

# CITY OF ROCKPORT

## MINUTES

### CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, January 13, 2015 Rockport City Hall, 622 East Market Street

On the 13<sup>th</sup> day of January 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

#### PLANNING & ZONING COMMISSION MEMBERS PRESENT

#### 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  
Information Technology Manager Brian Jacobs  
Parks & Leisure Services Director Tom Staley

#### 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, January 13, 2015, 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.

##### 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.

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.

- 4. Deliberate and act on approval of City Council Workshop Meeting Minutes of December 9, 2014, and Regular Meeting Minutes of December 9, 2014.**
- 5. Deliberate and act on approval of Memorandum of Understanding with Aransas County Independent School District on Law Enforcement.**
- 6. Deliberate and act on 1<sup>st</sup> quarter report from Rockport Center for the Arts for Fiscal Year 2014-2015 marketing expenditures.**
- 7. Deliberate and act on 1<sup>st</sup> quarter report from Texas Maritime Museum for Fiscal Year 2014-2015 marketing expenditures.**
- 8. Deliberate and act on 1<sup>st</sup> quarter report from Rockport-Fulton Chamber of Commerce for Fiscal Year 2014-2015 marketing expenditures.**
- 9. Deliberate and act on acceptance of a \$1,297.00 donation for purchase of a memorial park bench for placement along the Tule Hike & Bike Trail.**
- 10. Deliberate and act on Intergovernmental Cooperation Agreement between the City of Rockport, Town of Fulton and Aransas County for dispatching services.**

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

### **Public Hearing**

#### **11. Call to Order - Rockport Planning & Zoning Commission.**

There were no members of the Planning & Zoning Commission in attendance so the Joint Public Hearing was not conducted.

- 12. Conduct and deliberate a Joint Public Hearing with the Planning & Zoning Commission to consider a request for rezoning from R-2 (2<sup>nd</sup> Single-Family Dwelling District) to B-1 (General Business District) on property located at 1903 Mathis Street; also known as parts of Lots 5-13 (1.525 acres) out of the John Kettle Survey A-91-92, Block 103, Manning Addition, Rockport, Aransas County, Texas.**
- 13. Adjourn – Rockport Planning and Zoning Commission.**
- 14. Conduct a Public Hearing to consider a request from Bryan Bracht for permanent closure/abandonment/vacation of 0.197 acre (previously called 0.384 acre) of land embracing a portion of the south one-half of Airport Road, adjacent to Lot 1, Copano Village Subdivision, Rockport, Aransas County, Texas.**

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

Bryan Bracht addressed the Council. Mr. Bracht stated that the area he is requesting to be abandoned can be confusing because there are 30', 40' and 60' rights-of-way in that location. Mr. Bracht said the property has been described as 0.384 acre; part of which belongs to Aransas Pathways. Mr. Bracht added that he appreciated the opportunity to purchase the property and clean the property.

Mayor Wax stated he had transmitted to Aransas County Mr. Bracht's request along with a description of the area. Mayor Wax said Aransas County had stated they did not object to the requested abandonment as long as the kayak launch area is not disturbed.

Council Member Day asked Mr. Bracht what he planned to do with the property. Council Member Day asked if Mr. Bracht was planning to do anything on the water frontage. Council Member Day stated his concern was disruption of the kayak launch.

Mr. Bracht answered that he wants to build a home. Mr. Bracht added that if he does anything on the water frontage, it may be building a short pier. Mr. Bracht stated this area is not near the kayak launch. Mr. Bracht said this area has people camping on it, building fires and leaving trash.

Mayor Wax closed the Public Hearing at 6:44 p.m.

### **Regular Agenda**

- 15. Hear and deliberate on presentation of Chamber of Commerce Keep Rockport-Fulton Moving quarterly report.**

Rockport-Fulton Chamber of Commerce President Karen Mella addressed the Council. Ms. Mella presented the Rockport-Fulton Chamber of Commerce's Keep Rockport-Fulton Moving quarterly report.

Discussion was held between Council and Chamber President & Chief Executive Officer Diane Probst, Ms. Mella and Director of Tourism and Events Sandy Jumper in regard to the quarterly report.

- 16. Deliberate and act on first reading of a proposed Ordinance authorizing the closing, vacating and abandonment of 0.197 acre of land embracing a portion of the south one-half of Airport Road, adjacent to Lot 1, Copano Village Subdivision, Rockport, Aransas County, Texas, according to the Plat of Record in Volume 1, Pages 72-73, Plat Aransas County, Texas; providing for the terms and conditions of such vacation and abandonment; authorizing the Mayor to execute a Quitclaim Deed for the 0.197 acre of land to be closed, vacated and abandoned; and providing for an effective date.**

Mayor Wax stated the Council had received information and discussed this during the public hearing held tonight.

**MOTON:** Council Member Villa moved to approve the first reading of the Ordinance authorizing the closing, vacating and abandonment of 0.197 acre of land embracing a portion of the south one-half of Airport Road, adjacent to Lot 1, Copano Village Subdivision, Rockport, Aransas County, Texas, according to the Plat of Record in Volume 1, Pages 72-73, Plat Records of Aransas County, Texas; providing for the terms and conditions of such vacation and abandonment; authorizing the Mayor to execute a Quitclaim Deed for the 0.197 acre of land to be closed, vacated and abandoned; and providing for an effective date. Council Member Gurtner seconded the motion. Motion carried unanimously.

- 17. Deliberate and act on second reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 2055-2139 State Highway 35 Bypass; also known as J. Smith Survey, being parts of Lots 55 & 58, 2.127 acres, Rockport Aransas County, Texas, from R-1 (Single Family Dwelling District) to B-1 (General Business District).**

Mayor Wax stated there had been no changes to the Ordinance in content or form since the first reading.

**MOTION:** Council Member Villa moved to approve the second reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 2055-2139 State Highway 35 Bypass; also known as J. Smith Survey, being parts of Lots 55 & 58, 2.127 acres, Rockport Aransas County, Texas, from R-1 (Single Family Dwelling District) to B-1 (General Business District). Council Member Day seconded the motion. Motion carried unanimously.

- 18. Deliberate and act on second reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 1853 FM 2165; 2.745 acres, also known as Moore Farm Tracts, Part of Lot 49 and west one-half (1/2) of north part of Lot 50, Rockport, Aransas County, Texas, from R-1 (Single Family Dwelling District) to B-1 (General Business District).**

Mayor Wax stated there had been no changes to the Ordinance in content or form since the first reading.

**MOTION:** Mayor Pro-Tem Rios moved to approve the second reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 1853 FM 2165; 2.745 acres, also known as Moore Farm Tracts, Part of Lot 49 and west one-half (1/2) of north part of Lot 50, Rockport, Aransas County, Texas, from R-1 (Single Family Dwelling District) to B-1 (General Business District). Council Member Gurtner seconded the motion. Motion carried unanimously.

**19. Deliberate and act on first and only reading of an Ordinance authorizing the issuance, sale and delivery of \$2,000,000.00 in aggregate principal amount of "City of Rockport, Texas Combination Tax and Revenue Certificates of Obligation, Series 2015"; securing the payment thereof by authorizing the levy of an annual *ad valorem* tax and a pledge of certain surplus revenues of the City's waterworks and sewer system; and approving and authorizing the execution of a paying agent/registrars agreement, a purchase contract, an official statement and all other instruments and procedures related thereto.**

The City's financial advisor, Bob Henderson, addressed the Council. Mr. Henderson said the Council had received a presentation in December in regard to issuing Texas Combination Tax and Revenue Certificates of Obligation in an amount not to exceed \$2,000,000.00 for improvements to the City's park system. Mr. Henderson called the Council's attention to the Standard & Poor's Ratings Services "Ratings Direct" summary (below).



## RatingsDirect

### Summary Rockport, Texas, General Obligation

**Primary Credit Analyst**  
Lance H. Epstein, (7) 461 (1) 214 671 1421, lanceh.epstein@standardandpoors.com

**Secondary Contact:**  
Elizabeth Lee, (7) 461 (1) 214 671 1473, elizabeth.lee@standardandpoors.com

**Table Of Contents**

- Rationale
- Outlook
- Related Criteria And Research

WWW.STANDARDANDPOORS.COM/RATINGSDIRECT

JANUARY 6, 2015

### Summary Rockport, Texas; General Obligation

Issue	Rating	Outlook
US21 (5 mil 00 844g Bonds (w/ 10)) del 04/15/2041 due 02/15/2017	AA+/stable	Stable
US22 (5 mil 00 700g Tax and Rev Certs of Obligation w/ 20 to del 01/15/2015 due 02/15/2020)	AA+/stable	Stable

**Rationale**

Standard & Poor's Ratings Services assigned its 'AA' long-term rating to Rockport, Texas' series 2015 general obligation (GO) refunding bonds and series 2015 combination tax and revenue certificates of obligation. At the same time Standard & Poor's affirmed its 'AA' long-term rating and underlying rating (SFR30) on the city's GO debt outstanding. The outlook is stable.

The series 2015 bonds and series 2015 certificates are secured by the city's direct and continuing *ad valorem* tax levied annually against all taxable property, within limits prescribed by law. The certificates are further secured by a pledge of surplus revenues from the city's waterworks and sanitary sewer systems. Bond proceeds will be used to refund a portion of the city's outstanding debt for savings purposes. Certificate proceeds will be used primarily to fund projects related to the city's park systems.

- The ratings reflect our view of the following factors for the city:
- Very strong economy, which benefits from its direct participation in the broad and diverse Corpus Christi metropolitan statistical area (MSA).
  - Strong management with good financial policies.
  - Very strong budgetary flexibility, with fiscal 2013 audited reserves greater than 30% of general fund expenditures.
  - Strong budgetary performance, with estimated general fund and total governmental funds surplus for fiscal 2014.
  - Very strong liquidity providing very strong cash levels to cover expenditures and debt service as needed, and
  - Weak debt and contingent liabilities position, although amortization is rapid.

**Very strong economy**

We consider Rockport's economy to be very strong, with active and participation in the broad and diverse Corpus Christi MSA in Aransas County. The city is located 30 miles north of downtown Corpus Christi and roughly 160 miles southeast of San Antonio. Being close to the Gulf Coast, the economy is largely tourism based, only 3% of the city's population consists of permanent residents. However, the economy has diversified into retailing, light manufacturing, and oil production and refining. Recent developments in Rockport include continued residential developments within the town and the expansion of several oil and gas-related projects in the area that our officials report should bring more residents to the city. Also, within the past year, two new hotels have opened.

The city has a projected per capita effective buying power of 110% of the U.S. and a per capita market value of

WWW.STANDARDANDPOORS.COM/RATINGSDIRECT

JANUARY 6, 2015

approximately \$160,000 for fiscal 2015. Since fiscal 2011, assessed value (AV) has increased an average of 1.9% per year. For fiscal 2015, AV increased roughly 2.3% to approximately \$1.47 billion, from \$1.43 billion in fiscal 2014. Management anticipates AV will continue to grow modestly between 1% and 2% in the next few years. There is no taxpayer concentration within the primary residential tax base, with the 10 leading taxpayers accounting for about 4% of fiscal 2015 AV.

**Strong management conditions with good financial practices**  
We view the city's management conditions as strong, with good financial practices under our Financial Management Assessment (FMA) methodology. This indicates financial practices exist in most areas but that government officials might not formulate or regularly monitor all of them. Key practices include monthly budget updates and quarterly investment updates to the council, total revenue and expenditure projections for five years, and a long-term capital plan that is closely monitored and reviewed in an annual strategy session. The city adopted a policy to maintain 180 days' operations in the general fund balance in order to respond to unexpected events. The city does not have a formal debt management or long-term financial plan although it seems to develop a long-term strategic plan that will include financial and debt management policies.

**Very strong budgetary flexibility**  
Budgetary flexibility remains very strong, with reserves averaging over 120% of expenditures for the past three fiscal years. While the city drew down reserves to \$2.8 million in fiscal 2013 from \$3.3 million in fiscal 2011, management estimates to have added roughly \$28.0 million back for fiscal 2014, as per unaudited results. As a result, estimated fiscal 2014 reserves would equal approximately 36% of estimated expenditures. City officials do not have plans to significantly spend down on the city's reserves in the near term.

**Strong budgetary performance**  
The city's budgetary performance has been strong overall, with a slight deficit of 1.1% for the general fund in fiscal 2013 and a surplus in total governmental funds of just under 14%, after making adjustments for one-time expenditures and recurring transfers. Property taxes and sales tax provided 43% and 27% of fiscal 2013 revenues, respectively. According to unaudited results for fiscal 2014, the city expects to have ended the year with a surplus of over 10% in the general fund and a surplus of about 6% in the total governmental funds. Management attributes the surplus in property tax rate increases in fiscal years 2013 and 2014 and to stronger-than-expected sales tax receipts. The city has traditionally budgeted conservatively by overestimating expenditures and understating revenues. The fiscal 2015 budget reflects a surplus for the operating fund, and city officials report that the budget is trending positively for the year so far.

**Very strong liquidity**  
Supporting the city's business is liquidity we consider very strong, with total governmental available cash more than 100% of total governmental fund expenditures and 4.7x debt service. We believe the city has a strong access to external liquidity given its frequent debt issuances, priority of GO debt in the past decade.

**Weak debt and contingent liability profile**  
In our opinion, the city's debt and contingent liability profile is weak, with total governmental fund debt service at about 24% of adjusted total governmental fund expenditures, and net direct debt at about 230% of total governmental fund revenue. The overall net debt burden is 4.2% of market value. The amortization schedule is rapid, in our view.

about 70% of principal is due to retire within the next 10 years, and all debt is currently scheduled to retire by 2025 – which we view as a credit strength. The city has no plans to issue GO debt in the near term.

The city currently participates in the Texas Municipal Retirement System (TMRS) to provide pension benefits for employees. Backlog contributions in fiscal 2013 as prescribed by TMRS "base-in" plan following changes to actuarial cost methods beginning in 2009. The annual required contribution for fiscal 2013 was approximately 8% of adjusted total governmental expenditures. As of the latest actuarial study dated Dec. 31, 2013, the city's pension plan was 81% funded.

**Strong institutional framework**  
We consider the institutional framework score for Texas municipalities strong. See Institutional Framework score for Texas.

**Outlook**

The stable outlook reflects our anticipation that management will continue to maintain very strong reserves and liquidity. The outlook also reflects our view that AV growth will continue to be modest and provide budgetary support in the next two years. Should the debt and liquidity profile moderate and the economy continue to expand and diversify, we could raise the ratings. Conversely, if the debt and liquidity profile worsens and reserve levels deteriorate, there could be downward pressure on the ratings.

**Related Criteria And Research**

**Related Criteria**  
USFP Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013

**Related Research**  
• A&P Public Finance Local GO Criteria: How To Adjust Data For Analysis; Commentary, Sept. 12, 2013  
• Institutional Framework Overview: Texas Local Governments

Rating	Outlook	Agency
AA/2	Stable	A&P
AA/2	Stable	A&P

Complete ratings information is available to subscribers of RatingsDirect at [www.standardandpoor.com](http://www.standardandpoor.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoor.com](http://www.standardandpoor.com). Use the Ratings search box located at the left column.

Mr. Henderson reviewed a handout (below) detailing the "Summary of Issue." Mr. Henderson informed the Council that the principal amount of issue was \$1,950,000.00 at 3.198% interest rate. Mr. Henderson recommended the Council accept the bid from Southwest Securities, Inc.

**Combination Tax & Revenue Certificates of Obligation, Series 2015**

Summary of Issue

- Detailed below are the estimated sources and uses of funds of the Combination Tax and Revenue Certificates of Obligation, Series 2015 issue.

Estimated Sources and Uses of Funds	
<b>Sources:</b>	
Principal Amount	\$1,950,000.00
Net Original Issue Premium	172,950.25
<b>Total Sources</b>	<b>\$2,122,950.25</b>
<b>Uses:</b>	
Deposit to Project Fund	\$2,000,000.00
Underwriter's Discount and Costs of Issuance	77,950.75
<b>Total Uses</b>	<b>\$2,077,950.75</b>

- The following are some of the summary statistics of the Combination Tax and Revenue Certificates of Obligation, Series 2015 issue.

Summary Statistics	
Pricing Date:	January 15, 2015
Delivery Date:	February 10, 2015
First Interest Payment Date:	August 15, 2015
Arbitrage Yield:	1.847%
Ask-yield:	3.198%
Final Maturity:	February 15, 2024
Call Date:	February 15, 2024
Average Life:	11.789 (yrs)

**Combination Tax & Revenue Certificates of Obligation, Series 2015**

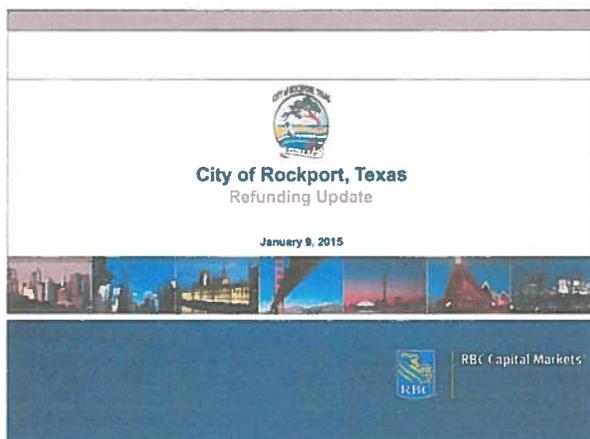
Certificates Debt Service

Fiscal Year	Principal	Interest	Total Debt
09/30/2015		\$ 31,913	\$ 31,913
09/30/2016	\$ 30,000	2,000%	\$1,800
09/30/2017	75,000	2.00%	60,750
09/30/2018	80,000	2.00%	60,200
09/30/2019	80,000	2.00%	67,600
09/30/2020	85,000	2.00%	63,850
09/30/2021	85,000	2.00%	64,250
09/30/2022	85,000	3.00%	52,550
09/30/2023	80,000	3.25%	50,218
09/30/2024	80,000	3.25%	47,313
09/30/2025	80,000	3.25%	44,308
09/30/2026	100,000	3.25%	41,138
09/30/2027	100,000	3.25%	37,888
09/30/2028	100,000	3.25%	34,508
09/30/2029	110,000	3.75%	30,788
09/30/2030	110,000	3.75%	26,580
09/30/2031	110,000	3.75%	22,258
09/30/2032	120,000	3.75%	17,850
09/30/2033	120,000	4.00%	13,100
09/30/2034	130,000	4.00%	8,600
09/30/2035	130,000	4.00%	2,780
<b>Total</b>	<b>\$ 1,950,000</b>		<b>\$ 1,270,712</b>

**MOTION:** Council Member Gurtner moved to approve the first and only reading of an Ordinance authorizing the issuance, sale and delivery of \$1,950,000.00 in aggregate principal amount of "City of Rockport, Texas Combination Tax and Revenue Certificates of Obligation, Series 2015"; securing the payment thereof by authorizing the levy of an annual *ad valorem* tax and a pledge of certain surplus revenues of the City's waterworks and sewer system; and approving and authorizing the execution of a paying agent/registrars agreement, a purchase contract, an official statement and all other instruments and procedures related thereto. Council Member Day seconded the motion. Motion carried unanimously.

20. Deliberate and act on first and only reading of an Ordinance authorizing the issuance, sale and delivery of \$7,150,000.00 in aggregate principal amount of "City of Rockport, Texas General Obligation Refunding Bonds, Series 2015"; securing the payment thereof by authorizing the levy of an annual *ad valorem* tax; and approving and authorizing the execution of a paying agent/registrar agreement, a purchase contract, an escrow agreement, an official statement and all other instruments and procedures related thereto.

The City's financial advisor, Bob Henderson, addressed the Council. Mr. Henderson stated that in the spring of 2014, the Council considered refunding several General Obligation Bonds in an amount not to exceed \$10 million. Mr. Henderson said the Council made the decision to split the refunding into two (2) transactions. Mr. Henderson reviewed the Refunding Update handout (below) showing a savings of \$567,379.00.



**Preliminary Refunding Analysis - Update**

Refunding Opportunity: Tax-Exempt Refunding: The City issues tax-exempt Refunding Bonds to refund the remaining callable portions of Combination Tax and Revenue Certificates of Obligation, Series 2007.

Summary of Bonds Being Refunded				
Series	Outstanding	Bonds Callable	Call Date	Maturities Refunded
Combination Tax & Revenue Certs, Series 2007	19,180,000	\$6,880,000	02/15/17 - 01/18-2023, 2027	

Summary of Projected Debt Service Savings		
	As of: 09/19/2014	01/09/2015
Par Amount Refunded	\$6,880,000	\$6,880,000
Total Debt Service Savings	\$485,374	\$601,084
Present Value of Debt Service Savings	\$456,454	\$567,379
PV Savings as % of Refunded Bonds	6.55%	8.15%
Average Coupon of Refunded Bonds	5.06%	5.06%
True Interest Cost of Refunding Bonds	2.26%	2.85%
Negative Arbitrage	\$199,238	\$136,240
Negative Arb. / PV of Savings	44.2%	24.0%

Market Rates as of 01/09/2015

**Preliminary Refunding Analysis - Update**

FY	Cash Flows			
	Prior Debt Service	Refunding Debt Service	Savings	Present Value Savings
2015	\$340,705	\$335,846	\$4,859	\$4,389
2016	340,705	211,200	129,505	126,889
2017	340,705	211,200	129,505	124,855
2018	1,279,585	1,201,175	78,410	74,282
2019	1,282,350	1,205,450	76,900	69,832
2020	1,282,443	1,208,725	73,718	67,668
2021	1,278,844	1,201,100	77,744	70,147
2022	1,279,058	1,276,450	2,606	2,201
2023	1,281,188	1,279,550	1,638	1,410
2024	18,900	10,800	8,100	6,974
2025	18,900	10,800	8,100	6,883
2026	18,900	10,800	8,100	6,753
2027	368,450	355,420	13,030	13,326
<b>Total</b>	<b>\$8,228,960</b>	<b>\$6,518,286</b>	<b>\$1,710,674</b>	<b>\$1,647,974</b>

Market Rates as of 01/09/2015

**Preliminary Refunding Analysis - Update**

**SAVINGS**

City of Rockport - General Obligation General Obligation Refunding Bonds, Series 2015

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value Savings @ 1.812131%
09/18/2015	340,705.00	339,886.77	818.23	2,448.36
09/18/2016	340,705.00	228,737.50	111,967.50	109,936.70
09/18/2017	340,705.00	228,737.50	111,967.50	107,483.44
09/18/2018	1,279,585.00	1,194,827.50	84,757.50	80,286.74
09/18/2019	1,282,350.00	1,194,187.50	88,162.50	79,676.98
09/18/2020	1,282,443.00	1,193,437.50	89,005.50	80,196.23
09/18/2021	1,278,844.00	1,194,023.00	84,821.00	75,519.43
09/18/2022	1,279,058.00	1,274,300.00	4,758.00	4,879.88
09/18/2023	1,281,188.00	1,282,041.75	(1,853.75)	(919.82)
09/18/2024	18,900.00	11,700.00	7,200.00	6,873.44
09/18/2025	18,900.00	11,700.00	7,200.00	5,961.81
09/18/2026	18,900.00	11,700.00	7,200.00	5,351.20
09/18/2027	368,450.00	355,420.00	13,030.00	2,864.49
<b>Total</b>	<b>9,129,530.00</b>	<b>8,528,263.02</b>	<b>601,266.98</b>	<b>561,721.90</b>

**Savings Summary**

PV of savings from cash flow	561,721.90
Net PV Savings	561,721.90

Mayor Wax stated the total savings on the General Obligation and General Obligation Refunding Bonds is \$601,266.98.

**MOTION:** Council Member Day moved to approve the Ordinance authorizing the issuance, sale and delivery of \$7,125,000.00 in aggregate principal amount of "City of Rockport, Texas General Obligation Refunding Bonds, Series 2015"; securing the payment thereof by authorizing the levy of an annual *ad valorem* tax; and approving and authorizing the execution of a paying agent/registrar agreement, a purchase contract, an escrow agreement, an official statement and all other instruments and procedures related thereto. Council Member Gurtner seconded the motion. Motion carried unanimously.

**21. Deliberate and act on a contract with Aransas County Independent School District for a compressed natural gas facility.**

City Manager Kevin Carruth stated that as a result of many months of work by the City's and Aransas County Independent School District's (ACISD) legal counsels, the contract for the compressed natural gas facility has been finalized. Mr. Carruth added that because of the depth of understanding and cooperation between the City and ACISD and in order to expedite the project, construction of the facility was allowed to proceed concurrently with finalization of the contract. Mr. Carruth informed the Council that project startup is expected the first week of February.

Mayor Wax encouraged the Council to view the progress that has been made on the Compressed Natural Gas fueling station site.

**MOTION:** Council Member Villa moved to approve the contract with Aransas County Independent School District for a compressed natural gas facility. Council Member Day seconded the motion. Motion carried unanimously.

**22. Reports from Council and Staff.**

At this time, the City Council will report/update on all committee assignments which may include the following: Aransas County Storm Water Committee, Community Park Committee, Park & Leisure Advisory Board, Chamber of Commerce, Coastal Bend Council of Governments, Coastal Bend Bays & Estuaries, Texas Maritime Museum, Fulton Mansion, Rockport Center for the Arts, Rockport Tropical Christmas, and Texas Municipal League. Staff reports include the following: Building & Development – Bi-Weekly Code Enforcement, Proposed Development Report; Accounting & Finance – Update on Liens Collection, Financial & Investment Information, Monthly Financial Reports; Police Department – Grant Update, Quarterly Police Reports; Public Works – Building Maintenance, Construction Updates; Park & Leisure Services – Grant Updates, Miscellaneous park projects; Municipal Court; Administration – Interlocal Agreements, Public Information, and Hotel Occupancy Report. No formal action can be taken on these items at this time.

Mayor Wax shared with the Council a letter (below) received from Waddle Range Council (Beachport), Australia expressing their thanks to Terry and Rob Baiamonte for taking time out on their trip to Australia to visit Beachport and renew the Sister Cities relationship. Mayor Wax thanked City Attorney Terry Baiamonte for representing the City of Rockport so well.

*[This portion of page left blank intentionally]*

OFFICE OF THE MAYOR

Our Ref. GF/10.50.1  
council mayor city of rockport 201014



Wattle Range  
COUNCIL  
PO Box 27, Milllicent SA 5280  
www.wattlerange.sa.gov.au

RECEIVED

NOV 12 2014

ASST. CITY SECRETARY

21 October 2014

The Honourable Charles J Wax  
Mayor  
City of Rockport  
622E Market Street  
ROCKPORT TEXAS 78382  
UNITED STATES OF AMERICA

Dear Mayor Wax

I write on behalf of the Wattle Range Council to thank Terry and Rob Baiamonte for taking time out on their trip to Australia to visit Beachport and renew the Sister Cities relationship. We also thank you for the gifts you provided, especially the significant artwork depicting a Rockport City marina. This artwork is currently on display in our Council Chamber.

I enjoyed having dinner with Terry and Rob at Beachport and it was very interesting to hear and learn about Rockport City. I understand that Terry and Rob enjoyed touring with our CEO and learning about our area, particularly Beachport.

It was a privilege to receive your Proclamation and, as you are aware, our CEO has been liaising with your General Manager to provide a report for our new Council following the elections which were held on November 8, 2014. I anticipate that this will be a significant step in rekindling our Sister City relationship.

Like you, I look forward to possibly meeting you in person in the future and on behalf of the Wattle Range Council, which includes Beachport, I thank you and your Council for your friendship.

Yours sincerely

Peter Gandolfi  
**MAYOR**

Email: [mayor@wattlerange.sa.gov.au](mailto:mayor@wattlerange.sa.gov.au)

STRENGTH AND VISION FROM COAST TO BORDER

Discussion was held among Council and Public Works Director Mike Donoho in regard to the Code Enforcement Report.

Finance Director Patty Howard stated the Monthly Financial Reports for the period ending December 31, 2014, and the Quarterly Investment Report for the period ending December 31, 2014, were included in the Agenda packet. Ms. Howard asked if the Council had any questions or comments.

Brief discussion was held among Council and Ms. Howard in regard to the Financial Reports.

City Secretary Teresa Valdez introduced newly hired Assistant City Secretary Ruby Beaven.

### **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:**

- 23. Section 551.071(1)(A) and Section 551.071(2) Consultation with Attorney: 1) Pending or contemplated litigation; and 2) Jail Services Agreement.**
- 24. Section 551.087 Deliberation Regarding Economic Development Negotiations: 1) Project Aransas; 2) Project Seagull; 3) Project Warbler, and 4) Project Blue Heron.**
- 25. Section 551.072 Deliberation about Real Property: Acquisition of property for public purpose - Project Ibis.**
- 26. Section 551.076 Deliberation Regarding Security Devices or Security Audits: Closed Meeting.**
- 27. Section 551.074 Personnel Matters - City Manager evaluation.**

At 7:32 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 551.071(1)(A) and Section 551.071(2) Consultation with Attorney: 1) Pending or contemplated litigation; and 2) Jail Services Agreement; Section 551.087 Deliberation Regarding Economic Development Negotiations: 1) Project Aransas; 2) Project Seagull; 3) Project Warbler, and 4) Project Blue Heron; Section 551.072 Deliberation about Real Property: Acquisition of property for public purpose - Project Ibis; Section 551.076 Deliberation Regarding Security Devices or Security Audits: Closed Meeting; and Section 551.074 Personnel Matters - City Manager evaluation.

### **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.**

At 8:45 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.

No action was taken.

City Manager Kevin Carruth stated he wanted to provide the Council an update on an item on Staff Reports. Mr. Carruth informed the Council that an employment offer had been extended for the Community Planner position and had been accepted but due to the fact that the individual

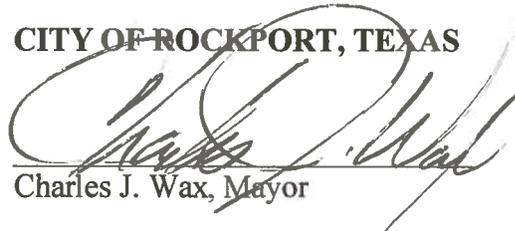
could not sell her home in San Antonio in order to purchase home in Rockport, she has withdrawn the acceptance. Mr. Carruth added that the individual's present employer has given her a promotion and a pay raise.

Council Member Rusty Day informed the Council that the City of Rockport is now the only city serviced by Republic Services that is not on automated collection carts.

**29. Adjournment**

At 8:47 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