

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 1:30 p.m., Tuesday, July 28, 2015 Rockport City Hall, 622 East Market Street

On the 28th day of July 2015, the City Council of the City of Rockport, Aransas County, Texas, convened in Regular Session at 1:30 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
Attorney Rob Baiamonte
City Secretary Teresa Valdez
Police Chief Tim Jayroe
Public Works Director Mike Donoho
Finance Director Patty Howard
Information Technology Director 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 1:30 p.m. on Tuesday, July 28, 2015, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

2. Pledge of Allegiance.

Mayor Pro-Tem Rios led the Pledges of Allegiance to the U.S. and Texas flags.

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 Regular Meeting Minutes of July 14, 2015.**
5. **Deliberate and act on cancellation of September 22, 2015, Workshop and Regular City Council meetings and scheduling a Special Meeting for September 15, 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. Council Member Gurtner seconded the motion. Motion carried unanimously.

Regular Agenda

6. **Hear and deliberate on presentation by Aransas County Independent School District on Tax Ratification Election.**

Aransas County Independent School District Superintendent Joey Patek addressed the Council. Mr. Patek presented information (below) on Aransas County Independent School District's August 18th tax ratification election.

  Aransas County ISD TRE Election Facts	<ul style="list-style-type: none">• Ballot Proposition: Approving the combined ad valorem tax rate of \$1.156 per \$100 valuation in Aransas County Independent School District for the current.• What it means: Voters are being asked to raise the Maintenance and Operations (M&O) tax rate by two cents to provide for additional teaching staff and an improved Teacher Salary Scale. The Interest and Sinking (I&S) rate will be reduced by two cents, leaving the overall school tax rate the same at \$1.156. ACISD is able to keep 100% of the additional taxes raised – <u>none of it has to be sent to the State.</u>
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- **Why we need this election:** ACISD's existing (M&O) tax rate of \$1.04 has been the same since 2007, but our expenses have not. The extra tax money raised through property valuation increases has been sent to the State as a part of its Robin Hood redistribution. We continue to lose ground.
- ACISD has an opportunity to provide much needed additional Teacher positions and to improve our Teacher Salary Scale. This will help us keep pace with other school districts. This two cent increase is the ONLY source of additional revenue available to us under Texas law.

Median Teacher Salaries Within 30 mile radius (based on 2014-15 Salary Schedules)	
District	Current Salary
Aransas County ISD	\$45,896
Sinton	\$48,170
Aransas Pass	\$48,229
Port Aransas	\$49,167
Ingleside	\$50,450
Gregory Portland	\$52,064

- **What is the difference between M&O tax rate and I&S tax rate:**

The M&O tax rate is what is used to pay for everyday expenses: salaries, utilities, equipment, technology and transportation. I&S is used to pay off bonds the District sells for major projects including new facilities and other construction projects. ACISD recently refinanced its bonded debt and plans to reduce the I&S tax rate by two cents.

	M&O	I&S	Total
Current	\$1.04005	0.116	\$1.15605
Proposed	\$1.06	0.096	\$1.156

- Approval of this two cents tax increase is a way to keep tax money working for ACISD instead of being sent to the State for redistribution. Since 2003, ACISD has sent \$61.6 million in local tax revenue to Austin to be parceled out to other school districts. That amounts to nearly 20% of our annual M&O budget. **Saying Yes** ensures your tax money stays local.

Election Ballot language will have the statement below which can be confusing to voters:

- Approving the ad valorem tax rate of \$1.156 per 100 valuation in the Aransas County Independent School District for the current year, a rate that is \$.02 higher per 100 valuation than the school district rollback rate.

	M&O	I&S	Total
Current	\$1.04005	0.116	\$1.15605
Proposed	\$1.06	0.096	\$1.156

- Remember, the total Tax Rate **stays the same!**

Dates of the Election

- **Early Voting**
August 3—14, 2015 from 8:00 a.m.—4:30 p.m.
- **Election Day**
August 18, 2015 from 7:00 a.m.—7:00 p.m.
- **Place**
Aransas County ISD Administration Building
1700 Omohundro Street, Rockport, Texas

Mr. Patek stated he was concerned about the ballot language; he felt it was confusing to voters. Mr. Patek said the important thing to remember was that the total tax rate stays the same.

Discussion was held among Council and Mr. Patek.

7. Deliberate and act on establishment of a YMCA Development Committee.

Mayor Wax stated that last night was the last meeting of the YMCA Project Committee. Mayor Wax said the YMCA Project Committee had been given a sunset date of July 31st to bring a proposal to the City Council, and the Council had received a presentation from the YMCA Project Committee at the July 14th Council meeting. Mayor Wax added that the Committee had produced a long-range plan responsive to survey results, as well as an artist drawing of a proposed YMCA building. Mayor Wax informed everyone that the next step is appointment of a YMCA Development Committee to take the work done by the YMCA Project Committee and advance to point-to-plan. Mayor Wax stated the YMCA Development Committee should be a cross-section of the community and consist of approximately seven (7) members. Mayor Wax said the target date for appointment of the YMCA Development Committee will be the end of August.

MOTION: Mayor Wax moved to establish a YMCA Development Committee consisting of approximately seven (7) members. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

8. Hear and deliberate on Republic Services request for a Consumer Price Index increase for the base residential rate.

Republic Services Municipal Marketing Manager Mike Reeves addressed the Council. Mr. Reeves stated per the contract with the City, Republic Services is requesting a 4.15% increase in rates due to increases in the Consumer Price Index and gasoline. Mr. Reeves said that per the contract, Republic Services will need to adjust the calculation method to cover the unusual changes in operating costs. Mr. Reeves informed the Council that the new Index will more accurately reflect a true measurement of the costs associated with the services, and is in line with what City residents are invoiced for water, sewer, and garbage fees. Mr. Reeves explained the calculations as shown in the letter (below) he had sent to the City Manager.

July 21, 2015

Mr. Kevin Carruth
City Manager
City of Rockport
622 E. Market St
Rockport, TX 78382

Dear Mr. Carruth,

In accordance with section 14.02 (a)-(d) of the Solid Waste Collection and Disposal Contract between Allied Waste Services of Texas/ Republic Services of Corpus Christi and the City of Rockport, we hereby submit a comparative statement reflecting a 4.15% increase in the Base Residential Rate to become effective October 1, 2015.

Our operating and disposal costs have increased over the past few years and continue to rise. Per our contract we will need to adjust the calculation method to cover the unusual changes in these operating costs. This new Index will more accurately reflect a true measurement of the costs associated with our services, and is in line with what your residents are invoiced for regarding water, sewer, and garbage fees.

The following calculation will be used moving forward. *All Urban Consumers (Water, Sewer and Trash Collection Services)* U.S. City Average, as published by United States Department of Labor, Bureau of Statistics (the "CPI"). Rates will be adjusted using the most recently available trailing 12 months average CPI compared to the 12 months preceding. For example, if the CPI price increase is scheduled for October 1, 2015, and the latest CPI index available is the month of June 1, 2015 the CPI price increase percentage would be computed as the % change from:

The average CPI for the 12 months - June 2014 through May 2015
against
The average CPI for the 12 months - June 2013 through May 2014

W/S/T Index

CPI June 2015	208 720
CPI June 2014	200 404
Index Change	8.32
Net Percentage Change	4.15
Applicable Contract Percentage	100%
Rate Modification Percentage	4.15%

The Base Residential Contract Rate at October 1, 2014 was \$20.11 and applying the above "Combined Rate Modification Percentage," the new Base Residential Rate effective October 1, 2015 will become \$20.94.

Should you have any questions concerning the price increase or our service, please do not hesitate to call me.

Sincerely,

Mike Reeves
Municipal Marketing Manager
361.549.5077
mreeves@republicservices.com



Option 2-

	W/S/T	Gasoline
CPI June 2015	208 720	241 676
CPI June 2014	200 404	317 362
Index Change	8.32	-75.69
Net Percentage Change	4.15	-23.85
Applicable Contract Percentage	100%	10.0%
Rate Modification Percentage	4.15	-3.39
Combined Rate Modification %		1.70%

Mr. Reeves stated the proposed new rate would increase the residential rate from \$20.11 by \$.083 to \$20.94 but Republic Services is also offering a second option with an increase of 1.76% or \$0.35 to \$20.46.

Discussion was held among Council, City Manager Kevin Carruth, and Mr. Reeves.

Mayor Wax stated this was not an action item for consideration today but will have to be placed on another Agenda for consideration.

Louis M. Tanner addressed the Council . Mr. Tanner stated he previously lived in San Antonio where there is automated garbage service. Mr. Tanner voiced comments in support of the City moving toward automated garbage service.

9. 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 3404 Highway 35 South; also known as Lot 1, 18.733 acres, Bays of Rockport, Rockport, Aransas County, Texas from R-1 (1st Single-Family Dwelling District) to R-6 (Hotel/Motel District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.

Mayor Wax stated there had been no changes in form or content of the Ordinance since its 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 3404 Highway 35 South; also known as Lot 1, 18.733 acres, Bays of Rockport, Rockport, Aransas County, Texas, from R-1 (1st Single-Family Dwelling District) to R-6 (Hotel/ Motel District); repealing all ordinances in conflict therewith; providing for severability; and providing an effective date, until the developer submits additional information on the development plans. Mayor Pro Tem Rios seconded the motion. Motion carried unanimously.

10. 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 stated he had previously informed the Council of a discussion with Fulton Mayor Kendrick regarding enhanced trolley operations. Mayor Wax said he has talked to Mayor Kendrick and asked if he would be willing to serve as the City's agent to go and inspect some compressed

natural gas trolleys . Mayor Wax informed the Council that Mayor Kendrick has said he is willing to act as the City's agent and technical advisor and will charge the City only for travel.

Mayor Wax thanked Attorney Rob Baiamonte for filling in while City Attorney Terry Baiamonte is accompanying their daughter while she takes her bar exam.

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:

- 11. Section 551.071(1)(A) and Section 551.071(2) Consultation with Attorney: Pending or contemplated litigation: 1) Templeton, 2) Petty, 3) Aumada, and 4) Bay Education Center.**
- 12. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.**

At 2:11 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: Pending or contemplated litigation: 1) Templeton, 2) Petty, 3) Aumada, and 4) Bay Education Center; and Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

Open Session

- 13. 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 2:32 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.

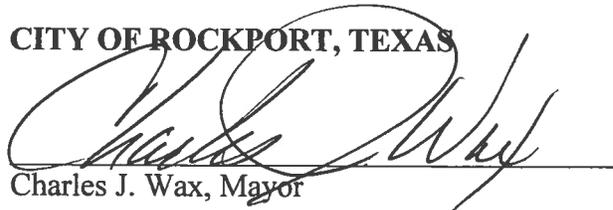
No action was taken.

14. Adjournment

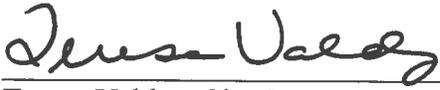
At 2:33 p.m., Council Member Villa moved to adjourn. Motion was seconded by Mayor Pro-Tem Rios and carried unanimously.



CITY OF ROCKPORT, TEXAS


Charles J. Wax, Mayor

ATTEST:

A handwritten signature in cursive script that reads "Teresa Valdez". The signature is written in black ink and is positioned above a horizontal line.

Teresa Valdez, City Secretary