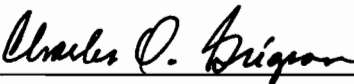


THE STATE OF TEXAS	§	IN THE COUNTY
V.	§	COURT-AT-LAW
LAURA MORRISON	§	TRAVIS COUNTY, TEXAS

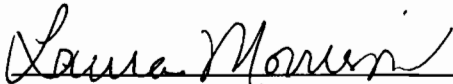
COMPLIANCE AGREEMENT

The parties to this agreement are the State of Texas, which is represented by the Travis County Attorney or his designated Assistant Travis County Attorney, and **Laura Morrison.**

Laura Morrison agrees to comply with the terms and conditions specified herein. In return, the State of Texas agrees to defer proceedings.



Attorney for Laura Morrison



Laura Morrison

Waiver of Statute of Limitation


Article 12.02 of the Texas Code of Criminal Procedure provides that presentment of an indictment or information for Misdemeanor offenses may be made within two years from the date of any alleged commission of said offense, and not afterward. After consulting with my attorney, I, Laura Morrison, freely, knowingly, and voluntarily waive this right.

For the purposes of this waiver, the relevant date is on or after April 30, 2010 for possible violations under Chapter 551 or 552 of the Texas Government Code for which I am under investigation by the Travis County Attorney's Office.

This waiver is intended to remain in effect for the duration of this agreement. If no charge has been filed against me within 30 days after this agreement ends, this waiver will expire.

I can read and write the English language; I have read this document and discussed it fully with my attorneys; I understand this document completely; and I am aware of the consequences of my waiver. This waiver is not to be considered an admission of guilt to the above-mentioned conduct under investigation. My attorney has discussed with me the law and the facts applicable to this waiver, and I am satisfied that I have been effectively represented.


Attorney for Laura Morrison


Laura Morrison

Acknowledgement of Law

- The Austin City Council is a municipal governing body in Austin, Texas and therefore subject to the Texas Open Meetings Act (Tx. Govt. Code Chapter 551)(hereinafter TOMA).
- The Austin City Council, as a governmental body, is required by law to have every regular, special or called meeting open to the public, unless a closed meeting is otherwise authorized by the TOMA (Tx. Govt. Code § 551.002).
- A quorum of the Austin City Council consists of four (4) or more members.
- TOMA defines a meeting as “[a] deliberation between a quorum of a governmental body, or between a quorum of a governmental body and another person, during which public business or public policy over which the governmental body has supervision or control is discussed or considered or during which the governmental body takes formal action;...”
- TOMA defines deliberation as “a verbal exchange during a meeting between a quorum of a governmental body, or between a quorum of a governmental body and another person, concerning an issue within the jurisdiction of the governmental body or any public business.”
- Tx. Govt. Code § 551.143 states that “A member or group of members of a governmental body commits an offense if the member or group of members knowingly conspires to circumvent this chapter by meeting in numbers less than a quorum for the purpose of secret deliberations in violation of this chapter.” In interpreting this statute, the Federal District Court for the Western District of Texas stated “[t]hus, a meeting of less than a quorum is not a “meeting” within the Act when there is no intent to avoid the Act’s requirements. On the other hand, the Act would apply to meetings of groups of less than a quorum where a quorum or more of the body attempted to avoid the purposes of the Act by deliberately meeting in groups of less than a quorum in closed sessions to discuss and/or deliberate public business, and then ratifying their actions as a quorum in a subsequent public meeting.” *Esperanza Peace & Justice Ctr. V. City of San Antonio*, 316 F. Supp. 2d 433, 472 (W.D. Tex. 2001) and Op. Tex. Att’y Gen. No. GA-0326 (2005). Op. Tex. Att’y Gen. No. GA-0326(2005).
- Texas courts and the Attorney General of Texas have ruled that a governmental body can violate TOMA when it "deliberates through a series of closed meetings of members of less than a quorum." Op. Tex. Att'y Gen. No. DM-95 (1992); See also *Esperanza Peace & Justice Ctr. v. City of San Antonio*, 316 F. Supp. 2d 433, 472 (W.D. Tex. 2001) and Op. Tex. Att'y Gen. No. GA-0326 (2005).

- The Attorney General has ruled that electronic communications can, “depending on the facts of a particular case, constitute a deliberation and a meeting for purposes of the Texas Open Meetings Act.” Op. Tex. Att’y Gen. No. GA-0896 (2011). Courts have stated that Attorney General Opinions are highly persuasive and are entitled to great weight. However, the ultimate determination of laws applicability, meaning, or constitutionality is left to the courts.
- Tx. Govt. Code § 551.144 states that “A member of a governmental body commits an offense if a closed meeting is not permitted under this chapter and the member knowingly: (1) calls or aids in calling or organizing the closed meeting, whether it is a special or called closed meeting; (2) closes or aids in closing the meeting to the public, if it is a regular meeting; or (3) participates in the closed meeting, whether it is a regular, special, or called meeting.”

Affirmations

Laura Morrison affirms that the following statements are true and accurate:

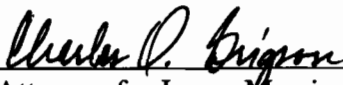
- Laura Morrison is a member of the Austin City Council.
- In June 2008, when Laura Morrison began her term on Austin City Council, there was an existing practice of systematically scheduling private one-on-one meetings between the six members of the City Council and the Mayor for the purpose of discussing items on that week’s City Council agenda, as well as other city business. By attending three or more of these one-on-one meetings in the days before an Austin City Council meeting, all members of the Austin City Council and the Mayor met with each other City Council member and discussed city business. As an elected member of the City Council Laura Morrison continued this practice. Between June 2008 and August 2010 Laura Morrison met with each other City Council member in a series of one-on-one meetings to discuss city business before City Council meetings. Beginning in August 2010, Mayor Lee Leffingwell modified his practice of one-on-one meetings with Council Members and began meetings with the other Council Members in a series of longer two-on-one meetings. Mayor Lee Leffingwell stated in an e-mail to each council member, “Because we are often rushed in these meetings, and sometimes barely get through even a cursory review of the agenda, I’d like to try moving to 1-hour “2-on-1” meetings with you and another council member.” The two-on-one meetings with some council members continued through February 2011 although Laura Morrison reverted to one-on-one meetings in September or November 2011. These were a continuation of the practice of routinely meeting with each other City Council member to discuss city business before City Council meetings.
- The aforementioned meetings or one-on-one’s were calendared on Laura Morrison’s public calendar which was posted on the internet. There was no attempt to hide them nor keep them a secret.

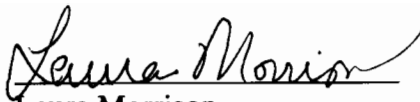
- Sheryl Cole, Laura Morrison, and Chris Riley were the co-sponsors of a transportation bond resolution, item #53 on the May 27, 2010 City Council Agenda. On May 10, 2010, Sheryl Cole sent a text message to Laura Morrison saying, "Lee wants to postpone bond item per Chris. He wants to let him. What do you think?" Laura Morrison and Cole exchange more text messages about this possibility. On May 19, 2010 Sheryl Cole met with Laura Morrison and Bill Spelman to discuss bonds. Item 53 was withdrawn from the agenda with no objection.
- On May 24, 2010, the City Manager's staff sent to Sheryl Cole, Lee Leffingwell, Randi Shade, and copied to others, a draft of a resolution regarding transportation bonds along with an e-mail that stated: "you had asked city manager to put together; it has been crafted based on the discussion that occurred at last week's meeting." On May 27th, Sheryl Cole forwarded the draft language to Bill Spelman and Laura Morrison, asked for their thoughts, and said her assistant would try to set up a meeting for the three of them. On May 29th, Laura Morrison sent a text to Sheryl Cole saying she could not make the meeting but would review the draft and get back to Sheryl Cole with comments. On May 30th, Sheryl Cole tells Laura Morrison that once she and Bill Spelman approve, the bond item is a go. Laura Morrison's meeting notes from a June 9th meeting indicate that she may have discussed the bond resolution with Sheryl Cole again.
- On May 27th, 2010, the Austin City Council conducted City Manager Marc Ott's yearly performance review in Executive Session. On June 27, 2010, Sheryl Cole sent a text message to Laura Morrison asking Laura Morrison to call her and stating "got some ideas on how to handle marc that can get us to 7." Randi Shade wrote a confidential memorandum to Marc Ott from herself, cc'ing Mayor Leffingwell and Bill Spelman. A text message from Randi Shade to Laura Morrison on June 27, 2010 said that Shade dropped off the memorandum at Laura Morrison's house and asked Laura Morrison to call to discuss the memorandum. On June 28, 2010, Cole sent a text to Laura Morrison asking how Morrison's meeting with Randi Shade went and stating that she had also talked to Randi Shade but not Bill Spelman. Laura Morrison responded that she had a phone conversation with Randi and talked to Bill Spelman and Spelman said no specific deal had been given. Laura Morrison and Randi Shade spoke at 6:02 p.m. the same day for twenty-five minutes.
- On September 2, 2010, Laura Morrison met with Sheryl Cole to discuss budget details. On September 3, 2010, Laura Morrison and Sheryl Cole discussed details of the budget by text message. In the text messages Laura Morrison indicated that she had talked to Chris Riley and Bill Spelman about EGRSO AE funding and \$1 million dollars for Health and Human Services. She also indicated that she spoke to Randi Shade about funding for Health and Human Services. The September 3, 2010 text message specifically states "[c]hris good w cutting EGRSO ae funding. Bill too. You 3 plus rs good w \$1M for HHS. Left msgs for ll and mm." Laura Morrison's phone records show that she talked to Chris Riley and Randi Shade

and that she either talked to or left voice messages for Mike Martinez and Lee Leffingwell on their cell phones on September 3, 2010.

- On September 9, 2010, Laura Morrison met with Sheryl Cole and Mike Martinez, to discuss the Budget for Fiscal Year 2010-2011. In addition, both Laura Morrison's calendar for September 9th and Lee Leffingwell's calendar for September 9th show a meeting scheduled from 2:45 p.m. – 3:00 p.m. for Morrison and Leffingwell to discuss the budget.
- In October 2010, a question arose about how Neighborhood Plans would fit into the Imagine Austin Comprehensive Plan. On October 20, 2010, Lee Leffingwell sent an e-mail cc'ing Laura Morrison, Chris Riley, and Bill Spelman asking what was going on and stating that his understanding was that the Comprehensive Plans would supplement the Neighborhood plans. Handwritten notes from Laura Morrison indicate that she intended to and may have talked to Lee Leffingwell, Sheryl Cole, and Chris Riley about this issue. In a November 2, 2010 e-mail, Laura Morrison said she was planning to discuss the issue in a one-on-one meeting with Lee Leffingwell that day.
- Laura Morrison affirms that she complied fully with the Travis County Attorney's February 2, 2011 Open Records Request.
- Laura Morrison affirms that she complied fully with the Grand Jury Subpoena issued by the Travis County Attorney's Office on August 16, 2011.
- Laura Morrison affirms that she has completed and filed with the Clerk her personal financial statement for Fiscal Year 2011-2012.
- Laura Morrison affirms that she has turned over to the City of Austin all city owned records and documents inclusive of electronic communications conducted on non-city accounts that concern city business.

I hereby affirm that the foregoing statements are true and correct. I maintain that I never violated or conspired to violate the Texas Open Meetings Act. This compliance agreement is the result of an honest disagreement between the County Attorney's Office and Laura Morrison as to both the law governing the Texas Open Meetings Act and facts as applicable to the County Attorney's Office investigation to determine whether any violations of the Act have occurred. It does not constitute an admission of guilt by Laura Morrison to any alleged offense. It is a good faith effort by both parties to resolve the County Attorney's Office investigation, and in consideration of the County Attorney's legitimate effort to enforce the Open Meetings Act and Laura Morrison's efforts to ensure that even the potential for appearance of impropriety is avoided by implementing best practices related to transparency and open government.


Attorney for Laura Morrison


Laura Morrison

Recognition of Facts Considered by the County Attorney's Office

In addition to considering information discovered during the course of the County Attorney's investigation into violations of the Texas Open Meetings Act committed by the City of Austin and individual members of Austin City Council, the County Attorney takes the following into consideration:

- The Austin City Council deals with topics of high public interest and engages in numerous hours of public debate and discussion covered by the media. Regularly scheduled City Council meetings are posted and broadcast live.
- Laura Morrison completed the Open Meetings Act Course provided by the Texas Municipal League and subsequently filed the certificate of completion with the City Clerk's Office.
- Despite the fact that individual one-on-one meetings not otherwise prohibited under TOMA §551.143 are not per se illegal, to avoid any potential appearance of impropriety Laura Morrison discontinued the practice of scheduling one-on-one meetings and on February 9, 2011 the Austin City Council began holding public work sessions prior to City Council meetings.
- On April 7, 2011, Laura Morrison voted in favor of Resolution 20110407-014, requiring all future city business to be conducted on city accounts. In addition, the resolution required council members to promptly forward electronic communications regarding city business received on non-city accounts to the city account.
- Laura Morrison affirms that she complied fully with the Travis County Attorney's February 2, 2011 Open Records Request.
- Laura Morrison affirms that she complied fully with the Grand Jury Subpoena issued by the Travis County Attorney's Office on August 16, 2011.
- Laura Morrison affirms that she has completed and filed with the Clerk his personal financial statement for Fiscal Year 2011-2012.
- Laura Morrison affirms that she has turned over to the City of Austin all city owned records and documents inclusive of electronic communications conducted on non-city accounts that concern city business.

- Over the course of this investigation, it has become a concern that the organizational structure, internal culture, and professional development of the City of Austin's management, including the City Manager's Office and City Legal Department, was not conducive to facilitating proper understanding and adequate training to ensure compliance with the Texas Open Meetings Act by members of the Austin City Council.

The City of Austin's New Initiatives in Open Government

- The Austin City Council requested that the City Manager implement a policy similar to Resolution 20110407-014 regarding the use of non-city accounts. Subsequently, the City Manager issued Administrative Bulletin 08-06 requiring all city employees to follow a policy that is substantially similar to the one created by the city council.
- The City of Austin created a team of senior advisors to review the City's practices regarding ethical and legal obligations. This team made recommendations that would enhance compliance and oversight, and streamline the process for public information requests. Additionally, the City created a single point of contact in each council member's office on open government issues.
- The City of Austin's Ethics and Integrity office became a part of the City's law department with a newly created executive level position to oversee and ensure compliance with the Texas Public Information Act and the Texas Open Meetings Act.
- The City of Austin has hired a full time records analyst to work with the Austin City Council on records management.

Duration of Agreement

This agreement begins when this document is executed in its entirety by all parties and this agreement lasts for two (2) years.

Agreement to Specified Terms and Conditions

Laura Morrison must timely provide proof of completion of all terms and conditions, by U.S. postage-prepaid mail, facsimile transmission, email, or hand delivery to:

Street Address
Travis County Attorney's Office
Ned Granger Admin. Bldg.
Austin, Texas 78701

Mailing Address
Travis County Attorney's Office
Attn: Mack Martinez, Assistant County
Attorney

Post Office Box 1748
Austin, Texas 78767-1748

- Laura Morrison agrees that she will continue to cooperate with the Travis County Attorney's Office investigation into alleged Texas Open Meetings Act violations by the Austin City Council.
- Laura Morrison agrees to testify completely and truthfully before any Grand Jury, Court and/or Jury at any proceeding, hearing, or trial if called upon to do so by an attorney with the County Attorney's Office regarding alleged violations of the Texas Open Meetings Act by past or present Austin City Council members.
- Laura Morrison shall provide proof that she has completed a Texas Open Meetings Act training course and a Public Information Act training course, both available through the Texas State Attorney General's Office, within twelve months of the date this agreement is signed.
- Laura Morrison shall direct all members of her staff to complete a Texas Open Meetings Act training course and a Public Information Act training course, both available through the Texas State Attorney General's Office, within twelve months of the date this agreement is signed.
- Laura Morrison agrees to comply with the City of Austin's Records Retention Rules under Chapter 2-11 of the Austin City Code and Local Government Code § 203.041.
- Laura Morrison agrees to continue to comply with the Public Information Act, Texas Government Code Chapter 552 and the Local Government Records Act, Texas Local Government Code Chapter 201 by providing the City of Austin any public information that Laura Morrison possesses that the city does not also possess, either immediately or at the time of a relevant public information request.
- Laura Morrison agrees to continue to comply with City Council Resolution 20110407-014, requiring all future city business to be conducted on city accounts and requiring council members to promptly forward electronic communications regarding city business received on non-city accounts to the city account.
- Laura Morrison agrees to direct her staff to comply with the requirements of City Council Resolution 20110407-014.

**Consequences of Non-Compliance with or Violation of
the Terms and Conditions of This Agreement**

If Laura Morrison fails to comply with, or violates, any of the specified terms and conditions of this agreement, the Travis County Attorney is no longer subject to the agreement and may proceed with charges alleging that Laura Morrison committed a violation under Chapter 551 or 552 of the Texas Government Code and may prosecute the cases to the full extent of the law.

Laura Morrison hereby agrees to the following if the Travis County Attorney files the charges:

Laura Morrison agrees and stipulates that this agreement, including the written affirmations is admissible against her in court.


Laura Morrison agrees and stipulates that all business records affidavits, documents, and electronic communications provided to the Travis County Attorney's office by Laura Morrison or by the City of Austin on behalf of Laura Morrison are admissible against Laura Morrison at trial and in court.

The Travis County Attorney's burden of showing Laura Morrison's non-compliance with this agreement is by a preponderance of the evidence.

I, Laura Morrison, have fully discussed this agreement, the waivers herein, and the allegations against me with my attorney. I am satisfied that he has properly represented me. I have received a copy of this Compliance Agreement and I understand that this agreement and its contents may be made public.


Attorney for Laura Morrison


Laura Morrison


Assistant County Attorney
Travis County, Texas

Date: Oct. 18, 2012