

**REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS JUNE 10, 2014 1:30 P.M.**

CONSENT AGENDA

- * Approval of minutes – June 3, 2014
- * Confirmation of committee appointments
- A) Authorize a payment to Jefferson County related to the renewal of an annual maintenance agreement with Motorola
- B) Authorize the City Manager to apply for and receive funding through the Edward Byrne Memorial Justice Assistance Grant program and to execute an inter-local agreement with the City of Port Arthur and Jefferson County
- C) Authorize the City Manager to execute all documents necessary including a Memorandum of Understanding between the City of Beaumont and the Jefferson County Correctional Facility



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Bart Bartkowiak, Chief Technology Officer $\beta\beta$

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council consider a resolution approving a payment to Jefferson County for the renewal of an annual maintenance agreement with Motorola in the amount of \$200,709.07 for use throughout the City of Beaumont.

BACKGROUND

The 800 MHz radio system is used by EMS, Fire, Police and numerous other departments throughout the City for daily communications. The purchase is exempt from competitive bidding since it is available from only one (1) source having exclusive rights to maintain the radio infrastructure. The maintenance agreement provides for constant monitoring of the radio system and 911 dispatch centers as well as dispatching of repair personnel with replacement parts when required.

The 800 MHz radio system is shared with agencies throughout Hardin, Jefferson and Orange counties. The annual cost of the maintenance contract is divided among all agencies by the number of radios each agency has on the system. Total billing to the City of Beaumont was reduced by a credit for costs incurred supporting the system during the past year.

FUNDING SOURCE

General Fund, Water, Solid Waste and Fleet.

RECOMMENDATION

Approval of resolution.

JEFFERSON COUNTY

1149 PEARL 7TH FLOOR
BEAUMONT, TX 77701

INVOICE

SERVICES PROVIDED FOR:
City of Beaumont
Attn: Bart Bartkowiak
801 Main
Beaumont, Tx 77701

INVOICE DATE | 5/12/14
 INVOICE NUMBER | 1402

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	800 MHz Radio System Annual Cost 5/1/2014 - 4/30/2015. See attached for detail.	242,115.39	\$242,115.39
1	Credit for costs paid by City	(35,006.96)	(35,006.96)
1	Credit for costs paid by City on behalf of Jefferson County	(6,399.36)	(6,399.36)
			200,709.07

\$200,709.07
PAY THIS
AMOUNT

Questions concerning this invoice?
 Call: Mark Dubois
 (409) 835-8734

MAKE ALL CHECKS PAYABLE TO:
JEFFERSON COUNTY
1149 PEARL 7TH FLOOR
BEAUMONT, TX 77701

RESOLUTION NO.

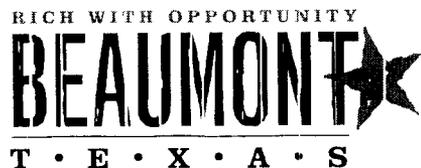
BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to approve payment of an invoice in the amount of \$200,709.07 to Jefferson County for the renewal of an annual maintenance agreement with Motorola for support of the 800MHz radio system.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of June, 2014.

- Mayor Becky Ames -



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: James P. Singletary, Chief of Police

MEETING DATE: June 10, 2014

REQUESTED ACTION: Consider approving a resolution authorizing the City Manager to apply for and receive funding through the Edward Byrne Memorial Justice Assistance Grant program and to execute an inter-local agreement with the City of Port Arthur and Jefferson County.

BACKGROUND

The City of Beaumont has been awarded funding through the Edward Byrne Memorial Justice Assistance Grant program for the past eight years. The funding has been used to upgrade technology through the purchase of computer hardware and software, purchase additional officer safety equipment and to fund several community policing programs. Due to Jefferson County being designated a disparate jurisdiction by the Department of Justice, an inter-local agreement must be filed with the joint application.

FUNDING SOURCE

The grant funds for 2014 total \$121,604. The City of Beaumont will receive \$70,341 for law enforcement equipment at the Beaumont Police Department. The remainder of the funds will be allocated to the Port Arthur Police Department (\$33,022) and the Jefferson County Sheriff's Office (\$18,241). No matching funds are required.

RECOMMENDATION

Approval of Resolution.

Resolution No.

The State of Texas)	
County of Jefferson)	
City of Beaumont, Texas)	Know All by These Present
City of Port Arthur, Texas)	

Inter-Local Agreement

**Between the County of Jefferson, Texas; City of Beaumont, Texas; and City of Port Arthur, Texas
2014 Edward Byrne Justice Assistance Grant (JAG) Program Award**

This Agreement is made and entered into this _____ day of _____ 2014, by and between The County of Jefferson, Texas acting by and through its governing body, the Commissioners Court; the City of Beaumont, Texas acting by and through its governing body, the City Council; and the City of Port Arthur, Texas acting by and through its governing body, the City Council, witnesseth:

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party: and

WHEREAS, each governing body finds that the performance of this Agreement is in the best interests of all parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement: and

WHEREAS, the total funding allocation is \$121,604; and the City of Beaumont, Texas, and the City of Port Arthur, Texas, agree to provide Jefferson County, Texas \$18,241 from the JAG award and the City of Beaumont, Texas, and the City of Port Arthur, Texas agree to allocate the remaining funds as follows:

\$70,341 to the City of Beaumont, Texas, and \$33,022 to the City of Port Arthur, Texas.

WHEREAS, Jefferson County, Texas, the City of Beaumont, Texas, and the City of Port Arthur, Texas, believe it to be in their best interests to reallocate the JAG funds.

NOW THEREFORE, Jefferson County, Texas, the City of Beaumont, Texas, and the City of Port Arthur, Texas agree as follows:

Section 1.

The City of Beaumont, Texas and the City of Port Arthur, Texas agree to provide Jefferson County, Texas \$18,241 from the JAG award; and the City of Beaumont, Texas and the City of Port Arthur, Texas agree to allocate the remaining funds as follows:

\$70,341 to the City of Beaumont, Texas; and \$33,022 to the City of Port Arthur, Texas.

Section 2.

Jefferson County, Texas agrees to use the funding for the Technology Enhancement Program until 2017.

The City of Beaumont, Texas agrees to use the funding for the Technology Enhancement Program until 2017.

The City of Port Arthur, Texas agrees to use the funding for the Technology Enhancement Program until 2017.

Section 3.

Each party to this agreement will be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 4.

The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

Section 5.

By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 6.

The City of Beaumont agrees to act as the fiscal agent in applying for, dispersing, monitoring, and reporting for this JAG funding.

City of Beaumont, Texas

CITY MANAGER

City of Port Arthur, Texas

CITY MANAGER

Jefferson County, Texas

COUNTY JUDGE

*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contracts or legal document on behalf of other parties. Our view of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval and should seek review and approval by their own respective attorney(s).

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to apply for and receive funding for the City of Beaumont in the amount of \$121,604 from the Edward Byrne Memorial Justice Assistance Grant Program for law enforcement equipment and programs; and,

BE IT FURTHER RESOLVED that the City Manager be and he is hereby authorized to execute an interlocal agreement to reallocate funds in the amounts of \$33,022 to the City of Port Arthur and \$18,241 to Jefferson County.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of June, 2014.

- Mayor Becky Ames -



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Sherry Ulmer, Public Health Director

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council consider a resolution authorizing the City Manager to execute all documents necessary including a Memorandum of Understanding (MOU) between the City of Beaumont and Jefferson County Correctional Facility.

BACKGROUND

The City of Beaumont Public Health Department would like to enter into an agreement with Jefferson County Correctional Facility whereas in the event of a Public Health Emergency in the State of Texas, local and regional health and medical infrastructure and associated resources will be quickly committed to providing the necessary supporting strategies of effective management and distribution of the Strategic National Stockpile (SNS). The term of this MOU is five years from the date of execution.

FUNDING SOURCE

Not Applicable.

RECOMMENDATION

Approval of the resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to execute a Memorandum of Understanding between the City of Beaumont and Jefferson County Correctional Facility to provide the necessary supporting strategies of effective management and distribution of the Strategic National Stockpile (SNS) in the event of a Public Health Emergency in the State of Texas. Said Memorandum of Understanding is substantially in the form attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of June, 2014.

- Mayor Becky Ames -

MEMORANDUM OF UNDERSTANDING

Between

City of Beaumont

And Jefferson County Correctional Facility

This Memorandum of Understanding (MOU) between the City of Beaumont and Jefferson County Correctional Facility witnesses that:

Whereas, the City of Beaumont is authorized to enter into agreements with other government entities, the private sector, and private, non-profit entities to ensure an expedient, effective, and coordinated response to any natural or man-made disaster; and

Whereas in the event of a Public Health Emergency event in the State of Texas, local and regional health and medical infrastructure and associated resources will be quickly committed to providing the necessary treatment and supporting strategies to effectively respond to a potential evolving event or to support the response to an actual event;

Whereas the existing local and regional medical and health infrastructure will also be compromised due to lack of adequate staff, equipment, and pharmaceutical support available due to the impacts and demands of the event;

Whereas resources from the state, federal, and private sector will be quickly mobilized to augment local and regional medical and health resources and support the effective management and distribution of the Strategic National Stockpile (SNS);

Now therefore, the parties agree as follows:

A. Definitions:

- Push Site - During a public health emergency that requires preventive medications be provided to large numbers of people, a **Push Site** is a facility within a jurisdiction that is designated to either receive medication or to pick up medication in order to provide it to a group of people who would otherwise have to travel to a point of dispensing (POD) to receive the preventive medication. Push sites must have medical or pharmacy personnel and volunteers capable of providing the preventive medications to the facility population, staff, and others as locally determined.
 - RSS Push Site – Receives medications directly from the State RSS warehouse facility.
 - Local Push Site – Picks up medications from a pre-determined site away from the general public. May receive a delivery of the medications from the initial delivery site, **IF** such delivery plans have been made by the local health department or Health Service Region.

B. Use of Facility and staff:

- As a Local Push Site, Jefferson County Correctional Facility agrees to send designated staff to a pre-determined location that has been agreed to by the City of Beaumont and Jefferson County Correctional Facility, to pick up the SNS materials, supplies, antibiotics, and/or vaccines. Jefferson County Correctional Facility agrees to provide the City of Beaumont with names and identifying information of those staff who are designated to pick up the SNS materials, supplies, antibiotics, and/or vaccines.
- As a Local Push Site, Jefferson County Correctional Facility agrees to make arrangements to provide security escorts for their staff if appropriate and available.
- If the City of Beaumont has developed a plan for delivery of SNS materials, supplies, antibiotics, and/or vaccines from its initial delivery point to the Local Push Site, Jefferson County Correctional Facility agrees to provide the personnel and equipment necessary to unload the delivery vehicle and move the SNS materials inside its facility.
- Jefferson County Correctional Facility agrees to provide the City of Beaumont, with the estimated total number of people (adults and children) who will receive preventive medications at Jefferson County Correctional Facility so that an appropriate amount of SNS material may be ordered.
- Jefferson County Correctional Facility agrees to be responsible for maintaining the physical security and integrity of the SNS materials received and to comply with the handling instructions provided by the City of Beaumont.
- Jefferson County Correctional Facility agrees to return unopened, unused antibiotics and/or vaccine to the City of Beaumont.
- Jefferson County Correctional Facility agrees to use the Health History forms provided by the City of Beaumont and to submit copies of the completed Health History forms to the City of Beaumont following the public health emergency.
- Jefferson County Correctional Facility agrees to develop a detailed plan and/or Standard Operating Guideline for providing preventive medications to its population, staff, and others during a public health emergency that requires preventive medications be provided to large numbers of people in the jurisdiction where Jefferson County Correctional Facility is located and further agrees to allow the City of Beaumont to review its plan and/or Standard Operating Guideline.

C. City of Beaumont:

- The City of Beaumont agrees to ship preventive medications for Jefferson County Correctional Facility to the pre-designated location where staff of Jefferson County Correctional Facility, a Local Push Site, will pick up the materials, based on the

apportionment and pre-determined, estimated number of people (children and adults) to receive preventive medication at Jefferson County Correctional Facility.

- The City of Beaumont agrees to provide training on mass dispensing/mass vaccination to Jefferson County Correctional Facility medical or pharmacy personnel and other staff and volunteers, prior to a public health emergency, if the training is requested.
- The City of Beaumont agrees to provide instructions and standing delegation orders to Jefferson County Correctional Facility.
- The City of Beaumont agrees to provide Health History forms to Jefferson County Correctional Facility and to accept completed Health History forms from Jefferson County Correctional Facility following the public health emergency.
- The City of Beaumont agrees to receive unopened, unused antibiotics and/or vaccine from Jefferson County Correctional Facility following the public health emergency.

D. Contact Information:

- Jefferson County Correctional Facility agrees to provide the City of Beaumont with the appropriate facility 24-hour per day 7-day per week contact information, and update this information as necessary.
- The City of Beaumont agrees to provide Jefferson County Correctional Facility with the contact information of those who are authorized to notify Jefferson County Correctional Facility in the event of an emergency requiring the use of Jefferson County Correctional Facility as a Push Site.

E. Confidentiality: To the extent allowed by the law, the Parties agree that they will not disclose this agreement and that the subject matter of this agreement is sensitive and confidential. This document is maintained by or for a governmental entity for the purpose of responding to an act of terrorism and relates to a tactical plan of governmental providers and thus should be confidential under Government Code §418.176(a)(2).

F. Duration of Agreement: The term of this MOU is five years from the date of the initial agreement. Renewal for additional one year terms shall be automatic unless one party terminates as provided in section H.

G. Program Review: A review will be conducted following a disaster event or within a six-month period after the effective date of this agreement. Any mutually agreed upon adjustments to this agreement will be made at that time. At the end of the five years, and if it is mutually desired, this agreement may be negotiated for a longer term. Any changes at the facility that may impact the execution of this agreement will be conveyed to the primary contacts to this agreement, identified below, or their designees, as soon as possible.

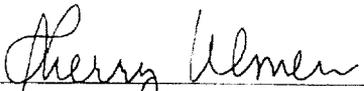
H. Amendments: This agreement may be amended at any time by signature approval of the parties signatory hereto, or their respective designee.

I. Termination of Agreement: Any Party may unilaterally withdraw at any time from this MOU, except as stipulated above, by transmitting a signed statement to that effect to the other Parties. This MOU and the public/private partnership created thereby shall be considered terminated thirty (30) days from the date the non-withdrawing Party actually receives the notice of withdrawal from the withdrawing Party.

J. Primary Contacts: The Parties intend that the work under this MOU shall be carried out in the most efficient manner possible. To that end, the Parties intend to designate individuals that will serve as primary contacts between the Parties. The Parties intend that, to the maximum extent possible and unless otherwise approved by the other Party, all significant communications between the Parties shall be made through the primary contacts or their designees. The designated primary contacts for each Party are:

City of Beaumont

Jefferson County Correctional Facility



Sherry Ulmer
Public Health Director
950 Washington Blvd
Beaumont, Texas 77705
409-832-4000

George Miller
Deputy Chief
5030 Hwy 69 S.
Beaumont, Texas 77705
409-626-1012

K. Capacity to Enter into Agreement: The persons executing this Memorandum of Understanding on behalf of their respective entities hereby represent and warrant that they have the right, power, legal capacity, and appropriate authority to enter into this Memorandum of Understanding on behalf of the entity for which they sign.

City of Beaumont

Jefferson County Correctional Facility

Kyle Hayes
Title: City Manager

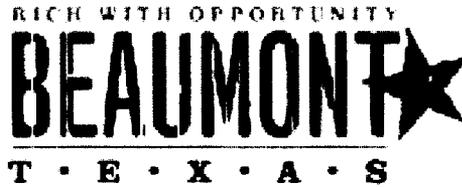


George Miller
Title: Deputy Chief

Date

5-5-19

Date



**REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS JUNE 10, 2014 1:30 P.M.**

AGENDA

CALL TO ORDER

- * Invocation Pledge Roll Call
- * Presentations and Recognition
- * Public Comment: Persons may speak on scheduled agenda items 1-4/Consent Agenda
- * Consent Agenda

GENERAL BUSINESS

1. Consider an election of Mayor Pro Tempore
2. Consider approving an ordinance adopting gaming site regulations and licensing
3. Consider approving a resolution authorizing the City Manager to enter into a financing agreement with Wells Fargo Bank
4. Consider approving a resolution authorizing the purchase of two backhoes with pavement breakers from Mustang Cat, Inc. of Houston for use by the Water Utilities Department

PUBLIC HEARING

- * Receive comments on a proposal to establish a Reinvestment Zone located in the southeastern area of the city which includes property from the Neches River to West Port Arthur Road
5. Consider approving an ordinance establishing the Reinvestment Zone for the purpose of offering economic incentives

COMMENTS

- * Councilmembers/City Manager comment on various matters
- * Public Comment (Persons are limited to 3 minutes)

EXECUTIVE SESSION

- * Consider matters related to the purchase, exchange, lease or value of real property in accordance with Section 551.072 of the Government Code, to wit:

625 Orleans Street, Hotel Beaumont

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Mitchell Normand at 880-3777 three days prior to the meeting.

June 10, 2014

Conduct an election of Mayor Pro Tempore

Article III. Section 6 of the City Charter states “The City Council shall elect one of its members as Mayor Pro Tempore for a one (1) year term. The Mayor Pro Tempore shall perform the duties of the Mayor in case of the absence or inability of the Mayor to perform the duties of his office, and, if a vacancy occurs, shall become Mayor for the unexpired term.”

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF BEAUMONT:

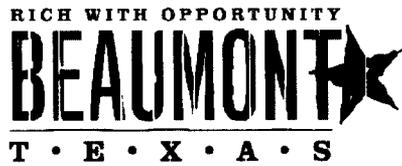
THAT _____ is elected Mayor Pro Tempore for a one (1) year term.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of
June, 2014.

- Mayor Becky Ames -

June 10, 2014

Consider approving an ordinance adopting gaming site regulations and licensing



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Tyrone E. Cooper, City Attorney

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council consider an ordinance adopting gaming site regulations and licensing.

BACKGROUND

In a work session held on May 13, 2014 the City Attorney's office discussed the adoption of a Gaming ordinance. Over the past several months the City Attorney's office, together with the Beaumont Police Department, has worked to develop a gaming ordinance applicable for the City of Beaumont. The purpose of this ordinance is to regulate legitimate gaming businesses through licensing and permits.

There are approximately 40 gaming sites operating in the City of Beaumont. 60% of these locations do not have the appropriate licenses or permits required by the City and/or state. The ordinance will enact permitting procedures, require visible signage, and compliance with the ordinance will also allow routine inspections by police and other city agencies; such as building codes and the fire department. The ordinance will also prohibit the operation of a gaming site within 300 feet of a church, hospital or school.

Gaming machines maintained for personal use, charitable, benevolent, educational, and religious organizations are expressly exempt under this ordinance, as well as machines used solely for the amusement of children.

This ordinance is enabled by the Texas Occupations Code and meets the State Comptroller's standards.

BUDGETARY IMPACT

None.

RECOMMENDATION

Approval of resolution.

ORDINANCE NO.

ENTITLED AN ORDINANCE AMENDING CHAPTER 6 OF THE CODE OF ORDINANCES OF BEAUMONT, TEXAS, BY ADDING ARTICLE 6.10 PROVIDING FOR THE LICENSING AND PERMITTING OF GAMING SITES AND GAMING MACHINES BEING OPERATED IN THE CITY OF BEAUMONT; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; PROVIDING A PENALTY; AND PROVIDING AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY OF BEAUMONT:

Section 1.

THAT Chapter 6 of the Code of Ordinances be and the same is hereby amended by adding a new Article 6.10 to read as follows:

ARTICLE 6.10 GAMING

Whereas, the necessity of this ordinance is to protect the public safety, health and welfare of the citizens of the city of Beaumont; and,

Whereas, the City of Beaumont recognizes the Texas OCC Code Chapter 2153 provides facilities housing coin operated machines must be licensed by the State Comptroller of Public Accounts and comply with state regulations; and,

Whereas, Section 2153.451 of the Texas OCC Code specifically authorizes a municipality to impose an occupational tax on coin operated machines in this state; and,

Whereas, the Police Department has discovered there are gaming sites within the city which operate in violation of state law providing for the permitting and licensing of coin operated machines in this state.

Division 1. Generally

Sec. 6.10.001 Definitions.

For the purposes of this Article, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

Applicant. The applicant is the intended operator, occupant or owner of the gaming site and/or gaming machines.

City Manager. The City Manager of the City of Beaumont or the designated representative of the City Manager.

Chief Building Official. The Chief Building Official for the City of Beaumont or the designated representative of the Chief Building Official.

Church. A building, in possession of a certificate of occupancy, in which persons regularly assemble for purposes of religious worship, intended primarily for purposes connected with such worship or for propagating a particular form of religious belief.

Coin Operated Machine. Any kind of machine or device operated by or with a coin or other United States currency, metal slug, token, electronic card, or check including a skill or pleasure coin operated machine.

Fire Chief. The Chief of the City of Beaumont Fire Department or the designated representative of the Chief of the Fire Department.

Gaming Machine. Any coin operated machine or electronic, electromechanical or mechanical contrivance designed, made, and adopted solely for bona fide amusement purposes if the contrivance rewards the player exclusively with non-cash merchandise prizes, toys, or novelties, or a representation of value redeemable for those items, that have a wholesale value available from a single play of the game or device of not more than ten (10) times the amount charged to play the game or device once or \$5.00, whichever is less. Not included in this definition is a machine used only for entertainment purposes, as entertainment is defined in §372.1701 of the Texas Administrative Code.

Gaming Site. Any location that displays, exhibits, or maintains for public patronage – through general admission or membership— any game machine.

Hospital. A building, in possession of a certificate of occupancy, where the primary function is to provide medical and/or surgical treatment to sick or injured people and as defined by the Texas Occupations Code Chapter 241.

Occupant. An individual who occupies or exercises direct control of the premises where a gaming site is located.

Operator. The manager or other natural person principally in charge of the gaming site.

Owner. An individual who has an ownership interest in the premises of the gaming site or receives an economic or monetary benefit from the gaming site.

Permit. A current, valid permit issued by the City Manager pursuant to the terms of this Article to an operator of a gaming site.

Permit Holder. A person who has been issued a valid permit pursuant to this Article.

Police Chief. The Chief of Police of the City of Beaumont Police Department or the designated representative of the Chief of Police.

School. A building, in possession of a certificate of occupancy, where persons regularly assemble for the purpose of instruction or education together with the playgrounds, stadia and other structures or grounds used in conjunction therewith. The term is limited to:

- (1) public and private schools used for primary or secondary education, in which any regular kindergarten or grades one through 12 classes are taught; and
- (2) special educational facilities in which students who have physical or learning disabilities receive specialized education in lieu of attending regular classes in kindergarten or any of grades one through 12.

Skill or Pleasure Coin Operated Machine. Any kind of coin operated machine that dispenses, or is used or is capable of being used to dispense or afford, amusement, skill, or pleasure, or is operated for any purpose, other than for dispensing only merchandise, music, or service. This includes:

- (1) a marble machine, marble table machine, marble shooting machine, miniature racetrack machine, miniature football machine, miniature golf machine, miniature bowling machine, billiard or pool game, or machine or device that dispenses merchandise or commodities or plays music in connection with or in addition to dispensing skill or pleasure; and
- (2) does not include an amusement machine designed exclusively for a child.

Sec. 6.10.002 Declaration of findings.

The necessity of the public interest for the provisions and prohibitions hereinafter contained and enacted is declared as a matter of legislative determination and public policy, and it is further declared that the provisions and prohibitions contained in sections 6.10.001 through 6.10.021 are in the furtherance of and for the purpose of securing and promoting

the public health, comfort, convenience, safety, welfare and prosperity of the city and its inhabitants.

Division 2. Permits

Sec. 6.10.003 Permit.

- (a) It shall be unlawful for any operator, occupant or owner of the gaming site to display, exhibit, or maintain for public patronage, or otherwise keep for operation by the public, any gaming machine without first obtaining a permit issued under the terms and conditions of this Article.
- (b) It shall be unlawful for any operator, occupant or owner of the gaming site to operate any gaming site located within the city unless the permit issued for that site is posted at or near the principal public entrance to the gaming site in such a manner that it will be conspicuous to patrons who enter the gaming site.
- (c) In any prosecution under subsection (a) above, it shall be presumed that there was no permit at the time of the alleged offense, unless a permit was then and there posted as provided in subsection (b).
- (d) A machine that provides the possibility, probability and/or certainty of dispensing a non-cash prize, toy or novelty with a value of not more than ten (10) times the amount charged to play the game or device once, or \$5.00, whichever is less at the time of play, but does not allow the player to amass or accumulate points, tokens or any other method to accumulate credits towards larger or greater value non-cash merchandise prizes, toys or novelties is exempt from the requirements of this Article.

Sec. 6.10.004 Signage.

- (a) Notwithstanding section 28.04.003 of the Code of Ordinances or any other city ordinance, code or regulation to the contrary, it shall be unlawful for the operator, occupant or owner of a gaming site not to clearly identify the site with a sign as required by this Article.
- (b) The sign displayed should be one provided by the City with a white background with black Arial font lettering of 1.5 inches.
- (c) The sign must clearly read "GAMING SITE" and may not include any advertisements.

Sec. 6.10.005 Machine registration requirements.

Gaming machines, as defined in this Article, shall be registered as follows:

- (a) The permit holder, owner, or operator is required to maintain on its gaming site a complete inventory, along with serial numbers or equivalent identification, as set forth in subsections (d) and (e) below at all times. The initial application for permit shall include a certificate of the inventory, along with serial numbers or equivalent identification, as set forth in subsections (d) and (e) below, of the machines that the permit holder intends to put into operation when the gaming site begins its business activities.
- (b) Each renewal permit application shall contain a certificate of inspection of updated inventory, along with serial numbers or equivalent identification, as set forth in subsections (d) and (e) below, of the gaming machines that the permit holder intends to put into operation when the gaming site begins its business activities under the renewal license.
- (c) Before a new gaming machine is put into operation at the gaming site, the permit holder shall notify the Chief of Police of the addition of the machine to the inventory and update its inventory accordingly.
- (d) Upon review of the inventory of machines under subsections (a), (b) and (c) above, the Chief of Police shall enter each machine into the gaming machine registry that the City shall create. For each machine registered, the City Manager shall cause to be issued and delivered to permit holder for each machine within seven (7) days of the notification required under subsection (c) a numbered metal or plastic decal. The registration decal for each machine shall be permanently affixed thereto and in plain view at all times. Registration decals are not transferable. The failure of any machine to display a current registration decal shall be a violation of this section and subject to enforcement action by the City.
- (e) The inventory of machines under subsections (a), (b) and (c) above shall provide the following information: the manufacturer(s); the serial number(s); common name, type or description of the game played on the machine. The registration decal shall contain the inventory number of the machine.

Sec.6.10.006 Application; term.

- (a) A permit issued under this Article does not vest any property rights in the applicant or permit holder; except to display, exhibit, or maintain for public patronage the use of any gaming machines in accordance with the terms and conditions of this Article.
- (b) A gaming permit is non-transferable and non-refundable.

- (c) A permit shall be issued for a twelve (12) month term beginning on the date of issuance.
- (d) Any false statement made by an applicant on the application shall subject the permit to immediate suspension pending revocation and the applicant may be prosecuted as a violation of section 37.10 of the Texas Penal Code (tampering with governmental records), a third degree felony.
- (e) An application for permit shall be made by the intended owner or operator of the gaming site.
- (f) The application shall be submitted with a two hundred dollar (\$200.00) processing fee to the City Manager on a form provided by the City for such purpose. The application must be completed for each location sought to be permitted. The following information is required in the application:
 - (1) Name, address, and telephone number of the applicant, including the trade name by which applicant does business and the street address of the proposed gaming site, and, if incorporated, the name registered with the Secretary of State;
 - (2) Name, address, and telephone number of the operator of the gaming site to be permitted;
 - (3) Number of gaming machines on the gaming site and serial number of each machine;
 - (4) Whether a previous permit of the applicant, or, if applicable, a corporate officer of the applicant, has been revoked within two (2) years of filing of the application; and
 - (5) A statement that all the facts contained in the application are true and correct.

Sec.6.10.007 Renewal.

- (a) An application for renewal must be submitted thirty (30) days before the expiration date of the existing permit to the City Manager on a form provided by the City for such purpose with a one hundred dollar (\$100.00) processing fee.
- (b) Applications for existing gaming sites submitted after the expiration date of the previous permit will be considered and processed as a new applicant.

Sec.6.10.008 Grounds for denial or revocation.

- (a) The City Manager shall refuse to approve the issuance or renewal of a permit or shall revoke a permit for one or more of the following reasons:
 - (1) A false statement as to a material matter made in an application for a permit;
 - (2) Revocation of a permit, pursuant to this Article, of the applicant or corporate officer of the applicant within two (2) years preceding the filing of the application;
 - (3) The applicant or a co-owner for such permit has, within the past ten (10) years, been convicted of a crime involving moral turpitude or gambling.
- (d) The City Manager shall not issue or renew a permit under this Article and shall suspend or revoke a permit if it is determined that the applicant or permit holder is indebted to the City for any fee, costs, penalties, or delinquent taxes at the time of application or renewal.
- (e) The City Manager shall have the authority to deny or revoke all permits issued under this provision for any violation of this Article by giving written notice, stating the reason for denial or revocation, and same shall be cancelled ten (10) days from the date of receipt of such notice.
- (f) No permit shall be issued within a period of one (1) year to anyone whose permit has been revoked, except at the discretion of the City Council.

Sec.6.10.009 Appeal from denial or revocation.

If the City Manager denies, refuses to approve the issuance of a permit or the renewal of a permit to an applicant, or revokes a permit issued under this Article, this action is final unless the applicant or permit holder, within ten (10) days after the receipt of written notice of the action, files a written appeal to the City Council by delivering said notice to the City Clerk setting forth specific grounds for the appeal. The City Council shall either hear the appeal or select a hearing officer to preside over the appeal hearing. The City Council or hearing officer shall within fourteen (14) days of the notice of appeal grant a hearing to consider the action. The City Council and hearing officer have the authority to sustain, reverse, or modify the action appealed. The decision of either the City Council or hearing officer is final.

Sec. 6.10.010 Transfer of permit.

A permit issued under the provisions of this Article shall be specific to the site and personal to the holder thereof and shall not be transferable or assignable.

Sec. 6.10.011 Replacement permits or decals.

- (a) A replacement permit shall be issued to the original applicant for one lost, destroyed, or mutilated after a written application is submitted with a fee of fifteen dollars (\$15.00) to the City Manager on a form provided by the City for such purpose.
- (b) A replacement permit shall bear the same expiration date as the one it replaces.
- (c) A new or replacement decal issued to a permit holder shall be fifteen dollars (\$15.00).

Sec. 6.10.012 Occupation tax.

- (a) Every permit holder who controls, possesses, exhibits, or displays, or who permits to be exhibited or displayed in the city for public patronage or operation by the public, any gaming machine shall pay, and is hereby levied on each such gaming machine, except those exempt under this Article, an annual occupation tax in the amount equal to one-fourth (1/4) of the current state occupation tax. All occupation taxes for gaming machines are payable annually in advance. The fee for issuing a replacement occupation tax receipt for one lost, destroyed or mutilated shall be fifteen dollars (\$15.00).
- (b) Since the tax is payable in advance on an annual calendar year basis, the following pro rata tax rate schedule will be applicable to a gaming machine which is first exhibited or displayed for commercial use within the city during any quarter of the calendar year:
 - (1) First quarter: January 1 to March 31 - an amount equal to the applicable local annual occupation tax;
 - (2) Second quarter: April 1 to June 30 - an amount equal to three-quarters (3/4) of the applicable local annual occupation tax;
 - (3) Third quarter: July 1 to September 30 - an amount equal to one-half (1/2) of the applicable local annual occupation tax; and
 - (4) Fourth quarter: October 1 to December 31 - an amount equal to one-quarter (1/4) of the applicable local annual occupation tax.

In computing any tax payable under the aforesaid pro rata tax rate schedule, amounts calculated thereunder shall be rounded to the next higher full cent amount as required.

Division 3. Inspections

Sec.6.10.013 Inspections; compliance.

- (a) The gaming site shall conform to all zoning ordinances, building codes and fire prevention codes of the City and comply with all federal, state and local ordinances and regulations relevant to the operations of a gaming site or gaming machine.
- (b) The Fire Chief, the Chief Building Official, all law enforcement, or code enforcement officials shall have the right to immediate access to the area of the gaming site where such machines are located at any time during normal business hours or when the site is occupied for the purpose of inspecting said gaming site and enforcement of the terms of this Article and state law.
- (c) An owner, operator, occupant, or any person who does not allow immediate access to the area of the gaming site where such machines are located to officials for the purpose of inspection or enforcement commits an offense.

Sec.6.10.014 Prohibited locations.

- (a) No gaming sites shall be permitted to be placed within three hundred (300) feet of any church, hospital or school.
- (b) The measurement of the distance between the place of business and the church, hospital or school shall be determined by measurements made in a straight line, without regard to intervening structures or objects, from the nearest point on the applicant's property line to the nearest point of the church, hospital or school property line.

Sec.6.10.015 Responsibility of permit holder.

A permit holder hereunder shall not permit any of the following activities within the permitted gaming site:

- (a) The sale, purchase, possession or consumption of any alcoholic beverages as the same is permitted by the Texas Alcoholic Beverage Code, unless the gaming site is licensed under the provisions of said code and the ordinances of the City for the sale, purchase, possession, or consumption of alcoholic beverages.
- (b) The operation of any gaming machine by a person younger than twelve (12) years of age except between the hours of 9:00 a.m. and 10:00 p.m.

- (c) The operation of any gaming machine by any person twelve (12) years of age or older and under seventeen (17) years of age except between the hours of 9:00 a.m. and 11:00pm, Sunday through Thursday, and 9:00 a.m. and 12:00 a.m. (midnight), Friday and Saturday.

Division 4. Enforcement

Sec. 6.10.016 Violations of existing laws not authorized.

Nothing herein shall be construed or have the effect to license, permit, authorize or legalize any machine, device, table, or gaming machine, the keeping, exhibition, operation, display or maintenance of which is illegal or in violation of any ordinance of the City, any section of the Penal Code of this state, or the Constitution of this state.

Sec. 6.10.017 Penalties.

- (a) It shall be unlawful for an owner, operator or permit holder to exhibit or display, or permit to be exhibited or displayed for commercial use, any gaming machine which:
 - (1) Does not have properly attached thereto a decal evidencing payment of applicable occupation tax and machine registration;
 - (2) Is located at any address or location other than the location listed for such machine as shown in the records of the City; or
 - (3) Has affixed to it a decal other than the decal issued for such as shown in the records of the City.
- (d) Except as otherwise provided by this section, if it be shown that a person has violated this Article, upon conviction, the defendant shall be punished by a fine of not less than two hundred dollars (\$200.00) nor more than one thousand dollars (\$1,000.00).
- (e) Upon second conviction for a violation of this Article, the defendant shall be punished by a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00).
- (f) Any violation charged pursuant to this section shall be independent of and may be in addition to any administrative penalties which may be imposed regarding the suspension, revocation or denial of any permit or license granted under this Article.

Sec. 6.10.018 Sealing machine for nonpayment; hearings.

- (a) The Chief of Police shall seal, in a manner that will prevent further operation, any gaming machine upon which the tax required by this Article has not been paid or upon which the decal is not properly displayed. The owner or operator of any machine subject to this Article shall be required to pay a fee equal to the maximum amount permitted under §2153.453 of the Texas Occupations Code for the release of any

machine sealed, as provided herein, for nonpayment of the tax or for failure to properly display the decal evidencing the payment of the tax and proper registration of the machine. The current fee amount shall be five dollars (\$5.00) for each sealed machine. Upon proof of payment of the occupation tax provided for in section 6.10.012 of this Article, and the release fee, the Chief will remove the seal.

- (b) Any owner desiring to contest the tax, fee, or penalty owed to the City to secure the release of a sealed machine may request a hearing by delivering written notice to the City Clerk setting forth the specifics of the challenge. The City Council shall either hear the challenge or select a hearing officer to preside over the hearing. The City Council or hearing officer shall within fourteen (14) days of the notice of challenge grant a hearing to consider the action. The decision of either the City Council or hearing officer is final.

Sec. 6.10.019 Penalty for removal of sealed machine.

It shall be unlawful to remove from the permitted site any machine that has been sealed pursuant to section 6.10.018 of this Article. Whoever removes or causes to be removed a machine that is sealed shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than \$100.00 and no more than \$500.00.

Sec. 6.10.020 Injunctions.

- (a) In addition to the fines and penalties provided in this Article, if it appears that a person has violated or is violating or is threatening to violate any provisions of this Article, the City Attorney may institute a civil suit in a court of competent jurisdiction for injunctive relief to restrain the person from continuing the violation or threat of violation.
- (b) On application for injunctive relief and a finding that a person is violating or threatening to violate any provision of this Article, the court shall grant such injunctive relief as the facts may warrant.

Sec. 6.10.021 Strict enforcement; exemptions.

- (a) All law enforcement personnel, inspectors, and other designated personnel shall carry out the provisions of this Article and may issue citations for violations of this Article. All law enforcement officers and representatives shall strictly enforce and prosecute the provisions of this Article, and court officials shall see that this Article receives strict interpretation and adjudication in a court of competent jurisdiction.
- (b) A person in possession or control of a gaming machine is exempt from this Article if:

- (1) The gaming machine is maintained exclusively in a personal residence and solely for personal use; or
- (2) The gaming machine has been altered in such a way that it no longer functions as a coin-operated machine and is not patronized for the purpose of winning cash or cash value prizes; or
- (3) The gaming machine is owned by, leased or rented to organizations operated exclusively for charitable, educational, religious or benevolent purposes. An organization with social or fraternal activities does not qualify.
- (4) The gaming machines designed for and utilized exclusively by children are expressly exempt from the tax levied in Division 2 hereof.

Section 8.

That if any section, subsection, sentence, clause or phrase of this ordinance, or the application of same to a particular set of persons or circumstances, should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this ordinance, and to such end, the various portions and provisions of this ordinance are declared to be severable.

Section 9.

That all ordinances or parts of ordinances in conflict herewith are repealed to the extent of the conflict only.

Section 10.

That any person who violates any provision of this ordinance shall, upon conviction, be punished, as provided for herein.

Section 11.

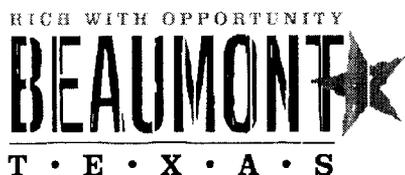
This ordinance shall be effective from and after August 1, 2014.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of
June, 2014.

- Mayor Becky Ames -

June 10, 2014

Consider approving a resolution authorizing the City Manager to enter into a financing agreement with Wells Fargo Bank



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer *LC*

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council consider a resolution authorizing the City Manager to enter into a financing agreement with Wells Fargo Bank.

BACKGROUND

The FY 2014 Budget included bundling equipment and vehicle purchases for the Water Utilities Department, Solid Waste Division, Fire Department and Public Works Department into one financing agreement. The attached list shows the equipment and vehicles that have been received, or ordered, or are still to be purchased. The estimated total is \$4,629,070.87.

Financing terms and interest rates were solicited for five year and three year terms to finance up to \$5,000,000. Four responses were received including one financing agreement, two lease purchase agreements and one general obligation bond at rates ranging from 1.02% to 1.56% for a three year agreement and 1.45% to 1.77% for a five year term.

Wells Fargo, N.A. proposed a financing agreement structured in compliance with Texas Local Government Code, Chapter 271, which allows the City to "execute, perform, and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or financing thereof" and to make payments "from a pledge of all or any part of any revenues, funds, or taxes available to the governmental agency." The agreement is a term loan, secured by a pledge of the net revenues in the Solid Waste Fund, within the limits provided by law. This structure is favorable to the City as it relates to bond coverage requirements required by outstanding bond covenants. Payments will be drafted automatically because they are the City's depository bank. In addition, the City may prepay the loan without penalty at any amount at any time. There are no closing fees and the rates are fixed at the rate per the bid subject to closing on or before June 20, 2014.

JP Morgan Chase Bank, N.A., proposed a tax-exempt lease purchase agreement as allowed by Chapter 271 of the Texas Local Government Code. This structure allows the City to take title to the assets upon execution of the lease agreement, while the lessor retains a security interest in the

assets during the contract. The lease is structured so that the full amount of the cost is amortized for the lease period. The interest rate that Chase bid is fixed; however, the “final interest rate and payment will be agreed to 3 days prior to closing; therefore it is subject to change. In addition, Chase reserved the right to adjust the pricing proposed in order to maintain the anticipated economic return as a result of a material adverse change. The lease may be prepaid without penalty, in whole but not in part, prior to maturity after the initial 12 months from commencement subject to 30 days prior written notice. In addition, there would possibly be use of an escrow account with a fee of \$1,500.

Bid tabulation is as follows:

Terms	Wells Fargo	JP Morgan Chase	Capital One	Commerce Bank Clayton Holdings LLC
Three Year	1.04	1.02	1.29	1.56
Five Year	1.46	1.45	1.65	1.77
Fixed Rate	Y	Y at 3rd day before closing	Y	Y
Closing Date	June 20	July 1	June 20	June 23
Type	Financing Agreement	Lease Purchase Agreement	General Obligation Bond	Lease Purchase Agreement
Other				\$250 annual fee

After analyzing the bids and proposed financing agreements, it is in the best interest of the City to enter into a financing agreement with Wells Fargo Bank, N.A. for a five year term at 1.46%. The difference between 1.46% and 1.45% bid by Chase Bank is 1 basis point and amounts to approximately \$1,243 over the term of the financing.

FUNDING SOURCE

Annual debt service will be funded by the Water Utilities Fund in the amount of \$442,384.45, the Solid Waste Fund in the amount of \$346,213.92 and the Debt Service Fund in the amount of \$173,106.96 for a total of \$961,705.33 annually.

RECOMMENDATION

Approval of resolution.

RESOLUTION NO.

WHEREAS, bids were solicited for financing terms and interest rates for five (5) and three (3) year terms to finance up to \$5,000,000 for equipment and vehicle purchases for the Water Utilities Department, Solid Waste Division, Fire Department and Public Works Department as described in Exhibit "A" attached hereto; and,

WHEREAS, Wells Fargo Bank submitted a bid for a financing agreement at the fixed interest rate of 1.46% for a five (5) year term; and,

WHEREAS, City Council is of the opinion that the bid submitted by Wells Fargo Bank should be accepted;

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

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the bid submitted by Wells Fargo Bank for a financing agreement at a fixed interest rate of 1.46% for a five (5) year term to finance equipment and vehicle purchases for the Water Utilities Department, Solid Waste Division, Fire Department and Public Works Department, be accepted by the City of Beaumont; and,

BE IT FURTHER RESOLVED THAT the City Manager be and he is hereby authorized to execute a financing agreement with Wells Fargo Bank for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of
June, 2014.

- Mayor Becky Ames -

City of Beaumont	Purchase
Equipment and Vehicles to be Financed	Price
Received	
Fire Pumper	\$ 606,560.00
Dozer	654,000
16 yd Dump truck (2)	225,000
16yd Dump Truck	112,500
F150 Extended Cab (3)	66,773
F550 Crew cab flat bed (3)	146,084
Gooseneck trailer (3)	34,920
235 Takeuchi Mini Excavator (4)	172,530
F550 crew cab dump truck	51,732
Trailer	11,295
16 CY dump Truck	112,500
Boring machine - currently leasing	106,005
Digger Derrick	224,008
Total Received	\$ 2,523,907.50
Ordered	
F450 (3)	151,789
F450	50,831
F750 Dump Truck	79,769
375 CFM Compressor	42,753
Pressure washer	9,536
F450	50,831
3/4 Ton Truck (2)	69,500
F550	52,321
F750	80,719
375 CFM Compressor	42,753
Pressure Washer	9,536
Grapplers (4)	1,004,948
Total Ordered	\$ 1,645,283.77
To Be Ordered (costs per quotes)	
Backhoe	75,600
Concrete Breaker (2)	30,720
Mini Excavator - Takeuchi 145	43,168
Backhoe	75,600
10 Ton TT Winch on tracks	167,900
Mower	22,943
Two Additional Pickups	43,949
Total To Be Ordered	\$ 459,879.60
Estimated Total	\$ 4,629,070.87

EXHIBIT "A"

June 10, 2014

Consider approving a resolution authorizing the purchase of two backhoes with pavement breakers from Mustang Cat, Inc. of Houston for use by the Water Utilities Department

RICH WITH OPPORTUNITY



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer 

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council consider a resolution approving the purchase of two (2) backhoes with pavement breakers from Mustang Cat, Inc. of Houston in the amount of \$181,920 for use by the Water Utilities Department.

BACKGROUND

The new backhoes will replace unit 5092 and unit 5089, purchased in 2005 and 2001 respectively. The new pavement breakers will replace units 5078A and 5092A, purchased in 2002 and 2005 respectively. All have become unreliable and uneconomical to maintain and have reached the end of their useful lives. The old units will be disposed of according to the City's surplus property disposal policies.

Pricing was obtained through the Houston-Galveston Area Council (H-GAC), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. H-GAC complies with State of Texas procurement statutes.

Warranties of three (3) years or 5,000 hours are provided for each unit. Warranty service is provided by the dealer.

FUNDING SOURCE

Capital Reserve Fund – Financing to be obtained in fiscal year 2014 for the new equipment for Water Utilities as well as multiple other pieces of equipment for various City departments.

RECOMMENDATION

Approval of the resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of two (2) backhoes with pavement breakers for use by the Water Utilities Department from Mustang Cat, Inc., of Houston, Texas, in the amount of \$181,920 through the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 10th day of June, 2014.

- Mayor Becky Ames -

PUBLIC HEARING

- * Receive comments on a proposal to establish a Reinvestment Zone located in the southeastern area of the city which includes property from the Neches River to West Port Arthur Road

June 10, 2014

Consider approving an ordinance establishing the Reinvestment Zone for the purpose of offering economic incentives



City Council Agenda Item

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Chris Boone, 
Director of Planning & Community Development

MEETING DATE: June 10, 2014

REQUESTED ACTION: Council conduct a public hearing to receive comments on a proposal to establish a Reinvestment Zone and consider approving an ordinance establishing the Reinvestment Zone for the purpose of offering economic incentives.

BACKGROUND

Texas law allows cities to offer a variety of economic incentives for development and redevelopment. Such incentives allow Beaumont to be competitive in attracting new development as well as encouraging the expansion of existing industries. One important incentive that a city can offer is a tax abatement, or the foregoing of taxes in exchange for substantial capital investment and job creation.

By Texas law, governmental entities wishing to offer tax abatements must do so in accordance with an adopted Tax Abatement Policy and the abatement must occur within an established Reinvestment Zone. The City's Tax Abatement Policy was last approved in May, 2014 and is in effect until 2016.

The City is proposing to establish a new Reinvestment Zone that would be located in the southeastern area of the city, running from the Neches River, to West Port Arthur Road (see attached map).

The creation of the Reinvestment Zone would allow the City and Jefferson County to provide tax abatements in this area. Once the Zone has been established, any abatement requests would be presented to City Council for consideration.

FUNDING SOURCE

Not Applicable.

RECOMMENDATION

Approval of the ordinance.

ORDINANCE NO.

ENTITLED AN ORDINANCE DESIGNATING AN AREA AS THE GATSBY REINVESTMENT ZONE PURSUANT TO THE TEXAS REDEVELOPMENT AND TAX ABATEMENT ACT (TEXAS TAX CODE, CHAPTER 312); PROVIDING TAX INCENTIVES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR REPEAL.

WHEREAS, the City of Beaumont endeavors to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in areas of the City; and,

WHEREAS, it is found to be feasible and practical and would be a benefit to the land to be included in the zone and to the City of Beaumont after the expiration of any agreement entered into pursuant to the Property Redevelopment and Tax Abatement Act; and,

WHEREAS, the zone is for Commercial-Industrial tax abatement; and,

WHEREAS, the area being designated is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City of Beaumont; and,

WHEREAS, to further this purpose, it is in the best interest of the City of Beaumont to designate the area described in Exhibit "A" and shown on Exhibit "B" as the Gatsby Reinvestment Zone pursuant to the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312);

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

Section 1.

That the statements and findings set out in the preamble to this ordinance are hereby, in all things, approved and adopted.

Section 2.

That the City Council hereby designates the area described in in Exhibit A and shown on Exhibit "B," attached hereto and incorporated herein for all purposes, as the Gatsby Reinvestment Zone (herein referred to as the "Zone").

Section 3.

That the City Council finds that the Zone meets the criteria contained in the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312).

Section 4.

That the City Council finds that the designation of the reinvestment zone would contribute to retention or expansion of primary employment in the area and/or would contribute to the attraction of major investments that would be a benefit to the property and would contribute to the economic development of the municipality.

Section 5.

That the City Council may provide certain tax incentives applicable to business enterprises in the Zone, which are not applicable throughout the city, as allowed for in the Act.

Section 6.

That the City Council has established certain guidelines and criteria governing tax abatement agreements and is therefore eligible to participate in tax abatement.

Section 7.

That a public hearing to consider this ordinance was held by the City Council on June 10, 2014.

Section 8.

That this ordinance shall take effect from and after its passage as the law and charter provide.

Section 9.

That if any section, subsection, sentence, clause, or phrase of this ordinance, or the application of same to a particular set of persons or circumstances should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this ordinance, and to such end the various portions and provisions of this ordinance are declared to be severable.

Section 10.

That all ordinances or parts of ordinances in conflict herewith are repealed to the extent of the conflict only.

PASSED BY THE CITY COUNCIL of the City of Beaumont on this the 10th day June, 2014.

- Mayor Becky Ames -

DESCRIPTION OF THE GATSBY REINVESTMENT ZONE

All bearings and coordinates are based on the Texas Coordinate System, South Central Zone, (NAD 27).

BEGINNING at a 2" iron pipe found for the most Southerly corner of the herein described Gatsby Reinvestment Zone and a call 727.93 acre tract being a part of the same tracts as recorded in Volume 1765, Page 220, Jefferson County Deed Records (J.C.D.R.); said "POINT OF BEGINNING" being in the North line of McFaddin Canal No. 1.

THENCE, North 58°01'45" West, at 695.32 feet pass a TXDOT concrete ROW monument with aluminum disk found at the intersection of the South ROW line of State Highway FM 3514, said FM Highway 3514 being a perpetual road easement as recorded in File Number 9310194, Film Code 104-73-1433, J.C.O.P.R., at 1273.69 feet pass a found TXDOT concrete ROW monument in the North ROW line of said FM 3514, and continuing for a total distance of 2914.31 feet (call North 54°19'27" West, 2914.29 feet) to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument), said monument being the most Easterly corner of a call 2.125 acre tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along the South line of said 2.125 acre tract, South 59°03'22" West, 415.10 feet (call 62°42'45" West, 414.70 feet) to a 5/8" iron rod found for the most Southerly corner of said 2.125 acre tract, said corner being in the Easterly ROW line of Union Pacific Railroad (formerly T&NO RR), said corner being the Northwest corner of a call 8.203 acre tract as recorded in File Number 98-9821361, J.C.O.P.R.;

THENCE, along said Easterly ROW line of Union Pacific Railroad (100' wide), North 30°56'59" West, 267.57 feet (call North 27°14'47" West, 267.21 feet) to a 3/4" iron pipe with cap set for the Northwest or most Westerly corner of said 2.125 acre tract, from said 3/4" iron pipe a found 1" iron pipe bears North 18°58'16" East, 1.62 feet;

THENCE, North 59°03'22" East, at 278.71 feet (call 278.14 feet) pass a 2" iron pipe in concrete (Yount-Lee Oil Co. monument) found for a corner of said 727.93 acre tract and said 2.215 acre tract, and continuing for a total distance of 2191.91 feet (call 2191.00 feet) to a point in a found fence corner post in concrete;

THENCE, North 30°49'18" West, at 8.80 feet pass a 1/2" iron rod with Amoco Production cap found for reference, and continuing for a total distance of 3350.00 feet (call North 27°06'49" West, 3350.01 feet) to a point at a 2" iron pipe in concrete found destroyed;

THENCE, along the most Northwesterly line of said 727.93 acre tract, North 42°02'16" East, at 10.00 feet pass a 3/4" iron pipe with cap set for reference, and continuing for a total distance of 2306.14 feet (call North 45°45'45" East, 2306.11 feet) to a 1/2" iron rod with Amoco Production cap found at the most Northerly corner of said 727.93 acre tract;

THENCE, North 42°02'16" East, 148.02 feet (call North 45°45'45" East, 148.00 feet) to a found ½" iron rod with Amoco Production cap;

THENCE, along the Southwesterly line of a call 103.89 acre TEPPCO tract as recorded in File Number 9006316, film Code 103-07-1160, J.C.O.P.R., South 52°27'45" East, 1864.90 feet to a ¾" iron pipe with cap set for the most Southerly corner of said 103.89 acre tract, from said ¾" iron pipe a found iron rod with Amoco Production cap bears North 24°51'54" East, 4.99 feet;

THENCE, along the Southeasterly line of said 103.89 acre tract and a call 13.12 acre TEPPCO tract as recorded in File Number 9006316, North 37°23'15" East, 2681.07 feet (call 2681.0 feet) to a ¾" iron pipe with cap set for the most Easterly corner of said 13.12 acre tract, said corner being in the Southwesterly line of a Lower Neches Valley Authority (LNVA) 120 foot wide canal easement as recorded in Volume 264, Page 489, J.C.D.R.;

THENCE, along the Northeasterly line of said 13.12 acre tract, same being the Southwesterly line of said LNVA easement, North 52°27'30" West, 1903.70 feet to a ¾" iron pipe with cap set for the most Northerly corner of said 13.12 acre tract;

THENCE, traveling in a Northerly direction approximately 365 feet to a ¾" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said GSU Northeasterly line, said corner being the Southwest corner of the residue of a call 155.58 acre tract as recorded in Volume 260, Page 233, J.C.D.R.;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 53°05'46" East, 1098.05 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the south line of said 155.58 acre tract, North 61°13'45" East, 400.24 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway 69, 96 & 287 (343' wide), from said pipe an iron rod with plastic cap bears North 46°48'00" West, 6.73 feet;

THENCE, traveling in an Easterly Northeasterly direction approximately 335 feet to a ¾" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said Easterly ROW line, said pipe being in the South line of the residue of said 155.58 acre tract;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 61°13'45" East, 333.62 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the South line of said 155.58 acre tract, North 43°42'38" East, 191.53 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway FM 347 (200' wide);

THENCE, traveling in a Northeasterly direction approximately 215 feet to a ½" iron rod found in the Northeast ROW line of State Highway FM 347 (200' wide at this point);

THENCE, along the Northeast ROW line of said FM Highway 347, North 51°42'49" West, at 15.5 feet pass a found concrete ROW monument, and continuing for a total distance of 396.17 feet to a found TXDOT concrete monument with brass cap (disturbed);

THENCE, continuing along the ROW line of FM Highway 347 (varying width), North 42°14'32" East, 128.65 feet (call 126.76) to a set ¾" iron pipe with cap;

THENCE, along the ROW line of FM Highway 347, North 63°42'49" West, 230.38 feet to a set ¾" iron pipe with cap, said point being the beginning of a curve to the right;

THENCE, 200.00 feet along said curve to the right in said ROW line, said curve having a radius of 954.93 feet, a delta of 12°00'00", and a chord bearing North 57°42'49" West, 199.63 feet to a point on a found 4" iron pipe fence post;

THENCE, along the ROW line of said FM Highway 347, North 51°42'49" West, 101.62 feet to a point on found 4" iron pipe fence post;

THENCE, North 43°32'08" East, 1,187.75 feet (call North 47°15'27" East) along the Southeast line of a call 20.03 acre tract as recorded in File Number 97-9731390, J.C.O.P.R. to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument) said point being the East corner of said 20.03 acre tract, said point also being in the West line of the Kansas City Southern Railroad (100' wide) as recorded in Volume 230, Page 58, J.C.D.R.;

THENCE, along the Southwest line of said Kansas City Southern Railroad, South 47°48'03" East, 1,002.54 feet (call South 44°05'03" East), to a set ¾" iron pipe with cap from which a found ½" iron rod bears South 50°27'20" West, 1.41 feet), said iron pipe being in the North line of McFaddin Canal No. 2;

THENCE, along said North line and a Southeasterly line of a 24.05 acre tract as recorded in File Number 2001014848, J.C.O.P.R., North 74°23'22" East, approximately 10 feet to a ¾" iron pipe with cap found in the Southwesterly ROW line of said Kansas City Southern Railroad;

THENCE, North 77°00'12" East, 121.79 feet to a ¾" iron rod with cap set in the Northeasterly line of said railroad;

THENCE, along said Northeasterly ROW line, North 47°48'03" West, 54.29 feet to a 5/8" iron rod (bent) found at the Southwest corner of a call 23.5505 acre tract as recorded in File Number 98814109;

THENCE, along the South line of said 23.5505 acre tract, North 83°25'16" East, 398.85 feet to a 2" iron pipe found at the Southeast corner of said 23.5505 acre tract, said corner being a corner of a call 461.42 acre tract as recorded in File Number 2001014848, J.C.O.P.R.;

THENCE, North 47°48'03" West, 2,715.70 feet (call North 44°07'00" West, 2,713.75 feet) along said Easterly line of said 23.5505 acre tract to a 1" iron pipe found for the most Westerly corner of the herein described tract, said point being the most Southerly corner of a call 203.2524

acre tract as recorded in File Number 98-9814111, said point also being in the East line of said 23.5505 acre tract;

THENCE, North $41^{\circ}56'47''$ East, 2,730.34 feet (call North $45^{\circ}38'$ East, 2,730.3 feet), to a found $\frac{1}{2}$ " iron rod;

THENCE, North $87^{\circ}28'34''$ East (call South $88^{\circ}55'$ East), at 464.63 feet, pass a found 3-1/2" aluminum pipe, at 876.09 feet pass a found 3-1/2" aluminum pipe, at approximately 2200 feet to a point for corner being the Southwest corner of a call 24.6091 acre tract described as Tract 128, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Northerly direction along the West line of said 24.6091 acre tract approximately 1005 feet to a point for corner,

THENCE, traveling in a Westerly direction along the North line of said 24.6091 acre tract approximately 750 feet to a point in the vegetation line of the Neches River,

THENCE, along with the meanders of the Neches River the following courses and distances:

Southeast approximately 570 feet to a point;

Southeast approximately 475 feet to a point;

South $14^{\circ}23'24''$ East, 479.93 feet to a point on the end of an existing bulkhead;

South $08^{\circ}41'51''$ East, 996.25 feet along an existing bulkhead to a point;

South $37^{\circ}26'52''$ West, 97.18 feet along an existing bulkhead to a point;

South $12^{\circ}03'07''$ East, 90.65 feet along an existing bulkhead to a point;

South $24^{\circ}41'26''$ West, 54.32 feet to a point on the end of said bulkhead;

South $05^{\circ}00'28''$ East, 263.95 feet to a point;

South $10^{\circ}22'26''$ East, 128.42 feet to a point;

South $86^{\circ}15'02''$ West, 27.20 feet to a point;

South $19^{\circ}11'28''$ West, 105.60 feet to a point;

South $31^{\circ}57'39''$ East, 60.57 feet to a point;

South $75^{\circ}59'58''$ East, 57.99 feet to a point;

North $89^{\circ}01'22''$ East, 91.42 feet to a point;

South 15°36'54" East, 37.98 feet to a point;

South 23°49'09" West, 39.63 feet to a point;

South 14°25'57" West, 241.83 feet to a point;

South 36°47'52" East, 46.54 feet to a point;

South 05°09'24" East, 44.99 feet to a point;

South 31°53'11" East, 354.38 feet across a United States Maritime Commission channel to the end of an existing bulkhead;

South 26°37'11" East, 226.69 feet to a point;

South 46°41'09" East, 111.12 feet to a point;

South 79°45'19" East, 77.11 feet to a point;

South 43°02'03" East, 123.25 feet to a point;

THENCE, departing the Neches River, South 03°43'30" East, at 20.24 feet pass a ½" iron pipe set for reference, and continuing for a total distance of 120.24 feet to a set ¾" iron pipe with cap;

THENCE, South 27°36'31" West (call South 31°20'02" West), along the North line of a Kansas City Southern Railroad strip of land as recorded in Volume 230, Page 626, J.C.D.R., at 10.0 feet pass a found 2" iron pipe, and continuing for a total distance of 1,428.00 feet to a point in deep marsh;

THENCE, South 38°38'59" West, 269.63 feet, (call South 42°17'54" West, 270 feet) to a set ¾" iron pipe with cap;

THENCE, South 86°26'16" West (call North 89°56'13" West), 148.00 feet to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument);

THENCE, North 89°14'28" West, 102.67 feet (call North 85°26'13" West, 103 feet) to a found ½" iron rod;

THENCE, North 46°58'31" West, 455.46 feet (call North 43°21'07" West, 455 feet) to a set ¾" iron pipe with cap;

THENCE, South 32°20'56" West, at 3.60 feet pass a found ½" iron rod in concrete, and continuing for a total distance of 685.34 feet (call South 36°03'02" West, 684.74 feet) to a found ½" iron rod;

THENCE, continuing South 32°20'26" West, approximately 840 feet, to a point for corner in the Northeast ROW line of said State Highway FM 347;

THENCE, traveling in a Southwesterly direction approximately 105 feet to a point for corner being the East corner of a 13.202 acre tract described as Tracts 5-A & 5-C, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Southwesterly direction along the Southeast line of said 13.202 acre tract approximately 1000 feet to a point being the most Southerly corner of said 13.202 acre tract and the East ROW line of State Highway 69, 96 & 287;

THENCE, continuing Southwest along the same line 220 feet to a point in the West ROW line of State Highway 69, 96 & 287, also being the north line of a call 101.86 acre tract of land, being part of a tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along said Southwest ROW line of FM Highway 347, South 51°42'49" East, approximately 1260 feet, to a concrete ROW monument found for corner from which a found ½" iron rod bears South 52°05'33" East, 4.34 feet, said corner being the most Easterly corner of said 101.86 acre tract;

THENCE, South 38°25'43" West (call South 42°05'58" West), 2129.69 feet to a ¾" iron pipe with cap set at the intersection of the South line of said 101.86 acre tract with the Easterly ROW line of US Highway 69, 96 and 287 (338 feet wide at this point);

THENCE, in an Easterly direction approximately 330 feet to an iron rod in concrete (bent) bears North 89°16'49" East, 0.57 feet, said point being in the Westerly ROW line of US Highway 69, 96 and 287 (338' wide);

THENCE, along said Westerly ROW line, South 27°44'13" East, 286.94 feet to a point from which a found ½" iron rod bears North 58°29'12" East, 0.48 feet, said point being the intersection of said Westerly highway ROW line with the Southwesterly line of said LNVA 120 foot wide canal easement;

THENCE, along the Southwesterly line of said LNVA canal easement, North 52°27'30" West, 184.80 feet to a ¾" iron pipe with cap set for the most Northerly corner of a call 1.64 acre LNVA fee tract as recorded in Volume 1394, Page 410, J.C.D.R.;

THENCE, with a Westerly line of said 1.64 acre tract, South 14°57'30" East, 230.60 feet to a ¾" iron pipe with cap set for corner;

THENCE, with a Westerly line of said 1.64 acre tract, South 29°20'38" East, 339.69 feet (call 335.7 feet) to a set ¾" iron pipe with cap;

THENCE, with a Southerly line of said 1.64 acre tract, South 54°42'13" East, 261.90 feet to a ¾" iron pipe with cap set in the Westerly ROW line of US Highway 69, 96 & 287;

THENCE, along said Westerly ROW line, South 27°44'13" East, at 656.55 feet pass a found concrete ROW monument, and continuing for a total distance of 658.15 feet to a ¾" iron pipe with cap set for corner in the Northwesterly line of old McFaddin Canal No. 1;

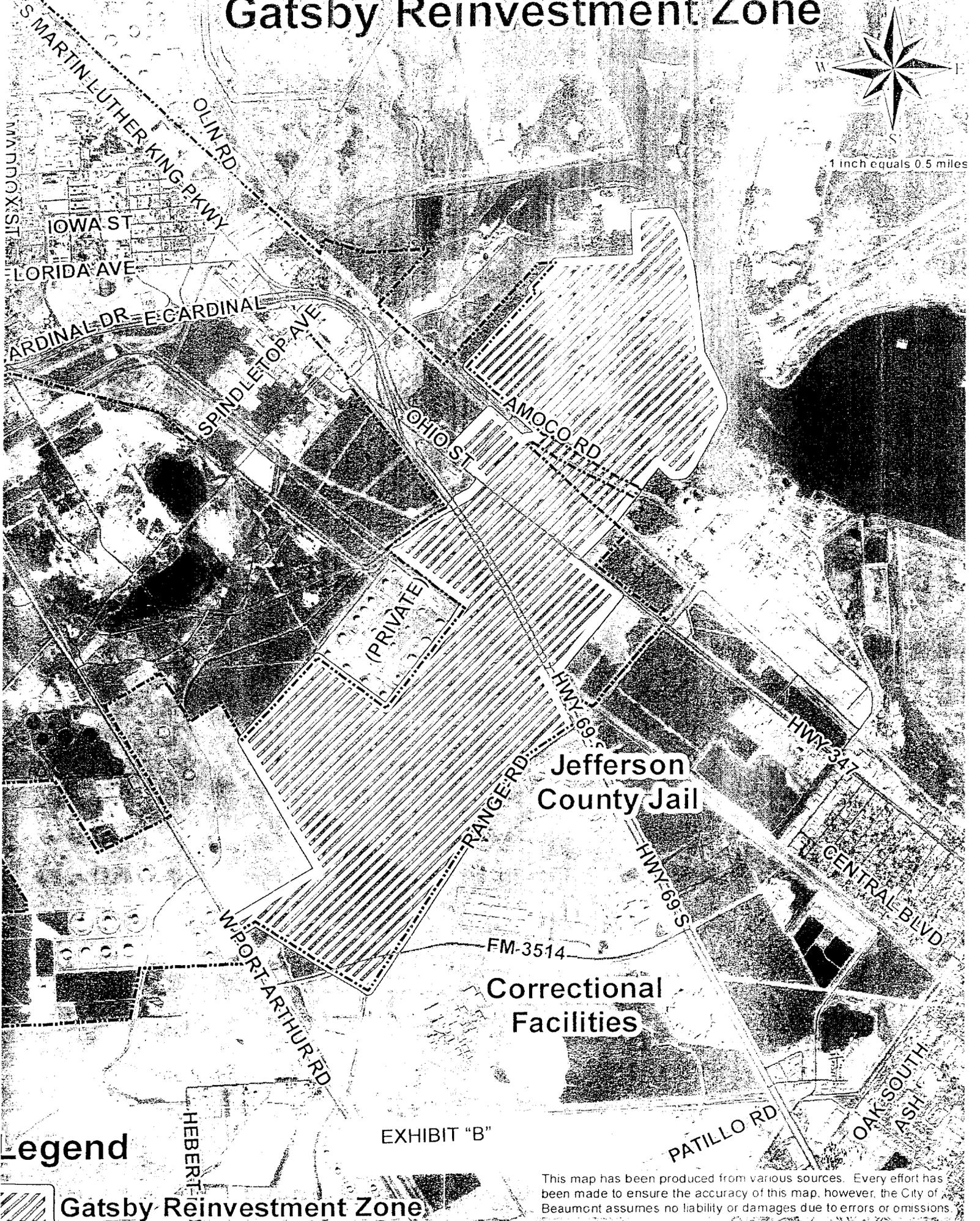
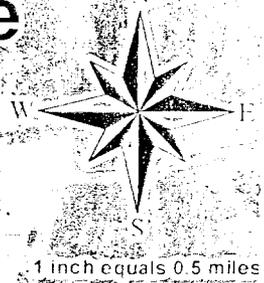
THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 727.93 acre tract, South 55°07'11" West (call South 58°50' West), 1320.78 feet to a point from which a found 2" iron pipe bears North 38°55' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 43°32'50" West, 199.83 feet (call South 4715' West, 200 feet) to a point from which a found 2" iron pipe bears North 52°07' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°11'35" West, 835.48 feet (call South 35°55' West, 836 feet) to a point from which a found 2" iron pipe bears North 52°28' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°16'04" West, at 3973.53 feet pass a ¾" iron pipe with cap set at the intersection of the North ROW line of the aforesaid State Highway FM 3514 with the Southeasterly line of said 729.93 acre tract, at 4182.14 pass a ¾" iron pipe with cap set in the South ROW line of said FM Highway 3514, and continuing for a total distance of 5024.51 feet to the **"POINT OF BEGINNING"** and containing 1559.5 acres more or less.

Gatsby Reinvestment Zone



Legend

 Gatsby Reinvestment Zone

EXHIBIT "B"

This map has been produced from various sources. Every effort has been made to ensure the accuracy of this map, however, the City of Beaumont assumes no liability or damages due to errors or omissions.