

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, March 8, 2016 Rockport City Hall, 622 East Market Street

On the 8th day of March 2016, 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 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

Mayor Charles J. Wax

STAFF MEMBERS PRESENT

City Manager Kevin Carruth
City Attorney Terry Baiamonte
City Secretary Teresa Valdez
Finance Director Patty Howard
Police Chief Tim Jayroe
Public Works Director Mike Donoho
Park & Leisure Services Director Tom Staley
Community Planner Kimber Clark

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 Pro-Tem Rios at 6:30 p.m. on Tuesday, March 8, 2016, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

2. Pledge of Allegiance.

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

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 any action on any item that has not been posted on the agenda.

Alan Lee Copeland addressed the Council. Mr. Copeland stated he was involved in the recent Sheriff's race and there were many ugly things that have come out of this election. Mr. Copeland voiced concerns in regard to the recent election. Mr. Copeland commented that something is very wrong happening in Aransas County.

Lynn Baskind addressed the Council. Ms. Baskind thanked the Council for the City's continued support of the community pool. Ms. Baskind stated there is going to be a "Ducky Race" on March 19, 2016, at the pool to increase support of the pool.

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 February 23, 2016.**
- 5. Deliberate and act on Lease Agreement with the Rockport Center for the Arts for use of 402 Laurel to house the 2016 Summer ArtLink Program.**
- 6. Deliberate an act on a Resolution to authorize the Rockport Police Department to apply for a Fiscal Year 2016 Local Border Security Program (Border Star) Grant administered by the Texas Department of Public Safety – Texas Rangers Division.**
- 7. Deliberate and act to accept a Certification of Unopposed Candidates by the City Secretary for the May 7, 2016, General Election**

Deliberar y actuar para aceptar una certificación de candidatos sin oposición, preparada por la secretaria municipal para las elecciones municipales generales del 7 de mayo de 2016.

- 8. Deliberate and act on Resolution declaring unopposed candidates in the May 7, 2016, City General Election, elected to office; cancelling the Saturday, May 7, 2016, Mayor, Ward 2 and Ward 4 Elections; and finding and declaring that the meeting at which this Resolution is adopted was open to the public, that the public notice of time, place and the subject matter of the public business to be considered was posted as required by law, including this Resolution.**

Deliberar y actuar sobre una resolución declarando a candidatos sin oposición, en las elecciones municipales generales del 7 de mayo de 2016, elegido para un cargo público; anulando las elecciones del 7 de mayo, 2016 de alcalde, de barrio 2 y de barrio 4; averiguando y declarando que la reunión en que se adoptó esta resolución fue abierta al

público, y el aviso al público de la hora, el lugar y el contenido de los negocios públicos en consideración fueron publicados como requiere la ley, incluyendo esta resolución.

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

MOTION: Council Member Villa moved to adopt the Consent Agenda Items as presented. Council Member Day seconded the motion. Motion carried unanimously.

Public Hearing

- 9. Conduct and deliberate a Public Hearing for the purpose of considering abolishing, continuance, or modification of the Juvenile Curfew Ordinance for the City of Rockport, Aransas County, Texas.**

Mayor Pro-Tem Rios opened the Public Hearing at 6:38 p.m.

There were no public comments.

Police Chief Jayroe stated the Juvenile Curfew Ordinance has been in effect for several years. Chief Jayroe said the Ordinance is extremely helpful and does keep juveniles off the streets after certain hours.

Mayor Pro-Tem Rios closed the Public Hearing at 6:41 p.m.

Regular Agenda

- 10. Deliberate and act on first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 104 Woodland Drive; also known as Rockport Country Club Estates, Unit 2, .678 acres out of 1.51 acres at the northwest corner of FM 2165 & entry road, Rockport, Aransas County, Texas, from R-1 (1st Single-Family Dwelling District) to R-7 (Residential and Office District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Public Works Director Mike Donoho addressed the Council. Mr. Donoho stated at the February 23, 2016, Council meeting the Council decided to overrule the Planning & Zoning Commission's recommendation to deny the original request to change the zoning from R1 to B1 and approved the zoning change from R1 to R7.

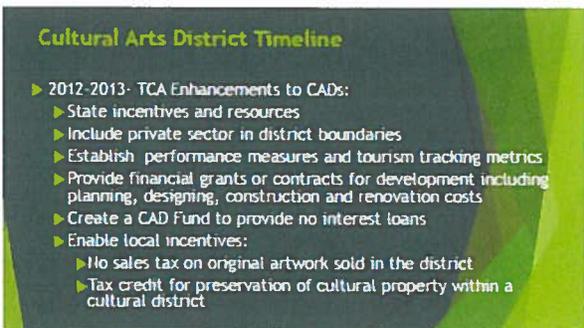
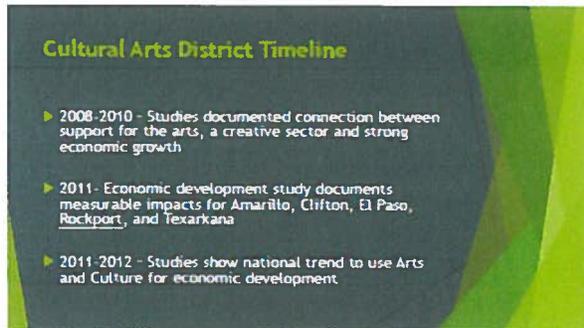
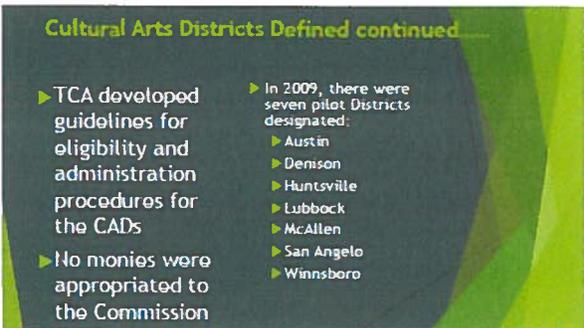
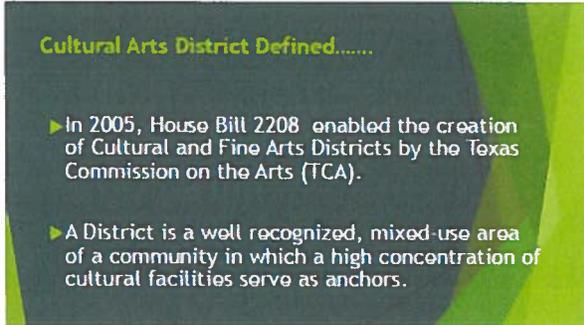
Brief discussion was held among Council and Mr. Donoho.

MOTION: Council Member Villa moved to approve the first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 104 Woodland Drive; also known as Rockport Country Club Estates, Unit 2, .678 acres out of 1.51 acres at the northwest corner of FM 2165 & entry road, Rockport, Aransas County,

Texas, from R-1 (1st Single-Family Dwelling District) to R-7 (Residential and Office District); repealing all ordinance in conflict therewith; providing for severability; and providing an effective date. Council Member Gurtner seconded the motion. Motion carried unanimously.

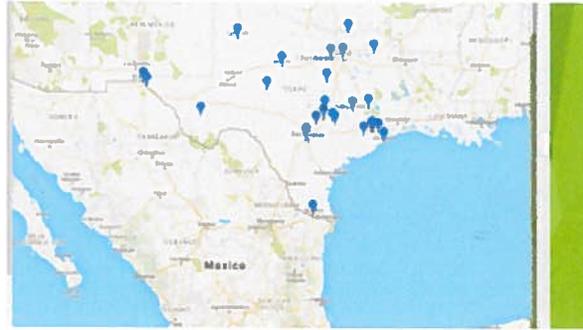
11. Deliberate and act on a Resolution authorizing certification of a Cultural District for at least ten years to be named Rockport Heritage and Arts District.

Jennifer Day addressed the Council and gave a PowerPoint presentation (below) on creation of a cultural arts district.



Cultural Arts District Timeline

- ▶ In 2015, there were 28 Cultural Arts Districts in Texas
- ▶ The Texas Legislature appropriated \$5 million dollars for existing CADs to be granted by 2017
- ▶ Cultural Arts Districts in Texas - Map



Rockport Cultural Arts District... On Its Way!

- ▶ Summer 2015, Rockport Steering Committee Forms
- ▶ Sponsorship received from the Rockport Heritage District Association
- ▶ Support received from City of Rockport, Aransas County, Rockport-Fulton Chamber of Commerce, Town of Fulton and Rockport Center for the Arts and numerous individuals
- ▶ January 2016 - Letter of Intent and Proposed CAD Map was submitted to the TCA
- ▶ June 15, 2016 - Official CAD Application to be submitted to TCA



Rockport Cultural Arts District

- ▶ Next Steps -
 - ▶ Evidence of Level of Community Support
 - ▶ Targeted Government and Civic Organizations
 - ▶ Letters of Support and Commitment
 - ▶ Public Engagement Meetings and Survey
 - ▶ Signed City and County Resolutions
 - ▶ Signed Resolution of Support by Non Profits
 - ▶ Define CAD Leadership/Management Team and Structure
 - ▶ include roles, responsibilities, chain of command, entity with ultimate responsibility

Rockport Cultural Arts District

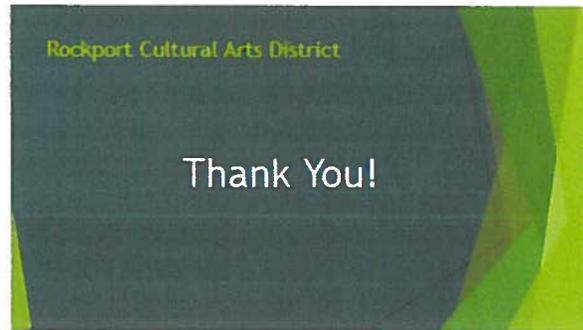
- ▶ Next Steps continued -
 - ▶ Plan for Developing and Sustaining the CAD
 - ▶ Cultural Plan w/ tourism, marketing, economic development sections
 - ▶ CAD Budget
 - ▶ Transportation/Walking Plan
 - ▶ ADA Features
 - ▶ Affordable Housing and Studio Space for Arts (if applicable)

Rockport Cultural Arts District

- ▶ Next Steps continued -
 - ▶ Description of Incentives and Collaborations
 - ▶ Local, Regional, state, Federal, and Private
 - ▶ Description of Existing Cultural, Arts, and Tourism Enterprises
 - ▶ Description of Planned Cultural, Arts, and Tourism Enterprises w/ Timeline
 - ▶ Rockport CAD Marketing Audio Visual (Required for Application)

Rockport Cultural Arts District

Questions



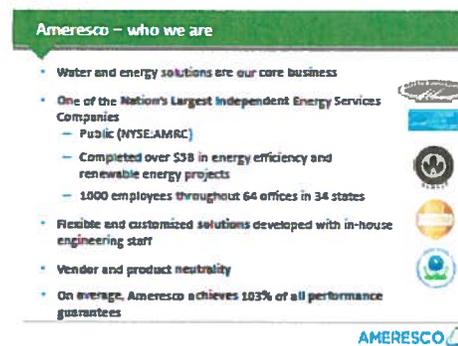
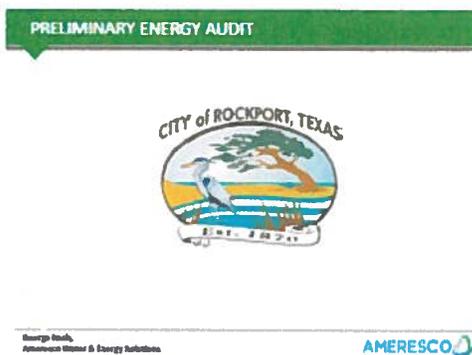
Discussion was held among Council and Ms. Day.

MOTION: Council Member Villa moved to adopt the Resolution authorizing certification of a Cultural District for at least ten years to be named Rockport Heritage and Arts District. Council Member Day seconded the motion. Motion carried unanimously.

12. Hear and deliberate on presentation of preliminary energy audit and energy audit agreement by Ameresco Water and Energy Solutions.

City Manager Kevin Carruth stated Section 302 of the Local Government Code authorizes local governments to enter into energy savings performance contracts (ESPC). Mr. Carruth said ESPC is a construction method that allows an entity to complete energy-saving improvements within an existing budget by financing them with money saved through reduced utility expenditures. Mr. Carruth added that local governments make no up-front investments and instead finance projects through guaranteed annual energy savings. Mr. Carruth explained that over the last four months, Ameresco has performed a preliminary assessment (at no cost to the City) to determine if there is probable cause to think there are sufficient savings to warrant an ESPC. Mr. Carruth stated the preliminary assessment has determined a potential for approximately \$400,000 in annual savings. Mr. Carruth informed the Council that the energy audit will cost \$45,000 and if the City ultimately enters into an ESPC and completes design and implementation of the energy and water conservation measures, that cost is rolled into the project and there is no cost expense for the City; however, if the City does not sign an ESPC, it is liable for paying that cost.

Mr. George Rash with Ameresco Water & Energy Solutions addressed the Council and gave a PowerPoint presentation (below).



Trusted Experience

- We strive to understand the unique requirements of each client
 - Partnered to complete billions of \$ in projects with government agencies
- We understand the local climate
 - Successful and unique energy projects implemented throughout the Lone Star State and in Texas who lives and works here

AMERESCO
Energy • Gas • Substations

Enabling Legislation By State of Texas

- Local Government Code 302
- Program must be budget-neutral or positive each year (all costs, including debt)
- Typical guarantee term ranges from 10 to 15 years (TX allows for a 20 year term)
- No impact on debt ceiling or bonding capacity
 - third party financing (tax-free municipal lease)
 - not traditional debt because there is an annual non-appropriations clause; thus, not subject to tax or revenue pledge
- Calculations must be verified by licensed, third party engineer
- Performance is guaranteed by Ameresco



Common areas where funding is often scarce

- Water supply and distribution systems
- Water and wastewater treatment plants
- SCADA systems for plant control
- Facility infrastructure such as HVAC and lighting
- Street lights, traffic signals
- Water meter replacement, right-sizing
- Gas meters and Electric meter replacement
- Demand response
- Renewable-solar, wind, biogas, biomass

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Executive Summary

This Preliminary Assessment (PA) provides you with a review of the energy conservation measure (ECM) findings.

Findings indicate:

- Significant energy, water, and operational cost reduction opportunities
- You can positively affect your bottom line through energy efficient measures through-out the city
- You can realize the largest savings opportunity, maximize your carbon footprint reduction, and create the best environment for city officials, city staff, and city residents
- Recommend to the city that you proceed with investment grade audit (IGA)



Potential Magnitude of Cost Reductions

Depending upon your selected ECM's, energy savings from the program are expected to be approx. 15-20% or greater annually.

Based on your 2014 utility data, and selected facilities, utility observations are:

Water usage:

- Pumped/purchased - 994,677,000 gal./yr.
- Consumed/billed - 852,932,490 gal./yr.
- Total Loss factor - 141,744,510 gal./yr. or 14.2 %*
- Potential savings of up to 5 %

*Note - loss factor includes leaks, unmetered/unbilled, normal loss of 6-8%, water meter age, etc.



Potential Magnitude of Cost Reductions, cont.

Based on your 2014 utility data, and selected facilities, utility observations are:

Natural Gas usage:

- Purchased natg - 172,066 mcf/yr
- Consumer billed - 163,403 mcf/yr
- Total Loss factor - 5 %*
- Potential savings of up to 1-2 %

*Note - loss factor includes age of meter, meter readings, line leakage, unbilled/unmetered meters, etc.



Potential Magnitude of Cost Reductions, cont.

Based on your 2014 utility data, and selected facilities, utility observations are:

Other Energy Conservation Measures (ECM's):

- Street lights
- Lift stations - 42, two pumps at each location
- Storm lift stations - 8
- City hall - 5000 sq ft (lighting, hvac, water, IAQ, etc.)
- Police station - 5000 sq ft (lighting, hvac, water, IAQ, etc.)
- New facilities to be built
- Billing system update



Financial

Estimated Annual Utility Savings	\$ 400,000
20 Year Project Savings	\$ 8,000,000*
Estimated Project Cost	\$ 3-4,000,000
Estimated Potential Rebates	\$ 0
Annual Lease Payment (1 st year)	\$ 400,000
Financing Term Length	12-15 Years
Annual Financing Rate	1 %**

* Escalation rate of 3% /yr. would make it well over \$10,000,000

**Rate based on City cashing GIC's for funding



Sample Cash-flow

Year	Month	Revenue	Expenses	Net Cash Flow	Cumulative Cash Flow	Payback Period
2015	1	10000	12000	-2000	-2000	
2015	2	10000	11500	-1500	-3500	
2015	3	10000	11000	-1000	-4500	
2015	4	10000	10500	-500	-5000	
2015	5	10000	10000	0	-5000	
2015	6	10000	9500	500	-4500	
2015	7	10000	9000	1000	-3500	
2015	8	10000	8500	1500	-2000	
2015	9	10000	8000	2000	-500	
2015	10	10000	7500	2500	1500	
2015	11	10000	7000	3000	4500	
2015	12	10000	6500	3500	8000	
2016	1	10000	6000	4000	12000	
2016	2	10000	5500	4500	16500	
2016	3	10000	5000	5000	21500	
2016	4	10000	4500	5500	27000	
2016	5	10000	4000	6000	33000	
2016	6	10000	3500	6500	39500	
2016	7	10000	3000	7000	46500	
2016	8	10000	2500	7500	54000	
2016	9	10000	2000	8000	62000	
2016	10	10000	1500	8500	70500	
2016	11	10000	1000	9000	79500	
2016	12	10000	500	9500	89000	



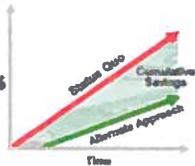
Energy Conservation Measures (ECM'S)

- Water Meters – AMI
- Gas Meters-AMI
- Update Billing system to handle AMI
- HVAC, Lighting, controls, at City hall and Police
- Street lighting, where applicable
- LID-stations, Water and Storm
- Upgrade SCADA
- Other ECM's that are revealed during IGA



Benefit Recap

- Solution is self-funded and guaranteed (no tax or rate increases)
- Positive visibility for Local Govt leadership and alignment with their goals
- Aging infrastructure is updated with new technology
- Reduction in energy, operational, and maintenance costs
- Improved safety and comfort for citizens and staff
- Local economic boost
- Local Govt staff determines scope
- Local Govt staff determines suppliers
- Enabled by Texas LG Code
- Grant, rebate, & financing assistance
- Fast implementation
- Start saving now



Bottom Line

- Ameresco identifies projects with your staff that are guaranteed to pay for themselves
- This means addressing infrastructure challenges with no capital outlay and without the need to issue bonds
- Can utilize process through Power Purchase Agreements; Energy Savings Contracts; DBOM (Design/Build; Operate; Maintain)



Next Step: Recommend IGA

- Utility Analysis
- Energy Conservation Measures confirmed
- Construction Plan, Implementation Outline, & Schedule
- Measurement & Verification Plan
- Commissioning of Project



In Conclusion...



Discussion was held among Council and Mr. Rash.

13. Deliberate and act on first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 55 “Offenses and Miscellaneous Provisions”, Article I. “In General”, Article II. “Minors”, amending Section 66-36 “Definitions” setting curfew hours for minors; and adding “Table 1”; repealing all Sections in conflict herewith; providing a severability clause; and providing an effective date.

City Manager Kevin Carruth stated this is the follow-up action item for the public hearings conducted on the City’s Juvenile Curfew Ordinance.

MOTION: Council Member Gurtner moved to approve the first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 55 “Offenses and Miscellaneous Provisions”, Article I, “In General”, Article II. “Minors”, amending Section 66-36 “Definitions” setting curfew hours for minors; and adding “Table 1”; repealing all Sections in conflict herewith; providing a severability clause; and providing an effective date. Council Member Villa seconded the motion. Motion carried unanimously.

14. Deliberate and act on approving the City Attorney to act on behalf of the Rockport Police Department and the City of Rockport in proceedings for forfeiture of contraband.

MOTION: Mayor Pro-Tem Rios moved to table this item until further information is received on the item. Council Member Day 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; 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 Development 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 Pro-Tem Rios stated the YMCA Development Committee met on Monday, March 7, 2016. Mayor Pro-Tem Rios informed the Council that the Committee answered the questions the Friends of the Pool had submitted to the Committee.

Council Member Gurtner stated she had attended the Coastal Bend Bays & Estuaries Program meeting. Council Member Gurtner informed the Council that the Coastal Bend Bays & Estuaries Program is reviewing projects to fund and they are considering several projects in Rockport.

Park & Leisure Services Director Tom Staley announced that the annual Whooping Crane Strut is scheduled for Saturday, March 12, 2016, beginning at Memorial Park.

Council Member Villa stated that everyone should go on-line and vote for Rockport as the “Best Place for Birding.”

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: 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: Deliberate the purchase, exchange, lease, or value of real property: (A) Project Red Fish; (B) Project Cobia; and (C) 1600 block of Third Street right-of-way.**
19. **Section 551.074 Personnel Matters: City Secretary Evaluation.**

At 7:47 p.m., Mayor Pro-Tem Rios convened the Rockport City Council into an executive session pursuant to 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: 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: Deliberate the purchase, exchange, lease, or value of real property: (A) Project Red Fish; (B) Project Cobia; and (C) 1600 block of Third Street right-of-way; and Section 551.074 Personnel Matters: City Secretary Evaluation.

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 9:14 p.m., Mayor Pro-Tem Rios reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any necessary actions related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

MOTION: Mayor Pro-Tem Rios moved to authorize the City Manager to negotiate and execute a contract with the The Snapka Law Firm for representation on contemplated litigation. Council Member Villa seconded the motion. Motion carried unanimously.

MOTION: Mayor Pro-Tem Rios moved to authorize the City Manager to negotiate details of an agreement regarding 1600 block of Third Street right-of-way to include time line and improvement costs. Council Member Villa seconded the motion. Motion carried unanimously.

21. Adjournment

At 9:15 p.m., Council Member Villa moved to adjourn. Motion was seconded by Council Member Day and carried unanimously.



APPROVED:



Charles J. Wax, Mayor

ATTEST:



Teresa Valdez, City Secretary