes, which municipality? _____

Primary Business Address of the Qualified Business Site

Street Address 1806 TX-146 S

City La Porte State TX Zip 77571 - _____

County where Qualified Business is Located Harris County

Census Map:

Official U.S. Census Map showing the entire location of the Qualified Business Site is attached (location of qualified business site must be clearly marked on map) (Tab 8) Yes

MRC Global (US) Inc.

PROVIDE BACKUP DOCUMENTATION (choose one)

Check here if located at a Qualified Business Site in a **Distressed County***

Poverty Level of the Distressed County at the 2010 Decennial Census _____

Percent of Adult Population that Does Not Hold a High School Diploma or Equivalency 25 years and older at the 2010 Decennial Census _____

Unemployment Rate for the Distressed County for the Most Recent Five Years

Year: 20 Rate: _____

Backup Documentation Attached (Tab 9) Yes

--OR--

2010 Census Tract 3437.00 Block Group: 1. 2. 3. 4. 5. 6. 7. 8. 9.

Check here if located in a block group that **IS** an enterprise zone

Poverty Level of the 2010 Census Block Group (20% or more) 24.86%

Backup Documentation Attached – 2010 Poverty Data (Tab 9) Yes

--OR--

Check here if located in a block group that **IS NOT** an enterprise zone

Poverty Level of the 2010 Census Block Group (less than 20%) _____

Backup Documentation Attached – 2010 Poverty Data (Tab 9) Yes

List all additional census tract block groups that the qualified business site encompasses:

***Note: Current updated listing of Distressed counties can be found at: <http://www.texaswideopenforbusiness.com/incentives-financing/tax/tez.php> under “Related Material” in the Texas Enterprise Zones Section and is helpful for obtaining much of the requested information in this section.**

MRC Global (US) Inc.

No Additional Addresses to be Included in Designation

Provide the address of any additional location to be included in this designation and a detailed explanation how the activities that are performed at the additional location contribute to the project or activity at the qualified business site. List each additional address separately, with explanation following. Provide a map of the proximity of all locations including, the qualified business site behind this page.

Location addresses and types of operations:

- 1) 1806 TX-146 S, La Porte, TX 77571 - Office
- 2) 1801 South 16th Street, La Porte, TX 77571 – Distribution Center
- 3) 1302 Wharton Weems Boulevard, La Porte, TX 77571 – Valve Modification Shop

The three buildings operated by MRC Global in La Porte, Texas combine to form the company's Houston Operations Complex at La Porte. The addresses are listed with the same name in the company locations listing with multiple mailing options and are commonly referred to as a single location as the operations of each building are intertwined and more successful because individuals based at the complex work so closely together.

The 1806 TX-146 S Office building houses employees from nearly every aspect of the company, including managers and sales representatives that work closely with individuals who work in the 1801 South 16th Street Distribution Center building. This building is manned by a warehouse associates in addition to a dedicated group of project support representatives, who support orders that are also managed by employees in the office building. Technical sales representatives with desks in the office building may spend as much as half of their time in either the 1302 Wharton Weems Boulevard Valve Modification Shop or the Valve and Engineering Center that is held within the distribution center. Valves that are stored in the distribution center are routinely shuttled to the Valve Modification shop, then to the Valve and Engineering Center as part of the automation process. The products that are packaged together in the Valve & Engineering Center or Valve Modification Shop are a team effort between employees whose workspaces are technically in all three buildings.

Investing solely in the Houston Operations Complex in La Porte instead of the previous three locations spread out around Houston, has allowed us to further implement many of our corporate strategies such as an increased focus on valves, automation, instrumentation and measurement products, added quick-turn valve automation capabilities, expanded midstream automated valve assembly capabilities, established central project-focused group and many more related strategies. Housing all of our Houston-based operations employees together in one building results in additional efficiencies and productivity thanks to enhanced collaboration by the various groups.

MRC Global (US) Inc.

VI. COMMUNITY EFFORT

Briefly describe efforts by the **governing jurisdiction during the last year** to encourage participation by residents, neighborhood groups, and other businesses in the area. Identify governing jurisdiction's efforts to revitalize the area.

TBD

DRAFT

MRC Global (US) Inc.

VII. BUSINESS ACTIVITY IN THE AREA

Briefly describe the type of **business activity** that has occurred **during the last two years** to revitalize the area. Estimate and describe the privately-sponsored investment or in-kind services used to improve the area or create jobs.

TBD

DRAFT

MRC Global (US) Inc.

VIII. BUSINESS INFORMATION & STRUCTURE

Exact Legal Name Under Which the Business is Seeking Designation

MRC Global (US) Inc.

Federal Tax ID Number 20-4295602 Comptroller of Public Accounts Number 3-20-4295602-2

Attach Certificate of Corporate Resolution authorizing the Enterprise Project Application (Tab 10)

Does the Qualified Business have a State Sales and Use Tax liability? Yes No

Is business current on tax payments with the State of Texas? Yes No

If not current on tax payments to the State, explain

Not applicable.

DRAFT

Does the company currently have facilities in Texas? Yes No

Does the company have the authority to do business in Texas? Yes No

Check Applicable Documents indicating authority to do business in Texas from the Texas Secretary of State and attach a copy (Tab 11)

- | | |
|--|--|
| <input type="checkbox"/> Articles of Incorporation | <input checked="" type="checkbox"/> Certificate of Existence or Status |
| <input type="checkbox"/> Assumed Name Certificate | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Certificate of Formation | |

MRC Global (US) Inc.

What is the structure of the company?

- | | |
|--|---|
| <input checked="" type="checkbox"/> Privately Held Corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Publicly Held Corporation | <input type="checkbox"/> Limited Partnership (LP) |
| <input type="checkbox"/> Limited Liability Corporation (LLC) | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Sole Proprietorship | _____ |

Is the Qualified Business a Franchise? Yes No

Is the Qualified Business a Subsidiary? Yes No

	<u>Name</u>	<u>Percent</u>
List any person or entity that has over 5% ownership in the business (Attach additional page behind this page as needed)	MRC Global Inc.	100%
	_____	_____
	_____	_____
	_____	_____

Number of Years in Business 13

Number of Employees Worldwide 3,580

Parent Company MRC Global Inc.

Years Parent Company in Business 98

Location of Parent Company Fulbright Tower, 1301 McKinney St., #2300

City Houston State TX Zip 77010 - _____

Will any other entity of the controlled group be financially involved with this proposed enterprise project or activity?
 Yes No

If yes, provide an Organization Chart of the Business Structure behind this page It is Attached

Also, if yes, list each participating entity below and complete an Additional Participating Entities form (page 9 of this application) for each entity in the business controlled group participating in the project or activity

MRC Global (US) Inc.

IX. ADDITIONAL PARTICIPATING ENTITIES FORM

Not Applicable

Complete the following information, including a contact, for each related entity that is a member of a controlled group that is **necessary** to the project or activity

Prefix _____ First Name _____ Last Name _____

Title _____

Organization _____

Street Address _____

Mailing Address _____

City _____ State _____ Zip _____ - _____

Phone Number _____ Fax Number _____

Email Address _____

Federal Tax ID No. _____ Comptroller of Public Accounts No. _____

Provide a detailed description of this entity's role with respect to the project for each applicable category.

Capital Investment for Use at the Qualified Business Site

Direct Payment of State Sales and Use Taxes for Items Used at the Qualified Business Site

Employment of Employees at the Qualified Business Site

MRC Global (US) Inc.

X. BUSINESS TYPE

Check **all** that apply

- | | |
|---|---|
| <input checked="" type="checkbox"/> Energy | <input type="checkbox"/> Consumer / Non-Cyclical |
| <input type="checkbox"/> Basic Materials | <input type="checkbox"/> Healthcare |
| <input type="checkbox"/> Capital Goods | <input type="checkbox"/> Financial |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Technology |
| <input type="checkbox"/> Consumer / Cyclical | <input type="checkbox"/> Telecommunication Services |
| <input type="checkbox"/> Services | <input type="checkbox"/> Utilities |
| <input checked="" type="checkbox"/> Manufacturing | |

NAICS Code: 423830

SIC Code: 5084

Primary Product or Service: Distributor of pipe, valve and fitting products and services to the energy and industrial markets.

XI. INDUSTRY CLUSTER

If applicable, identify the targeted industry cluster within which this project falls.

- Advanced Technologies and Manufacturing, including four sub-clusters: Nanotechnology and Materials; Micro-electromechanical Systems; Semiconductor Manufacturing; Automotive Manufacturing
- Aerospace, Aviation and Defense
- Biotechnology and Life Sciences, **not** including medical services
- Information and Computer Technology, including three sub-clusters: Communications Equipment; Computing Equipment and Semiconductors; Information Technology
- Petroleum Refining and Chemical Products
- Energy, including three sub-clusters: Oil and Gas Production; Power Generation and Transmission; Manufactured Energy Systems
- None Apply

XII. MARKET FOR PRODUCT OR SERVICE

- | | |
|---|--|
| <input checked="" type="checkbox"/> Local | <input checked="" type="checkbox"/> Exporter (International) |
| <input checked="" type="checkbox"/> Regional | <input type="checkbox"/> Non-Exporter |
| <input checked="" type="checkbox"/> National | |
| <input checked="" type="checkbox"/> International | |

MRC Global (US) Inc.

XIV. PRIMARY BUSINESS REPRESENTATIVE

Prefix Mr. First Name Jon Last Name Phillips
Title Senior Director of Tax
Organization MRC Global
Street Address 835 Hillcrest Drive East
Mailing Address 835 Hillcrest Drive East
City Charleston State WV Zip 25311 - 1627
Phone Number 304.348.5899 Fax Number 304.348.1578
Email Address jon.phillips@mrcglobal.com
Company Website https://www.mrcglobal.com

XV. LOCAL BUSINESS REPRESENTATIVE (Qualified Business Site)

Prefix _____ First Name _____ Last Name _____
Title _____
Organization _____
Street Address _____
Mailing Address _____
City _____ State TX Zip _____ - _____
Phone Number _____ Fax Number _____
Email Address _____
Company Website _____

Is the Local Business Liaison **currently** located at the Qualified Business Site?

Yes No

If not, when do you anticipate relocation to the Qualified Business Site?

XVI. PROJECT DESCRIPTION

- Description of the project in the form of a letter addressed to the governing body liaison and the Economic Development Bank on company letterhead **signed by the primary business representative** attached (*Tab 12*)

MRC Global (US) Inc.

XVII. PROJECT

Check **all** that apply

- None Apply
- New Business / Start-up
- Relocation from Out-of-State
- Open New Location
- Expansion (*new jobs*)
- Relocation within Nominating Jurisdiction
- Consolidation (*jobs being moved from one jurisdiction in Texas to another cannot be claimed for benefit*)
- Relocation within Texas (*jobs being moved from one jurisdiction in Texas to another cannot be claimed for benefit*)

Relocating From: _____

Provide a brief description of the circumstances of the move, including the number of jobs to be moved.

Not applicable.

DRAFT

MRC Global (US) Inc.

XVIII. PROJECT CHARACTERISTICS

Check **all** that apply, provide a description of the related capital investment for each category

- Construct New Facility (_____ *sq. ft.*)
- Expand Existing Facility (by _____ *sq. ft.*)
- Renovate Existing Facility
- Upgrade / Repair Facility
- Upgrade Existing Machinery & Equipment
- Purchase New / Additional Machinery & Equipment

XIX. PROJECTED DATES AND MILESTONES

Provide the estimated date for each category (90-day window and end project designations, exact date). If a category does not apply, leave blank.

90-Day Window	<u>4/25/2019</u>
Begin Construction	<u>4/25/2019</u>
Construction Complete	<u>9/2/2024</u>
Purchase Machinery & Equipment	<u>4/25/2019</u>
Begin Hiring New Employees	<u>4/25/2019</u>
Begin Operations	<u>4/25/2019</u>
Fully Operational	<u>9/2/2024</u>
End Project Designation	<u>9/2/2024</u>

MRC Global (US) Inc.

XX. PROJECTED CAPITAL INVESTMENT

Land	_____
Building Construction	_____ \$3,475,255.00
Labor on Construction	_____
Building Expansion/Renovation Costs	_____
Machinery & Equipment	_____ \$3,594,000.00
Other _____	_____
Total	_____ \$7,069,255.00

What percent of the projected capital investment is for routine and planned maintenance, including, but not limited to "turnarounds", required to maintain regular business operations? _____ 0.00%

Provide a detailed description of each category of capital investment for the proposed project or activity.

MRC Global anticipates spending in excess of \$5 million in capital expenditures over the next five (5) years. Included in the capital investment plans is the build-out of new square footage and purchases of equipment at the Valve Modification Shop located at 1302 Wharton Weems Blvd. within the operations complex.

XXI. EXISTING JOBS AT THE QUALIFIED BUSINESS SITE

Attach a breakdown of types of existing full-time jobs by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each (Tab 13)

Full-Time Jobs	_____ 435
Part-Time Jobs	_____ 0
Contract Jobs	_____ 0
Total Jobs at the Qualified Business Site	_____ 435

MRC Global (US) Inc.

XXII. FULL-TIME JOBS FOR BENEFIT

New Jobs

Attach a breakdown of types of new jobs to be created by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each (*Tab 14*)

Total Number of New Full-Time Jobs to be Created 65
Total Amount of Annual Payroll for New Jobs \$4,875,000.00

Retained Jobs (*check only if for benefit*)

Attach a breakdown of types of jobs to be retained for benefit by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each (*Tab 15*)

Total Number of Jobs to be Retained for Benefit 435
Total Amount of Annual Payroll for Retained Jobs \$46,454,490.58

Choose **all** that apply and include backup documentation

- Permanent employees will be permanently laid off (Chapter 2303.406(a)(4)(A))
- Business will permanently close down (Chapter 2303.406(a)(4)(B))
- Business will relocate out of Texas (Chapter 2303.406(a)(4)(C))
- Business is able to employ individuals in accordance with Section 2303.402 (Chapter 2303.406(a)(4)(D))
- Business facility has been legitimately destroyed or impaired due to fire, flood, tornado, hurricane, or any other natural disaster (Chapter 2303.406(a)(4)(E))

I have reviewed the request for the retained job benefit under the Texas Enterprise Zone Program, and verify that it meets the criteria outlined above, as required by statute. The backup documentation has been placed under *Tab 14* of this application.

Signature _____ Date _____
(Governing Body Liaison)

Printed Name Ryan Cramer Title Ec. Dev. Coordinator

MRC Global (US) Inc.

XXIII. COMMITMENT TO THE COMMUNITY

- Yes No Commit to negotiate or cooperate in the achievement of the purposes of the Enterprise Zone Act.
- Yes No Commit to hire under-skilled, inexperienced, disadvantaged or displaced workers who reside in an enterprise zone.
- Yes No Commit to hire minority workers and to contract with minority-owned businesses.
- Yes No Commit to provide technical and vocational job training for enterprise zone residents or economically disadvantaged employees.
- Yes No Commit to provide child care for employees.
- Yes No Commit to implement and contribute to a tutoring or mentoring program for area students.
- Yes No Commit to work toward the prevention or reduction of juvenile crime activity.
- Yes No Commit to make contributions to the well-being of the community, such as job training, or the donation of land for parks or other public purposes.

XXIV. ADDITIONAL COMMITMENTS

- Yes No Employee benefits provided (i.e., medical coverage, prescription drug coverage, dental plan, flexible spending accounts, life insurance, 401K, stock options, etc.)

No Additional Commitments are Anticipated

Outline the company's additional commitments to the community by specific recipient and dollar value of anticipated contribution(s) **during the designation period.**

Not applicable.

MRC Global (US) Inc.

XXV. SOURCE OF FUNDING

The project will be financed by (check all that apply)

- Internal Sources
- External Sources

The Project received (check all that apply):

- Texas Enterprise Fund Grant
- Texas Emerging Technology Fund Grant
- Industrial Revenue Bonds
- Tax Increment Financing

Provide a brief narrative description of the method of financing the project *(do not attach financial statements)*

This project will be financed through internal cash flows.

DRAFT

XXVI. PROPERTY ACCESS

Check the appropriate box below and provide a copy of the executed documents indicating property access *(Tab 16)*

- Lease Agreement
- Purchase Agreement
- Lease / Purchase Agreement
- Other Harris County Appraisal District

MRC Global (US) Inc.

XXVII. STATUS OF PERMITS

Pending

Current

No Permits Required

List any local, state or federal permits that are pending, along with the issuing agency and the expected date of receipt. Do **not** attach copies of permits.

Not applicable.

DRAFT

MRC Global (US) Inc.

XXVIII. CONCURRENT DESIGNATION

This application for enterprise project status constitutes a concurrent designation
 If yes, complete this section in its entirety and provide requested attachments

Yes No

Provide a brief explanation of the capital investment and new and/or retained jobs for each designation, delineating what capital investment and jobs will apply to which designation with timelines for all. (Attach additional pages behind this page as needed.)

Not applicable.

Breakdown of Concurrent Project Designations:

Attach a breakdown of types of jobs for benefit by six-digit Standard Occupational Code and/or title, and the salary range or hourly rate for each designation (Tab 17)

Number of Jobs at the 90-Day Window Date for the First Project Designation					<u>Baseline Jobs</u>
<u>Date Approved</u>	<u>Date Expires</u>	<u>Date Jobs* Certified</u>	<u>Capital Investment</u>	<u>New Jobs</u>	<u>Retained Jobs</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
TOTAL			_____	_____	_____

**Last certification. If no jobs have been certified, provide an explanation as to why not and when application for certification of jobs is expected to occur. Place the explanation behind this page.*

MRC Global (US) Inc.

XXIX. SELF-EVALUATION

Total Distress of the Area Score (max. 85 pts.) 25

Total Local Effort Score (max. 53 pts.) 28

Total Private Effort Score (max. 75 pts.) 43

TOTAL PROJECT SCORE 96

For internal use only: Points Awarded for State Priority (max. 10 pts.)

Provide backup documentation for **ALL** areas for which points are taken (Tab 18). **If backup documentation is not provided in Tab 18 points will not be awarded.**

Distress of the Area (Qualified Business Site) (40%)

Jurisdiction Population 33,800

Population of nominating **Jurisdiction*** is less than 50,000 (2010 decennial census) Backup Attached
 Yes 10 pts 10

County Population 4,092,459
 Population of **County** is less than 50,000 (2010 decennial census) Backup Attached
 Yes 5 pts

Poverty Level of **Distressed County** N/A Backup Attached

- 15.5% - 19.9% poverty (2010 decennial census) 4 pts
- 20.0% - 29.9% poverty (2010 decennial census) 6 pts
- 30.0% - 39.9% poverty (2010 decennial census) 8 pts
- 40.0% - 49.9% poverty (2010 decennial census) 12 pts
- 50.0% poverty and above (2010 decennial census) 15 pts

Poverty Level of **Block Group** 24.86% Backup Attached

- 20.0% - 29.9% poverty (2010 decennial census) 4 pts 4
- 30.0% - 39.9% poverty (2010 decennial census) 6 pts
- 40.0% - 49.9% poverty (2010 decennial census) 10 pts
- 50.0% poverty and above (2010 decennial census) 15 pts

*Note: Current updated listing of Distressed counties can be found at:
<http://www.texaswideopenforbusiness.com/incentives-financing/tax/tez.php> under "Related Material" in the Texas Enterprise Zones Section and is helpful for obtaining much of the requested information in this section.

MRC Global (US) Inc.

Poverty Level of nominating **Jurisdiction*** 10.00% Backup Attached

20.0% - 22.9% poverty (2010 decennial census) 4 pts _____

23.0% - 24.99% poverty (2010 decennial census) 6 pts _____

25.0% - 29.9% poverty (2010 decennial census) 8 pts _____

30.0% poverty and above (2010 decennial census) 10 pts _____

Poverty Level of **County** 16.80% Backup Attached

20.0% - 22.9% poverty (2010 decennial census) 4 pts _____

23.0% - 24.9% poverty (2010 decennial census) 6 pts _____

25.0% - 29.9% poverty (2010 decennial census) 8 pts _____

30.0% poverty and above (2010 decennial census) 10 pts _____

Unemployment Level for **County** (most recent year) 5.00% Backup Attached

5.0% - 6.49% unemployment 1 pts 1

6.5% - 7.9% unemployment 2 pts _____

8.0% - 9.9% unemployment 8 pts _____

10.0% and above unemployment 10 pts _____

County Adult Population without High School Diploma or Equivalent (2010 decennial census) 22.4% Backup Attached

25.4% or above 10 pts _____

State or Federally-Declared Disaster Area (within the past 12 months) Backup Attached

Yes -- State Federal 10 pts 10

Date Disaster Declared 4/12/2019

Adversely Affected Defense Dependent Community (BRAC** Impacted) Backup Attached

Yes 5 pts _____

**If the nominating jurisdiction is a county, take points under both nominating jurisdiction and county, if earned.*

***Base Closure and Realignment Commission*

Total Distress of the Area Score (max. 85 pts.) 25

MRC Global (US) Inc.

Local Effort (25%)

Based on the Nominating Ordinance or Order (*incentive must be listed specifically in the nominating ordinance or order*)

Check local incentives offered and record points earned up to the maximum of 53 points. Take Points in black if included in the local order and take points in red if incentive is included in the local order **AND** actually delivered to the project. **For points in Red, attach copy of executed incentive contract(s) in Tab 18.**

<input type="checkbox"/>	Local Sales Tax Refund	2/4 pts	_____
<input checked="" type="checkbox"/>	Tax Abatement	2/4 pts	<u> 2 </u>
<input type="checkbox"/>	Tax Increment Financing	2/4 pts	_____
<input checked="" type="checkbox"/>	Freeport Exemption	2 pts	<u> 2 </u>
<input type="checkbox"/>	Economic Development Sales Tax (4A) Contribution	2/4 pts	_____
<input checked="" type="checkbox"/>	Economic Development Sales Tax (4B) Contribution	2/4 pts	<u> 2 </u>
<input checked="" type="checkbox"/>	Chapter 380/381	2/4 pts	<u> 2 </u>
<input checked="" type="checkbox"/>	Other Tax Deferrals, Tax Refunds or Tax Incentives	2/4 pts	<u> 2 </u>
<input checked="" type="checkbox"/>	Zoning Changes / Variances	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Building Code Exemptions	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Impact / Inspection Fee Exemptions	2 pts	<u> 2 </u>
<input checked="" type="checkbox"/>	Streamlined Permitting	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Improved Police and/or Fire Protection	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Community Crime Prevention Programs	1 pt	<u> 1 </u>
<input type="checkbox"/>	Special Public Transportation Routes or Reduced Fares	1 pt	_____
<input checked="" type="checkbox"/>	Capital Improvements in Water and Sewer Facilities	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Road Repair	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Creation or Improvement of Parks	1 pt	<u> 1 </u>
<input type="checkbox"/>	Low-Interest Loans for Housing Rehabilitation or New Construction	1 pt	_____
<input type="checkbox"/>	Transfer Abandoned Housing to Individuals or Community Groups	1 pt	_____
<input type="checkbox"/>	Low-Interest Loans for Business	2/4 pts	_____
<input type="checkbox"/>	Use of Surplus School Buildings for Incubators	1 pt	_____
<input checked="" type="checkbox"/>	Provision of Publicly Owned Land for Development Purposes	1/4 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	One-Stop Permitting, Problem Resolution Center or Ombudsmen	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Promotion and Marketing Services	1 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Job Training and Employment Services	1/4 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Retraining Program	1/4 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Literacy and Employment Skills Programs	1/4 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Vocational Education	1/4 pt	<u> 1 </u>
<input checked="" type="checkbox"/>	Customized Job Training	1/4 pt	<u> 1 </u>

Total Local Effort Score (max. 53pts.) 28

MRC Global (US) Inc.

Private Effort (35%)

Commitment to the Community (If taking 3 points for any program below, please provide a description of the program and contact name & numbers in Tab 18.) If Tab 18 documentation is not included points will not be awarded.

- Negotiate or cooperate in the achievement of the purposes of the Enterprise Zone Act 1 pt 1
- Hire under-skilled, inexperienced, disadvantageded or displaced workers who reside in an enterprise zone 1 pt 1
- Hire minority workers and contract with minority-owned businesses 1 pt 1
- Provide technical/vocational training for enterprise zone residents and economically disadvantaged employees 3 pts 3
- Provide child care for employees 3 pts
- Veterans assistance or recruitment program(s) 3 pts
- Implement or contribute to a tutoring or mentoring program for area students 3 pts 3
- Participate in juvenile crime prevention program 3 pts 3
- Contribute to the well-being of the community, such as job training, or donation of land for parks or other public purposes 3 pts 3

Subtotal of Commitments to the Community 15

Average Job Wage Level of Jobs Compared to County Average Weekly Wage (AWW)

Backup Attached

Note: In order to be eligible, the project MUST be at or above County AWW

- Attached County Average Weekly Wage backup for Harris County for 2018 (year)

First Quarter	<u>\$1,494.00</u>			
Second Quarter	<u>\$1,269.00</u>			
Third Quarter	<u>\$1,271.00</u>			
Fourth Quarter	<u>\$1,390.00</u>			
TOTAL	<u>\$5,424.00</u>	÷ 4 =	<u>\$1,356.00</u>	(County AWW)

Calculate the average weekly wage in the formula below including only the new and/or retained jobs represented in this application for state benefit.

$$\frac{\$46,454,490.50}{\text{Total Annual Payroll}} \div \frac{435}{\# \text{ of Jobs}} = \frac{\$106,791.93}{\text{Avg. Annualized Wage}} \div 52 = \frac{\$2,053.69}{\text{AWW}}$$

County AWW \$1,356.00 110% of County AWW \$1,491.60 120% of County AWW \$1,627.20

Choose One

- AWW ≥ AWW for County 3 pts
- AWW ≥ 110% of AWW for County 8 pts
- AWW ≥ 120% of AWW for County 10 pts 10

MRC Global (US) Inc.

Number of Jobs for Benefit (*choose applicable category and range*)

- | | | | |
|-------------------------------------|------------------------------------|--------|----------|
| <input checked="" type="checkbox"/> | 10 to 199 new jobs for benefit | 4 pts | <u>4</u> |
| <input type="checkbox"/> | 200 to 299 new jobs for benefit | 8 pts | _____ |
| <input type="checkbox"/> | 300 to 399 new jobs for benefit | 12 pts | _____ |
| <input type="checkbox"/> | 400 to 499 new jobs for benefit | 16 pts | _____ |
| <input type="checkbox"/> | 500 and Above new jobs for benefit | 25 pts | _____ |

--AND--

- | | | | |
|-------------------------------------|---|-------|----------|
| <input type="checkbox"/> | 10 to 99 retained jobs for benefit | 1 pt | _____ |
| <input type="checkbox"/> | 100 to 199 retained jobs for benefit | 2 pts | _____ |
| <input type="checkbox"/> | 200 to 299 retained jobs for benefit | 2 pts | _____ |
| <input type="checkbox"/> | 300 to 399 retained jobs for benefit | 3 pts | _____ |
| <input checked="" type="checkbox"/> | 400 to 499 retained jobs for benefit | 4 pts | <u>4</u> |
| <input type="checkbox"/> | 500 and Above retained jobs for benefit | 5 pts | _____ |

Capital Investment (*choose applicable range*)

- | | | | |
|-------------------------------------|--------------------------------|--------|----------|
| <input type="checkbox"/> | \$40,000 to \$399,999 | 1 pt | _____ |
| <input type="checkbox"/> | \$400,000 to \$999,999 | 2 pts | _____ |
| <input type="checkbox"/> | \$1,000,000 to \$4,999,999 | 3 pts | _____ |
| <input checked="" type="checkbox"/> | \$5,000,000 to \$149,999,999 | 4 pts | <u>4</u> |
| <input type="checkbox"/> | \$150,000,000 to \$249,999,999 | 8 pts | _____ |
| <input type="checkbox"/> | \$250,000,000 and Above | 10 pts | _____ |

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MRC Global (US) Inc.

Employee Benefits Provided

Backup Attached

- Employee benefits provided (i.e., medical coverage, prescription drug coverage, dental plan, flexible spending accounts, life insurance, 401K, stock options, etc.) 2 pt 2

Type of Jobs

- Jobs are Primary Jobs as defined in the Dev. Corp. Act, *as amended* 2 pt 2

Industry Cluster

- Business is a targeted industry cluster as listed on page 10 2 pt 2

Total Private Effort Score (max. 75 pts.) 43

DRAFT

MRC Global (US) Inc.

XXX. CERTIFICATION OF APPLICATION

Governing Body Liaison

Prefix Mr. First Name Ryan Last Name Cramer

Title Economic Development Coordinator

Organization City of La Porte Economic Development Corporation

Street Address 604 W Fairmont Parkway

Mailing Address 604 W Fairmont Parkway

City La Porte State TX Zip 77571 - 6215

Phone Number 281.470.5016 Fax Number 281.842.1259

Email Address cramerr@laportetx.gov

Community Website https://www.ci.la-porte.tx.us

To the best of my knowledge and belief, the information contained in this Enterprise Project Application is true and correct and I have read the Texas Enterprise Zone Act and the Enterprise Zone Program Rules and am familiar with the provisions contained therein, as evidenced by my signature below.

Signature _____ Date _____
(Governing Body Liaison)

Printed Name Ryan Cramer Title Ec. Dev. Coordinator

GIVEN under my hand and seal of office this _____ day of _____, _____

Notary Public, State of Texas

(Notary Seal)

My commission expires _____

MRC Global (US) Inc.

XXXIa. QUALIFIED BUSINESS CERTIFICATION AND AGREEMENT

The nominated Enterprise Project hereby certifies and agrees that it:

1. is located in, or has committed to locate in City of La Porte, Texas, in Harris County, Texas; and
2. will maintain separate payroll and tax records of the business activity conducted at the qualified business site, or other information as required by local and state government units; and
3. commits to participate in local efforts to achieve development and revitalization of the area; and
4. understands that before obtaining a state benefit, the qualified business must submit to the Comptroller a certified report of the actual number of jobs created and/or retained and the capital investment made; and
5. understands that to be a qualified business eligible for enterprise project designation, twenty-five percent (25%) of the new or additional employees hired must be residents of an enterprise zone or economically disadvantaged persons or veterans if the qualified business site is located in an enterprise zone, or thirty-five percent (35%) if the qualified business site is located outside of an enterprise zone; and
6. commits that 25% percent of its new employees will be residents of an enterprise zone, economically disadvantaged persons, or veterans; and
7. understands that the project must maintain the level of employment and the jobs for which a refund has been received to the end of the designation period or for at least three (3) years from the date of refund of state sales and use taxes, whichever is later, or it may become liable for recapture of refunded taxes and interest by the Texas Comptroller of Public Accounts (Comptroller); and
8. will report to the Comptroller the status and effectiveness of the designation; and
9. certifies that the project, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker; and
10. understands that the state sales and use tax refund is subject to approval by the Comptroller and the requirements of the Tax Code and applicable Administrative Rules – specifically Section 151.429 of the Tax Code and Title 34 Texas Administrative Code, Section 3.329. Construction contracts must be “separated” (i.e. contract in which the agreed contract price is divided into a separately stated agreed contract price for incorporated materials and a separately stated agreed contract price for skill and labor) and not “lump-sum” in order to claim a refund of state sales tax.

This certification and agreement is effective from the date of designation through the date of expiration as an enterprise project.

To the best information and belief, the information contained in this Enterprise Project Application is true and correct and I, as primary business representative, have read the Texas Enterprise Zone Program Act and the Enterprise Zone Program Rules and am familiar with the provisions contained therein as evidenced by my signature below.

Signed _____
(Primary Business Representative)

Printed Name Jon Phillips

Title Sr. Director of Tax

Date _____

GIVEN under my hand and seal of office this _____
day of _____, _____

Notary Public, State of _____

My commission expires _____
(Notary Seal)

MRC Global (US) Inc.

XXXIb. QUALIFIED BUSINESS CERTIFICATION AND AGREEMENT

The nominated Enterprise Project hereby certifies and agrees that it:

1. is located in, or has committed to locate in City of La Porte, Texas, in Harris County, Texas; and
2. will maintain separate payroll and tax records of the business activity conducted at the qualified business site, or other information as required by local and state government units; and
3. commits to participate in local efforts to achieve development and revitalization of the area; and
4. understands that before obtaining a state benefit, the qualified business must submit to the Comptroller a certified report of the actual number of jobs created and/or retained and the capital investment made; and
5. understands that to be a qualified business eligible for enterprise project designation, twenty-five percent (25%) of the new or additional employees hired must be residents of an enterprise zone or economically disadvantaged persons or veterans if the qualified business site is located in an enterprise zone, or thirty-five percent (35%) if the qualified business site is located outside of an enterprise zone; and
6. commits that 25% percent of its new employees will be residents of an enterprise zone, economically disadvantaged persons, or veterans; and
7. understands that the project must maintain the level of employment and the jobs for which a refund has been received to the end of the designation period or for at least three (3) years from the date of refund of state sales and use taxes, whichever is later, or it may become liable for recapture of refunded taxes and interest by the Texas Comptroller of Public Accounts (Comptroller); and
8. will report to the Comptroller the status and effectiveness of the designation; and
9. certifies that the project, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker; and
10. understands that the state sales and use tax refund is subject to approval by the Comptroller and the requirements of the Tax Code and applicable Administrative Rules – specifically Section 151.429 of the Tax Code and Title 34 Texas Administrative Code, Section 3.329. Construction contracts must be “separated” (i.e. contract in which the agreed contract price is divided into a separately stated agreed contract price for incorporated materials and a separately stated agreed contract price for skill and labor) and not “lump-sum” in order to claim a refund of state sales tax.

This certification and agreement is effective from the date of designation through the date of expiration as an enterprise project.

To the best information and belief, the information contained in this Enterprise Project Application is true and correct and I, as the local business liaison, have read the Texas Enterprise Zone Program Act and the Enterprise Zone Program Rules and am familiar with the provisions contained therein as evidenced by my signature below.

Signed _____
(Local Business Representative)

GIVEN under my hand and seal of office this _____
day of _____,

Printed Name _____

Notary Public, State of Texas

Title _____

My commission expires _____

Date _____

(Notary Seal)

MRC Global (US) Inc.

XXXII. PARTICIPATING CONSULTANT FORM

No Consultant Participating

Complete the following information for each consultant involved with this project *(Attach copy of the Power of Attorney, if applicable – Tab 19)*

First Name Sharon Last Name Welhouse

Title Principal

Organization Ryan, LLC

Street Address 100 Congress Avenue, Suite 1900

Mailing Address 100 Congress Avenue, Suite 1900

City Austin State TX Zip 78701 - 4072

Phone Number 512.476.0022 Fax Number 512.476.0033

Mobile Number 512.698.3538 Website http://www.ryan.com/

Email Address sharon.welhouse@ryan.com

Application Preparer Other Consultant

Representing MRC Global (US) Inc.

Brief Description of Consultant's Role with Application Represent and assist MRC Global (US) Inc. with all areas of the Texas Enterprise Program including the application, job certification, refund compliance and any other duties required for program benefits.

I confirm that the above-named consultant has been retained to participate in this application process as outlined above.

Signature _____ Date _____
(Authorizing Participant)

Printed Name _____ Title _____

To the best of my knowledge and belief, the information contained in this Enterprise Project Application is true and correct.

Signature _____ Date _____
(Participating Consultant)

Printed Name Sharon Welhouse Title Principal

MRC Global (US) Inc.

City of La Porte

XXXIII. APPLICATION FEE MEMORANDUM (Enterprise Zone Program)

TO: Office of the Governor
Attn: Financial Services
Post Office Box 12878
Austin, Texas 78711

Subject: Submission of Texas Enterprise Zone Program Application Fee made payable to **Office of the Governor** for an Enterprise Project Application Submitted by City of La Porte on Behalf of MRC Global (US) Inc. for the September 2, 2019 Quarterly Application Round

Financial Services, please send this form along with a copy of the attached Non-Refundable Application Fee made payable to **Office of the Governor**, Interagency to the Economic Development and Tourism Division, Attn: Enterprise Zone Program Staff, Economic Development Bank for the September 2, 2019 Enterprise Project Round submitted by the City of La Porte on behalf of MRC Global (US) Inc..

- \$500 for a Half Enterprise Project
- \$750 for an Enterprise Project
- \$1,500 for a Double Jumbo Enterprise Project
- \$2,250 for a Triple Jumbo Enterprise Project

If you have questions regarding this submission, please contact:

First Name Sharon Last Name Welhouse

Title Principal

Organization Ryan, LLC

Street Address 100 Congress Avenue, Suite 1900

Mailing Address 100 Congress Avenue, Suite 1900

City Austin State TX Zip 78701 - 4072

Phone Number 512.476.0022 Fax Number 512.476.0033

Email Address sharon.welhouse@ryan.com



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>August 26, 2019</u>	Appropriation
Requested By: <u>Matt Hartleib, HR Manager</u>	Source of Funds: <u>Employee Health Services</u>
Department: <u>Administration/Human Resources</u>	Account Number: _____
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance	Amount Budgeted: <u>\$8,158,000</u>
	Amount Requested: <u>Recommendation will result in lowering of cost</u>
	Budgeted Item: <input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: RFP Analysis and Recommendation

SUMMARY

In April 2019, an RFP process was initiated for providers of medical claims administration, pharmacy claims administration, and the voluntary dental coverage program. The request yielded five (5) responses each for medical and pharmacy claims and six (6) for dental coverage. The City's benefits consultant completed analysis of the responses and identified finalists. On Tuesday July 30, 2019, the Ch. 172 Employee, Retiree Insurance and Benefits Board met to receive and discuss the results of the RFP. After reviewing the responses, the Board voted to approve the following recommendations to Council:

- Medical claims administration – renew with the incumbent provider Aetna for three (3) years. Aetna's proposal includes a lower base administrative cost, a comparable network to BCBS, no fee increase in Year 2, 3% increase in Year 3, and \$3,000 wellness credits for each year of the agreement. The total per employee per month administrative fee will reduce from \$37.49 to \$30.07 for an annual reduction of \$35,794 (\$180,852 to \$145,058).
- Pharmacy claims administration – carve out this service from the current bundle with medical and select RxBenefits/Express Scripts. Based on an estimated 21.45% reduction in drug ingredient cost and projected increased rebates, the total combined savings are estimated at \$849,339. The full impact of the rebates will not be realized in the fiscal year 2019-20 due to a lag in rebate processing. Also, this change carries zero impact to members.
- Dental – renew with Cigna for the 2020 plan year. This is a voluntary benefit offering with no fiscal impact to the budget.

RECOMMENDED MOTION

I move to approve the recommendations of the Ch. 172 Employee, Retiree Insurance and Benefits Board with regard to medical, pharmacy, and dental plan administration.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

HUB

Advocacy. Tailored Insurance Solutions. Peace of Mind



City of
LA PORTE
Texas

City of La Porte 2020 RFP Analysis Meeting

Brent Weegar, MBA – Senior Vice President

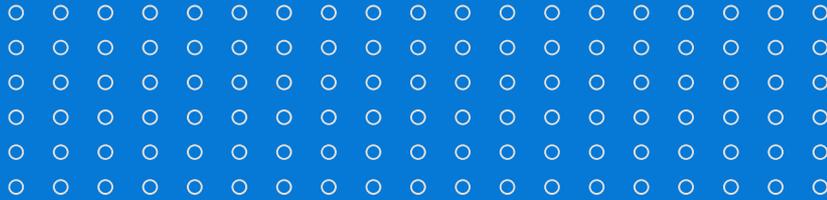
Julian Fontana – Employee Benefits Specialist

Mike Weaver – Account Executive

Agenda

- 1 | RFP Overview
- 2 | Vendor Response List
- 3 | TPA Services, Provider Network Discount and PBM Pricing & Rebate Analysis
- 4 | Dental Plan Fully Insured Pricing Analysis
- 5 | 2019 – 2020 Benefit Recommendations
- 6 | PY 2019 Monthly Plan Report – May 2019

1



RFP Overview



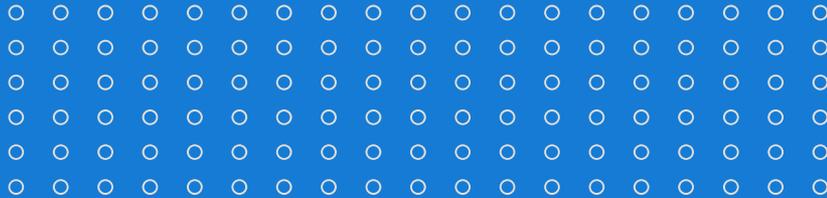
This presentation summarizes the initial results of an RFP conducted by HUB International on behalf of the City of La Porte to assess vendors to administer the following benefits effective January 1, 2020:

- Medical Third Party Administrative Services & Provider Network Access (Partially Self-Funded Plan)
- Prescription Benefit Management (PBM) (Stand Alone)

The RFP was conducted with the following objectives in mind:

- Aligns with the City of La Porte's objectives and is supported by management and Council;
- Demonstrated superior member service and claims processing;
- Ability to proactively meet the City of La Porte's service needs;
- Willingness, experience and capability to effectively administer the programs;
- Support during the implementation process;
- Options to manage costs.

2



Vendor Response List



RFP Vendor Response List (TPA / Provider Network)



TPA Services & Provider Network	RESPONDED / DECLINED / DQ	FINALIST
Aetna (Incumbent)	Responded	Yes
Blue Cross Blue Shield	Responded	Yes
Cigna	Responded	No
TML Health	Responded	No
UnitedHealthcare/UMR	Responded	No

RFP Vendor Response List (PBM Services)



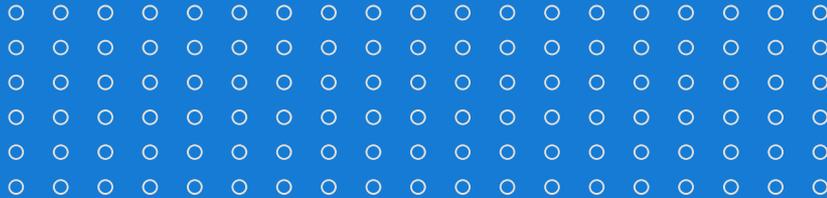
PBM Provider	RESPONDED / DECLINED / DQ	FINALIST
Aetna (Incumbent)	Responded	Yes
Blue Cross Blue Shield	Responded	No
Cigna	Responded	No
CVS / HAC	Responded	Yes
RxBenefits / CVS	Responded	Yes

RFP Vendor Response List (Dental Plan)



PBM Provider	RESPONDED / DECLINED / DQ	FINALIST
Cigna (Incumbent)	Responded	Yes
Aetna	Responded	Yes
Blue Cross Blue Shield	DQ	No
Delta Dental	Responded	No
UHC	Responded	No
TML Health	Responded	No

3



Third Party Admin Fees, Network Discount, PBM Discount and Rebate Analysis



3(a) Third Party Administrative Fee Analysis



	2019	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
TPA:	Aetna	Aetna	BCBS	CIGNA	TML Health	UHC / UMR
Network:	Aetna	Aetna	Blue Choice	Cigna	Choice Plus	Choice Plus
Medical Administrative Costs						
Medical ASO Fee	\$37.49	\$29.82	\$54.96	\$15.00	\$18.25	\$40.97
Medical Network Access Fee	Included	Included	Included	\$18.50	\$14.20	Included
Utilization Review	Included	Included	Included	Included	\$8.00	Included
Large Case Management	Included	Included	Included	Included	Included	Included
Disease Management	Included	Included	\$4.95	Included	Included	\$3.85
Maternity Management	Included	Included	Included	Included	Included	Included
Telemedicine	Included	\$0.25	Included	Included	\$0.99	Included
PBM Integration Interfacing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.50
Start Up Fees	n/a	n/a	n/a	n/a	n/a	n/a
TOTAL PEPM FEE	\$37.49	\$30.07	\$59.91	\$33.50	\$41.44	\$40.97
MONTHLY TOTAL	\$15,071	\$12,088	\$24,084	\$13,467	\$16,261	\$16,470
ANNUAL TOTAL	\$180,852	\$145,058	\$289,006	\$161,604	\$195,131	\$197,639
PERCENTAGE Δ FROM CURRENT	n/a	-19.8%	59.8%	-10.6%	7.9%	9.3%
DOLLAR CHANGE FROM CURRENT	n/a	-\$35,794	\$108,154	-\$19,248	\$14,279	\$16,788
MEDICAL CALCULATIONS BASED ON:						
EMPLOYEE ENROLLMENT PPO	170					
EMPLOYEE ENROLLMENT AHF 1000	121					
RETIREE ENROLLMENT AHF 1500	111					
TOTAL ENROLLMENT	402					
	2019	PROPOSED	PROPOSED	PROPOSED	PROPOSED	PROPOSED
TPA:	Aetna	Aetna	BCBS	CIGNA	TML Health	UHC / UMR
Teledoc Claim Fee Per Consult		\$40	\$40	\$40	\$40	\$40
Administration Guarantees		Flat Yr-1 and Yr-2, +3% Yr-3	Yr-2 and Yr-3+5%			3-years
Third Party Network / Claim Negotiation		50% of savings, max \$5 PEPM	n/a	35% of savings	15% of savings	30% of savings
Subrogation		30% of recovery	25% of recovery	29% of recovery	20% of recovery	30% of recovery
Allowances / Credits		\$3,000 wellness challenge, one-time + \$25,000	One-time administrative credit \$22,500	\$15,000 wellness credit for Yr-1		2-month administrative fee waiver / credit

3(b) Provider Network Discount Analysis



MEDICAL NETWORK - GEO MATCH AND DISCOUNT	Aetna	BCBS	Cigna	TML Health	UHC
GeoAccess (2 PCPs within 10 miles)	99.10%	98.00%	99.30%	98.90%	98.20%
GeoAccess (2 Specialists within 10 miles)	99.10%	96.60%	99.10%	99.30%	98.40%
GeoAccess (1 Hospital within 10 miles)	94.60%	91.90%	95.10%	95.50%	92.20%
MEDICAL NETWORK DISRUPTION					
Network Name	OAP	Blue Choice	Cigna	UHC Choice Plus	Choice Plus
Provider Record Match	95.40%	95.40%	99.17%	98.04%	98.84%
Claims Dollar Match	97.00%	97.00%	99.72%	93.25%	98.95%
IN - NETWORK CLAIMS REPRICING ANALYSIS*	Aetna	BCBS	Cigna	TML Health	UHC
Gross Charges	\$16,070,156	\$16,101,277	Not Responsive	\$16,102,255	\$16,102,255
Repriced Discount \$	\$10,730,883	\$10,943,235		\$9,883,447	\$10,554,958
Net Allowed Amt	\$5,339,272	\$5,158,042		\$6,218,808	\$5,547,297
\$ difference	na	(\$181,230)		\$879,536	\$208,025
% difference	na	-3.39%		16.47%	3.90%
Overall Network Discount %	66.78%	67.97%		61.38%	65.55%

3(c) PBM Discount and Rebate Analysis



Carrier / TPA	Aetna Current	Aetna Proposed	CVS / HAC	RxBenefits/CVS
Pharmacy Benefit Manager	CVS	CVS	CVS	CVS
Start Up Costs	n/a	n/a	n/a	n/a
Administration Fee	\$0.00	\$0.00	\$1.00	\$0.65
Dispensing Fee				
Retail	\$1.00	\$0.60	\$0.60	\$0.50
Mail Order	\$0.00	\$0.00	\$6.00	\$0.00
Average Drug Costs				
Brand Retail	AWP - 17.1%	AWP -18.50%	AWP - 17.25%	AWP - 19.00%
Brand Retail 90	AWP - 17.1%	AWP -18.50%	AWP -20.0%	AWP -21.50%
Brand Mail	AWP -16.87%	AWP -25.00%	AWP -20.0%	AWP -24.00%
Generic Retail	AWP - 69.50%	AWP -83.0%	AWP -81.25%	AWP -83.25%
Generic Retail 90	AWP - 69.50%	AWP -83.0%	AWP -81.25%	AWP -83.25%
Generic Mail	AWP - 74.10%	AWP - 86.0%	AWP - 90.50%	AWP - 86.00%
Specialty	AWP - 14.5%	Varies	AWP - 19.75%	AWP - 19.50%
Claims Cost				
Electric	Included	Included	\$0.45	Included
Paper	Included	Included	\$1.50	\$1.50
Drug Utilization Review	Included	Included	Included	Included
Prior Authorizations				
Non-Clinical	Included	Included	Included	Included
Clinical	Included	Included	Included	Included
Formulary Rebates (Minimum)	Admin Credit	Pass Through	Pass Through	Pass Through
Per Retail Brand	vs Rebate	\$147.23	\$168.56	\$170.00
Per Retail 90 Brand		\$363.90	\$442.48	\$425.00
Per Mail Brand		\$363.90	\$448.42	\$535.00
Per Specialty		\$1,357.02	\$1,247.53	\$1,225.00
Estimated Rebate Value PEPM	NA	\$56.94	\$101.94	\$88.41
Retail 90 Program	Included	Included	Included	Included
Pharmacy Discounts Guaranteed	Yes	Yes	Yes	Yes

3(c) PBM Discount and Rebate Analysis



Carrier / TPA	Aetna Current	Aetna Proposed	CVS / HAC	RxBenefits/CVS
Gross Charges	\$3,452,308	\$3,452,308	\$3,452,308	\$3,452,308
Repriced Discount	\$1,505,019	\$1,856,000	\$1,558,571	\$1,535,390
Net Allowed Amount	\$1,947,289	\$1,582,000	\$1,558,571	\$1,535,390
% Discount	44%	54%	45%	44%
Dispensing Fees	\$20,279	\$8,971	\$10,657	\$0
Administration Fees	\$0	\$0	\$12,717	\$8,284
Rebates	\$0	\$274,000	\$490,522	\$425,445
Net Cost Aftner Rebates	\$1,967,568	\$1,316,971	\$1,091,423	\$1,118,229
\$ difference		-\$650,597	-\$876,145	-\$849,339
% difference		-33.07%	-44.53%	-43.17%
% Provider Record Match	na	99.82%	99.80%	99.82%
% Claims Dollar Match	na	98.36%	98.36%	98.36%

3(d)

Consolidated Proposal Response Analysis



Proposed Cost	Aetna Current	Aetna Renewal	Aetna/HAC/CVS	Aetna/RxBenefits/CVS
In-Network Claims Repricing*	\$5,294,438	\$5,339,272	\$5,339,272	\$5,158,042
Pharmacy Claims Repricing*	\$1,214,536	\$1,856,000	\$1,558,571	\$1,529,645
Less Pharmacy Rebates (Estimated)	\$0	\$274,000	-\$490,522	-\$398,715
Annual Administration Fees	\$170,197	\$148,917	\$148,917	\$148,917
Estimated Annual Stop Loss Premium	n/a	n/a	n/a	n/a
Total Cost	\$6,679,171	\$7,618,189	\$6,556,238	\$6,437,889
\$ Change from current	n/a	\$939,018	-\$122,933	-\$241,282
% Change from Current	n/a	14.06%	-1.84%	-3.61%
Proposed Cost With Run Out Fees and Credits	Aetna Current	Aetna Renewal	Aetna/HAC/CVS	Aetna/RxBenefits/CVS
In-Network Claims Repricing*	\$5,294,438	\$5,339,272	\$5,339,272	\$5,158,042
Pharmacy Claims Repricing*	\$1,214,536	\$1,856,000	\$1,558,571	\$1,529,645
Less Rebates (Estimated)	\$0	\$274,000	-\$490,522	-\$398,715
Annual Administration Fees	\$170,197	\$148,917	\$148,917	\$148,917
Estimated Annual Stop Loss Premium	n/a	n/a	n/a	n/a
Administration and Implementation Credits	\$0	-\$22,500	-\$22,500	-\$22,500
Run Out Processing Fees	\$0	\$0	\$0	\$0
Total Cost	\$6,679,171	\$7,595,689	\$6,533,738	\$6,415,389
\$ Change from Current	n/a	\$916,518	-\$145,433	-\$263,782
% Change from Current	n/a	13.72%	-2.18%	-3.95%

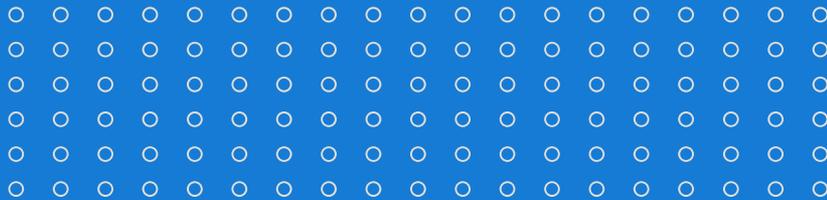
3(d)

Consolidated Proposal Response Analysis



Proposed Cost	Aetna Current	BCBS/HAC/CVS	BCBS/RxBenefits/CVS
In-Network Claims Repricing*	\$5,294,438	\$5,158,042	\$5,158,042
Pharmacy Claims Repricing*	\$1,214,536	\$1,558,571	\$1,535,390
Less Pharmacy Rebates (Estimated)	\$0	\$490,522	\$425,455
Annual Administration Fees	\$0	\$289,006	\$289,006
Estimated Annual Stop Loss Premium	n/a	n/a	n/a
Total Cost	\$6,508,974	\$7,496,141	\$7,407,893
\$ Change from current	n/a	\$816,970	\$728,722
% Change from Current	n/a	12.23%	10.91%
Proposed Cost With Run Out Fees and Credits	Aetna Current	BCBS/HAC/CVS	BCBS/RxBenefits/CVS
In-Network Claims Repricing*	\$5,294,438	\$5,158,042	\$5,158,042
Pharmacy Claims Repricing*	\$1,214,536	\$1,558,571	\$1,535,390
Less Rebates (Estimated)	\$0	\$490,522	\$425,455
Annual Administration Fees	\$0	\$289,006	\$289,006
Estimated Annual Stop Loss Premium	n/a	n/a	n/a
Administration and Implementation Credits	\$0	\$3	\$22,500
Run Out Processing Fees	\$0	\$29,645	\$29,645
Total Cost	\$6,508,974	\$7,525,789	\$7,460,038
\$ Change from Current	n/a	\$846,618	\$780,867
% Change from Current	n/a	12.68%	11.69%

4



Dental Plan Analysis

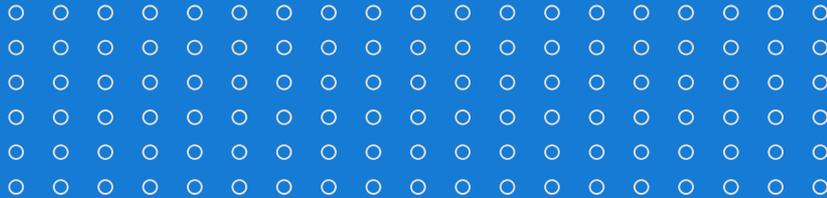


Dental Fully Insured Plan Options



DENTAL BENEFITS			Dental PPO	DHMO	Dental PPO	DHMO	Dental PPO	DHMO
			Cigna	Cigna	Cigna	Cigna	Aetna	Aeta
			Current	Current	Proposed	Proposed	Proposed	Proposed
FINANCIALS	P	H	Cigna	Cigna	Cigna	Cigna	Aetna	Aeta
Employee Only	84	48	\$26.33	\$10.79	\$30.62	\$11.22	\$27.77	\$11.22
Employee + One	75	24	\$52.47	\$20.50	\$52.47	\$21.32	\$55.34	\$21.31
Employee & Family	89	41	\$96.07	\$25.21	\$96.07	\$26.22	\$101.33	\$26.21
Monthly Premium			\$14,697	\$2,044	\$15,058	\$2,125	\$15,502	\$2,125
Annual Premium			\$176,366	\$24,522	\$180,691	\$25,503	\$186,019	\$25,495
Total Annual Premium			\$200,889		\$206,194		\$211,514	
\$ Change from Current			N/A		\$5,305.08		\$10,625.16	
% Change from Current			N/A		3%		5%	

5



2019 - 2020 Benefit Recommendations



2019 – 2020 Benefit Recommendations



Medical – Aetna

Renewing the TPA and Provider Network services with Aetna is recommended for the 2020 plan year. Aetna's network discount of 66.78% was comparable to BCBS discount of 67.97% and offered a lower base administrative fee.

Aetna's proposal includes a \$3,000 wellness challenge credit for each of the 3-years in contract and a one-time administrative fee credit of \$25,000.

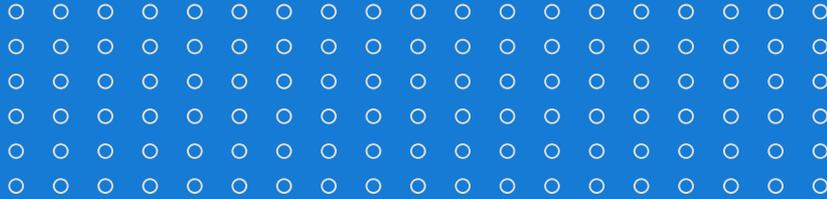
Prescription Benefit Manager – RxBenefits/Express Scripts (ESI)

It is recommended to carve-out and use a stand-alone PBM in lieu of bundling under the Medical ASO contract. The total reduction from current cost projected under the prescription drug program is a combined **-\$849,339** based on estimated reduction of drug ingredient cost and prospective manufacturer rebates. Estimated Rebates of **-\$425,445** will phase in during the last 6-months of the 2020 plan year at approximately 50% of the projected value. Drug ingredient cost projected at **-21.45%** reduction or **-\$411,899**.

Dental Fully Insured Cigna

HUB recommends renewing Dental with Cigna for the 2020 plan year.

5



PY 2019 Monthly Plan Reporting May 2019



PY 2019 Monthly Plan Reporting May 2019



Thank you.



**Council Agenda Item
August 26, 2019**

7 (a) Receive report of the Fiscal Affairs Committee – Councilmember Engelken



**Council Agenda Item
August 26, 2019**

7 (b) Receive report of the La Porte Development Corporation Board Meeting – Councilmember Nancy Ojeda



Council Agenda Item August 26, 2019

8. **ADMINISTRATIVE REPORTS**

- City Council Meeting, Monday, September 9, 2019
- Planning and Zoning Commission Meeting, Thursday, September 19, 2019
- City Council Meeting, Monday, September 23, 2019
- Zoning Board of Adjustment Meeting, Thursday, September 26, 2019

9. **COUNCIL COMMENTS** *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Mayor, Councilmembers, and City staff, for which no formal action will be discussed or taken.*

10. **ADJOURNMENT**
