
CITY COUNCIL SPECIAL MEETING AGENDA

Notice is hereby given that the Rockport City Council will hold a special meeting on Tuesday, September 15, 2015, at 6:30 p.m. The meeting will be held at Rockport City Hall, 622 E. Market, Rockport, Texas. The matters to be discussed and acted upon are as follows:

Opening Agenda

1. Call meeting to order.
2. Pledge of Allegiance.
3. Citizens to be heard.
At this time, comments will be taken from the audience on any subject matter that is not on the agenda. To address the Council, please sign the speaker's card located on the table outside the Council Chamber and deliver to the City Secretary before the meeting begins. Please limit comments to three (3) minutes. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda.

Consent Agenda

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

4. Deliberate and act on approval of City Council Regular Meeting Minutes of September 8, 2015.
5. Deliberate and act on approval of City of Rockport holiday observance schedule for 2016.
6. Deliberate and act to appoint W. Kent Howard to the Planning & Zoning Commission.
7. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Friends of the Fulton Mansion State Historical Site.
8. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Texas Maritime Museum.
9. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce.
10. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Center for the Arts.
11. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2015 SeaFair Celebration.
12. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2016 HummerBird Celebration.
13. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas

County Council on Aging for the 2016 Bountiful Bowl Pottery Fair.

14. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Yacht Club for the 2016 Nautical Flea Market.
15. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Rotary Club/Rockport Center for the Arts for the 2016 Film Fest.
16. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aquarium at Rockport Harbor for the 2016 Aquafest.
17. Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas County Education Foundation for the 2015 Shopping Tournament.
18. Deliberate and act on approval of 2015-2016 Property Tax Assessment/Collection Agreement with Aransas County.

Regular Agenda

19. Deliberate and act to adopt, on first and only reading, an Ordinance of the City of Rockport, Texas, adopting a budget and appropriating resources for Fiscal Year 2015-2016, beginning October 1, 2015, and ending September 30, 2016; in accordance with existing statutory requirements; repealing all conflicting ordinances, containing a severability clause; and providing for an effective date.
20. Deliberate and act on second reading an Ordinance of the City of Rockport Approving the Assessment and Renditions for the 2015 Taxable Property as Submitted by the Appraisal District; Levying a Tax Rate for \$100.00 Valuation for the City of Rockport, Aransas County, Texas for the Tax Year 2015 of \$0.219047 for the purposes of Maintenance and Operation, \$0.145811 for the Payment of Principal and Interest on Debt of the City for a Total Tax Rate of \$0.364858; and Providing an Effective Date.
21. Deliberate and act to ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Plan.
22. Deliberate and act on authorization for the Mayor to negotiate and execute all necessary documents for application to the Texas General Land Office Coastal Management Program for the acquisition of approximately 5.43 acres of property at 840-870 Highway 35 Bypass known as Aransas Woods.
23. Reports from Council.
At this time, the City Council will report/update on all committee assignments, which may include the following: Aransas Pathways Steering Committee; Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Environmental Committee for Water Issues; Keep Rockport Beautiful Advisory Board; Parks & Leisure Services Advisory Board; Planning & Zoning Commission; Rockport Heritage District Board; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; YMCA Project Committee; Texas Maritime Museum, Fulton Mansion, Rockport Center for the Arts, Aransas County, Aransas County Independent School District, Aransas County Navigation District, Town of Fulton, and Texas Municipal League. No formal action can be taken on these items at this time.

Executive Session

City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

- 24. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: a) Aumada, and b) Bay Education Center.
- 25. Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.
- 26. Section 551.072 Deliberation about Real Property - Acquisition of property for public purpose: a) Aransas Woods Tract, and b) 1501 and 1505 Broadway.
- 27. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

Open Session

28. City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

29. Adjournment.

Special Accommodations

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (361) 729-2213, ext. 225 or FAX (361) 790-5966 or email citysec@cityofrockport.com for further information. Braille is not available. The City of Rockport reserves the right to convene into executive session under Government Code §§ 551.071-551.074 and 551.086.

Certification

I certify that the above notice of meeting was posted on the bulletin board at City Hall, 622 E. Market Street, Rockport, Texas on Friday, September 11, 2015, by 5:00 p.m. and on the City's website at www.cityofrockport.com. I further certify that the following News Media were properly notified of this meeting as stated above: *The Rockport Pilot*, *Coastal Bend Herald*, and *Corpus Christi Caller Times*.



 Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 4

Deliberate and act on approval of City Council Regular Meeting Minutes of September 8, 2015.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: Please see the accompanying minutes of the Regular Meeting of September 8, 2015.

FISCAL ANALYSIS: N/A

RECOMMENDATION: Staff recommends Council approve the Minutes, as presented.

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, September 8, 2015 Rockport City Hall, 622 East Market Street

On the 8th day of September 2015, the City Council of the City of Rockport, Aransas County, Texas, convened in Regular Session at 6:30 p.m., at the regular meeting place in City Hall, and notice of meeting giving time, place, date and subject was posted as described in V.T.C.A., Government Code § 551.041.

CITY COUNCIL MEMBERS PRESENT

Mayor Charles J. Wax
Mayor Pro-Tem Pat Rios, Ward 3
Council Member Rusty Day, Ward 1
Council Member J. D. Villa, Ward 2
Council Member Barbara Gurtner, Ward 4

CITY COUNCIL MEMBER(S) ABSENT

STAFF MEMBERS PRESENT

City Manager Kevin Carruth
City Attorney Terry Baiamonte
City Secretary Teresa Valdez
Police Chief Tim Jayroe
Public Works Director Mike Donoho
Finance Director Patty Howard

ELECTED OFFICIALS

Opening Agenda

1. Call to Order.

With a quorum of the Council Members present, the Regular Meeting of the Rockport City Council was called to order by Mayor Wax at 6:30 p.m. on Tuesday, September 8, 2015, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

2. Pledge of Allegiance.

Council Member Villa led the Pledge of Allegiance to the U.S. flag.

3. Proclamation: POW/MIA Recognition Day - September 16, 2015.

Mayor Wax proclaimed September 16, 2015, as POW/MIA Recognition Day in Rockport, Texas. Mayor Wax presented the Proclamation to Aransas County Veterans Service Officer Mike Kuertz and several representatives of Rockport veterans.

4. Citizens to be heard.

At this time comments will be taken from the audience on any subject matter that is not on the agenda. To address the Council, please sign the speaker's card located on the table outside the Council Chamber and deliver to the City Secretary before the meeting begins. Please limit comments to three (3) minutes. In accordance with the Open Meetings Act, Council may not discuss or take any action on any item that has not been posted on the agenda.

There were no citizen comments.

Consent Agenda

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

5. **Deliberate and act on approval of City Council Joint Special Workshop Meeting Minutes, Workshop Meeting Minutes, and Regular Meeting Minutes of August 25, 2015.**
6. **Deliberate and act on request from Rockport Center for the Arts for use of the festival site beginning June 20, 2016, through July 7, 2016, for the 47th Annual Rockport Art Festival.**
7. **Deliberate and act on request by AIM Hospice for approval of a street banner at the Walmart entryway on Highway 35 Business North for AIM For The Coast event to be held on November 6-7, 2015.**

Mayor Wax called for requests to remove any item from the Consent Agenda for separate discussion. There being no requests, Mayor Wax called for a motion.

MOTION: Council Member Villa moved to adopt the Consent Agenda Items as presented. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

Public Hearing

8. **Conduct the second public hearing for City of Rockport 2015 Property Tax Rate for taxpayers to have an opportunity to express their views on the increase; the City of Rockport will adopt the budget and tax rate for Fiscal Year 2015-2016 on September 15, 2015, at 6:30 p.m. at City Hall located at 622 E. Market Street, Rockport, Texas.**

At 6:37 p.m., Mayor Wax opened the Public Hearing.

There were no public comments.

At 6:38 p.m., Mayor Wax closed the Public Hearing.

9. Conduct a public hearing on proposed redevelopment for affordable rental housing of 50 units known as Fifty Oaks Apartments, located at 501 East Second Street.

At 6:38 p.m., Mayor Wax opened the Public Hearing.

Mayor Pro-Tem Rios asked if this was a refurbishing or a whole new complex.

Step Forward Communities representative Dwayne Henry addressed the Council. Mr. Henry stated this is a rehabilitation of the property, costing approximately two million dollars.

Mayor Wax asked if the City could expect the exterior of the complex to change.

Mr. Henry answered "yes, and the grounds will be updated as well." Mr. Henry stated they are planning to preserve the trees on the property.

Council Member Day asked if there were any plans for the tract of property in the back. Council Member Day stated that area may be big enough for a soccer field. Council Member Day asked about the timeline on the project.

Mr. Henry said there were no specific plans for the tract of property in the back, but it could possibly be developed into a play area for children. Mr. Henry informed the Council that Step Forward Communities should close on the property at the end of January or beginning of February 2016.

Council Member Gurtner stated that she understood that there would be no displacement of residents during the rehabilitation of the property.

Mr. Henry stated that was correct. Mr. Henry added that if there becomes a need to move someone temporarily, Step Forward Communities will take care of the residents.

At 6:41 p.m., Mayor Wax closed the Public Hearing.

Regular Agenda

10. Deliberate and act on Resolution offering no objection to application for Texas Department of Housing and Community Affairs housing tax credits for redevelopment of Fifty Oaks Apartments, located at 501 East Second Street.

City Manager Kevin Carruth stated that Step Forward Communities is applying for low-income tax credits and an allocation of tax-exempt bonds through the Texas Department of Housing and Community Affairs (TDHCA) for renovation of Fifty Oaks Apartments. Mr. Carruth informed the Council that as a part of this application, TDHCA requires a resolution of no objection from the local community.

Mayor Wax stated the proposed Resolution is important for Step Forward Communities in applying for the tax credits.

Council Member Villa asked if the rent is going to be raised after the redevelopment on the apartments.

Step Forward Communities representative Dwayne Henry stated that the United States Department of Housing and Urban Development (HUD) will maintain the same type of assistance as before the redevelopment.

Council Member Day asked if local contractors would be utilized for the redevelopment project.

Mr. Henry answered that in projects such as this, local contractors are utilized if available.

MOTION: Mayor Pro-Tem Rios moved to approve the Resolution offering no objection to application for Texas Department of Housing and Community Affairs housing tax credits for redevelopment of Fifty Oaks Apartments, located at 501 East Second Street. Council Member Gurtner seconded the motion. Motion carried unanimously.

11. Deliberate and act on a recommendation from the Rockport Heritage District Board to allow the Texas Maritime Museum to construct a protective roof covering over an exhibit at 1202 Navigation Circle.

Mayor Wax stated the protective roof covering is over La Tortuga, the Texas scow sloop.

MOTION: Council Member Villa moved to allow the Texas Maritime Museum to construct a protective roof covering over an exhibit at 1202 Navigation Circle. Council Member Gurtner seconded the motion. Motion carried unanimously.

12. Deliberate and act on first reading of an Ordinance of the City of Rockport approving the assessment and renditions for the 2015 taxable property as submitted by the Appraisal District; levying a tax rate for \$100.0 valuation for the City of Rockport, Aransas County, Texas, for the tax year 2015 of \$0.219047 for the purposes of maintenance and operations, \$0.145811 for payment of principal and interest on debt of the City for a total tax rate of \$0.364858; and providing an effective date.

Mayor Wax stated the second reading of the Ordinance will be at the September 15, 2015, City Council Special Meeting.

Finance Director Patty Howard addressed the Council. Ms. Howard stated state law requires a taxing unit's governing body to vote on any increase in the effective tax rate by a record vote. Ms. Howard added that two public hearings were conducted on the proposed tax rate; the first on August 25, 2015, and the second was held tonight. Ms. Howard informed the

Council that the only change in the budget from the budget presented at the Council Budget Workshops was a General Fund increase.

MOTION: Council Member Day moved to approve the first reading of an Ordinance of the City of Rockport approving the assessment and renditions for the 2015 taxable property as submitted by the Aransas County Appraisal District; levying a tax rate for \$100.0 valuation for the City of Rockport, Aransas County, Texas, for the tax year 2015 of \$0.219047 for the purposes of maintenance and operations, \$0.145811 for payment of principal and interest on debt of the City for a total tax rate of \$0.364858; and providing an effective date. Council Member Villa seconded the motion.

Mayor Wax called for a record vote:

FOR MOTION: Council Member Day, Council Member Villa, Mayor Pro-Tem Rios, Council Member Gurtner, and Mayor Wax.

AGAINST MOTION: None.

13. Deliberate and act on job classification and compensation plan.

City Manager Kevin Carruth stated the final report from Condrey and Associates was included in the Council Agenda packet. Mr. Carruth said that during the budget process, 5% salary increases with second quarter implementation, and 3% merit increases was included in the budget as a place holder. Mr. Carruth expressed that when the final numbers were received from Condrey and Associates, it was the consensus of Council to implement the option of 100% of the market, as well as an equity adjustment. Mr. Carruth informed the Council that the total cost for implementation was \$283,536.54, which is \$92,384.71 less than budgeted amount.

Mayor Wax stated the purpose of this was to bring employees into a competitive compensation rate.

Council Member Villa stated that since day one, he supported giving good competitive rates. Council Member Villa added that if it were not for employees, the City would not be on the map for who we are.

Mayor Pro-Tem Rios stated he agreed.

Council Member Day stated that he sees City employees facing a huge amount of pressure to go elsewhere for employment. Council Member Day said if the City does not take care of this, it will only get worse. Council Member Day added that the City has the numbers to know what it will take to keep employees here.

Council Member Gurtner stated that the City employees well deserve this.

City Manager Carruth stated that not included in the report is the fact that if the City does not implement a compensation plan, there is a cost associated with training employees.

MOTION: Mayor Wax moved to approve the following: 1) Job classification and compensation plan at 100 percent of market including an equity adjustment and implementation on January 1, 2016; 2) Annual adjustments to the plan based on the Bureau of Labor Statistics Employment Cost Index for State and Local Government; 3) Establish a 5-year sinking fund where each year Council provides 1/5 of the estimated cost of a professional compensation study; and 4) Conduct a compensation study every 5 years. Mayor Pro-Tem Rios seconded the motion.

Mayor Wax called for a roll call vote:

FOR MOTION: Council Member Day, Council Member Villa, Mayor Pro-Tem Rios, Council Member Gurtner, and Mayor Wax.

AGAINST MOTION: None.

14. Deliberate and act on Section 125 Flexible Spending Arrangement agreement with TML MultiState Intergovernmental Employee Benefits Pool.

City Manager Kevin Carruth informed the Council that last week during the City's open enrollment, the Assistant City Secretary Ruby Beaven had asked why the City did not deduct premium payments before tax. Mr. Carruth said he discussed this with the City's insurance company, the Texas Municipal League MultiState Intergovernmental Employee Benefits Pool. Mr. Carruth stated although it was too late to implement a health savings account, the City could implement a Section 125 Flexible Spending Arrangement agreement of premium only. Mr. Carruth informed the Council that there is no cost to the City or employees.

Brief discussion was held among Council and Mr. Carruth.

MOTION: Council Member Villa moved to approve the Section 125 Flexible Spending Arrangement Agreement with TML MultiState Intergovernmental Employee Benefits Pool. Council Member Gurtner seconded the motion. Motion carried unanimously.

15. Reports from Council.

At this time, the City Council will report/update on all committee assignments, which may include the following: Aransas Pathways Steering Committee, Building and Standards Commission; Coastal Bend Bays and Estuaries Program; Coastal Bend Council of Government; Environmental Committee for Water Issues; Keep Rockport Beautiful Advisory Board; Parks & Leisure Services Advisory Board; Planning Zoning Commission; Rockport Heritage Board; Rockport-Fulton Chamber of Commerce; Aransas County Storm Water Management Advisory Committee; Swimming Pool Operations Advisory Committee; Tourism Development Council; Tree & Landscape Committee; YMCA Project Committee; Texas Maritime Museum; Fulton Mansion; Rockport Center for the Arts; Aransas County; Aransas County Independent School District; Aransas County Navigation District; Town of Fulton; and Texas Municipal League. No formal action can be taken on these items at this time.

Mayor Wax reminded everyone that the Wounded Warriors will be in Rockport this week.

Executive Session

City Council will hold an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

- 16. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: 1) Templeton, 2) Petty, 3) Aumada, and 4) Bay Education Center.**
- 17. Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.**
- 18. Section 551.072 Deliberation about Real Property: Acquisition of property for public purpose - Aransas Woods Tract.**
- 19. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.**

At 7:04 p.m., Mayor Wax convened the Rockport City Council into an executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.071910(A) Consultation with Attorney on pending or contemplated litigation: 1) Templeton, 2) Petty, 3) Aumada, and 4) Bay Education Center; Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rule of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter; Section 551.072 Deliberation about Real Property: Acquisition of property for public purpose - Aransas Woods Tract; and Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

Open Session

- 20. City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.**

At 8:10 p.m., Mayor Wax reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

MOTION: Mayor Wax moved that the Council approved and allow the Mayor to sign a lease agreement with Aransas Pathways for those portions of the property that support the south trail of Aransas Pathways. Council Member Villa seconded the motion. Motion carried unanimously.

Mayor Wax stated that Council discussed in Executive Session acquisition of property for public purpose, the Aransas Woods tract, and the consensus of Council was to include that on the September 15, 2015, Special City Council Meeting Agenda that has a budget item on it,

and to include the Aransas First, and ask the City Manager to list the details on the lien, the grant writer's fee, the match, the timing of the award of the grant, and whether in-kind services are part of the match. Mayor Wax said with that information provided to the Council, the item will be on the Agenda for discussion and consideration.

Mayor Wax stated he would like to return to the agenda item "Council Reports."

Mayor Wax reported that it had been suggested by City and County staff that the subdivision regulation interlocal agreement be separated; one agreement for subdivision regulation and one agreement for storm water and floodplain management.

Council Member Villa informed the Council that Rockport resident Danielle Hale who is the Emergency Management Coordinator for Nueces County, had provided emergency service to a three year old girl who had been found unresponsive in a swimming pool. Council Member Villa stated Ms. Hale revived the child who is currently in the hospital. Council Member Villa said he had received a message that some members of the Rockport Police Department have stopped by the hospital to check on the child. Council Member Villa added that Ms. Hale had sent him a text message that one of the City's first-responders had come by and given her a challenge coin.

21. Adjournment

At 8:20 p.m., Council Member Villa moved to adjourn. Motion was seconded by Mayor Pro-Tem Rios and carried unanimously.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 5

Deliberate and act on approval of City of Rockport holiday observance schedule for 2016.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: Employees historically have been granted 11 paid holidays per year. Those holidays and their proposed dates of observance in calendar year 2016 include:

Holiday	Day of Week	Date
New Year's Day	Friday	January 1
Good Friday	Friday	March 25
Memorial Day	Monday	May 30
Independence Day	Monday	July 4
Labor Day	Monday	September 5
Veterans Day	Friday	November 11
Thanksgiving Day	Thursday	November 24
Day After Thanksgiving	Friday	November 25
Christmas Eve Holiday	Friday	December 23
Christmas Day Holiday	Monday	December 26
New Year's Eve Holiday	Friday	December 30

FISCAL ANALYSIS: The holiday schedule is budget neutral. This is the same number of holidays as has been authorized for the past many years so there will be no additional lost productivity.

RECOMMENDATION: Staff recommends that Council approve the 2016 Employee Holiday schedule, as presented.

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 6

Deliberate and act to appoint W. Kent Howard to the Planning & Zoning Commission.

SUBMITTED BY: Mayor Charles J. Wax

APPROVED FOR AGENDA: PKC

BACKGROUND: There is one vacancy on the Planning & Zoning Commission since Chairman Frank Lynch did not seek reappointment. As provided for in Sec. 10.01 of the Home Rule Charter (below), Council is to appoint members to the Commission.

Sec. 10.01 Organization.

(1) There is hereby established a Planning and Zoning Commission which shall consist of seven (7) members who shall be appointed by the City Council for overlapping three (3) year terms. Each member shall be a qualified City voter. Any vacancy occurring during the unexpired term of a member shall be filled by the City Council for the remainder of the unexpired term. The Commission shall elect from its members a Chairman, Vice Chairman and Secretary to serve for one (1) year beginning in July of the year elected. The Commission shall meet at least once each month when practicable. The Council should strive to balance Commission membership to represent best each Ward and all major areas.

An application to serve on the Planning & Zoning Commission has been received from W. Kent Howard and accompanies this briefing sheet. The current membership of the Commission is listed in the table below.

Park and Leisure Services Advisory Board

Place	Member	End of Term	Ward	Comments
1	Edward Bellion	June 1, 2016	3	
2	Shawn M. Johnston	June 1, 2018	2	
3	Graham Wilson	June 1, 2018	3	
4	Brian Olsen	June 1, 2017	4	
5	Ruth Davis	June 1, 2016	1	
6	Diana Severino-Saxon	June 1, 2017	3	
7	W. Kent Howard	June 1, 2018	3	Frank Lynch did not seek reappointment

Council Liaison: J.D. Villa

Staff Liaison: Tom Staley

FISCAL ANALYSIS: N/A

STAFF RECOMMENDATION: Staff recommends appointment of W. Kent Howard to the Planning & Zoning Commission, as presented.

CITY OF ROCKPORT

622 E. Market St.
Rockport, TX 78382
361-729-2213

RECEIVED

AUG 20 2015

CITY SECRETARY

APPLICATION FOR
BOARD OR COMMISSION APPOINTMENT
August 2012

Check area of Interest:

- Keep Rockport Beautiful Advisory Board
- Planning and Zoning Commission
- Tree & Landscaping Committee
- Rockport Heritage District Board
- Park and Leisure Services Advisory Board
- Water Quality Committee
- Other _____
(please add)

Name: W. KENT HOWARD Age (Optional): 70+
 Home Address: 7 OLDE TOWNE LANE
 Home Phone: 361-908-5851 Work Phone: SAME
 Business Address: SEE ABOVE
 Resident of City for 2 years Voter Registration No. _____
 Occupation: RETIRED THIS YEAR / 2015
 Education: SEE ATTACHED
 Special Knowledge or Experience Applicable to City Board or Commission Function: *(attach additional information if needed)*
SEE ATTACHED

- Banking/Finance
- Building/Construction
- Real Estate/Development
- Industrial Training
- Business Development
- Promotion/Marketing
- Manufacturing/Industrial Operations
- Law/Contract Administration

Other Information (civic activities, etc.) _____

I have attended one or more meetings of the board or commission for which I have applied:

Yes No

Date: 8-20-2015 Signature: W. Kent Howard

RETURN COMPLETED FORM TO THE CITY SECRETARY'S OFFICE

ALL INFORMATION MUST BE FURNISHED IN ORDER TO BE CONSIDERED Email to: citysec@cityofrockport.com

ACTIVE BOARDS/COMMISSIONS

Keep Rockport Beautiful Advisory Board – Pursuant to Home Rule Charter, City Council established this advisory board in 2003. The board consists of 11 members, with 3 year overlapping terms, and members must be qualified voters residing within the City. Purpose is to determine goals for city beautification and develop long range plans and programs. Meetings are held at 5:00 pm on the 1st Tuesday of the month.

Parks and Leisure Services Advisory Board – An Advisory Board to the City Council. Board serves as an advocacy group on all Parks and Leisure Services matters, i.e. develops and implements funding strategies, planning and development of the capital improvement plans, assist in development of programs and events sponsored by the Parks & Leisure Services Department. Board consists of 7 members that serve 3 year overlapping terms and meet monthly on the 4th Monday at 6:00 pm.

Planning and Zoning Commission – This commission was established in Article X of the Home Rule Charter. It consists of 7 members with overlapping 3 year terms that meet on a monthly basis. Purpose is to review all current and proposed ordinances and amendments pertaining to planning and zoning and make recommendations to the City Council for action to be taken.

Rockport Heritage District Board – This committee was adopted by Ordinance No. 1574. It shall consist of 5 members who will be tasked with establishing standards for preservation, redevelopment and new construction of buildings within the Rockport Heritage District. The 5 shall have at least 1 for the following categories: 1) Historic Preservations Representative, 2) development or construction industry representative, 3) Rockport community representative, 4) Heritage District resident representative, 5) Heritage District business owner representative.

Tree & Landscaping Committee – This committee was adopted by Ordinance No. 1239 in 2003. It shall consist of 3 qualified voters in the City of Rockport, 1 member from the Planning & Zoning Commission, 1 member from the Parks & Leisure Services Board and 1 City official. Members shall serve 3 year overlapping terms.

Water Quality Committee – The members of a volunteer group known as the *Little Bay Sentinels* were appointed by City Council in 2002, to serve on the newly established Water Quality Committee. The purpose of the committee is to monitor the quality of water in Little Bay. The Committee consists of 7 members and they meet the 4th Wednesday of each month at 9:00 am.

W. KENT HOWARD~~W. Kent Howard~~
~~301-208-9373~~
~~(301) 208-9373~~
(301) 208-9373 - Res.**PROFESSIONAL SUMMARY**

1/03 to Present HOWARD FINANCIAL CONSULTANTS, Damascus, Maryland

President – Financial Planning Firm

10/94 to 12/02 SAGEMARK CONSULTING/LINCOLN FINANCIAL ADVISORS, Vienna, Virginia.

Sagemark Consultant (1/00-12/02)

Individual Practitioner/Fee-Based Financial Advisor.

Human Resources Manager/Talent Acquisition/Business Development (10/94-12/99)

Sagemark Consulting is the largest fee-based financial advisors firm in the Washington Metro Area, owned by Lincoln Financial Advisors. Specializing in Business Succession, Estate, Retirement, and Investment Planning.

3/89 to 9/94 THE PRUDENTIAL/FINANCIAL SERVICES, Washington DC Office, Bethesda, MD

Human Resources Manager/Recruitment

Accountable for regulatory compliance, employee growth and management development. Prior to my involvement this office had not achieved Citation ranking. My charge was to recruit quality in order to elevate the Washington DC Office to Citation. For the first time in its history the Washington DC Office won the following Citations:

1989	Citation Winner -	#13 In Nation
1991	Citation Winner -	#12 In Nation
1992	Citation Winner -	# 8 In Nation
1992	Recruitment Manager -	# 1 Central Atlantic Marketing Office

4/88 to 2/89 PENN CORP FINANCIAL SERVICES, INC. - Bethesda, MD

Personnel Director

Developed and implemented an employee recruitment and retention program specifically designed for financial services and marketing personnel in the Washington, DC metropolitan area.

9/85 to 1/88 GOLDCOAST INC. dba; GOLDCOAST STAFF LEASING SERVICES INC.;
GOLDCOAST EMPLOYMENT SERVICES, INC. - Clearwater, FL**President/Founder**

Conceived employee-leasing program primarily concentrating in the clinical environment to maximize benefits to personnel, clients and service companies, relative to the 1986 Tax Act.

8/77 to 10/85 AMERICAN MEDICAL INTERNATIONAL, INC. - Tampa FL

Executive Director, Regional (11/84-10/85)

Networked all AMI facilities in the Tampa Bay Tri-County Area consisting of 3 acute care facilities, 3 ambulatory surgery centers, and 15 walk-in medical clinics.

Chief Executive Officer (9/80-10/84)

Directed growth, increased profitability, and insured quality for a full-service 125 bed, acute care hospital.

Director of Technical Services, Regional (8/79-8/80)

Administered budget and staffing performance indices for ancillary departments of all 23 regional hospitals in order to meet budget expectations.

Director of Professional Services, Regional (8/78-8/79)

Developed physician recruitment programs, promoted community relations to insure positive visibility for 23 regional hospitals.

Director of Health Care Facilities Development, Regional (8/77-8/78)

Developed needs assessment for acquisition or building health care facilities in Eastern Division.

8/71 to 8/77 AMERICAN HOSPITAL MANAGEMENT CORPORATION - Fullerton, CA

Vice President of Operations

Directed operations for continued quality growth and profitability within various communities in the state of California including:

Sunset Boulevard Hospital - Los Angeles, CA
 Esperanza Intercommunity Hospital - Yorba Linda, CA
 Fullerton Community Hospital - Fullerton, CA
 Unity Hospital - San Francisco, CA

MILITARY EXPERIENCE

1963 TO 1967 United States Navy
 Admiral's Staff for Commander-in-Chief Pacific Fleet
 Vietnam Veteran

EDUCATION

University of Toledo
Business Administration

University of Hawaii
Hotel Administration

California State University at Fullerton
Health Care Administration

SPECIAL RECOGNITIONS

- American Academy of Medical Administrators
- * Emergi-Centers
 - * Alternate Health Care Delivery Systems
- American College of Hospital Administrators
- * Hospital Design and Construction
 - * Long-Range Planning
 - * Regulations in Health Care
- University of Pennsylvania/ The Wharton School
- * Health Care Marketing
 - * Finance and Accounting for the Executive

CURRENT OFFICES HELD

Board of Directors, Capital University School of Integrative Medicine
 Executive Committee Officer, Capital University School of Integrative Medicine
 City of Gaithersburg – Community Advisory Board

PROFESSIONAL ORGANIZATIONS

The Financial Planning Association
 International Association for Financial Planning
 American College of Hospital Administrators
 Hospital Financial Management Association
 Florida League of Hospitals
 Florida Hospital Association
 Committee of 100
 Chamber of Commerce Member, Clearwater, FL
 Pinellas Suncoast Chamber of Commerce Member
 Chamber of Commerce Member, Greater Bethesda Chevy Chase

PAST OFFICES HELD

President, Tampa Bay Area Hospital Council
 Board of Directors, Florida League of Hospitals
 Chairman of Review Committee, Health Systems Agency
 U.S. Congressman Bilirakis, Task Force on Health Care Costs
 Florida State Senator Rehm, Task Force on Health Care Costs
 1984 Delegate, Florida State House of Representative

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 7

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Friends of the Fulton Mansion State Historical Site.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Marsha Hendrix, representing the Fulton Mansion State Historic Site presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.5 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602009. Disbursement of funds will be made according to Section 6 of the Agreement.

STAFF RECOMMENDATION: Staff recommends approval of the Fiscal Year 2015-2016 agreement with the Friends of the Fulton Mansion state Historical Site in the amount of \$25,000.00 or \$6,250.00 per quarter, as presented.

**CITY OF ROCKPORT
AND
FRIENDS OF THE FULTON MANSION STATE HISTORIC SITE**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and Friends of the Fulton Mansion State Historic Site, a private non-profit association, hereinafter called “Friends,” acting by and through its duly elected officers.

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging growth of tourism and convention/hotel activity in the City as outlined in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”).

SECTION 2. TERM OF AGREEMENT

This Agreement shall become effective on October 1, 2015 and terminate on September 30, 2016.

SECTION 3. SERVICES TO BE PROVIDED

As authorized under the Act, the City hereby agrees to pay to the Friends ***TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00)*** of the money actually received by the City from local hotel occupancy tax. Subject to the terms and conditions herein, Friends agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Friends is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

5.1 The Friends shall maintain a separate financial account of the hotel occupancy tax funds received from the City and may not commingle the funds with any other account. It is understood and agreed by and between the parties that, upon budget approval by the City,

a fiduciary duty is created in the Friends with respect to expenditure of the revenue provided.

- 5.2 The Friends shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and upon request of the City Council or other person shall make the records available for inspection and review during normal business hours in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Friends for day-to-day operations including supplies, salaries, office rental, travel expenses, and other administrative costs, only if such expenditures that have been previously budgeted and approved by the City in advance and shown to be directly related to promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 The Friends shall submit an annual report of activities and provide therein a projected line item budget to the City Council for approval that will include itemized personnel costs by singular job descriptions and capital outlay expenses if any. Such report and budget shall be provided no later than June 1st of each year for the next fiscal year.

The budget shall provide a complete financial plan and shall contain the following:

- (1) A budget message explanatory of the tourism/promotional activity contracted, which message shall contain an outline of the plan of the activity and, in the following years, set forth the reasons for the salient changes from the previous year (as applicable) and any major budgetary revisions. Any subsequent budgetary revision exceeding 25% of any line item, or 10% of the entire budget, will require City Council approval. All items of expenses shall contain detailed narratives as to the basis of the expenditure.
 - (2) A consolidated statement of anticipated receipts and expenditures for all funds.
 - (3) Anticipated revenues shall be placed in parallel columns and display therein the:
 - a) Actual amount for the last completed year;
 - b) Estimated amount for the current fiscal year;
 - c) Proposed amount for the ensuing fiscal year.
 - (4) Planned expenditures shall be placed in parallel columns opposite the various items of expenditures and display the:
 - a) Actual amount of such items of expenditures for the last completed fiscal year;
 - b) Estimated amount for the current fiscal year; and
 - c) The proposed amount for the ensuing fiscal year.
- 5.5 Fiscal quarterly financial reports, on a form prescribed by the City (See Exhibit "B"), are required to be submitted to the City Secretary no later than thirty (30) days after the end

of each fiscal quarter. These reports shall identify a budget comparison of the hotel occupancy funds received by agreement and the uses thereof as defined in the overall budget. It shall show the amount budgeted for the fiscal year by category item and the actual expenditures of such within the fiscal year quarter being reported. In addition, all administrative expenses shall be reported in detail comparing the current fiscal year expenses projection, the current fiscal year actual expenses and the percent of the fiscal year projection.

- 5.6 The Friends shall upon request submit an audited financial report to the City, showing in detail the disbursement and use of hotel occupancy funds paid to the Friends pursuant to this Agreement, no later than sixty (60) days after the end of each fiscal year of this Agreement. In addition, the City reserves the right to request an annual audited financial statement reflecting the financial position of the entire Friends for the duration of this Agreement. The Friends agree to provide a current audit (current defined as no later than the last fiscal year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Friends **TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00)** of the hotel occupancy tax receipts in four (4) quarterly payments of **SIX THOUSAND TWO HUNDRED FIFTY DOLLARS (\$6,250.00)** each. The Friends shall receive its first quarterly payment on about the effective date hereof or the date of final execution of this Agreement, whichever is later. Each quarterly payment thereafter shall be made to the Friends within ten (10) business days after receipt of the required quarterly report, but not sooner than the 31st day after the end of each calendar quarter, and after approval of said report by the City Council. The City Council may not approve any quarterly report or portion thereof if it determines that any reported expense in the reporting quarter was an improper use of funds or outside the authorized use of hotel occupancy tax, and may reduce subsequent quarterly payments by the amount determined improper or unauthorized.

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make quarterly payments to the Friends pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. Based upon this anticipated, budgeted income, the total dollar figure to be paid to the Friends pursuant to this Agreement was determined. Other agreements have also been made by the City with local organizations, providing for disbursement of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, then in that event the City, upon prior notice to the Friends, may unilaterally reduce the payment(s) to be made pursuant to this Agreement. Unless otherwise agreed by the City, any reduction in payments pursuant hereto shall be made from the final (fourth) quarter payment. The City shall reduce the actual payment pro rata by a percentage of the amount obligated as it relates to the total hotel occupancy tax dollars actually received.

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated by either party hereto or by its own terms, and unless express agreement is otherwise made, the Friends shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Friends agree to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits, and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Friends, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. INSURANCE

The Friends shall maintain a comprehensive general liability insurance policy, with an insurance company or companies authorized to do business in the State of Texas, which shall include bodily injury, property damage, contractual and automobile liability coverage with a minimum of not less than \$500,000.00. In addition, workers' compensation insurance coverage shall be provided by the Friends in accordance with State law.

SECTION 11. TERMINATION

If either party materially breaches this Agreement, the other party may terminate the Agreement by providing thirty (30) days' written notice to the defaulting party. Should a dispute arise regarding the existence of a material breach, either party may request that the issue be presented to a licensed mediator.

SECTION 12. NON-RENEWAL

It is understood and agreed that the Friends are not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 13. NOTICE

All communications required by this Agreement between the City and the Friends shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Friends of the Fulton Mansion State Historical Site Board President, 317 Fulton Beach Road, Rockport, TX 78382.

SECTION 14. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Friends shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Sections 1 & 5.)

SECTION 15. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Friends shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Proven breach of this provision may be regarded as a material breach of this Agreement allowing for termination.

SECTION 16. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable State law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 17. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the Hotel Occupancy Tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

**FRIENDS OF THE FULTON MANSION
STATE HISTORIC SITE**

Charles J. Wax, Mayor

Mrs. Sterling Heller, Board President

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Marsha Hendrix, Ph.D., Site Manager

EXHIBIT "A"

CATEGORY	GRANT AMOUNT
Operations of the Center for weekend and summer "Visitor Service Interns"	\$10,000.00
Additional staff support for increased visitation once house re-opens	\$15,000.00
TOTAL	\$25,000.00

EXHIBIT "B"

HOT FUNDING EXPENSE REPORT FY 2015-2016

Description of Expense	Approved Budget	1 st Quarter Expenses	2 nd Quarter Expenses	3 rd Quarter Expenses	4 th Quarter Expenses	TOTAL
TOTAL REQUESTED						

Description of Administrative Expenses	Current Fiscal Year Administrative Expenses Projection	Fiscal Year Administrative Actual Expenses	Percentage of Fiscal Year Projections
TOTALS			

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 8

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Texas Maritime Museum.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Kathy Roberts-Douglass, Chief Executive Officer of the Texas Maritime Museum presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.5 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602002. Disbursement of funds will be made according to Section 6 of the Agreement.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Texas Maritime Museum in the amount of \$80,000.00 or \$20,000.00 per quarter, as presented.

**CITY OF ROCKPORT
AND
TEXAS MARITIME MUSEUM**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax**

STATE OF TEXAS §
 §
COUNTY OF ARANSAS §

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called "City," and the Texas Maritime Museum, a private non-profit association, hereinafter called "Museum," acting by and through its duly elected officers.

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code ("Act"). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging growth of tourism and convention/hotel activity in the City as outlined in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances ("Code").

SECTION 2. TERM OF AGREEMENT

This Agreement shall become effective on October 1, 2015 and terminate on September 30, 2016.

SECTION 3. SERVICES TO BE PROVIDED

As authorized under the Act, the City hereby agrees to pay to the Museum ***EIGHTY THOUSAND DOLLARS (80,000.00)*** of the money actually received by the City from local hotel occupancy tax. Subject to the terms and conditions herein, the Museum agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that the Museum is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

5.1 The Museum shall maintain a separate financial account of the hotel occupancy tax funds received from the City and may not commingle the funds with any other account. It is understood and agreed by and between the parties that, upon budget approval by the City,

a fiduciary duty is created in the Museum with respect to expenditure of the revenue provided.

- 5.2 The Museum shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Museum for day-to-day operations including supplies, salaries, office rental, travel expenses, and other administrative costs, only if such expenditures have been previously budgeted and approved by the City in advance and shown to be directly related to promotion of tourism and the hotel industry. (See Exhibit “A”.)
- 5.4 The Museum shall submit an annual report of activities and provide therein a projected line item budget to the City Council for approval that will include itemized personnel costs by singular job descriptions and capital outlay expenses if any. Such report and budget shall be provided no later than June 1st of each year for the next fiscal year.

The budget shall provide a complete financial plan and shall contain the following:

- (1) A budget message explanatory of the tourism/promotional activity contracted, which message shall contain an outline of the plan of the activity and, in the following years, set forth the reasons for the salient changes from the previous year (as applicable) and any major budgetary revisions. Any subsequent budgetary revision exceeding 25% of any line item, or 10% of the entire budget, or \$10,000.00 will require City Council approval. All items of expenses shall contain detailed narratives as to the basis of the expenditure.
- (2) A consolidated statement of anticipated receipts and expenditures for all funds.
- (3) Anticipated revenues shall be placed in parallel columns and display therein the:
 - a) Actual amount for the last completed year;
 - b) Estimated amount for the current fiscal year;
 - c) Proposed amount for the ensuing fiscal year.
- (4) Planned expenditures shall be placed in parallel columns opposite the various items of expenditures and display the:
 - a) Actual amount of such items of expenditures for the last completed fiscal year;
 - b) Estimated amount for the current fiscal year; and
 - c) Proposed amount for the ensuing fiscal year.

- 5.5 Fiscal quarterly financial reports, on a form prescribed by the City (See Exhibit "B"), are required to be submitted to the City Secretary no later than thirty (30) days after the end of each fiscal quarter. These reports shall identify a budget comparison of the hotel occupancy funds received by agreement and the uses thereof as defined in the overall budget. It shall show the amount budgeted for the fiscal year by category item and the actual expenditures of such within the fiscal year quarter being reported. In addition, all administrative expenses shall be reported in detail comparing the current fiscal year expenses projection, the current fiscal year actual expenses and the percent of the fiscal year projection.
- 5.6 The Museum shall upon request submit an audited financial report to the City, showing in detail the disbursement and use of hotel occupancy funds paid to the Museum pursuant to this Agreement, no later than sixty (60) days after the end of each fiscal year of this Agreement. In addition, the City reserves the right to request an annual audited financial statement reflecting the financial position of the entire Museum for the duration of this Agreement. The Museum agrees to provide a current audit (current defined as no later than the last fiscal year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Museum ***EIGHTY THOUSAND DOLLARS (\$80,000.00)*** of the hotel occupancy tax receipts in four (4) quarterly payments of ***TWENTY THOUSAND DOLLARS (\$20,000.00)*** each. The Museum shall receive its first quarterly payment on the effective date hereof or the date of final execution of this Agreement, whichever is later. Each quarterly payment thereafter shall be made to the Museum within ten (10) business days after receipt of the required quarterly report, but not sooner than the 31st day after the end of each calendar quarter, and after approval of said report by the City Council. The City Council may not approve any quarterly report or portion thereof if it determines that any reported expense in the reporting quarter was an improper use of funds or outside the authorized use of hotel occupancy tax, and may reduce subsequent quarterly payments by the amount determined improper or unauthorized.

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make quarterly payments to the Museum pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. Based upon this anticipated, budgeted income, the total dollar figure to be paid to the Museum pursuant to this Agreement was determined. Other agreements have also been made by the City with local organizations, providing for disbursement of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, then in that event the City, upon prior notice to the Museum, may unilaterally reduce the payment(s) to be made pursuant to this Agreement. Unless otherwise agreed by the City, any reduction in payments pursuant hereto shall be made from the final (fourth) quarter payment. The City shall reduce the actual payment pro rata by a percentage of the amount obligated as it relates to the total hotel occupancy tax dollars actually received.

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated by either party hereto or by its own terms, and unless express agreement is otherwise made, the Museum shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Museum agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits, and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Museum, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. INSURANCE

The Museum shall maintain a comprehensive general liability insurance policy, with an insurance company or companies authorized to do business in the State of Texas, which shall include bodily injury, property damage, contractual and automobile liability coverage with a minimum of not less than \$500,000.00. In addition, workers' compensation insurance coverage shall be provided by the Museum in accordance with state law.

SECTION 11. TERMINATION

If either party materially breaches this Agreement, the other party may terminate the Agreement by providing thirty (30) days' written notice to the defaulting party. Should a dispute arise regarding the existence of a material breach, either party may request that the issue be presented to a licensed mediator.

SECTION 12. NON-RENEWAL

It is understood and agreed that the Museum is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 13. NOTICE

All communications required by this Agreement between the City and the Museum shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the President of the Texas Maritime Museum, 1202 Navigation Circle, Rockport, TX 78382.

SECTION 14. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Museum shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Sections 1 & 5.)

SECTION 15. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Museum shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Proven breach of this provision may be regarded as a material breach of this Agreement allowing for termination.

SECTION 16. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 17. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas, on this ____ day of _____
2015.

CITY OF ROCKPORT

TEXAS MARITIME MUSEUM

Charles J. Wax, Mayor

Bruce Sherman, President

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Kathy Roberts-Douglas, Chief Executive Officer

EXHIBIT "A"

CATEGORY	REQUESTED FY 15-16	GRANT AMOUNT FY 15-16
Advertising	\$26,000.00	
Curatorial	\$7,000.00	
Salaries	\$28,000.00	
Education	\$7,000.00	
Office Supplies	\$6,000.00	
Website Maintenance	\$6,000.00	
TOTAL	\$80,000.00	\$80,000.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 9

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Vice-Chair of the Tourism & Development Council Dawn Huff, Director of Tourism & Events Sandy Jumper, and President & Chief Executive Officer Diane Probst of the Rockport-Fulton Chamber of Commerce, presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.5 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602001. Disbursement of funds will be made according to Section 6 of the Agreement.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Rockport-Fulton Chamber of Commerce in the amount of \$320,000.00 or \$80,000.00 per quarter, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT-FULTON CHAMBER OF COMMERCE**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and the Rockport-Fulton Chamber of Commerce, a private non-profit association, hereinafter called “Chamber,” acting by and through its duly elected officers.

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging growth of tourism and convention/hotel activity in the City as outlined in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”).

SECTION 2. TERM OF AGREEMENT

This Agreement shall become effective on October 1, 2015 and terminate on September 30, 2016.

SECTION 3. SERVICES TO BE PROVIDED

- 3.1 As authorized under the Act, the City hereby agrees to pay to the Chamber ***THREE HUNDRED TWENTY THOUSAND DOLLARS (\$320,000.00)*** of the money actually received by the City from local hotel occupancy tax. Subject to the terms and conditions herein, the Chamber agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits.
- 3.2 The Chamber agrees to conduct a continuing program of advertising and promotion for the purpose of attracting visitors, tourists, and conventions to the City by publishing and distributing brochures and community information packets, by advertising in various, appropriate tourist publications and general media publications, by representing the City at travel shows and other such events, by participating with state and regional agencies in tourist development programs of benefit to the City, and by using all appropriate means to increase the traveling public’s awareness of the resort and recreational advantages of the City. The Chamber shall distribute information on all local accommodation

establishments that pay hotel occupancy taxes to the City via an accommodation guide to be updated by the Chamber annually.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that the Chamber is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 The Chamber shall maintain a separate financial account of the hotel occupancy tax funds received from the City and may not commingle the funds with any other account. It is understood and agreed by and between the parties that, upon budget approval by the City, a fiduciary duty is created in the Chamber with respect to expenditure of the revenue provided.
- 5.2 The Chamber shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Chamber for day-to-day operations including supplies, salaries, office rental, travel expenses, and other administrative costs, only if such expenditures have been previously budgeted and approved by the City in advance and shown to be directly related to promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 The Chamber shall submit an annual report of activities and provide therein a projected line item budget to the City Council for approval that will include itemized personnel costs by singular job descriptions and capital outlay expenses if any. Such report and budget shall be provided no later than June 1st of each year for the next fiscal year.

The budget shall provide a complete financial plan and shall contain the following:

- (1) A budget message explanatory of the tourism/promotional activity contracted, which message shall contain an outline of the plan of the activity and, in the following years, set forth the reasons for the salient changes from the previous year (as applicable) and any major budgetary revisions. Any subsequent budgetary revision exceeding 25% of any line item, or 10% of the entire budget, or \$10,000.00 will require City Council approval. All items of expenses shall contain detailed narratives as to the basis of the expenditure.
- (2) A consolidated statement of anticipated receipts and expenditures for all funds.
- (3) Anticipated revenues shall be placed in parallel columns and display therein the:

- a) Actual amount for the last completed year;
- b) Estimated amount for the current fiscal year;
- c) Proposed amount for the ensuing fiscal year.

(4) Planned expenditures shall be placed in parallel columns opposite the various items of expenditures and display the:

- a) Actual amount of such items of expenditures for the last completed fiscal year;
- b) Estimated amount for the current fiscal year; and
- c) Proposed amount for the ensuing fiscal year.

5.5 Fiscal quarterly financial reports, on a form prescribed by the City (See Exhibit "B"), are required to be submitted to the City Secretary no later than sixty (60) days after the end of each fiscal quarter. These reports shall identify a budget comparison of the hotel occupancy funds received by agreement and the uses thereof as defined in the overall budget. It shall show the amount budgeted for the fiscal year by category item and the actual expenditures of such within the fiscal year quarter being reported. In addition, all administrative expenses shall be reported in detail comparing the current fiscal year expenses projection, the current fiscal year actual expenses and the percent of the fiscal year projection.

5.6 The Chamber shall upon request submit an audited financial report to the City, showing in detail the disbursement and use of hotel occupancy funds paid to the Chamber pursuant to this Agreement, no later than sixty (60) days after the end of each fiscal year of this Agreement. In addition, the City reserves the right to request an annual audited financial statement reflecting the financial position of the entire Chamber for the duration of this Agreement. The Chamber agrees to provide a current audit (current defined as no later than the last fiscal year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Chamber ***THREE HUNDRED TWENTY THOUSAND DOLLARS (\$320,000.00)*** of the hotel occupancy tax receipts in four (4) quarterly payments of ***EIGHTY THOUSAND DOLLARS (\$80,000.00)*** each. The Chamber shall receive its first quarterly payment on the effective date hereof or the date of final execution of this Agreement, whichever is later. Each quarterly payment thereafter shall be made to the Chamber within ten (10) business days after receipt of the required quarterly report, but not sooner than the 31st day after the end of each calendar quarter, and after approval of said report by the City Council. The City Council may not approve any quarterly report or portion thereof if it determines that any reported expense in the reporting quarter was an improper use of funds or outside the authorized use of hotel occupancy tax, and may reduce subsequent quarterly payments by the amount determined improper or unauthorized.

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make quarterly payments to the Chamber pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. Based upon this anticipated, budgeted income, the total dollar figure to be paid to the Chamber pursuant to this Agreement was determined. Other agreements have also been made by the City with local organizations, providing for disbursement of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City, upon prior notice to the Chamber, may unilaterally reduce the payment(s) to be made pursuant to this Agreement. Unless otherwise agreed by the City, any reduction in payments pursuant hereto shall be made from the final (fourth) quarter payment. The City shall reduce the actual payment pro rata by a percentage of the amount obligated as it relates to the total hotel occupancy tax dollars actually received.

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated by either party hereto or by its own terms, and unless express agreement is otherwise made, the Chamber shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Chamber agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits, and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Chamber, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. INSURANCE

The Chamber shall maintain a comprehensive general liability insurance policy, with an insurance company or companies authorized to do business in the State of Texas, which shall include bodily injury, property damage, contractual and automobile liability coverage with a minimum of not less than \$500,000.00. In addition, workers' compensation insurance coverage shall be provided by the Chamber in accordance with state law.

SECTION 11. TERMINATION

If either party materially breaches this Agreement, the other party may terminate the Agreement by providing thirty (30) days' written notice to the defaulting party. Should a dispute arise regarding the existence of a material breach, either party may request that the issue be presented to a licensed mediator.

SECTION 12. NON-RENEWAL

It is understood and agreed that the Chamber is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 13. NOTICE

All communications required by this Agreement between the City and the Chamber shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the President of the Rockport-Fulton Chamber of Commerce, 319 Broadway, Rockport, TX 78382.

SECTION 14. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Chamber shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Sections 1 & 5.)

SECTION 15. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Chamber shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Proven breach of this provision may be regarded as a material breach of this Agreement allowing for termination.

SECTION 16. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 17. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas, on this ____ day of _____
2015.

CITY OF ROCKPORT

**ROCKPORT-FULTON CHAMBER
OF COMMERCE**

Charles J. Wax, Mayor

Tiffanie Hoover, Chair of the Board

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Diane Probst, President/Chief Executive Officer

2015-16 Proposed Budget

Revenues								
Rockport	320,000.00	Based on % > in the market						
Fulton	95,000.00	Includes help with Trolley Promo						
County	60,000.00	Includes Pathways Ads in Adv. & Promo.						
	\$475,000.00							
Expenses								
Accounting	2,500.00	Annual Audit						
Administrative Services	80,000.00	Chamber Admin – less than 20% of budget						
Advertising & Promotion	345,000.00	See detail on Media Selection Sheet						
Contract Services	4,500.00	Mobi App						
Conference Fees	3,000.00	Staff conferences related to tourism						
Dues & Subscriptions	1,500.00	State and regional organization partners						
Event Funding Assistance	2,500.00	Spring Fling Media Event						
Food, Beverage & Meals	2,500.00	Groups, Greeters, Sponsorships, etc.						
Maintenance & Repairs	2,000.00	Repair equip. related to tourism						
Mileage & Travel	3,000.00	Trade Shows, staff conferences, etc.						
Postage & Freight	4,000.00	Reader Response Bulk Mailings						
Printing & Publication	8,000.00	Gen. Brochure, 51 TT, Bags, Map Pads						
Prizes, Gifts & Awards	500.00	Basket Promotion Items, MBA Challenge						
Rentals & Fees	1,000.00	Booth Rentals, Meeting Coordinators						
Supplies	2,500.00	Promotion giveaway items, banners, etc.						
Telephone	2,500.00	800#, Tourism lines, Internet Service						
Web Site Maintenance	10,000.00	Development of New site, monthly updates, etc. for first year						
	\$475,000.00							

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2014

AGENDA ITEM: 10

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Center for the Arts.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Luis Purón, Executive Director of the Rockport Center for the Arts presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.5 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602040. Disbursement of funds will be made in accordance with Section 6 of the Agreement.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Rockport Center for the Arts in the amount of \$107,200.00 or \$26,800.00 per quarter, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT CENTER FOR THE ARTS**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax**

STATE OF TEXAS §
 §
COUNTY OF ARANSAS §

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and the Rockport Center for the Arts, a private non-profit association, hereinafter called “RCA,” acting by and through its duly elected officers.

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging growth of tourism and convention/hotel activity in the City as outlined in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”).

SECTION 2. TERM OF AGREEMENT

This Agreement shall become effective on October 1, 2015 and terminate on September 30, 2016.

SECTION 3. SERVICES TO BE PROVIDED

As authorized under the Act, the City hereby agrees to pay to RCA ***ONE HUNDRED SEVEN THOUSAND TWO HUNDRED DOLLARS (\$107,200.00)*** of the money actually received by the City from local hotel occupancy tax. Subject to the terms and conditions herein, RCA agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that RCA is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

5.1 RCA shall maintain a separate financial account of the hotel occupancy tax funds received from the City and may not commingle the funds with any other account. It is

understood and agreed by and between the parties that, upon budget approval by the City, a fiduciary duty is created in RCA with respect to expenditure of the revenue provided.

- 5.2 RCA shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by RCA for day-to-day operations including supplies, salaries, office rental, travel expenses, and other administrative costs, only if such expenditures have been previously budgeted and approved by the City in advance and shown to be directly related to promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 RCA shall submit an annual report of activities and provide therein a projected line item budget to the City Council for approval that will include itemized personnel costs by singular job descriptions and capital outlay expenses if any. Such report and budget shall be provided no later than June 1st of each year for the next fiscal year.

The budget shall provide a complete financial plan and shall contain the following:

- (1) A budget message, explanatory of the tourism/promotional activity contracted, which message shall contain an outline of the plan of the activity and, in the following years, set forth the reasons for the salient changes from the previous year (as applicable) and any major budgetary revisions. Any subsequent budgetary revision exceeding 25% of any line item, or 10% of the entire budget, or \$10,000.00 will require City Council approval. All items of expenses shall contain detailed narratives as to the basis of the expenditure.
- (2) A consolidated statement of anticipated receipts and expenditures for all funds.
- (3) Anticipated revenues shall be placed in parallel columns and display therein the:
 - a) Actual amount for the last completed year;
 - b) Estimated amount for the current fiscal year;
 - c) Proposed amount for the ensuing fiscal year.
- (4) Planned expenditures shall be placed in parallel columns opposite the various items of expenditures and display the:
 - a) Actual amount of such items of expenditures for the last completed fiscal year;
 - b) Estimated amount for the current fiscal year; and
 - c) Proposed amount for the ensuing fiscal year.

- 5.5 Fiscal quarterly financial reports, on a form prescribed by the City (See Exhibit "B"), are required to be submitted to the City Secretary no later than thirty (30) days after the end of each fiscal quarter. These reports shall identify a budget comparison of the hotel occupancy funds received by agreement and the uses thereof as defined in the overall budget. It shall show the amount budgeted for the fiscal year by category item and the actual expenditures of such within the fiscal year quarter being reported. In addition, all administrative expenses shall be reported in detail comparing the current fiscal year expenses projection, the current fiscal year actual expenses and the percent of the fiscal year projection.
- 5.6 RCA shall upon request submit an audited financial report to the City, showing in detail the disbursement and use of hotel occupancy funds paid to the RCA pursuant to this Agreement, no later than sixty (60) days after the end of each fiscal year of this Agreement. In addition, the City reserves the right to request an annual audited financial statement reflecting the financial position of the entire RCA for the duration of this Agreement. RCA agrees to provide a current audit (current defined as no later than the last fiscal year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to RCA **ONE HUNDRED SEVEN THOUSAND TWO HUNDRED DOLLARS (\$107,200.00)** of the hotel occupancy tax receipts in four (4) quarterly payments of **TWENTY-SIX THOUSAND EIGHT HUNDRED DOLLARS (\$26,800.00)** each. RCA shall receive its first quarterly payment on the effective date hereof or the date of final execution of this Agreement, whichever is later. Each quarterly payment thereafter shall be made to RCA within ten (10) business days after receipt of the required quarterly report, but not sooner than the 31st day after the end of each calendar quarter, and after approval of said report by the City Council. The City Council may not approve any quarterly report or portion thereof if it determines that any reported expense in the reporting quarter was an improper use of funds or outside the authorized use of hotel occupancy tax, and may reduce subsequent quarterly payments by the amount determined improper or unauthorized.

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make quarterly payments to RCA pursuant to this Agreement is contingent upon anticipated receipt of minimal amount of hotel occupancy tax from the collecting entities within the City. Based upon this anticipated, budgeted income, the total dollar figure to be paid to RCA pursuant to this Agreement was determined. Other agreements have also been made by the City with local organizations, providing for disbursement of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, then in that event the City, upon prior notice to RCA may unilaterally reduce the payment(s) to be made pursuant to this Agreement. Unless otherwise agreed by the City, any reduction in payments pursuant hereto shall be made from the final (fourth) quarter payment. The City shall reduce the actual payment pro rata by a percentage of the amount obligated as it relates to the total hotel occupancy tax dollars actually received.

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated by either party hereto or by its own terms, and unless express agreement is otherwise made, RCA shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

RCA agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits, and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of RCA, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. INSURANCE

RCA shall maintain a comprehensive general liability insurance policy, with an insurance company or companies authorized to do business in the State of Texas, which shall include bodily injury, property damage, contractual and automobile liability coverage with a minimum of not less than \$500,000.00. In addition, workers' compensation insurance coverage shall be provided by RCA in accordance with state law.

SECTION 11. TERMINATION

If either party materially breaches this Agreement, the other party may terminate the Agreement by providing thirty (30) days' written notice to the defaulting party. Should a dispute arise regarding the existence of a material breach, either party may request that the issue be presented to a licensed mediator.

SECTION 12. NON-RENEWAL

It is understood and agreed that RCA is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 13. NOTICE

All communications required by this Agreement between the City and RCA shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the President of Rockport Center for the Arts, 902 Navigation Circle, Rockport, TX 78382.

SECTION 14. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, RCA shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Sections 1 & 5.)

SECTION 15. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, RCA shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Proven breach of this provision may be regarded as a material breach of this Agreement allowing for termination.

SECTION 16. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 17. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

ROCKPORT CENTER FOR THE ARTS

Charles J. Wax, Mayor

John Kidwell, President

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Beverly A. Trifonidis, Executive Director

EXHIBIT "A"

CATEGORY	AMOUNT REQUESTED	GRANT AMOUNT
Advertising	\$25,000.00	
Art Festival	\$25,000.00	
Tour of Homes	\$8,000.00	
Exhibitions	\$26,000.00	
Workshops & Classes	\$12,000.00	
Sculpture Garden	\$11,200.00	
TOTAL	\$107,200.00	\$107,200.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 11

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2015 SeaFair Celebration.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Sandy Jumper, Director of Tourism and Events presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602047. Disbursement of funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Rockport-Fulton Chamber of Commerce for the 2015 SeaFair Celebration in the amount of \$1,500.00, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT-FULTON CHAMBER OF COMMERCE**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Seafair Committee 2015**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and Rockport-Fulton Chamber of Commerce, Seafair Committee, hereinafter called “Recipient.”

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of **FIFTEEN HUNDRED DOLLARS (\$1,500.00)**. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Seafair Festival.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were held and/or spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$1,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death or any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Rockport-Fulton Chamber of Commerce, Seafair Committee, Attn: Eric Heller, Chair, 319 Broadway, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT**ROCKPORT-FULTON CHAMBER
OF COMMERCE**

 Charles J. Wax, Mayor

 Eric Heller, Seafair Committee Chair
ATTEST:**ATTEST:**

 Teresa Valdez, City Secretary

 Diane Probst, President/Chief Executive Officer

EXHIBIT "A"

	AMOUNT COMMITTED TO EACH MEDIA OUTLET	GRANT AMOUNT
Paid Advertising	\$12,000.00	
Newspaper Advertising	\$2,000.00	
TV Advertising	\$2,000.00	
Radio Advertising	\$500.00	
Press Releases to Media	\$6,000.00	
Direct Mailing to out of town recipients	\$1,000.00	
TOTAL		\$1,500.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 12

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2016 HummerBird Celebration.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Sandy Jumper, Director of Tourism and Events presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602048. Disbursement of funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve Fiscal Year 2014-2015 Agreement with the Rockport-Fulton Chamber of Commerce for the 2016 HummerBird Celebration in the amount of \$1,500.00, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT-FULTON CHAMBER OF COMMERCE**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
HummerBird Committee 2016**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and Rockport-Fulton Chamber of Commerce, HummerBird Committee, hereinafter called “Recipient.”

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of ***FIFTEEN HUNDRED DOLLARS (\$1,500.00)***. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the HummerBird Celebration.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$1,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Rockport-Fulton Chamber of Commerce, HummerBird Committee, Attn: Chairperson, 319 Broadway, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

**ROCKPORT-FULTON CHAMBER
OF COMMERCE**

Charles J. Wax, Mayor

HummerBird Committee
Chairperson

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Diane Probst, President/Chief Executive Officer

EXHIBIT "A"

	AMOUNT COMMITTED TO EACH MEDIA OUTLET	GRANT AMOUNT
Paid Advertising	\$1,975.00	
Press Releases to Media	\$100.00	
Direct Mailing to out of town recipients	\$1,000.00	
TOTAL		\$1,500.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 13

Deliberate and act on Fiscal year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas County Council on Aging for the 2016 Bountiful Bowl Pottery Fair.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, the Aransas County Council on Aging application requesting funding from Hotel Occupancy Tax for Fiscal Year 2015-2016 was received by the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602043. Disbursement of these funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Aransas County Council on Aging for the Bountiful Bowl Pottery Fair in the amount of \$1,500.00, as presented.

**CITY OF ROCKPORT
AND
ARANSAS COUNTY COUNCIL ON AGING**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Bountiful Bowl Pottery Fair**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called "City," and Aransas County Council on Aging, hereinafter called "Recipient".

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code ("Act"). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances ("Code"). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of **FIFTEEN HUNDRED DOLLARS (\$1,500.00)**. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Bountiful Bowl Pottery Fair.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$1,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death or any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Aransas County Council on Aging, Attn: Mary Ellen Nies, 912 S. Church Street, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

ARANSAS COUNTY COUNCIL ON AGING

Charles J. Wax, Mayor

Rebecca Lee, Board President

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Mary Ellen Nies, Executive Director

EXHIBIT "A"

CATEGORY	GRANT AMOUNT
Printing Brochures & Flyers	\$1,500.00
TOTAL	\$1,500.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 14

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Yacht Club for the 2016 Nautical Flea Market.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Peter Chamberlain, Chairman of the Nautical Flea Market presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602044. Disbursement of these funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Rockport Yacht Club in the amount of \$2,500.00, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT YACHT CLUB, INC.**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Nautical Flea Market 2016**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called "City," and Rockport Yacht Club hereinafter called "Recipient."

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code ("Act"). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances ("Code"). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of **TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00)**. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Nautical Flea Market.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$2,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the

control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Rockport Yacht Club, Inc., Attn: Commodore, 722 Navigation Circle, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

ROCKPORT YACHT CLUB, INC.

Charles J. Wax, Mayor

Commodore

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Director of Public Relations

EXHIBIT "A"

CATEGORY	AMOUNT COMMITTED TO EACH MEDIA OUTLET	GRANT AMOUNT
Paid Advertising	\$5000.00	
Newspaper Advertising	\$1400.00	
TV Advertising	\$2000.00	
Press Releases to Media	-0-	
Direct Mailing to out-of- town recipients	\$ 450.00	
Magazine Advertising	\$ 150.00	
Radio Advertising	\$1000.00	
TOTAL		\$2500.00

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 15

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Rockport Rotary Club/Rockport Center for the Arts for the 2016 Film Fest.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Luis Purón, Executive Director of the Rockport Center for the Arts, and Diane Probst representing the Rockport Rotary Club presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602053. Disbursement of these funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Rockport Rotary Club/Rockport Center for the Arts for the 2016 Film Fest in the amount of \$2,500.00, as presented.

**CITY OF ROCKPORT
AND
ROCKPORT ROTARY CLUB & ROCKPORT CENTER FOR THE ARTS**

**An Agreement Concerning Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Rockport Film Festival 2016**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called "City," and Rockport Rotary Club & Rockport Center for the Arts, hereinafter called "Recipient."

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code ("Act"). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances ("Code"). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of ***TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00)***. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Rockport Film Festival.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$2,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient is based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the

control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death of any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare the Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382, or to the Recipient at Rockport Rotary Club/Rockport Center for the Arts, Rockport Film Festival Committee, Attn: Luis Purón, Treasurer, 902 Navigation Circle, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

ROCKPORT FILM FESTIVAL

Charles J. Wax, Mayor

_____, Chairperson

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Luis Purón, Treasurer

EXHIBIT "A"

CATEGORY	GRANT AMOUNT
Social media, radio, online ads, printing	\$2,500.00
TOTAL	\$2,500.00

EXHIBIT "B"

HOT FUNDING EXPENSE REPORT FY 2015-2016		
Description of Expense	Approved Budget	Amount of Expense
TOTAL REIMBURSEMENT REQUEST		

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 16

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aquarium at Rockport Harbor for the 2016 Aquafest.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Ed Hegen representing the Aquarium at Rockport Harbor presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of "...advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602055. Disbursement of these funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Aquarium at Rockport Harbor for 2016 Aquafest in the amount of \$5,000.00, as presented.

**CITY OF ROCKPORT
AND
AQUARIUM AT ROCKPORT HARBOR**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Aquafest 2016**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called "City," and Aquarium at Rockport Harbor, hereinafter called "Recipient."

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code ("Act"). Pursuant to the Act, the City expends funds collected for the purpose of advertising and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances ("Code"). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of **FIVE THOUSAND DOLLARS (\$5,000.00)**. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Aquafest.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$5,000.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death or any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Aquarium at Rockport Harbor, Aquafest Committee, Attn: Ed Hegen, Chairman, 702 Navigation Circle, Rockport, TX 78382.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual's race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT**AQUARIUM AT ROCKPORT HARBOR**

Charles J. Wax, Mayor

Ed Hegen, Aquafest Committee Chairman

ATTEST:**ATTEST:**

Teresa Valdez, City Secretary

Chet Cloudt, Treasurer

EXHIBIT "A"

CATEGORY	AMOUNT COMMITTED TO EACH MEDIA OUTLET	GRANT AMOUNT
Paid Advertising	\$4500.00	
Newspaper Advertising	\$500.00	
TOTAL		\$5,000.00

EXHIBIT "B"

HOT FUNDING EXPENSE REPORT FY 2015-2016		
Description of Expense	Approved Budget	Amount of Expense
TOTAL REIMBURSEMENT REQUEST		

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 17

Deliberate and act on Fiscal Year 2015-2016 Hotel Occupancy Tax Agreement with the Aransas County Education Foundation for the 2015 Shopping Tournament.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: At the Special City Council Workshop held on June 2, 2015, Karen Mella, representing Aransas County Independent School District Education Foundation, presented their Fiscal Year 2015-2016 budget request to the City Council. Budget deliberations were held through the summer to finalize the City's Fiscal Year 2015-2016 Budget, with formal adoption scheduled for the September 15, 2015, City Council Meeting. The proposed Agreement remains the same as the previous years except for the following additions:

- Section 1. Legal Authority - addition of ".....advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15)..."
- Section 5. Management of Funds - 5.4 now states that financial reports submitted to the City must be on a form prescribed by the City. Said form is attached as Exhibit "B" to the Agreement.

See the accompanying agreement for additional details.

FISCAL ANALYSIS: Budget account 6602060. Disbursement of these funds will be made upon submittal of Fiscal Year 2015-2016 HOT Funding Expense Report and subsequent approval by the City Council.

STAFF RECOMMENDATION: Staff recommends Council approve the Fiscal Year 2015-2016 Agreement with the Aransas County Independent School District Education Foundation in the amount of \$2,500.00, as presented.

**CITY OF ROCKPORT
AND
ARANSAS COUNTY EDUCATION FOUNDATION &
ARANSAS COUNTY INDEPENDENT SCHOOL DISTRICT**

**An Agreement Concerning the Use of
Funds from the Hotel Occupancy Tax
Single-Sum Payment
Rockport-Fulton Shopping Tournament 2015**

**STATE OF TEXAS §
 §
COUNTY OF ARANSAS §**

This Agreement is made by and between the City of Rockport, a Texas home rule municipal corporation, hereinafter called “City,” and Aransas County Education Foundation & Aransas County Independent School District, hereinafter called “Recipient.”

SECTION 1. LEGAL AUTHORITY

The City collects a local hotel occupancy tax as authorized by Chapter 351 of the Texas Tax Code (“Act”). Pursuant to the Act, the City expends funds collected for the purpose of advertising with any media outlet that is outside 75 miles of the City of Rockport (Resolution No. 09-15) and encouraging the growth of tourism and convention and hotel activity in the City as codified in Chapter 94, Article IV, Hotel Occupancy Tax of the City of Rockport Code of Ordinances (“Code”). The City may, by contract, allow Recipient to expend hotel occupancy taxes for such purposes.

SECTION 2. TERM OF AGREEMENT

Conditioned upon City Council approval, this Agreement shall become effective on the date signed by Recipient. This Agreement shall continue until Recipient has fulfilled all obligations to account for proper expenditure of hotel occupancy tax funds.

SECTION 3. SERVICES TO BE PROVIDED

The City hereby agrees to pay to Recipient, from money actually received by the City from local hotel occupancy tax, the sum of **TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00)**. Subject to the terms and conditions hereof, Recipient agrees to expend such funds received for advertising and promoting tourism for the out-of-town visitor market from which the hotel industry within the City derives direct tourist income benefits from the Rockport-Fulton Shopping Tournament.

SECTION 4. INDEPENDENT CONTRACTOR

It is expressly understood and agreed by and between the parties that Recipient is engaged as an independent contractor and is not an officer, agent or employee of the City.

SECTION 5. MANAGEMENT OF FUNDS

- 5.1 It is understood and agreed by and between the parties that a fiduciary duty is created in the Recipient with respect to expenditure of the revenue provided.
- 5.2 The Recipient shall maintain complete and accurate financial records of each receipt and expenditure of the hotel occupancy funds and, upon request of the City Council or other person, shall make the records available for inspection and review during normal business hours, in accordance with the provisions of the Texas Public Information Act (Texas Government Code, Chapter 552).
- 5.3 Hotel occupancy funds may be spent by the Recipient for only those expenditures that have been previously approved by the City in advance and shown to be directly related to the promotion of tourism and the hotel industry. (See Exhibit "A".)
- 5.4 Recipient shall prepare and file with the City Secretary a financial report, on a form prescribed by the City (See Exhibit "B"), no later than 30 days after the event for which hotel occupancy tax funds were spent by the Recipient. This report shall identify a budget comparison of the hotel occupancy funds received by contract and the uses thereof as defined in the overall budget. It shall show the amount budgeted by category item and the actual expenditures of such.
- 5.5 The City may request an annual audited financial statement reflecting the financial position of the Recipient for the period of time this Agreement is in effect. The Recipient agrees to provide a current audit (current defined as no later than the last calendar year), such copy to be delivered within twenty (20) days upon receiving a request from the City Manager or Mayor.

SECTION 6. TRANSFER OF FUNDS

Upon compliance with all conditions precedent, the City Secretary shall remit to the Recipient hotel occupancy tax receipts as follows: **Lump-sum payment - \$2,500.00.**

SECTION 7. FORCE MAJEURE – SUFFICIENT FUNDS NOT AVAILABLE

The City's obligation to make payment to Recipient pursuant to this Agreement is contingent upon anticipated receipt of a minimal amount of hotel occupancy tax from the collecting entities within the City. The dollar figure to be paid to the Recipient was based in part upon this anticipated, budgeted income. Recipient understands that other agreements have also been made by the City, providing for disbursement by third parties of a portion of hotel

occupancy tax funds collected. Should it happen, by act of nature or other means outside the control of the City, that the actual hotel occupancy tax funds received are less than the anticipated and budgeted funds, the City may, after notice to the Recipient, reduce the total obligated payment should the governing body determine that such action is necessary to fund any other third-party agreement(s).

SECTION 8. RETURN OF FUNDS UPON TERMINATION OF CONTRACT

Should this Agreement be terminated, the Recipient shall remit and return to the City, with a final accounting thereof, all unused and unspent hotel occupancy tax funds in its possession, within thirty (30) days from the date of such termination.

SECTION 9. INDEMNIFICATION

The Recipient agrees to indemnify the City, its officers, agents, and employees, from any and all claims, losses, causes of action and damages, suits and liability of every kind, including all expenses of litigation, courts costs and attorney fees, for injury to or death or any person, or for damage to any property arising from or in connection with the operations or actions of the Recipient, its officers, agents and employees carried out in furtherance of this Agreement.

SECTION 10. TERMINATION

If Recipient is in breach of this Agreement, the City may terminate the Agreement by providing ten (10) days' written notice to Recipient to cure the breach. If the breach is not cured within the time provided, the City Manager or Mayor may immediately declare Agreement terminated.

SECTION 11. NON-RENEWAL

It is understood and agreed that the Recipient is not entitled to any right of automatic renewal of this Agreement for the ensuing year, or years, since such option under the Act rests exclusively with the City Council.

SECTION 12. NOTICE

All communications required by this Agreement between the City and the Recipient shall be in writing and addressed to the attention of the City Manager, 622 E. Market Street, Rockport, TX 78382 or to the Recipient at Aransas County Education Foundation/ACISD, Attn: President Jim Remley, P.O. Box 195, Rockport, TX 78381.

SECTION 13. COMPLIANCE WITH LAWS

In performing its duties under this Agreement, the Recipient shall at all times comply with the City of Rockport Code and all the State of Texas Acts. (See Section 1.)

SECTION 14. PROHIBITION AGAINST DISCRIMINATION

In the performance of this Agreement, the Recipient shall not discriminate against any employee or applicant for employment because of an individual’s race, color, religion, national origin, sex, or mental or physical disability. Violation of this provision may be regarded as a material breach of this Agreement.

SECTION 15. CONTROLLING LAW

It is understood and agreed that in the event any provision of this Agreement is inconsistent with the requirements of the Act, or any other applicable state law, the requirements of the law will control and supersede the terms set forth herein.

SECTION 16. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties, relative to the hotel occupancy tax funds made the basis hereof.

IN WITNESS WHEREOF, the parties have herein unto set their hands on duplicate originals, in the City of Rockport, Aransas County, Texas on this ____ day of _____ 2015.

CITY OF ROCKPORT

**ARANSAS COUNTY EDUCATION
FOUNDATION & ARANSAS COUNTY
INDEPENDENT SCHOOL DISTRICT**

Charles J. Wax, Mayor

Jim Remley, President

ATTEST:

ATTEST:

Teresa Valdez, City Secretary

Suzanne Ransleben, Executive Director

EXHIBIT "A"

CATEGORY	GRANT AMOUNT
Advertising	\$2,500.00
TOTAL	\$2,500.00

EXHIBIT "B"

HOT FUNDING EXPENSE REPORT FY 2015-2016		
Description of Expense	Approved Budget	Amount of Expense
TOTAL REIMBURSEMENT REQUEST		

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 18

Deliberate and act on approval of 2015-2016 Property Tax Assessment/Collection Agreement with Aransas County.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: The Texas Property Tax Code authorizes the County's Tax Assessor-Collector to act as the Tax Assessor-Collector for cities. In an effort to save tax dollars, the City contracts with the Aransas County Tax Assessor-Collector to perform all tax collection duties, including:

1. Preparation and mailing of all tax statements;
2. Providing monthly collection reports as well as daily & weekly reports upon request;
3. Prepare tax certificates;
4. Develop and maintain both current and delinquent tax rolls; and
5. Develop and maintain such other records and forms as are necessary or required by law or State rules and regulations.

The Contract remains the same as in the previous years with the exception of additional language added in Section 4, as explained in the attached email from Jeri Cox, Aransas County Tax Assessor/Collector, and the cost that has increased by \$142.10. The table below shows the costs for previous years and the proposed cost for Fiscal Year 2015-2016.

Tax Year	Amount
2011-2012	\$10,014.47
2012-2013	\$10,204.98
2013-2014	\$10,870.78
2014-2015	\$10,387.34
2015-2016	\$10,529.44

Tax Assessor/Collector Jeri Cox is going to approach the Aransas County Commissioners' at their meeting on Monday, September 14, 2015, regarding the City making monthly instead of quarterly payments.

FISCAL ANALYSIS: Total amount \$10,519.44 is to be paid in quarterly payments beginning with \$2,632.36 due by January 15, 2016, \$2,632.36 due by March 15, 2016, \$2,632.36 due by May 15, 2016, and \$2,632.36 due by July 15, 2016.

RECOMMENDATION: Staff recommends Council approve the 2015-2016 Property Tax Assessment/Collection Agreement, as presented, with monthly payments if approved by the Aransas County Commissioners.

Teresa Valdez

From: Jeri Cox <jcox@aransascounty.org>
Sent: Tuesday, September 08, 2015 3:21 PM
To: Patty Howard; Teresa Valdez
Subject: Tax Assessment Collection Agreement
Attachments: CRO.AGREE PROTECT 15.16.docx; 2015-16 PRORATED COSTS.xlsx

I have approval of agreement on Sept 14 Comm Court agenda. I have attached copy to give you a head's up on a change that I requested for all the entities. If approved by County Attorney & then County Court, I will forward to you for the Council's approval & signature.

The cost has not changed since the July estimate. I am submitting the attached to Comm Court for approval as part of the contract.

I did make the following changes to items 4 and 5:

4. The CITY OF ROCKPORT shall reimburse ARANSAS COUNTY for the actual cost of providing the services under this agreement from the CITY OF ROCKPORT'S current revenues for the fiscal year, beginning September 1, 2015 and ending August 31, 2016. The CITY OF ROCKPORT shall pay ARANSAS COUNTY \$10,529.44 as an operating budget for the described fiscal year, to be paid as provided for on Addendum A to this agreement. If the actual costs of assessing and collecting exceed the amounts provided for in this agreement, the CITY OF ROCKPORT further agrees to pay ARANSAS COUNTY an amount equal to such excess, provided such excess is due to cost overruns not in violation of the responsibilities as outlined in this agreement. The CITY OF ROCKPORT further agrees to bear the costs associated with the re-mailing of tax notices due to a change by the CITY OF ROCKPORT in their tax rate or allowable discount provisions. In addition, the CITY OF ROCKPORT agrees to pay the cost of reprocessing and mailing tax notices if the CITY OF ROCKPORT suffers a rollback or other modification of their tax rate as provided in Section ~~26.8~~ 26.08 of the Texas Property Tax Code *or any other required modifications resulting from law changes made by the Texas Legislature.*
5. Aransas County Tax Assessor/Collector will agree to sign a bond, conditional on faithful performance of duties, payable to CITY OF ROCKPORT. Said bond will be ordered by, approved by and paid for by the CITY OF ROCKPORT in an amount determined by the CITY OF ROCKPORT as stated in Texas *Property* Tax Code 6.29(b).

Reason for adding last part of item 4: Passage of SJR1 and SB1 by 84th regular session. The school exemption amount changes from \$15,000 to \$25,000 if approved by voters at November 2015 election.

Lawmakers agreed that property tax statements based on the higher exemption amount can be mailed prior to passage of the law with required special wording. If the bill is not passed, a supplemental tax statement will be required to be sent correcting the amount due.

Jeri

2015 - 2016
PROPERTY TAX
ASSESSMENT/COLLECTION AGREEMENT

STATE OF TEXAS

COUNTY OF ARANSAS

Whereas, the CITY OF ROCKPORT and the COMMISSIONERS' COURT OF ARANSAS COUNTY (HEREAFTER called ARANSAS COUNTY) have the power and authority with reference to the terms of Article 4413, (32c), Vernon's Texas Civil Statutes, as amended, and Section 6.24, Texas Property Tax Code, to authorize the ARANSAS COUNTY TAX ASSESSOR-COLLECTOR to act as the Tax Assessor/Collector for the CITY OF ROCKPORT;

Now, therefore, for the consideration hereinafter expressed and the mutual conditions hereof, it is mutually agreed by and between the CITY OF ROCKPORT, a political subdivision duly organized and existing under the laws of the State of Texas, and ARANSAS COUNTY, as follows:

1. Under the provisions of Article 4413 (32c), Vernon's Texas Civil Statutes, as amended, and Section 6.24, Texas Property Tax Code, the Aransas County Tax Assessor/Collector shall serve as Tax Assessor/Collector for the CITY OF ROCKPORT for ad valorem tax purposes as herein provided. The Aransas County Tax Assessor/Collector shall perform for the CITY OF ROCKPORT all necessary duties as authorized by said statutes, and the CITY OF ROCKPORT does hereby expressly authorize the Aransas County Tax Assessor/Collector to do and perform all acts necessary and proper to assess and collect taxes for the CITY OF ROCKPORT.
2. The Aransas County Tax Assessor/Collector shall prepare and mail all tax statements; provide monthly collection reports as well as daily and weekly reports upon request to the CITY OF ROCKPORT; prepare tax certificates; develop and maintain both current and delinquent tax rolls; and develop and maintain such other records and forms as are necessary or required by law or State rules and regulations. The Aransas County Tax Assessor/Collector shall develop and maintain written policies and procedures of its operations, to make available to the CITY OF ROCKPORT full information about the operation of the Aransas County Tax Assessor/Collector's office and to promptly furnish written reports of all financial information affecting it, with specific regard to assessment and collections.
3. The CITY OF ROCKPORT hereby agrees and expressly authorizes ARANSAS COUNTY to contract with private legal counsel for the collection of delinquent taxes, the form of such contract to be approved by the CITY OF ROCKPORT. The CITY OF ROCKPORT further agrees that such fee as is allowed by law and provided in the contract with legal counsel will be held by ARANSAS COUNTY Tax Assessor-Collector out of the CITY OF ROCKPORT'S daily deposit. The Aransas County Tax Assessor/Collector will submit payment directly to legal counsel when preparing CITY OF ROCKPORT'S monthly tax report. A copy of the payment will be submitted with the monthly tax report.

4. The CITY OF ROCKPORT shall reimburse ARANSAS COUNTY for the actual cost of providing the services under this agreement from the CITY OF ROCKPORT'S current revenues for the fiscal year, beginning September 1, 2015 and ending August 31, 2016. The CITY OF ROCKPORT shall pay ARANSAS COUNTY \$10,529.44 as an operating budget for the described fiscal year, to be paid as provided for on Addendum A to this agreement. If the actual costs of assessing and collecting exceed the amounts provided for in this agreement, the CITY OF ROCKPORT further agrees to pay ARANSAS COUNTY an amount equal to such excess, provided such excess is due to cost overruns not in violation of the responsibilities as outlined in this agreement. The CITY OF ROCKPORT further agrees to bear the costs associated with the re-mailing of tax notices due to a change by the CITY OF ROCKPORT in their tax rate or allowable discount provisions. In addition, the CITY OF ROCKPORT agrees to pay the cost of reprocessing and mailing tax notices if the CITY OF ROCKPORT suffers a rollback or other modification of their tax rate as provided in Section 26.08 of the Texas Property Tax Code or any other required modifications resulting from law changes made by the Texas Legislature.
5. Aransas County Tax Assessor/Collector will agree to sign a bond, conditional on faithful performance of duties, payable to CITY OF ROCKPORT. Said bond will be ordered by, approved by and paid for by the CITY OF ROCKPORT in an amount determined by the CITY OF ROCKPORT as stated in Texas Property Tax Code 6.29(b).
6. The Aransas County Tax Assessor/Collector shall make payment of taxes collected into such depositories as are selected by the CITY OF ROCKPORT (See Addendum A). Such payment shall be made on a daily basis except for payments that are made by credit card payment. Credit card payments are not available for several days after the payment is posted to credit card, therefore, no taxes collected by credit card payments shall be deposited until the credit card payment has been irrevocably deposited into the Aransas County Tax Assessor/Collector's tax account maintained for the purpose. A "deposit of tax money" itemization form will be completed to show the distribution of money collected. This itemization will be forwarded to the CITY OF ROCKPORT after each deposit. The Aransas County Tax Assessor/Collector shall have no access to the tax money once deposited to the CITY OF ROCKPORT'S depositories.
7. The CITY OF ROCKPORT acknowledges that the Aransas County Tax Assessor/Collector is paying out funds on a daily basis, based upon payment to Aransas County Tax Assessor/Collector which is usually in the form of a personal or business check and not in the form of a cashier's check. In the event that any check is returned by Aransas County Tax Assessor/Collector's depository for any reason whatsoever, including but not limited to, Insufficient Funds, Forgery, Refer to Maker, Account Closed, or any other reason, the CITY OF ROCKPORT WILL IMMEDIATELY REFUND TO Aransas County Tax Assessor/Collector the amount of the daily deposit represented by the returned check. Any tax payments deposited to the CITY OF ROCKPORT account whose source of payment was by credit card shall be IMMEDIATELY REFUNDED TO THE Aransas County Tax Assessor/Collector by the CITY OF ROCKPORT in the event that the credit card payment is disputed, canceled, refuted or withdrawn by any person, firm or entity for any reason whatsoever.

- 8. a. Refunds resulting from corrections to the appraisal rolls, pursuant to §26.15 of the Property Tax Code (as currently amended), such as homestead exemptions, over 65 exemptions, disabled exemptions, clerical errors and court-ordered value changes, shall not be submitted for approval to the CITY OF ROCKPORT. Tax Assessor-Collector shall refund the property owner the difference between the tax paid and the tax legally due. All refunds will be held from the CITY OF ROCKPORT'S daily deposits and an itemized list of all refunds, with pertinent data, will be submitted with the daily deposit record.
- b. Refund requests, pursuant to §31.11 of the Property Tax Code (as currently amended), resulting from erroneous payment will be submitted to the Aransas County Auditor to determine if payment was erroneous. If County Auditor determines payment was erroneous, the tax collector shall refund the amount of the erroneous payment from available current tax collections. However, if the total of refund amount exceeds \$2,500.00, the tax assessor-collector shall submit the refund request to the Commissioner's Court of Aransas County for their determination of an erroneous payment and approval prior to processing refund.
- 9. This agreement by and between ARANSAS COUNTY and the CITY OF ROCKPORT shall be in effect from September 1, 2015 through August 31, 2016. Should the CITY OF ROCKPORT elect not to continue with an assessment/collection agreement with ARANSAS COUNTY for the following fiscal year beginning September, 2016, the CITY OF ROCKPORT agrees to provide written notice to ARANSAS COUNTY four months prior to the end of this agreement so as to prevent expenditures for the upcoming fiscal year.

10. DEFINITIONS

For the purposes of this agreement, the terms "ASSESSMENT" and "COLLECTION" shall mean all steps necessary to effect such functions including, but not limited to: calculation of tax; preparation of current and delinquent tax rolls; pro-ration of taxes; correction of clerical errors in tax rolls; collection of current liabilities; collection of delinquent taxes; and calculation of an effective tax rate required by Section 26.04 of the Texas Property Tax Code.

IN WITNESS WHEREOF, these presents are executed by authority of the governing bodies of the respective parties hereto. EXECUTED IN ROCKPORT, TEXAS.

COUNTY JUDGE, ARANSAS COUNTY

CITY OF ROCKPORT, MAYOR

SIGNED IN DUPLICATE ON THIS _____
DAY OF _____,
2015.

SIGNED IN DUPLICATE ON THIS _____
DAY OF _____,
2015.

ARANSAS CO. TAX ASSESSOR/COLLECTOR

SIGNED IN DUPLICATE ON THIS _____
DAY OF _____, 2015.

ADDENDUM A

4-A Operating Budget Payment Schedule:

TOTAL AMOUNT DUE: \$ 10,529.44

\$ 2,632.36 due by January 15, 2016

\$ 2,632.36 due by March 15, 2016

\$ 2,632.36 due by May 15, 2016

\$ 2,632.36 due by July 15, 2016

6-A CITY OF ROCKPORT'S depository shall be two accounts:

Maintenance & Operation money shall be deposited in account 450-000-038-8 at Wells Fargo Bank Texas, N.A., Rockport, TX.

Interest & Sinking money shall be deposited in account 450-000-204-6 at Wells Fargo Bank Texas, N.A., Rockport, TX.

**COLLECTING 2015 TAXES
FROM SEPTEMBER 1, 2015
THROUGH AUGUST, 31, 2016**

	TOTAL TAX COLLECTION 2015/2016	COUNTY COLLECTION ONLY	THIS YEAR CHARGE TO OTHER ENTITIES	LAST YEAR CHARGE TO ENTITIES
SUPPLIES:				
TAX ROLL FORMS & BINDERS				
STATEMENTS/RECEIPTS				
DELINQUENT NOTICES				
COMPUTER PAPER/RIBBONS				
ENVELOPES				
TOTAL COST OF SUPPLIES	3,700.00	2,500.00	1,200.00	1,200.00
OTHER CHARGES:				
FREIGHT			-	-
POSTAGE	10,000.00	8,000.00	2,000.00	2,000.00
TELEPHONE FOR COMPUTER	3,300.00	3,300.00	-	-
BOND PREMIUMS	350.00	225.00	125.00	125.00
DATA PROCESSING	19,370.00	14,218.00	5,152.00	4,976.00
RENTAL OF EQUIPMENT	-	-	-	-
MISC REPAIR & MAINTENANCE	700.00	700.00	-	-
ADVERTISING & LEGALS	1,000.00	600.00	400.00	400.00
CONFERENCES/SCHOOLS	4,500.00	3,000.00	1,500.00	1,500.00
MISCELLANEOUS SUPPLIES			-	-
BANK CHARGES			-	-
RECORDS MANAGEMENT			-	-
EQUIPMENT			-	-
COMPUTER CONVERSION-3RD OF 5 YRS	22,046.00	22,046.00	-	-
TOTAL COST OF CHARGES:	61,266.00	52,089.00	9,177.00	9,001.00
PERSONNEL & BENEFITS:				
SALARY (TAX A/C)	38,457.00	38,457.00	-	-
SALARIES (DEPUTIES/BKKPR)	150,897.00	76,931.00	73,966.00	73,528.00
TRAVEL (BOOKKEEPER & A/C)	1,600.00	1,000.00	600.00	600.00
TOTAL COST OF PERSONNEL:	190,954.00	116,388.00	74,566.00	74,128.00
TOTAL COST OF COLLECTION	255,920.00	170,977.00	84,943.00	84,329.00

PRO-RATA SHARE:	Apr-15 PARCELS	ESTIMATED SHARE BASED ON % OF 2014 LEVY TOTALS		
ARANSAS COUNTY	31615			
COUNTY ROAD & FLOOD	31615			
ARANSAS CO NAVIGATION	31615	4.29336	\$ 3,646.91	\$3,735.17
ARANSAS CO ISD	26017	81.825827	\$ 69,505.31	\$68,960.95
CITY OF ROCKPORT	8982	12.39589	\$ 10,529.44	\$10,387.34
TOWN OF FULTON	1845	1.156712	\$ 982.55	\$976.84
ARANSAS CO MUD #1	415	0.328212	\$ 278.79	\$268.70
TOTAL	132104	100.000001	\$ 84,943.00	\$84,329.00

SUBMITTED TO CO JUDGE &
CO AUDITOR 07/02/2015
WITH CONTRACTS SEPTEMBER, 2015

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 19

Deliberate and act to adopt, on first and only reading, an Ordinance of the City of Rockport adopting a budget and appropriating resources for Fiscal Year 2015-2016, beginning October 1, 2015, and ending September 30, 2016; in accordance with existing statutory requirements; repealing all conflicting ordinances; containing a severability clause; and providing for an effective date.

SUBMITTED BY: Patty Howard, Finance Director

APPROVED FOR AGENDA: PKC

BACKGROUND: Section 7.03 (2) of the City Charter states: “The City Council shall make available in the City offices a general summary of the proposed budget and a notice stating: a) the times and places where copies of the message and budget are available for inspection by the public; and b) the time and place, applicable to current laws, for a public hearing on the budget.

The budget was filed with the City Secretary on August 10, 2015, presented to Council on August 11, 2015. The required public hearing was published and held on August 25, 2015.

The Rockport Home-Rule Charter, Section 7.02 states: “On or before the first regular scheduled meeting in August of each year, the City Manager shall submit to the City Council a proposed budget for the ensuing fiscal year and budget message. The City Council shall review the proposed budget and make any appropriate changes prior to publishing the final budget.”

Section 7.03 (3) c) of the Charter states: “The City Council shall adopt or amend the budget by ordinance on one (1) reading. Adoption of the budget shall constitute appropriation of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.”

FISCAL ANALYSIS: Exhibit “A” of the attached Ordinance records the appropriations that Council has adopted for the Fiscal Year beginning October 1, 2015, and ending September 30, 2016.

RECOMMENDATION: Staff recommends adoption, on first and only reading, of an ordinance approving the City of Rockport Annual Budget and Capital Improvement Program for the Fiscal Year beginning October 1, 2015, and ending September 30, 2016, as presented

Note: At the first and only reading of the Ordinance, state statute requires a roll call vote be taken and recorded by the City Secretary.

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF ROCKPORT, TEXAS, ADOPTING A BUDGET AND APPROPRIATING RESOURCES FOR FISCAL YEAR 2015-2016, BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016; IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; REPEALING ALL CONFLICTING ORDINANCES; CONTAINING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and staff have prepared and filed with the City Secretary a proposed budget for the operation of the City during Fiscal Year 2015-2016; and

WHEREAS, the City Manager of the City of Rockport has submitted to the Mayor and Council a proposed budget of the revenues and expenditures/expenses of conducting the affairs of said City and providing a complete financial plan for Fiscal Year beginning October 1, 2015, and ending September 30, 2016; and

WHEREAS, the City Council on August 25, 2015, conducted a public hearing to receive input from citizens of the City concerning the content of the budget, and for which notices were duly posted in *The Rockport Pilot*; and

WHEREAS, the City has acknowledged that this budget will raise more property taxes than last year's budget by \$449,976.00 or 11.54%, and of that amount \$68,880.00 is tax revenue to be raised from new property added to the tax roll this year; and

WHEREAS, the City Council having considered the proposed budget at length, and having provided input in its preparation, has determined that the proposed budget and the revenues and expenditures contained therein are in the best interest of the City and, therefore, the Council desires to approve and adopt the budget by formal action.

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

Section 1: The proposed budget for the fiscal year beginning October 1, 2015, and ending September 30, 2016, as submitted to the City Council by the City manager, which budget is attached hereto as Exhibit "A," for all purposes is hereby approved and adopted as the City's as the City's budget of all revenue and expenditures/expenses of the City of Rockport, Texas for Fiscal Year 2015-2016; and

Section 2: In accordance with Section 7.05 of the Charter of the City of Rockport, Texas, the Capital Improvement Program is included in the budget; and

Section 2: The sum of Thirty One Million, One Hundred Four Thousand, Eight Hundred Eighty Six Dollars (\$31,104,886.00) is hereby appropriated for the City's FY 2015-2016 budget. Further, these funds are for payment of operating, capital, and debt service

expenses associated with the operation and administration of the City, according to the various purposes and intents described in the FY 2015-2016 budget document.

Section 3: Should any paragraph, sentence, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance, as a whole or any part or provision thereof, other than the part or parts adjudged to be invalid, illegal, or unconstitutional.

Section 4: This Ordinance shall be in full force and effect from and after its adoption by the City Council, pursuant to applicable State and local laws and the City Charter.

Section 5: All other ordinances and Code provisions that are in conflict herewith are hereby repealed, but only to the extent of any such conflict or inconsistency.

PASSED, APPROVED and ADOPTED on this the 15th day of September 2015 by roll call vote as follows:

FOR MOTION:

AGAINST MOTION:

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

City of Rockport
Fiscal Year 2015-2016 Budget Summary

	Beginning Balance	Revenues	Expenditures	Ending Balance
General Fund	3,375,745	8,352,268	8,195,675	3,532,338
Enterprise Funds				
Utility System	5,447,858	10,321,381	10,277,852	5,491,387
Sanitation	0	1,835,633	1,819,618	16,015
Natural Gas Distribution	1,170,065	2,286,465	2,218,109	1,238,421
Community Aquatic/Skate Center	0	357,501	357,501	0
Total	6,617,923	14,800,980	14,673,080	6,745,823
Special Revenue Funds				
Municipal Court Technology	91,761	12,000	70,000	33,761
Utility Surcharge	68,821	167,490	167,420	68,891
Bay Education Center Operations	773	52,500	52,500	773
Municipal Court Juvenile Case Mgr	0	15,000	15,000	0
Fleet Operation & Maintenance	53,131	491,350	624,018	-79,537
Hotel Occupancy Tax	897,934	850,000	749,628	998,306
Forfeiture & Seizure	45,886	0	0	45,886
City/County Communications	0	736,799	736,799	0
Total	1,158,306	2,325,139	2,415,365	1,068,080
Debt Service Funds				
Interest and Sinking	242,928	2,153,903	2,090,265	306,566
Utility Debt Service	285,176	1,758,417	1,759,717	283,876
Total	528,104	3,912,320	3,849,982	590,442
Vehicle & Equip. Replcmnt Fund				
General	359,285	229,200	229,000	359,485
Utility	191,009	125,877	120,977	195,909
Total	550,294	355,077	349,977	555,394
Capital Improvement Projects				
General CIP	439,541	987,102	987,102	439,541
Utility CIP	237,585	372,000	650,050	-40,465
Total	677,126	1,359,102	1,637,152	399,076
GRAND TOTAL	12,907,498	31,104,886	31,121,231	12,891,153

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 20

Deliberate and act on second reading of an Ordinance of the City of Rockport Approving the Assessment and Renditions for the 2015 Taxable Property as Submitted by the Appraisal District; Levying a Tax Rate for \$100.00 Valuation for the City of Rockport, Aransas County, Texas for the Tax Year 2015 of \$0.219047 for the Purposes of Maintenance and Operation, \$0.145811 for the Payment of Principal and Interest on Debt of the City for a Total Tax Rate Of \$0.364858; and Providing an Effective Date.

SUBMITTED BY: Finance Director Patty Howard

APPROVED FOR AGENDA: PKC

BACKGROUND: Over the course of three budget workshops, City Council determined that an 8.00 percent effective increase in the maintenance and operation portion of ad valorem tax is necessary after adopting the effective tax rate for the previous several years and absorbing the rising costs of operations. The effective rate calculated for the City of Rockport is \$0.331181/\$100 and the rollback rate (8 percent above the M & O portion of the rate) is \$0.364858/\$100. The proposed tax rate is an 11.54% increase over the total tax rate (M & O and I & S combined). This Ordinance will adopt a 2015 Property Tax Rate of \$0.364858/\$100. The maintenance and operation portion of the rate is \$0.219047/\$100 and the portion used for payment of principal and interest on debt is \$0.145811/\$100.

State law requires a taxing unit's governing body to vote on any increase in the effective tax rate by a record vote. The governing body is also required to schedule two public hearings on the proposed tax rate increase. The City of Rockport conducted two public hearing on the proposed tax rate increase on August 25, 2015, and September 8, 2015. Nobody spoke in favor or against the proposed tax rate.

There have been no changes in format or content since Council approved the first reading of the Ordinance on September 8, 2015.

FISCAL ANALYSIS: For several years prior to 2012, the City adopted the effective tax rate, i.e. a tax rate that brings in the same amount of revenue as the previous year. Because of the effect of inflation, this has resulted in an effective decrease in resources available to provide essential services. The accompanying tax rate analysis shows several scenarios as well as the net effect of each on taxpayers.

STAFF RECOMMENDATION: Staff recommends Council approve on second & final reading the Ordinance setting the 2015 Property Tax Rate at the rate of \$.364858/\$100 with the Maintenance and Operation portion of the tax rate being \$0.219047 and the Interest and Sinking portion being \$0.145811.

ORDINANCE NO. _____

AN ORDINANCE APPROVING THE ASSESSMENT AND RENDITIONS FOR THE 2015 TAXABLE PROPERTY AS SUBMITTED BY THE APPRAISAL DISTRICT; LEVYING A TAX RATE FOR \$100.00 VALUATION FOR THE CITY OF ROCKPORT, ARANSAS COUNTY, TEXAS FOR THE TAX YEAR 2015 OF \$0.219047 FOR THE PURPOSE OF MAINTENANCE AND OPERATION, \$0.145811 FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON DEBT OF THE CITY FOR A TOTAL TAX RATE OF \$0.364858; PROVIDING FOR A LIEN ON ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREON; CONTAINING A SEVERABILTY CLAUSE; REPEALING ALL ORDINANCES AND PARTS THEREOF IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of Rockport, Texas has on this date by way of separate Ordinance, duly approved and adopted a Budget for the operation for the City for Fiscal Year 2015-2016 (FY 2015-2016); and

WHEREAS, the aforesaid Ordinance anticipates and required the levy of an *ad valorem tax* on all taxable property in the City of Rockport; and

WHEREAS, the Chief Appraiser of Aransas County Tax Appraisal District has prepared and certified the appraisal roll for the City of Rockport, Texas, that roll being that portion of the approved appraisal roll of the Aransas County Tax Appraisal District which lists property taxable by the City of Rockport, Texas; and

WHEREAS, it is necessary to levy such an *ad valorem tax* at a given rate to generate revenues sufficient to meet the projected expenses of the City for FY 2015-2016; and

WHEREAS, the City has fully and timely complied with all notice and other requirements relative to the adoption of a tax rate for FY 2015-2016.

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

Section 1: There is hereby levied for the FY 2015-2016 upon all real property situated within the corporate limits of the City of Rockport, Texas, and upon all personal property which was owned within the corporate limits of the City of Rockport, Texas, on January 1, 2015, except so much thereof as may be exempt by the Constitution or laws of the State of Texas, a total tax of \$0.364858 on each \$100 of assessed valuation on all taxable property, which total tax herein so levied shall consist and be comprised of the following components:

a) An *ad valorem* tax rate of \$0.219047 on each \$100 of assessed valuation of all taxable property is hereby levied for general City purposes and to pay the current operating expenses of the City of Rockport, Texas, for the fiscal year ending September 30, 2016, which tax, when collected shall be appropriated to and for the credit of the General Fund of the City of Rockport, Texas.

b) An *ad valorem* tax rate of \$0.145811 on each \$100 of assessed valuation of taxable property is hereby levied for the purpose of creating an Interest and Sinking Fund with which to pay the interest and principal of the valid bonded indebtedness, and related fees of the City of Rockport, now outstanding and such tax, when collected, shall be appropriated and deposited in and to the credit of the general Debt Service Fund of the City of Rockport, Texas, for the fiscal year ending September 30, 2016.

Section 2: The City of Rockport shall have lien on all taxable property located in the City of Rockport to secure the payment of taxes, penalty, and interest, and all costs of collection, assessed and levied hereby.

Section 3: Taxes are payable in Rockport, Texas at the Office of the Tax Assessor Collector of Aransas County, Texas. The City shall have available all the rights and remedies provided by Law for the enforcement of the collection of taxes levied under this Ordinance.

Section 4: The tax roll presented to the City Council, together with any supplements thereto, are hereby accepted and approved.

Section 5: Should any paragraph, sentence, provision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance, as a whole or any part or provision thereof, other than the part or parts adjudged to be invalid, illegal, or unconstitutional.

Section 6: This Ordinance shall be in full force and effect from and after its adoption by the City Council and publication of its caption as the Law and the City Charter provide in such cases.

Section 7: All other ordinances and Code provisions in conflict herewith are hereby repealed, but only to the extent of any such conflict or inconsistency and all other provisions of the Rockport City Code not in conflict herewith shall remain in full force and effect.

Section 8: The repeal of any ordinance or parts thereof by the enactment of this Ordinance, shall not be construed as abandoning any action now pending under or by virtue of such ordinance; nor shall it have the effect of discontinuing, abating, modifying or altering any penalty accruing or to accrue, nor as affecting any rights of the City under any section or provision of any ordinances at the time of passage of this Ordinance.

APPROVED on first reading on the 8th day of September 2015, by roll call vote as follows:

FOR MOTION: Council Member Day, Council Member Villa, Mayor Pro-Tem Rios,
Council Member Gurtner, and Mayor Wax.

AGAINST MOTION: none

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

APPROVED, PASSED and ADOPTED on second and final reading, this _____ day of September 2015 by roll call vote as follows:

FOR MOTION:
AGAINST MOTION:

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 21

Deliberate and act to ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Program.

SUBMITTED BY: Patty Howard, Finance Director

APPROVED FOR AGENDA: PKC

BACKGROUND: H.B. No. 3195 set requirements for any budget adopted after September 1, 2007. Section 102.007, Local Government Code is amended adding Subsection (c): “Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.”

The vote will ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Program as required by H.B. No. 3195.

The required public hearing was held on August 25, 2015. Following action by the Council at its September 8, 2015, meeting, the proposed Budget filed with the City Secretary on August 10 was amended to include recommendations from the Condrey & Associates compensation plan, specifically Plan A plus 100% equity and an implementation date of January 1, 2016, and implement annual payments from each department to an encumbered fund to pay for a new study in five years.

RECOMMENDATION: Staff recommends Council ratify the property tax increase reflected in the 2015-2016 Annual Budget and Capital Improvement Program, as presented.

CITY COUNCIL AGENDA
Special Meeting: Tuesday, September 15, 2015

AGENDA ITEM: 22

Deliberate and act on authorization for the Mayor to negotiate and execute all necessary documents for application to the Texas General Land Office Coastal Management Program for the acquisition of approximately 5.43 acres of property at 840-870 Highway 35 Bypass known as Aransas Woods.

SUBMITTED BY: Mayor CJ Wax

APPROVED FOR AGENDA: PKC

BACKGROUND: Aransas First has an opportunity to acquire approximately 5.43 in the 800 block of Highway 35 Bypass near FM 188 that will connect with 115 acres owned by Aransas First and TxDOT and allow for future development of a birding site. Funding for acquisition is being sought through a Texas General Land Office (GLO) Coastal Management Program (CMP) grant.

CMP, funded by NOAA, helps ensure the long-term environmental and economic health of the Texas coast through management of the state's coastal natural resource areas. The program is managed by the Texas Land Commissioner.

GLO has funded projects in all parts of the coastal zone for a wide variety of purposes and has established the following categories for use of these funds by coastal communities:

- Coastal Natural Hazards Response
- Critical Areas Enhancement
- Public Access
- Waterfront Revitalization and Ecotourism Development
- Permit Streamlining/Assistance, Governmental Coordination and Local Government Planning Assistance
- Water Sediment Quantity and Quality Improvements

GLO expects to award approximately \$1.8 million for coastal projects under Grant Cycle #21. The final application deadline is September 23, 2015, with a proposed project start date of October 2016.

GLO will accept applications for both construction and non-construction projects that address critical habitat enhancement, coastal hazards response, public access, waterfront revitalization, ecotourism development, permit streamlining, local planning assistance, and water sediment quantity and quality.

Please see the accompanying August 17, 2015, Aransas Pathways letter and the proposed agreement with The Grant Connection for addition details.

FISCAL ANALYSIS: CMP applicants must provide a local or third party match to comply with federal matching requirements. Applicants contributing cash must provide a local match of at least 25% of total project costs. Applicants contributing in-kind services, donations, indirect costs, and/or third party assistance must provide a match of at least 50% of total project costs.

The project budget is detailed in the table below.

Aransas Woods Acquisition CMP 2016		
Estimated Costs		
Title Insurance		\$ 1,200
Acquisition		\$ 100,000
Appraisal		\$ 2,500
Closing Fee		\$ 200
Recording Fees		\$ 62
Survey and Field Notes		\$ 700
Preparation of Deed		\$ 100
Subtotal		\$ 104,762
Admin	5%	\$ 5,238
Total		\$ 110,000
CMP Grant	75%	\$ 82,500
Match	25%	\$ 27,500

The 5% cost of administration of the project by the grant writer is an eligible grant expense; however, the \$3,800 cost The Grant Connection to write the grant is not an eligible expense.

A title search has revealed a \$11,000 deed of trust that has supposedly been paid but possibly not recorded. The issue is still being researched.

As a tourist venue project expenses would be an eligible hotel occupancy tax expense.

RECOMMENDATION: Staff recommends that Council authorize the Mayor to negotiate and execute all necessary documents for application to the Texas General Land Office Coastal Management Program for the acquisition of approximately 5.43 acres of property at 840-870 Highway 35 Bypass known as Aransas Woods



Aransas Pathways Project
301 North Live Oak
Rockport, TX 78382
 17 August 2015

Honorable Burt Mills
 Honorable C.J. Wax

Subject: Acquisition of 5.43 Acre Tract, Aransas Woods

Gentlemen:

As you are aware, Aransas First, a land trust led by Dr. Earl Matthew, has an opportunity to acquire subject tract (5.43 acres) for the sum of \$100,000 net to sellers. Aransas First has a commitment letter in hand from one of the two owners and has been promised a similar letter from the other owner.

Acquisition of this property would preclude commercial development that would have detrimental impact to the surrounding properties already under management by Aransas First. It would also serve to attract birders and other tourists during spring and fall migrations. Of course these visitors are important to City and County benefiting both through spending money in our businesses and as a part of the venue tax base collected by our tourist housing industry.

This tract fronts on Highway 35 bypass and is approximately 1.6 miles north of the intersection of Highway 188 and the 35 bypass. This property is otherwise bordered by land owned by TXDOT to the north and south and Aransas First to the east. The property was acquired by TXDOT as mitigation for wetlands destroyed in the construction of TXDOT highways. It will remain in its natural state for the foreseeable future. TXDOT entered into a management agreement with Aransas First for the property that has been in force for several years. Aransas First owns a tract which is contiguous to the TXDOT property. Acreage owned by TXDOT and under Aransas First management totals 107 acres. Land owned outright by AF totals about 7.5 acres. These properties have been developed as a birding site with primitive trails, some interpretive signage and viewing stations. It is on the Great Texas Birding Trail, identified as Site CTE 47.

Aransas First has been pursuing a CMP grant to pay for acquisition and limited development of the property. Aransas Pathways has budgeted a small amount of money (\$15,000) to develop Aransas Woods as a tourist attraction. Aransas First has requested Pathways assistance in funding the acquisition as the CMP grant requires a 25% match and suggested that Pathways assume ownership of the property. If Pathways participates the property must be controlled by Pathways through ownership or lease to be in compliance with venue tax law.

Pathways is not in position to spend any money on this property, or Aransas Woods for that matter, as all funds available are being reserved for development of the South Loop trail in the southern reaches of the City of Rockport, development of two ponds with viewing structures and boardwalks in Holiday Beach and possible addition to the Castro Sanctuary through acquisition of the contiguous Sanders tract. When and if these actions are approved by APSC and Commissioners Court all capital funds will be

expended.

Earlier this month APSC authorized the expenditure of funds to develop the CMP grant application as it is due for submission by the 21st of September. Our work in preparing for this application resulted in budget discussions which have brought us to the conclusion above.

An attractive option would be County and City of Rockport participation with Aransas First to acquire the property. This would require a net investment of City and County of \$ 7,500 each, the balance of the funds provided through the grant and Aransas First. In any event, AF cannot apply for the grant on its own. A government entity must originate the grant request. The simple solution is for either entity to request the grant, provide \$15,000 while AF provides the remaining funds required, i.e., \$15,000. However a shared solution has the least budgetary impact to each entity. We suggest an intergovernmental agreement wherein both entities contribute \$ 7,500, sponsor the grant request and nominate the Aransas County Project manager to handle the acquisition of the property with sellers. Aransas First would contribute \$15,000. If acquired a plan for long term utilization can be developed which could focus on preservation or on creating a tourist venue as defined by the venue tax law. If the latter option is chosen Pathways could manage the development and fund some or all of it depending on grants for funding or available funds (if any) from venue tax collections. Aransas First will donate funds to handle soft costs of closing and grant administration but will not assume any ownership interest. City and County would enter into an irrevocable conservation lease of the property to AF which would prevent development of the property for any purpose other than preservation of natural habitat and viewing by the public.

Much of the work and most of the documentation necessary to support the grant application are available now. The preparation of the grant request would be handled by Greg Harlan.

This is a very good opportunity for City and County acting together, or either acting alone, to preserve this important property for a very small investment of public funds but with significant public benefit. We are available to meet to discuss this proposal and work out the details as necessary at almost any time. But time is short due to the deadline for grant submission and approval by City Council and Commissioners Court.

Your prompt consideration and response to either of us will be appreciated.



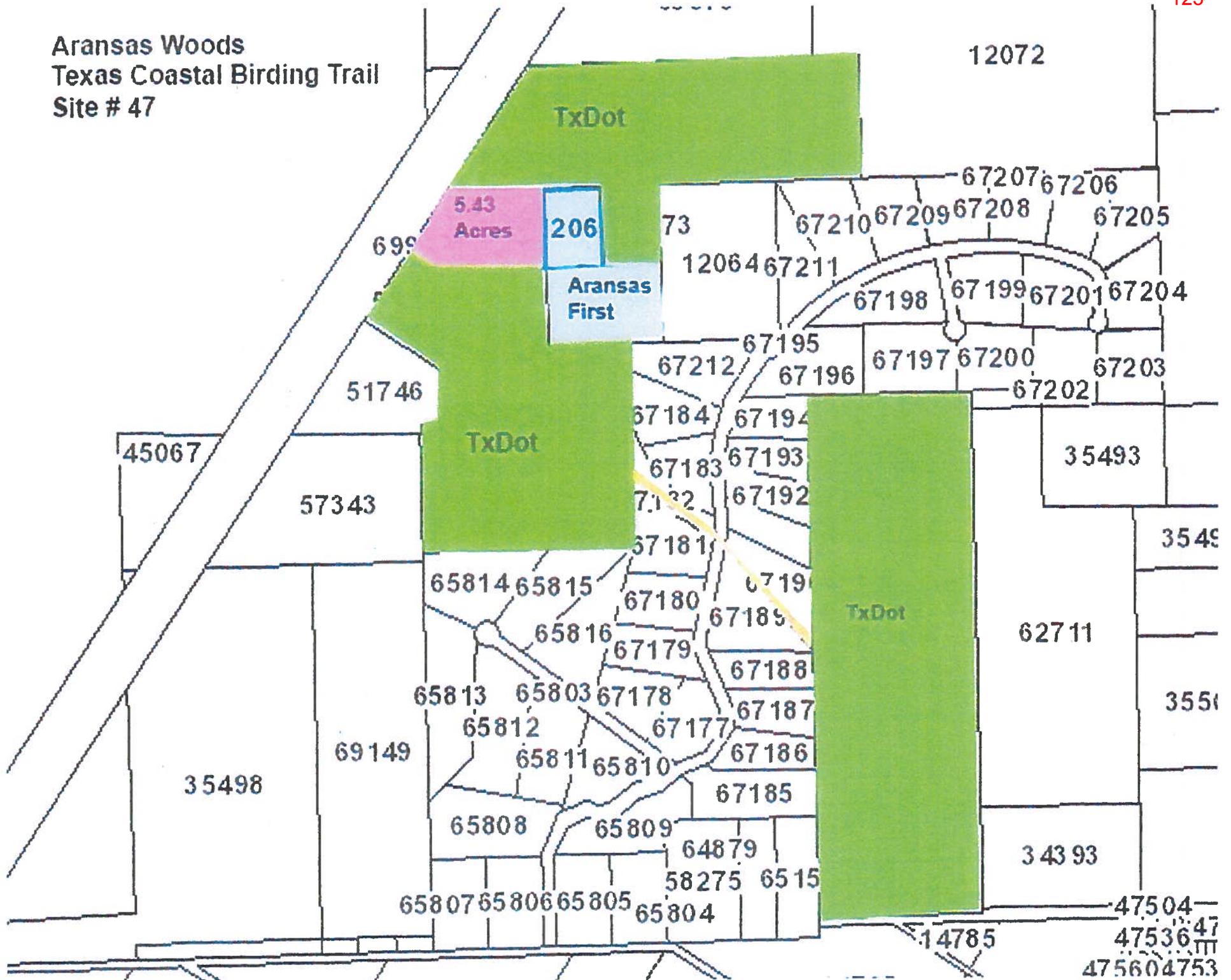
Tom Callan
Co-Chair
Aransas Pathways

De McLallen
Co- Chair
Aransas Pathways



cc: APSC members
John Strothman
Pat Rios
Betty Stiles

Aransas Woods
Texas Coastal Birding Trail
Site # 47



Property Search Results > 51748 GARCIA MARK E for Year 2015

[New Search](#)

[Details](#) | [Map](#) | [Pay Taxes](#)

Click on a title bar to expand or collapse the information.

[Expand All](#)

Property

Account

Property ID:	51748	Legal Description:	ABERNATHY TRACTS, LOT PT OF 12, ACRES 4.966 Undivided Interest 50.0000000000%
Geographic ID:	0025-000-012-000	Agent Code:	
Type:	Real	Parent Property ID:	8810234
Property Use Code:	R 1		
Property Use Description:	1ST SINGLE FAMILY DWELLING DISTRICT		

Location

Address:	850-870 S H 35 BYPASS ROCKPORT, TX 78382	Mapsc0:	
Neighborhood:		Map ID:	A-1
Neighborhood CD:			

Owner

Name:	GARCIA MARK E	Owner ID:	100619
Mailing Address:	% GARCIA, JOE R 1805 S PEARL ST ROCKPORT, TX 78382-2117	% Ownership:	50.0000000000%

[Exemptions:](#)

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$21,555	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
<hr/>			
(=) Market Value:	=	\$21,555	
(-) Ag or Timber Use Value Reduction:	-	\$0	
<hr/>			
(=) Appraised Value:	=	\$21,555	
(-) HS Cap:	-	\$0	
<hr/>			
(=) Assessed Value:	=	\$21,555	

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed	
2016		N/A	N/A	N/A	N/A	N/A	
2015	\$0		\$21,555	0	21,555	\$0	\$21,555
2014	\$0		\$14,195	0	14,195	\$0	\$14,195
2013	\$0		\$14,195	0	14,195	\$0	\$14,195
2012	\$0		\$14,195	0	14,195	\$0	\$14,195
2011	\$0		\$14,195	0	14,195	\$0	\$14,195
2010	\$0		\$14,195	0	14,195	\$0	\$14,195
2009	\$0		\$14,195	0	14,195	\$0	\$14,195
2008	\$0		\$14,195	0	14,195	\$0	\$14,195
2007	\$0		\$28,390	0	28,390	\$0	\$28,390
2006	\$0		\$28,390	0	28,390	\$0	\$28,390
2005	\$0		\$30,670	0	30,670	\$0	\$30,670
2004	\$0		\$29,890	0	29,890	\$0	\$29,890
2003	\$0		\$26,700	0	26,700	\$0	\$26,700

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	11/25/2009	DEED	DEED	FERGUSON MARY P	GARCIA MARK E			309309
2	11/25/2009	DEED	DEED	GARCIA JOHNNY ETUX CYNTHIA	FERGUSON MARY P			309309
3	11/25/2009	GD	GIFT DEED	FERGUSON MARY P	GENTRY JOEL M			309310

Details Map Pay Taxes

Click on a title bar to expand or collapse the information.

Expand All

Property

Account

Property ID:	69967	Legal Description:	A226 C S ZENN SURVEY, ACRES 0.464 Undivided Interest 50.0000000000%
Geographic ID:	6575-226-465-000	Agent Code:	
Type:	Real	Parent Property ID:	8810279
Property Use Code:	R 1		
Property Use Description:	1ST SINGLE FAMILY DWELLING DISTRICT		

Location

Address:	840-848 S H 35 BYPASS ROCKPORT, TX 78382	Mapsoo:	
Neighborhood:		Map ID:	
Neighborhood CD:			

Owner

Name:	GENTRY JOEL M	Owner ID:	100621
Mailing Address:	111 MISTY LANE ARANSAS PASS, TX 78336-2117	% Ownership:	50.0000000000%

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$6,365	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$6,365	
(-) Ag or Timber Use Value Reduction:	-	\$0	

(=) Appraised Value:	=	\$6,365	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$6,365	

▼ Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed	
2016		N/A	N/A	N/A	N/A	N/A	
2015		\$0	\$6,365	0	6,365	\$0	\$6,365
2014		\$0	\$3,235	0	3,235	\$0	\$3,235
2013		\$0	\$3,235	0	3,235	\$0	\$3,235
2012		\$0	\$3,235	0	3,235	\$0	\$3,235
2011		\$0	\$3,235	0	3,235	\$0	\$3,235
2010		\$0	\$3,235	0	3,235	\$0	\$3,235
2009		\$0	\$3,235	0	3,235	\$0	\$3,235
2008		\$0	\$3,235	0	3,235	\$0	\$3,235

▼ Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
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The Grant Connection

916 East Cedar Street, Rockport, Texas 78382
(361) 790-0002 grantwriter@sbcglobal.net

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT ("Agreement") is made as of the 8th of September 2015, between The Grant Connection, with its principal office at 916 East Cedar Street, Rockport, Texas 78382 (hereinafter referred to as "TGC") and the City of Rockport, Texas, with its principal office at 622 E. Market St., Rockport, Texas 78382 (hereinafter referred to as "Client").

WITNESSETH:

WHEREAS, TGC is in the business of providing comprehensive grant funding services to nonprofit organizations, for-profit organizations, and government entities.

WHEREAS, TGC is interested in engaging Client to consult with respect to the development of a grant application and administration of a grant-funded project on behalf of the Client;

NOW THEREFORE, in consideration of the mutual covenants and agreements of the parties contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby mutually agreed as follows:

ARTICLE I DEFINITION

- 1.0** For the purpose of this Agreement, the term "TGC" shall include the business named above and all employees, agents, officers, and other individuals or entities acting on behalf of TGC in the performance of services for (all such employees, agents, officers and other individuals or entities are also referred to herein as "Assigned Employees").

ARTICLE II SERVICES

- 2.0** Subject to the conditions set forth herein, TGC agrees to consult with Client with respect to submitting an application to the Texas General Land Office requesting grant funding through the Coastal Management Program for acquisition of property for the purpose of habitat protection and providing public access to a natural setting for bird and wildlife viewing, and for other grant-related services that TGC might provide; and, TGC will, from time to time, at TGC's discretion, meet with Client's employees and other stakeholders to discuss the services that TGC may provide to Client in regard to application development, project administration, and general grants consulting. TGC will begin said services upon Client's acceptance and execution of this Agreement.

ARTICLE III COMPENSATION

- 3.0** Upon execution of this Agreement, Client will pay TGC the following amounts for services described in Attachment A:

3.1	TASK I:	Assist with preparation of a CMP grant proposal.	\$3,800.00
	TASK II:	Grant Administration, if application is selected for funding.	5% of acquisition costs
	TASK III:	Grants Consulting, if requested by Client.	\$100/hour

- 3.2** Client will also reimburse TGC for out-of-pocket expenses incurred by TGC in connection with the performance of services hereunder, including, but not limited to, reasonable travel expenses.
- 3.3** TGC will provide an invoice for Task I upon completion, and for Tasks II and III monthly.
- 3.4** Payment is expected within thirty (30) days of the client's receipt of each invoice. If invoice is not paid in full in thirty (30) days, interest will accrue at 1.5% per month (18% per annum).

ARTICLE IV GENERAL

- 4.0** This Agreement, including Attachment A, "General Conditions for Services" attached hereto, (collectively, the "Understandings") contains the full understanding of the parties hereto with respect to the specific subject matter hereof and supersede and cancel all other previous agreements, negotiations, commitments, discussions, and writings in respect of such subject matter. No representations, promises or understandings that are not expressly set forth in the Understandings are binding upon any of the parties. This Agreement may not be released, discharged, abandoned, changed, or modified in any manner except by an instrument in writing signed by a duly authorized representative of each of the parties hereto. Neither the course of conduct between the parties nor trade usage shall act to modify or alter the provisions of this Agreement.
- 4.1** This Agreement shall be construed and the legal relations of the parties hereto shall be governed in accordance with the laws of the State of Texas, United States of America.
- 4.2** The provisions of this Agreement shall be severable and the invalidity or illegality of any provision of this Agreement shall not affect the validity or legality of the remaining provisions hereof.
- 4.3** The waiver by either of the parties hereto of any breach of any provisions hereof by the other party shall not be construed to be either a waiver of any succeeding breach of any provisions or a waiver of the provision itself.
- 4.4** The language used in this Agreement shall be deemed to be language chosen by the parties hereto to express their mutual intent, and no rules of strict construction against any party shall apply to any term or provision of this Agreement.

- 4.5** This Agreement and all rights and obligations hereunder shall inure to the benefit of and shall be binding upon subsidiaries, affiliates, successors, or assigns of the parties hereto; provided, however, that neither party shall assign or transfer this Agreement in any manner without the prior written consent of the other party.
- 4.6** Neither party shall be considered an agent for the other party nor shall either party have authority to bind or obligate the other to third parties. The parties to this Agreement agree that the relationship created by this Agreement is that of independent contractors. Each party agrees that no employee of the other party will for any purpose be or be deemed an employee of such first party or be entitled to any benefits provided by such first party to its employees, including but not limited to group insurance, liability insurance, disability insurance, paid vacations, sick leave or other leave, retirement plans and the like. It is understood and agreed that since TGC is an independent contractor, Client will make no deductions from fees paid to TGC for any federal or state taxes or FICA, and Client has no obligation to provide Worker's Compensation coverage for TGC or Assigned Employees or to pay overtime rates to Assigned Employees. It shall be Client's sole responsibility to compensate Assigned Employees and to pay, or ensure the payment of, all required taxes and make, or ensure the making of, timely payment of all withholdings and taxes relating to Assigned Employees and the compensation received by TGC under this Agreement.
- 4.7** TGC shall not be liable for delay due to causes beyond its reasonable control, such as acts of God, acts of Client, acts of civil and military authority, fires, strikes, floods, epidemics, quarantine restrictions, war, riots, and inability to submit application by the submission deadline due to causes beyond its control. In the event of any delay, the scheduled date of completion of performance shall be deferred for a period equal to the time lost by reason of the delay.
- 4.8** The parties agree that this Agreement creates no legal obligation of any kind upon either party to establish a clearing relationship or for TGC to provide settlement services.

ARTICLE V - TERM

- 5.0** The term of this agreement shall commence on the date first stated above and shall continue for a period of twelve (12) months. Notwithstanding, either party may terminate this agreement at any time for any reason by providing the other party with thirty (30) days notice.

ARTICLE VI - CONTACTS

- 6.0** TGC's primary contacts for matters arising under this Agreement shall be Greg Harlan, Owner.
- 6.1** Client's primary contacts for matters arising under this Agreement shall be Kevin Caruth, Rockport City Manager. Either party may elect at any time to designate other individuals as primary contacts by providing notice to the other party.

AGREEMENT ACCEPTANCE AND EXECUTION

Acceptance of this Agreement, including the “General Conditions for Services” found in Attachment A, will be indicated by the signatures below and will serve as authorization to proceed with the work proposed herein. If the client is a Corporation or a Partnership, then the signature below will also represent the personal guarantee of the individual signing on behalf of the Client.

IN WITNESS THEROF, the City of Rockport, Texas and The Grant Connection have accepted and executed this grant services Agreement.

City of Rockport

The Grant Connection

By: _____

By: _____

Charles "C.J." Wax

Greg Harlan

Mayor

Owner

Date: September 8, 2015

Date: September 8, 2015

ATTACHMENT A

GENERAL CONDITIONS FOR SERVICES

Article 1: Services by TGC

1.1 Scope of services standard of care. TGC will perform the scope of services expressly described in this Agreement, after it is signed by both parties. The services performed by TGC will be conducted in a manner consistent with the degree of care and skill ordinarily exercised by reputable companies performing the same or similar services acting under similar circumstances and conditions.

1.2 Proposal Development

TGC will assist Client personnel in preparation of a Coastal Management Program (CMP) grant proposal.

TGC will 1) structure the proposal design and coordinate efforts with Client personnel and, if necessary, with individuals and firms designated by Client. 2) Assist with identifying key delivery issues, e.g., establishing objectives, determining specific project tasks and measures, defining responsibilities, establishing project timeframe and clarifying budget needs. 3) Act as primary writer. 4) Submit application to the Texas General Land Office for review and funding consideration.

1.3 Grant Administration

Administer the grant if it is among those selected for funding. Administrative responsibilities will include project tasks related to data collection and reporting, such as: preparing and submitting progress reports, closeout reports, and other reporting required by the funding agency; collecting and submitting invoices for reimbursement to the funding agency; and collecting and submitting local matching funds data.

1.4 Grant Consulting

Provide, as needed and requested by Client, grant-related resources involving expertise, in the form of knowledge, experience, special skills, or creativity, not otherwise included in services described above. Our fee will be based on the time spent by us on your behalf. Records of all time will be kept and accounts will then be prepared and sent to you periodically. We will advise you before undertaking any procedures that will substantially increase the amount of fees anticipated and will proceed only upon your instructions to do so. Our fee will be calculated on the basis of our regular hourly rates. We reserve the right to charge more in appropriate cases, such as pressing circumstances, the requirement for work outside normal business hours, or special demands on us.

Article 2: Responsibilities of Client

2.1 Client requirements. Client, to the best of its ability, without cost to TGC, will:

- a) Designate to TGC a person to act as Client's representative;
- b) Provide or arrange for access and make all provisions for TGC to enter any site where project tasks are to be performed;
- c) Furnish TGC with all reasonably available information pertinent to the project;

- d) Furnish TGC with a legal description of the site and all available surveys, site plans, and relevant information about site conditions, topography, boundaries, easements, zoning, land use restrictions, and right-of-ways, if available and as needed;
- e) Furnish TGC with all approvals, permits, and consents required for performance of the project except for those TGC has expressly agreed in writing to obtain.

Article 3: Changes; Delays; Excused Performance

- 3.1 Changes.** Unless this Agreement expressly provides otherwise, TGC's proposed compensation represents its best estimate of the costs, effort, and time it expects to expend in performing the services based on its reasonable assumption of the conditions and circumstances under which the services will be performed. As the services are performed, conditions may change or circumstances outside TGC's reasonable control (including changes of law or regulatory policy) may develop that would require TGC to expend additional costs, effort, or time to complete the services, in which case TGC will notify Client, and an equitable adjustment will be made to TGC's compensation. In the event conditions or circumstances require the services to be suspended or terminated, TGC will be compensated for services previously performed and for costs reasonably incurred in connection with the suspension or termination.
- 3.2 Disputes.** If any claim or dispute arises out of this Agreement or its performance, the parties agree to endeavor in good faith to resolve it equitably through negotiation or, if that fails, through nonbinding mediation under the rules of the American Arbitration Association, before having recourse to the courts. However, prior to or during negotiation or mediation, either party may initiate litigation that would otherwise become barred by a statute of limitation, and TGC may pursue any property liens or other rights it may have to obtain security for the payment of its invoice.
- 3.3 Suspension, etc.** TGC may suspend or terminate the services at any time if payment is not received when due and will be entitled to compensation for the services previously performed and for costs reasonably incurred in connection with the suspension or termination.
- 3.4 Collection.** Client will reimburse TGC for TGC's costs and expenses (including reasonable attorneys' and witnesses' fees) incurred for collection under this Agreement.

Article 4: Miscellaneous Provisions

- 4.1 Governing law and Headings.** This Agreement will be governed by and construed in accordance with the laws of the State of Texas. The headings in this Agreement are for convenience only and are not a part of the agreement between the parties.
- 4.2 Entire Agreement.** This Agreement supersedes all prior agreements and, together with any work release document issued under this Agreement and signed by both parties, constitutes the entire agreement between the parties. Any amendments to this Agreement will be in writing and signed by both parties. In no event will the printed terms on any purchase order, work order, or other document provided by Client modify or amend this Agreement, even if it is signed by TGC, unless TGC signs a written statement expressly indicating that such terms supersede the terms of this Agreement. In the event of an inconsistency between these

General Conditions and any other writings, which comprise this Agreement, the other writings will take precedence.

- 4.3 Survival.** All obligations arising prior to this Agreement and all provisions of this Agreement allocating responsibility or liability between the parties will survive the completion of the services and the termination of this Agreement.

Aransas Woods Acquisition CMP 2016

Estimated Costs		
Title Insurance		\$ 1,200
Acquisition		\$ 100,000
Appraisal		\$ 2,500
Closing Fee		\$ 200
Recording Fees		\$ 62
Survey and Field Notes		\$ 700
Preparation of Deed		\$ 100
Subtotal		\$ 104,762
Admin	5%	\$ 5,238
Total		\$ 110,000
CMP Grant	75%	\$ 82,500
Match	25%	\$ 27,500