



GALVESTON COUNTY, TEXAS

COMMISSIONERS COURT 722 Moody, County Courthouse, Galveston, Texas 77550 (409) 766-2244

Mark Henry County Judge Patrick Doyle Commissioner, Precinct 1 Kevin O'Brien Commissioner, Precinct 2 Stephen Holmes Commissioner, Precinct 3 Ken Clark Commissioner, Precinct 4

SPECIAL MEETING-AGENDA APRIL 23, 2012 – 9:30 A.M.

CONSENT AGENDA: ALL ITEMS MARKED WITH A SINGLE ASTERISK (*) ARE PART OF THE CONSENT AGENDA AND REQUIRE NO DELIBERATION BY THE COMMISSIONERS COURT. ANY COMMISSIONERS COURT MEMBER MAY REMOVE AN ITEM FROM THIS AGENDA TO BE CONSIDERED SEPARATELY.

In accordance with the provisions of the Americans with Disabilities Act (ADA), persons in need of a special accommodation to participate in this proceeding shall, within three (3) days prior to any proceeding contact the County Judge's office at 722 Moody, Galveston, Texas 77550 (409) 765-2244.

1. Call to Order Specially Scheduled Meeting - 9:30 a.m.
2. **County Legal**
 - a. Consideration of acceptance of settlement offer tendered by Thames Shipyard and Repair Company submitted by County Legal on behalf of Linebarger, Goggan, Blair & Sampson, LLP.
3. Adjourn Special Meeting

Appearances before Commissioners Court

A speaker whose subject matter as submitted relates to an identifiable item of business on this agenda will be requested by the County Judge or other presiding court member to come to the podium where they will be limited to three minutes (3). A speaker whose subject matter as submitted does not relate to an identifiable item of business on this agenda will be limited to three minutes (3) and will be allowed to speak before the meeting is adjourned. Please arrive prior to the meeting and sign in with the County Clerk.

CAUSE NO. 14-10-01142-CV

**IN THE TEXAS COURT OF APPEALS
FOR THE FOURTEENTH DISTRICT**

**THAMES SHIPYARD & REPAIR COMPANY
Plaintiff–Appellant**

vs.

**GALVESTON CENTRAL APPRAISAL DISTRICT and GALVESTON COUNTY
APPRAISAL REVIEW BOARD
Defendants–Appellees**

**On Appeal from the 10th Judicial District Court
Galveston County, Texas**

COMPROMISE SETTLEMENT AGREEMENT

WHEREAS, Thames Shipyard and Repair Company (“THAMES”) filed suit against Galveston Central Appraisal District (“GCAD”) and Galveston County Appraisal Review Board (“GCARB”), contesting the taxability of its dry dock facility (“DRY DOCK”) for the 2004 tax year, and

WHEREAS, Galveston Independent School District (“GISD”), the City of Galveston (“CITY”), Galveston County, (“COUNTY”), Galveston College (“COLLEGE”), Galveston Navigation District No 1 (“NAVIGATION DISTRICT”) and Galveston County Road & Flood (“ROAD & FLOOD”) (collectively, “TAXING UNITS”) have imposed ad valorem taxes on the DRY DOCK for the 2004 tax year under Account Number 9700-0001-7430-000, together with penalties and interested imposed thereon by State law, and

WHEREAS, the amounts currently due and owing through May 31, 2012 to the TAXING UNITS are

Taxing Unit	Base Tax Due	Penalty, Interest, and ACC* Due	Total Due
CITY	\$24,457.76	\$31,795.09	\$56,252.85
COUNTY	\$28,351.94	\$36,857.52	\$65,209.46
COLLEGE	\$8,813.28	\$11,457.26	\$20,270.54
GISD	\$77,206.50	\$100,368.45	\$177,574.95
NAVIGATION DISTRICT	\$1,846.64	\$2,400.63	\$4,247.27
ROAD & FLOOD	\$487.62	\$633.91	\$1,121.53
TOTAL	\$141,163.74	\$183,512.86	\$324,676.80

and,

WHEREAS, in order to resolve this matter amicably, and to avoid continued and protracted litigation, THAMES, GCAD, GCARB and TAXING UNITS agree to compromise and settle the above-referenced litigation, and all issues relating to THAMES' ad valorem tax liability to TAXING UNITS for the 2004 tax year under the terms and conditions set out below, as follows NOW THEREFORE, THAMES, GCAD, GCARB, GISD, CITY, COUNTY, COLLEGE, NAVIGATION DISTRICT AND ROAD AND FLOOD (collectively, "THE PARTIES") HEREBY AGREE AS FOLLOWS

- 1 **Settlement Amounts to be Paid by Thames** THAMES shall pay TAXING UNITS the following amounts, in full and final satisfaction of all taxes, penalties and interest owed

to them by THAMES for the 2004 tax year (hereafter, the "SETTLEMENT AMOUNTS")

Taxing Unit	Settlement Amount
CITY	\$42,189.64
COUNTY	\$48,907.10
COLLEGE	\$15,202.91
GISD	\$133,181.21
NAVIGATION DISTRICT	\$3,185.45
ROAD & FLOOD	\$841.15
TOTAL	\$243,507.46

- 2 **Acceptance of Settlement Amounts by Taxing Units.** TAXING UNITS agree to accept the SETTLEMENT AMOUNT in full and final satisfaction of all taxes, penalties and interest owed to them by THAMES for the 2004 tax year
- 3 **Delivery of Settlement Amounts by Taxing Units.** THAMES shall deliver a separate cashier's or certified check for the total amount due, made payable to 'Galveston County Tax Office' to counsel for GCAD on or before May 1, 2012 Counsel for GCAD shall then promptly deliver said check to the Galveston County Tax Office The Galveston County Tax Office serves as collecting agent for the Taxing Units and will promptly apply said payment
- 4 **Termination of Litigation.** THAMES agrees that it will not file a Petition for Review with the Texas Supreme Court or take any other action to contest the judgments of the Court of Appeals and the 10th Judicial District Court of Galveston County, Texas in the

above-entitled and numbered lawsuit and appeal thereof GCAD and GCARB agree that they will take no further action in connection with the above-entitled and number lawsuit and appeal thereof

5 **Representation of Ownership of Claims.** THE PARTIES hereto hereby acknowledge, represent and warrant, which acknowledgements, representations and warranties are, in part, consideration for the execution of this Compromise Settlement Agreement, the following.

(a) That they own all and each of the purported claims, rights, demands and causes of action which are being compromised and settled in this Compromise Settlement Agreement, and

(b) That they have not assigned to any other person or entity all or any part of said claim, rights, demands or causes of action.

6 **Acknowledgment of Sufficiency of Consideration.** The receipt and sufficiency of all the consideration above recited are confessed and acknowledged by all of THE PARTIES hereto, and it is understood and agreed by said PARTIES that in consideration of the respective covenants, agreements and undertakings above recited, this Compromise Settlement Agreement shall forever be a bar to the prosecution of any claim or suit relating to the taxability of the DRY DOCK in Galveston County, Texas for the 2004 tax year, as well as any liability for ad valorem taxes, penalties and/or interest relating thereto

7 **No admission of liability.** The execution of this Compromise Settlement Agreement shall not be construed as an admission of liability on the part of any of THE PARTIES in any respect

- 8 **Further Assurances.** THE PARTIES further agree to take any act, and execute any and all documents in addition to the documents set out above, that are reasonably necessary to accomplish the purposes of this Compromise Settlement Agreement
- 9 **Binding Effect of this Agreement.** This Compromise Settlement Agreement shall be binding upon and shall extend to the respective successors, assigns and legal representatives of THE PARTIES, as well as all persons claiming by, through or under them or any of them.
- 10 **Acknowledgment of Review of this Agreement.** THE PARTIES acknowledge that they have read and thoroughly understand this Compromise Settlement Agreement and Release and all documents executed in connection therewith and have consulted with their legal counsel with regard to the execution of such documents. They have not relied upon any representations, warranties or covenants by any other party in making this Compromise Settlement Agreement other than as expressed in said document
- 11 **Construction of this Agreement; Amendment.** This Compromise Settlement Agreement shall be construed according to the laws of the State of Texas. If any one or more of the provisions contained in this Compromise Settlement Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Compromise Settlement Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof and duly executed by the parties.

IN WITNESS WHEREOF, THE PARTIES have caused this Compromise Settlement Agreement and Release to be executed in multiple originals to be effective on April 23, 2012

THAMES SHIPYARD AND SUPPLY COMPANY

By _____
Printed Name _____
Title _____

GALVESTON CENTRAL APPRAISAL DISTRICT

By _____
Printed Name _____
Title _____

GALVESTON COUNTY APPRAISAL REVIEW BOARD

By _____
Printed Name: _____
Title _____

[MORE SIGNATURES FOLLOW ON NEXT PAGE]

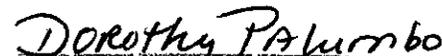
GALVESTON INDEPENDENT SCHOOL DISTRICT

By 
Printed Name LARRY W. NICHOLS
Title SUPERINTENDENT

CITY OF GALVESTON

By 
Printed Name Michael Kovacs
Title City Manager

APPROVED AS TO FORM


City Attorney

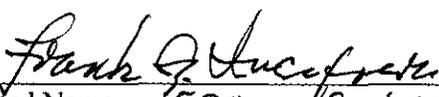
GALVESTON COUNTY

By 
Printed Name MARK HENRY
Title COUNTY JUDGE

GALVESTON COLLEGE

By 
Printed Name W. Myles Shelton
Title PRESIDENT

GALVESTON NAVIGATION DISTRICT NO 1

By 
Printed Name FRANK G. INCAPERTA
Title Gen. Manager