
CITY COUNCIL AGENDA

Notice is hereby given that the Rockport City Council will hold a regular meeting on Tuesday, August 9, 2016, 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 Council Budget Workshop Meeting Minutes of July 25, 2016, and Council Regular Meeting Minutes of July 26, 2016.
5. Deliberate and act on 3rd quarter hotel occupancy tax report from Texas Maritime Museum for 2015-2016 marketing expenditures.
6. Deliberate and act on 3rd quarter hotel occupancy tax report from Friends of Fulton Mansion State Historic Site for 2015-2016 marketing expenditures.
7. Deliberate and act on Resolution authorizing publication of delinquent taxpayers' names.

Public Hearing

8. Conduct a Public Hearing on proposal to increase water, wastewater, and natural gas rates for all customers.

Regular Agenda

9. Deliberate and act on second and final reading of an Ordinance pursuant to Article 23 "Conditional Use Permit", Rockport Zoning Ordinance Number 1027, granting a Conditional Use Permit to property located at 1515 Sixteenth Street; also described as Lot 76, Block 250, Swickheimer Subdivision (10 acres), Plat Records of Aransas County, Texas, for the purpose of establishing a Bed and Breakfast/Multi-Family Ranch with farm animals, subject to compliance with the conditions stated in said Ordinance, as well as those stipulated under Article 23, Rockport Zoning Ordinance Number 1027; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.

10. Deliberate and act on presentation of proposed Fiscal Year 2016-2017 budget.
11. Deliberate and act by taking record vote on proposed 2016 property tax rate for Fiscal Year 2016-2017 budget and scheduling dates for two required public hearings on proposed tax rate.
12. Deliberate and act on first reading of a proposed Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities," Article II, "Water Service," Division 3, "Service Charges" by amending water rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date.
13. Deliberate and act on first reading of a proposed Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities," Article III, "Wastewater Service," Division 4, "Service Charges" by amending wastewater rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date.
14. Deliberate and act on first reading of a proposed Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities," Article V, "Natural Gas Service," Division 3. "Service Charges" by amending natural gas rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for publication and an effective date.
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; Park & 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 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.

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) and Section 551.071(2) Consultation with Attorney: Pending or contemplated litigation: (A) Bay Education Center, and (B) Texaz Construction and AZ Southwest Properties.
17. Section 551.072 Deliberation regarding real property - deliberate the purchase, exchange, lease, or value of real property: (A) 5001 Loop 1781, (B) 2401 and 2403 Patton Street, (C) and Sweet Bay Avenue ROW from Lady Claire Street to approximately 190 feet west of Patton Street.

18. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

Open Session

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.

19. 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, August 5, 2016, 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
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 4

Deliberate and act on approval of Council Budget Workshop Meeting Minutes of July 25, 2016, and Council Regular Meeting Minutes of July 26, 2106.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: Please see the accompanying minutes of the budget workshop of July 25, 2016, and the regular meeting of July 26, 2016.

FISCAL ANALYSIS: N/A

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

CITY OF ROCKPORT

MINUTES

CITY COUNCIL BUDGET WORKSHOP MEETING

9:00 a.m., Monday, July 25, 2016

Rockport Service Center, 2751 State Highway 35 Bypass

On the 25th day of July 2016, the City Council of the City of Rockport, Aransas County, Texas, convened in Workshop Session at 9:00 a.m. at the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas, 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 Secretary Teresa Valdez
 Finance Director Patty Howard
 Police Chief Tim Jayroe
 Communications Center Director Lee Zapata
 Public Works Director Mike Donoho
 Parks & Leisure Services Director Tom Staley
 Parks Maintenance Supervisor Rick Martinez
 IT Manager Brian Jacobs
 IT Technician Bob Argetsinger

ELECTED OFFICIALS PRESENT

Opening Agenda

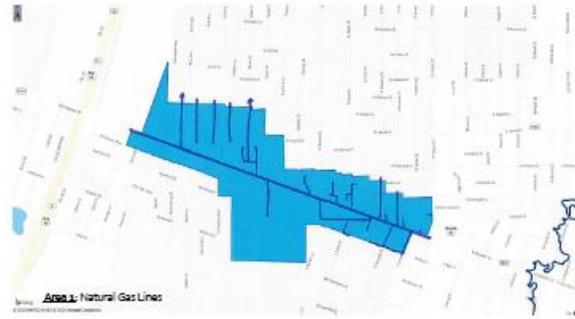
1. Call to Order.

With a quorum of the Council Members present, the Budget Workshop Meeting of the Rockport City Council was called to order by Mayor Wax at 9:23 a.m. on Monday, July 25, 2016, at the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas.

Regular Agenda.

2. Hear and deliberate on presentation of proposed Fiscal Year 2016-2017 Budget.

Community Planner Amanda Torres gave a PowerPoint presentation on annexation options for Fiscal Year 2016-2017.

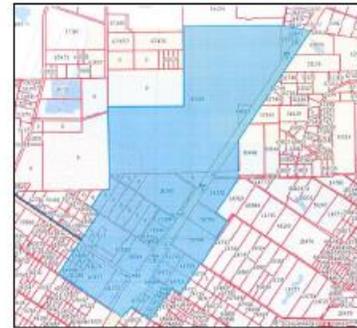


CITY OF ROCKPORT, TEXAS
Area 1
Cost of Maintenance

- **Capital Costs:** Any capital costs are already incorporated into budgeted CIP projects.
- **Maintenance and Operations:**

Miles of Street	X #	3.92
Cost per mile	X #	34,954.77
Annual cost for street	#	43,495.06
Annual cost for 24 Light Elec	#	1,434.48
Add to Operating Budget	#	44,929.54
Installation of street lights	38 #	38,000.00
- **Human Resources:**
 - One full-time Maintenance Technician would be required at an annual base salary of \$37,353.00 plus benefits.
 - An additional Code Enforcement Officer/Building Inspector would be needed at an annual base salary of \$45,000.00 plus benefits.

CITY OF ROCKPORT, TEXAS
Area 2
Bypass 35 – 18th St to FM 188



CITY OF ROCKPORT, TEXAS
Area 2
Land Use and Market Valuation

- Estimated Population: 30
- Land Use and Associated Market Valuation: 1,205.028 acres total

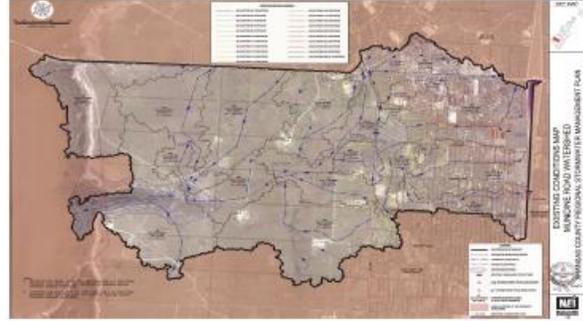
Property Type	Counts	VALUE	Acres
Total Single-Family Units	12	36,205	953,500.00
Total Multi-Family Units	0	0	0
Total Commercial Properties	70	160,511	7,236,510.00
Total Unimproved Properties	18	226,615	1,734,510.00

- **Statistical Market Valuation:**
 - Total Market Valuation: \$25,899,310.00
 - Average Value (including exempt property): \$213,900.01
 - Median Value (including): \$219,120.00
 - Average Value (excluding exempt property): \$359,867.02
 - Median Value (excluding): \$233,900.00
 - Average Homestead Value: \$237,100.00
 - 6 properties are homesteaded
- # of Building Permits since 2003: 0

CITY OF ROCKPORT, TEXAS
Area 2
Existing Infrastructure

- **Streets:** Bypass 35 and FM 188 are TxDOT maintained and in good condition.
- **Streetlights:** Any streetlights in this area would be TxDOT-maintained.
- **NO WASTEWATER OR NATURAL GAS IN THIS AREA**





Area 2 Cost of Maintenance

- **Capital Costs:** No City capital projects of record exist at this time. Further asset inventory and analysis needed to determine cost.
- **Maintenance and Operations:** There are no roads or streets to maintain at this time.
- **Human Resources:** One full-time Maintenance Technician would be required at an annual base salary of \$27,352.00 plus benefits.



Area 3
Bypass 35 –
Alexander Dr.
to Griffith Dr.



Area 3 Land Use and Market Valuation

- Estimated Population: 40
- Land Use and Associated Market Valuation: 185.61sqz acres total

Property Type	Count	Value	Area	#
Total Single-Family Units	16	33,4402	3,238,230.00	
Total Multi-Family Units	0	0	0	
Total Commercial Properties	5	38,161	1,539,300.00	
Total Unimproved Properties	27	113,018	1,130,980.00	

- **Statistical Market Valuation:**
 - Total Market Valuation: \$3,648,530.00
 - Average Value: \$127,877.29
 - Median Value: \$51,939.00
 - No tax-exempt property in the area.
 - Average Homestead Value: \$200,626.15
 - 13 properties are homesteaded
- # of Building Permits since 2003: 7



Area 3
Existing
Infrastructure

• **Streets:**

Street	From	To	Length	Width
Corpus Christi	Sunset	Griffith	1200	22
Griffith	Corpus Christi	Bypass	2490	24
St. Frances	Griffith	Alexander	2304	20
Alexander	St. Frances	Holly	1237	22
Holly	Alexander	Bypass	2495	22
		Footage	9526	
		Miles	1.8	

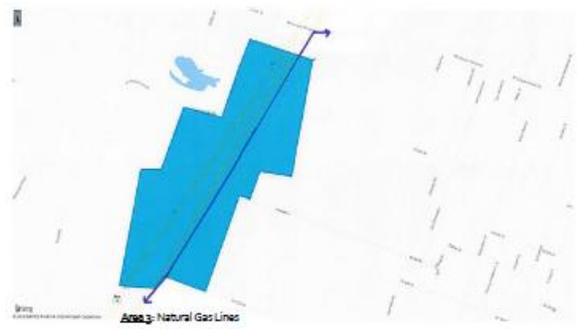
- **Street Condition(s):** Good
- Chipseal
 - No curb and gutter





Area 3
Existing
Infrastructure

• NO WASTEWATER IN THIS AREA



Area 3
Cost of
Maintenance

- **Capital Costs:** Any capital costs are already incorporated into budgeted CIP projects.
- **Maintenance and Operations:**

Miles of Street	5.8
Cost per mile	\$ 36,952.79
Annual cost for street	\$ 214,126.28
Annual cost for St Light Elec	\$ 3,473.79
Add to Operating Budget	\$ 217,600.07
Installation of street lights	\$ 0 \$ 30,000.00
- **Human Resources:** One full-time Maintenance Technician would be required at an annual base salary of \$27,352.00 plus benefits.



Summary

Annexation Profile Summary

Category	Area 1 Market Street	Area 2 Spaces 352/364/474/138	Area 3 Spaces 15/Maintenance - Cottles	Total
Demographics				
Population	263	30	80	433
Area	1,707.71	1,203.63	181.63	3,102.97
Development Type				
Single Family	148	12	34	194
Multi Family	1	0	0	1
Commercial	93	79	0	172
Unimproved	61	18	27	106
Property Valuation				
Total Market Value	\$ 28,828,076	\$ 24,875,231	\$ 2,008,210	\$ 55,711,517
Average Value (including storage)	\$ 65,178	\$ 107,667	\$ 11,071	\$ 61,142
Market Value (including storage)	\$ 83,030	\$ 21,180	\$ 2,930	\$ 107,140
Average Homeowner Value	\$ 320,852	\$ 122,130	\$ 206,000	\$ 216,327
Building Permits Issued (2015)	68	0	7	75
Infrastructure				
Current Street Miles	6.92	0	3.6	10.52
Annual Street Maintenance Cost	\$ 43,426	\$ 0	\$ 18,000	\$ 61,426
Street Lights	185	0	37	222
Streetlight Installation Cost	\$ 18,000	\$ 0	\$ 6,600	\$ 24,600
Streetlight Electrical Cost	\$ 74,636	\$ 0	\$ 8,216	\$ 82,852
Total Capital Expenses	\$ 136,062	\$ 0	\$ 24,816	\$ 160,878
Total Annual O&M Expenses	\$ 61,426	\$ 0	\$ 24,616	\$ 86,042



Questions? Comments? Concerns?

Discussion was held among Council and Staff regarding the three (3) areas being considered for annexation into the City.

Evalee Von Villas asked several questions regarding annexation of the area in which she lives.

Brief discussion was held between City Manager Kevin Carruth and Ms. Von Villas regarding her questions.

A brief recess was taken from 10:30 a.m. to 10:40 a.m.

City Manager Kevin Carruth gave a PowerPoint presentation on the proposed Fiscal Year 2016-2017 Budget that included discussion of the following topics:

- Assumptions: Tax Rate – 8% over Effective Tax Rate; Sales Tax – 8.26% increase; Group Medical Insurance – 5% increase (split evenly with employees); Cost of Living Increase – 1.0%; Merit Raises – 3.75% - 2.5%; Utility Rate Increases: Water – 2.5%, Sewer – 10% and Gas – 7.2%; No annexation of areas with relatively high population densities; and Certain Aransas County costs not included: Draft Animal Control Budget includes approximately \$45,000 additional expense for capital items and additional AC Officer, and Public Safety Communications expenses previously under County’s budget.
- U.S. Consumer Price Index/Municipal Cost Index Inflation Rate Comparison
- Sales Tax History
- Aransas County Gross Sales & Sales Outlets 2006-2015
- Aransas County Total Bank Deposits
- Commercial Water Customer Totals by Month 2010-2016
- Commercial Garbage Customer Totals by Month 2010-2016
- Residential Water Customer Totals by Month 2010-2016
- Residential Garbage Customer Totals by Month 2010-2016
- Preliminary Ad Valorem Tax Rate Comparison FY 2016-2017

Preliminary Ad Valorem Tax Rate Comparison FY 2016-2017									
	Effective Tax Rate (ETR)	Alternate Tax Rate 1 \$0.01 Increase Above ETR	Alternate Tax Rate 2 \$0.01 Increase Above Rollback	Alternate Tax Rate 3	Rollback Tax Rate	Alternate Tax Rate 4	Alternate Tax Rate 5	Alternate Tax Rate 6	
Percentage M & O Increase	0%	-0.25%	12.65%	4.00%	8.00%	9.00%	10.00%	11.00%	
Total Tax Rate									
M & O Tax Rate	\$ 0.204538	\$ 0.214538	\$ 0.242261	\$ 0.223085	\$ 0.232291	\$ 0.234451	\$ 0.236562	\$ 0.238752	
I & S Tax Rate	\$ 0.153729	\$ 0.153729	\$ 0.153729	\$ 0.153729	\$ 0.153729	\$ 0.153729	\$ 0.153729	\$ 0.153729	
Total Tax Rate	\$ 0.358267	\$ 0.368267	\$ 0.396020	\$ 0.377414	\$ 0.386020	\$ 0.388180	\$ 0.390311	\$ 0.392481	
Total Taxable Value									
	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	\$ 1,227,210,583	
Total Tax Levy									
Total Tax Levy	\$ 4,398,691	\$ 4,519,412	\$ 4,850,969	\$ 4,631,995	\$ 4,737,278	\$ 4,763,786	\$ 4,789,938	\$ 4,816,968	
Over 65 Frozen Taxes	\$ 764,834	\$ 764,834	\$ 764,834	\$ 764,834	\$ 764,834	\$ 764,834	\$ 764,834	\$ 764,834	
Disabled Frozen Taxes	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	\$ 14,200	
Total Tax Levy	\$ 5,175,525	\$ 5,298,246	\$ 5,638,833	\$ 5,410,999	\$ 5,516,112	\$ 5,542,620	\$ 5,568,772	\$ 5,595,402	
Total Tax Revenue									
Total Levy	\$ 5,175,525	\$ 5,298,246	\$ 5,638,833	\$ 5,410,999	\$ 5,516,112	\$ 5,542,620	\$ 5,568,772	\$ 5,595,402	
Collection Ratio	99%	99%	99%	99%	99%	99%	99%	99%	
Total Tax Revenue	\$ 5,123,769	\$ 5,245,263	\$ 5,582,445	\$ 5,356,394	\$ 5,460,951	\$ 5,487,194	\$ 5,513,084	\$ 5,538,448	
Revenue Allocation by Fund									
M & O General Fund (57.09%)	\$ 2,887,190	\$ 3,008,684	\$ 3,345,666	\$ 3,119,815	\$ 3,224,372	\$ 3,250,615	\$ 3,276,505	\$ 3,302,869	
I&S Debt Service Fund (42.91%)	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	
Total Tax Revenue	\$ 5,123,769	\$ 5,245,263	\$ 5,582,445	\$ 5,356,394	\$ 5,460,951	\$ 5,487,194	\$ 5,513,084	\$ 5,538,448	
Revenue Difference									
Additional Revenue	\$0	\$121,494	\$458,676	\$232,624	\$337,182	\$363,425	\$389,315	\$415,679	
% Increase in Revenue	0.0%	2.4%	9.0%	4.5%	6.6%	7.1%	7.8%	8.1%	
Residential Taxpayer Impact Analysis									
Residential Value	ETR	Difference in Tax Paid from Effective Tax Rate							
	Tax Paid	Alternate Tax Rate 1	Alternate Tax Rate 2	Rollback Tax Rate	Rollback Tax Rate	Alternate Tax Rate 3	Alternate Tax Rate 4	Alternate Tax Rate 5	
Average - \$222,692	\$797.83	\$22.27	\$64.07	\$42.64	\$61.80	\$69.61	\$71.36	\$76.19	
Average Homestead - \$216,139	\$774.36	\$21.61	\$61.60	\$41.38	\$59.99	\$64.65	\$69.26	\$73.95	
Median - \$170,385	\$610.43	\$17.04	\$54.33	\$32.92	\$47.29	\$50.97	\$54.00	\$56.30	

Current

WATER	
Net Revenue Requirement	\$6,766,684
Projected Revenue Under Current Rates	7,112,433
Over / (Under) Recovery	345,749
Draw down of Reserves	0
Adjusted Over / (Under) Recovery	345,749
Adjusted Over / (Under) Recovery (%)	5.11%
Projected Annual Billed Water Consumption (000's)	7,995,082
WASTEWATER	
Revenue Requirement	\$2,727,527
Projected Revenue Under Current Rates	2,003,675
Over / (Under) Recovery	(723,853)
Draw down of Reserves	0
Adjusted Over / (Under) Recovery	(723,853)
Adjusted Over / (Under) Recovery (%)	(26.54%)
Projected Annual Billed Flow (000's)	4,459,617
TOTAL	
Revenue Requirement	\$9,494,211
Projected Revenue Under Current Rates	9,116,108
Over / (Under) Recovery	(378,103)
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	(378,103)
Adjusted Over / (Under) Recovery (%)	(3.98%)

Current

KEY FINANCIAL STATISTICS	
Beginning Fund Balance	\$ 5,739,905
Total Revenues	9,912,108
Total Expenses	9,845,711
Ending Fund Balance	\$ 5,806,302
Fund Balance Reserve Policy (50% of Expenditures)	● 59%
Days of Working Capital (180 Days)	215
Debt Service Coverage	
Total Revenues	9,912,108
Total Expenses	8,138,654
Available for Debt Service Coverage	1,773,453
Debt Service Coverage	1,707,057
Coverage Ratio	1.04
Target Debt Service Coverage Ratio	1.10

Current

GAS	
Revenue Requirement	\$1,381,072
Projected Revenue Under Current Rates	1,310,762
Over / (Under) Recovery	(70,310)
Draw down of Reserves	0
Adjusted Over / (Under) Recovery	(70,310)
Adjusted Over / (Under) Recovery (%)	(5.09%)
Projected Natural Gas Flow	1,684,765

KEY FINANCIAL STATISTICS	
Beginning Fund Balance	\$ 1,367,287
Total Revenues	1,313,062
Total Expenses	1,383,372
Ending Fund Balance	1,296,977
Fund Balance Reserve Policy (50% of Expenditures)	94%
Days of Working Capital (180 Days)	342
Debt Service Coverage	
Total Revenues	1,313,062
Total Expenses	1,154,549
Available for Debt Service Coverage	158,513
Debt Service Coverage	228,823
Coverage Ratio	0.69
Target Debt Service Coverage Ratio	1.10

Proposed

Proposed Water Rates				
INSIDE		2.50%		
Minimum Charge	Current	2017	Change	
0.75	\$ 18.79	\$ 19.26	\$ 0.47	
1	22.73	23.30	0.57	
1.5	42.34	43.40	1.06	
2	65.89	67.54	1.65	
3	128.7	131.92	3.22	
4	199.36	204.34	4.98	
Volumetric Charge				
0 - 1,500 gallons	\$ -	\$ -	\$ -	
1,501 - 10,000 gallons	4.93	5.05	0.12	
10,001 - 15,000 gallons	5.80	5.95	0.15	
15,000+ gallons	6.61	6.78	0.17	
OUTSIDE				
Minimum Charge	Current	2017	Change	
0.75	\$ 25.97	\$ 26.62	\$ 0.65	
1	31.45	32.24	0.79	
1.5	58.71	60.18	1.47	
2	91.44	93.73	2.29	
3	178.76	183.23	4.47	
4	276.97	283.89	6.92	
Volumetric Charge				
0 - 1,500 gallons	\$ -	\$ -	\$ -	
1,501 - 10,000 gallons	6.97	7.14	0.17	
10,001 - 15,000 gallons	8.22	8.43	0.21	
15,000+ gallons	9.37	9.60	0.23	

Proposed

Proposed Wastewater Rates				
RESIDENTIAL INSIDE		10.00%		
Minimum Charges		Current	2017	Change
	0.75	\$ 16.82	\$ 18.50	\$ 1.68
	1	21.02	23.12	2.10
	1.5	21.02	23.12	2.10
	2	21.02	23.12	2.10
	3	21.02	23.12	2.10
	4	21.02	23.12	2.10
Volumetric Charges				
0 - 1,500 gallons		\$ -	\$ -	\$ -
1,501 - 5,000 gallons		3.08	3.39	0.31
5,001 - 15,000 MAX gallons		3.62	3.98	0.36
RESIDENTIAL OUTSIDE				
Minimum Charges				
	0.75	\$ 23.55	\$ 25.91	\$ 2.36
	1	29.43	32.37	2.94
	1.5	29.43	32.37	2.94
	2	29.43	32.37	2.94
	3	29.43	32.37	2.94
	4	29.43	32.37	2.94
Volumetric Charges				
0 - 1,500 gallons		\$ -	\$ -	\$ -
1,501 - 5,000 gallons		4.31	4.74	0.43
5,001 - 15,000 MAX gallons		5.07	5.58	0.51

Proposed

Proposed Wastewater Rates				
COMMERCIAL INSIDE				
Minimum Charges				
	0.75	\$ 16.82	\$ 18.50	\$ 1.68
	1	21.02	23.12	2.10
	1.5	21.02	23.12	2.10
	2	21.02	23.12	2.10
	3	21.02	23.12	2.10
	4	21.02	23.12	2.10
Volumetric Charges				
0 - 2,000 gallons		\$ -	\$ -	\$ -
2,001 - 5,000 gallons		3.08	3.39	0.31
5,000+ gallons		3.62	3.98	0.36
COMMERCIAL OUTSIDE				
Minimum Charges				
	0.75	\$ 23.55	\$ 25.91	\$ 2.36
	1	29.43	32.37	2.94
	1.5	29.43	32.37	2.94
	2	29.43	32.37	2.94
	3	29.43	32.37	2.94
	4	29.43	32.37	2.94
Volumetric Charges				
0 - 2,000 gallons		\$ -	\$ -	\$ -
2,001 - 5,000 gallons		4.31	4.74	0.43
5,000+ gallons		5.07	5.58	0.51

Proposed

Proposed Gas Rates			
INSIDE		7.20%	
Minimum Charges	Current	2017	Change
Base	\$ 17.85	\$ 19.14	\$ 1.29
Volumetric Charges			
All Volumes	\$ 1.99	\$ 2.13	\$ 0.14
OUTSIDE			
Minimum Charges			
Base	\$ 17.85	\$ 19.14	\$ 1.29
Volumetric Charges			
All Volumes	\$ 1.99	\$ 2.13	\$ 0.14

Proposed

WATER	
Net Revenue Requirement	\$6,766,684
Projected Revenue Under Proposed Rates	7,290,244
Over / (Under) Recovery	523,560
Draw down of Reserves	0
Adjusted Over / (Under) Recovery	523,560
Adjusted Over / (Under) Recovery (%)	7.74%
Proposed Rate Increase	2.50%
Projected Annual Billed Water Consumption (000's)	7,995,082
WASTEWATER	
Revenue Requirement	\$2,727,527
Projected Revenue Under Proposed Rates	2,204,042
Over / (Under) Recovery	(523,485)
Draw down of Reserves	0
Adjusted Over / (Under) Recovery	(523,485)
Adjusted Over / (Under) Recovery (%)	(19.19%)
Proposed Rate Increase	10.00%
Projected Annual Billed Flow (000's)	4,459,617
TOTAL	
Revenue Requirement	\$9,494,211
Projected Revenue Under Proposed Rates	9,494,286
Over / (Under) Recovery	75
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	75
Adjusted Over / (Under) Recovery (%)	0.00%

Proposed

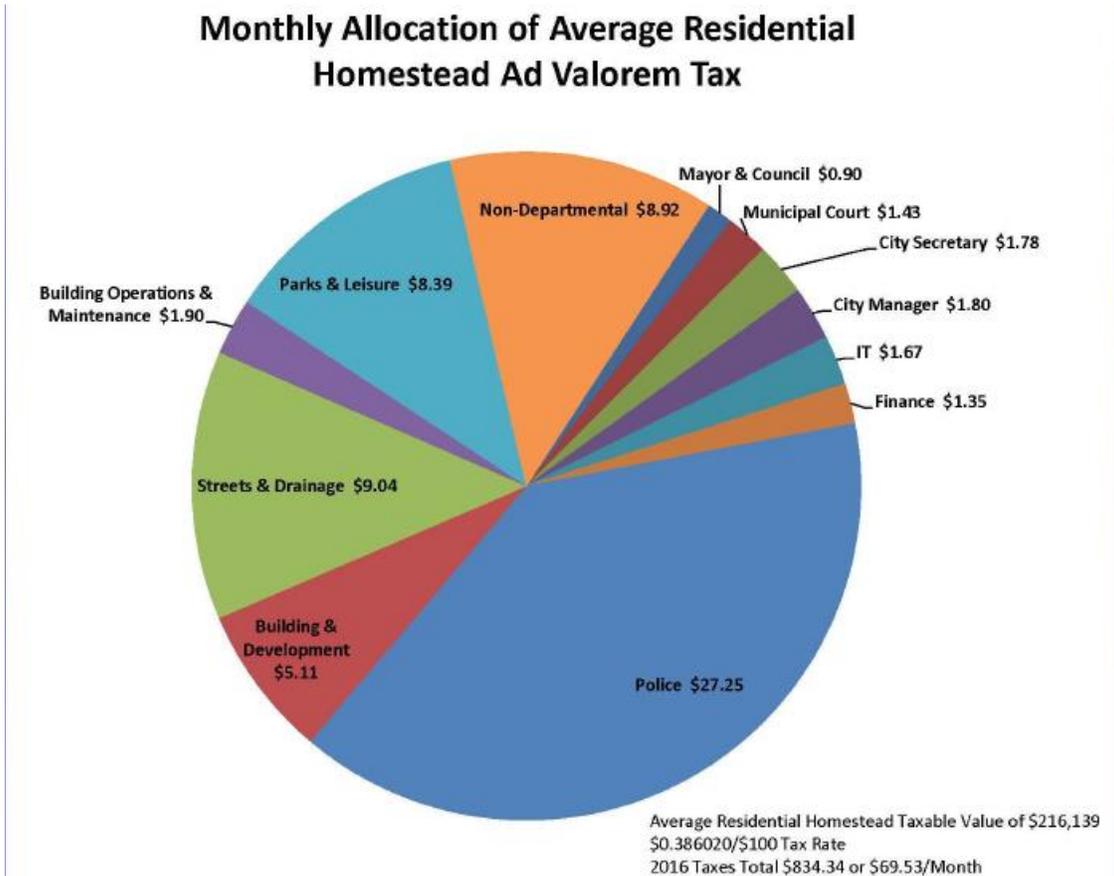
KEY FINANCIAL STATISTICS	
Beginning Fund Balance	\$ 5,739,905
Total Revenues	10,290,286
Total Expenses	<u>9,845,711</u>
Ending Fund Balance	\$ 6,184,480
Fund Balance Reserve Policy (50% of Expenditures)	● 63%
Days of Working Capital (180 Days)	229
Debt Service Coverage	
Total Revenues	10,290,286
Total Expenses	<u>8,138,654</u>
Available for Debt Service Coverage	2,151,632
Debt Service Coverage	1,707,057
Coverage Ratio	● 1.26
Target Debt Service Coverage Ratio	1.10

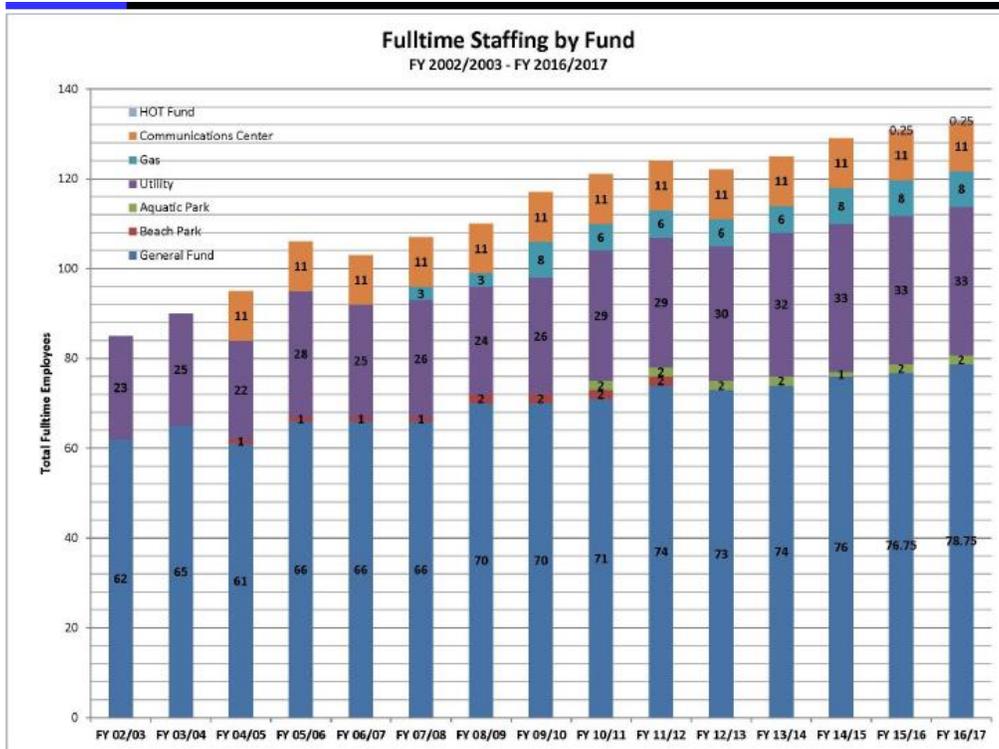
Proposed

GAS	
Revenue Requirement	\$1,381,072
Projected Revenue Under Proposed Rates	<u>1,405,137</u>
Over / (Under) Recovery	24,065
Draw down of Reserves	<u>0</u>
Adjusted Over / (Under) Recovery	24,065
Adjusted Over / (Under) Recovery (%)	1.74%
Proposed Rate Increase	7.20%
Projected Natural Gas Flow	1,684,765
KEY FINANCIAL STATISTICS	
Beginning Fund Balance	\$ 1,367,287
Total Revenues	1,407,437
Total Expenses	<u>1,383,372</u>
Ending Fund Balance	1,391,352
Fund Balance Reserve Policy (50% of Expenditures)	● 101%
Days of Working Capital (180 Days)	367
Debt Service Coverage	
Total Revenues	1,407,437
Total Expenses	<u>1,154,549</u>
Available for Debt Service Coverage	252,888
Debt Service Coverage	228,823
Coverage Ratio	● 1.11
Target Debt Service Coverage Ratio	1.10

Impact of Utility Rates on Average Residential Customer					
Rate Schedule	Water	Wastewater	Gas	Total	ΔCurrent
Inside City Limits					
Current	\$ 41.85	\$ 31.22	\$ 27.80	\$ 100.87	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 42.90	\$ 34.34	\$ 29.80	\$ 107.04	\$ 6.17
Outside City Limits					
Current	\$ 57.34	\$ 44.34	\$ 27.80	\$ 129.48	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 58.77	\$ 48.77	\$ 29.80	\$ 137.35	\$ 7.87

Note: Average residential customer uses 6,000 gallons of water & 5,000 cu. ft. of gas





Fiscal Year	Total	
	Principal	Interest
2016	\$3,996,428	
2017	\$4,087,466	
2018	\$4,088,528	
2019	\$3,989,578	
2020	\$3,881,828	
2021	\$3,876,890	
2022	\$3,607,840	
2023	\$3,612,872	
2024	\$3,658,628	
2025	\$3,652,552	
2026	\$3,660,057	
2027	\$2,948,200	
2028	\$1,415,026	
2029	\$1,418,889	
2030	\$637,694	
2031	\$628,150	
2032	\$628,044	
2033	\$627,019	
2034	\$629,994	
2035	\$367,750	
2036	\$228,375	
Total	\$51,641,808	

Issue	Fund Allocation			
	General	Utility	Utility S/C	Natural Gas
2007 CO & Revenue	82.95%	17.05%	-	-
2009 Revenue CO	-	100.00%	-	-
2009 Refunding GO	51.49%	41.62%	6.89%	-
2010 Refunding GO	50.08%	49.92%	-	-
2012 Refunding GO	57.76%	42.24%	-	-
2014 Revenue CO	-	13.16%	-	86.84%
2014 Refunding GO	78.68%	21.32%	-	-
2015 Revenue CO	100.00%	-	-	-
2015 Refunding GO	78.68%	21.32%	-	-
2016 Revenue CO	100.00%	-	-	-

Fiscal Year	2007 CO & Revenue		2009 Revenue CO		2009 Refunding GO		2010 Refunding GO		2012 Refunding GO		2014 Revenue CO		2014 Refunding GO		2015 Revenue CO		2015 Refunding GO		2016 Revenue CO		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
2016	\$880,200	\$17,811	\$450,000	\$39,132	\$190,000	\$29,725	\$280,100	\$63,871	\$440,000	\$117,001	\$130,000	\$126,250	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$17,811	\$171,450	\$3,996,428	
2017	\$920,200	\$18,511	\$470,000	\$40,002	\$240,000	\$38,200	\$280,100	\$63,888	\$460,000	\$124,101	\$140,000	\$129,200	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$18,511	\$172,000	\$4,087,466	
2018	\$950,000	\$19,240	\$490,000	\$41,000	\$260,100	\$40,000	\$300,100	\$64,000	\$480,000	\$134,001	\$145,000	\$130,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$19,240	\$173,000	\$4,088,528	
2019	\$980,000	\$19,970	\$510,000	\$42,000	\$280,100	\$41,000	\$320,100	\$64,000	\$500,000	\$144,001	\$150,000	\$135,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$19,970	\$174,000	\$3,989,578	
2020	\$1,010,000	\$20,700	\$530,000	\$43,000	\$300,100	\$42,000	\$340,100	\$64,000	\$520,000	\$154,001	\$155,000	\$140,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$20,700	\$175,000	\$3,881,828	
2021	\$1,040,000	\$21,430	\$550,000	\$44,000	\$320,100	\$43,000	\$360,100	\$64,000	\$540,000	\$164,001	\$160,000	\$145,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$21,430	\$176,000	\$3,876,890	
2022	\$1,070,000	\$22,160	\$570,000	\$45,000	\$340,100	\$44,000	\$380,100	\$64,000	\$560,000	\$174,001	\$165,000	\$150,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$22,160	\$177,000	\$3,607,840	
2023	\$1,100,000	\$22,890	\$590,000	\$46,000	\$360,100	\$45,000	\$400,100	\$64,000	\$580,000	\$184,001	\$170,000	\$155,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$22,890	\$178,000	\$3,612,872	
2024	\$1,130,000	\$23,620	\$610,000	\$47,000	\$380,100	\$46,000	\$420,100	\$64,000	\$600,000	\$194,001	\$175,000	\$160,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$23,620	\$179,000	\$3,658,628	
2025	\$1,160,000	\$24,350	\$630,000	\$48,000	\$400,100	\$47,000	\$440,100	\$64,000	\$620,000	\$204,001	\$180,000	\$165,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$24,350	\$180,000	\$3,652,552	
2026	\$1,190,000	\$25,080	\$650,000	\$49,000	\$420,100	\$48,000	\$460,100	\$64,000	\$640,000	\$214,001	\$185,000	\$170,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$25,080	\$181,000	\$3,660,057	
2027	\$1,220,000	\$25,810	\$670,000	\$50,000	\$440,100	\$49,000	\$480,100	\$64,000	\$660,000	\$224,001	\$190,000	\$175,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$25,810	\$182,000	\$2,948,200	
2028	\$1,250,000	\$26,540	\$690,000	\$51,000	\$460,100	\$50,000	\$500,100	\$64,000	\$680,000	\$234,001	\$195,000	\$180,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$26,540	\$183,000	\$1,415,026	
2029	\$1,280,000	\$27,270	\$710,000	\$52,000	\$480,100	\$51,000	\$520,100	\$64,000	\$700,000	\$244,001	\$200,000	\$185,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$27,270	\$184,000	\$1,418,889	
2030	\$1,310,000	\$28,000	\$730,000	\$53,000	\$500,100	\$52,000	\$540,100	\$64,000	\$720,000	\$254,001	\$205,000	\$190,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$28,000	\$185,000	\$637,694	
2031	\$1,340,000	\$28,730	\$750,000	\$54,000	\$520,100	\$53,000	\$560,100	\$64,000	\$740,000	\$264,001	\$210,000	\$195,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$28,730	\$186,000	\$628,150	
2032	\$1,370,000	\$29,460	\$770,000	\$55,000	\$540,100	\$54,000	\$580,100	\$64,000	\$760,000	\$274,001	\$215,000	\$200,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$29,460	\$187,000	\$628,044	
2033	\$1,400,000	\$30,190	\$790,000	\$56,000	\$560,100	\$55,000	\$600,100	\$64,000	\$780,000	\$284,001	\$220,000	\$205,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$30,190	\$188,000	\$627,019	
2034	\$1,430,000	\$30,920	\$810,000	\$57,000	\$580,100	\$56,000	\$620,100	\$64,000	\$800,000	\$294,001	\$225,000	\$210,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$30,920	\$189,000	\$629,994	
2035	\$1,460,000	\$31,650	\$830,000	\$58,000	\$600,100	\$57,000	\$640,100	\$64,000	\$820,000	\$304,001	\$230,000	\$215,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$31,650	\$190,000	\$367,750	
2036	\$1,490,000	\$32,380	\$850,000	\$59,000	\$620,100	\$58,000	\$660,100	\$64,000	\$840,000	\$314,001	\$235,000	\$220,000	\$210,000	\$90,000	\$60,000	\$160,000	\$78,738	\$32,380	\$191,000	\$228,375	
Total	\$13,830,000	\$71,300	\$6,800,000	\$1,010,000	\$3,000,000	\$560,000	\$1,390,000	\$2,050,000	\$6,650,000	\$1,800,000	\$1,500,000	\$1,100,000	\$51,641,808								

Discussion was held among Council, Mr. Carruth and Staff.

Mr. Carruth then called the Council’s attention to the City of Rockport – Budget Requests and Reductions for Fiscal Year 2016-2017 as follows:

Departmental FY 2016-2017 Budget Requests						
Account Number	Description	Total Request	Difference Over Prior Yr.	% Difference	Approved Amount	Comments
GENERAL FUND						
Mayor & Council						
602-8001	Computer Hardware	\$ 500	\$ 500	100.0%		To replace computer equipment
Subtotal Mayor & Council		\$ 500	\$ 500	100.0%	\$ 500	
Municipal Court						
605-2018	Court Administrator	\$ 15,893	\$ 293	1.8%		Increase of 3.75% as of April, 2017
Subtotal Municipal Court		\$ 15,893	\$ 293	1.8%	\$ 293	
City Secretary						
607-1004	Certification Pay	\$ 10,800	\$ 9,100	84.3%	10,800	Additional Certifications achieved for Asst. City Sec.
607-4002	Dues & Subscriptions	\$ 900	\$ 200	21.1%	900	Increase in professional dues because of certifications
607-4003	Schools/Seminars-Travel & Exp.	\$ 4,000	\$ 500	8.3%	4,000	Additional cost for seminar travel expenses
607-8001	Computer Hardware	\$ 2,000	\$ 1,900	75.0%	2,000	Replace aging computer hardware
Subtotal City Secretary		\$ 19,700	\$ 11,300	57.2%	19,700	
City Manager						
608-2036	Communications Services	\$ 375	\$ 375	100.0%		Lease for UHF Radio
608-8001	Computer Hardware	\$ 2,000	\$ 2,000	100.0%		Replace aging computer hardware
Subtotal City Manager		\$ 2,375	\$ 2,375	100.0%	2,375	
Information & Technology						
609-1006	Overtime	\$ 8,000	\$ 4,000	50.0%	8,000	Increase in the amount of overtime needed
609-2038	Communications Services	\$ 5,000	\$ 2,680	53.6%	5,000	Adm Communication services with cell phones gas and data phones
609-2045	Contracted Services	\$ 20,000	\$ 4,000	20.0%	20,000	Adm need to contract with outside services for computer services
609-3001	Office Supplies	\$ 500	\$ 250	50.0%	500	Additional office supplies needed
609-4001	Schools/Seminars-Registration	\$ 2,000	\$ 1,000	50.0%	2,000	Additional training available for information Technology
609-4002	Dues & Subscriptions	\$ 100	\$ 100	20.0%	500	Increase in professional dues
609-4003	Schools/Seminars-Travel & Exp.	\$ 4,000	\$ 1,000	25.0%	4,000	Additional cost for seminar travel expenses
609-8002	Computer Software	\$ 4,983	\$ 1,783	35.8%	4,983	Annual Renewal for Net Moten
Subtotal Information & Technology		\$ 44,983	\$ 14,823	32.9%	44,983	
Police - Administration						
611-2045	Contracted Services	\$ 68,000	\$ 4,000	5.9%	68,000	Increased cost of Contracted Service for PTS
611-3001	Office Supplies	\$ 11,500	\$ 1,500	13.0%	11,500	Additional office supplies needed
611-7046	Police Station Maintenance	\$ 110,000	\$ 25,000	22.7%	110,000	City's share to Re-Stucco Building Exterior
Subtotal Police - Administration		\$ 189,500	\$ 30,500	16.1%	189,500	
Police - Patrol						
612-2045	Contracted Services	\$ 18,000	\$ 14,000	77.8%	18,000	Increase due to body cam warranty (14,000)
612-2060	Fire Marshal Services	\$ 2,500	\$ 1,000	40.0%	2,500	Additional usage of Fire Marshal Services
612-3006	Uniforms	\$ 21,150	\$ 4,150	19.6%	21,150	Additional need for specialized uniforms and 5 vests
612-4001	Schools/Seminars-Registration	\$ 12,000	\$ 2,350	19.6%	12,000	New training cycle available
612-4003	Schools/Seminars-Travel & Exp.	\$ 15,000	\$ 2,811	18.7%	15,000	Additional cost for seminar travel expenses
612-8050	Computer Hardware	\$ 2,500	\$ 1,300	52.0%	2,500	Tablet for maps
612-8012	Patrol Equipment	\$ 39,500	\$ 27,000	68.4%	39,500	Purchase additional 5 in car camera
Subtotal Police Patrol		\$ 110,650	\$ 52,611	47.5%	110,650	
Police - CID						
613-1006	Overtime	\$ 15,000	\$ 2,000	13.3%	15,000	Additional Overtime cost needed
613-4001	Schools/Seminars-Registration	\$ 3,500	\$ 1,000	28.6%	3,500	New training cycle available

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Departmental FY 2016-2017 Budget Requests						
Account Number	Description	Total Request	Difference Over Prior Yr.	% Difference	Approved Amount	Comments
613-4003	Schools/Seminars-Travel & Exp.	\$ 5,000	\$ 1,000	20.0%	3,500	Additional cost for seminar travel expenses
613-8000	Computer Hardware	\$ 2,400	\$ 1,200	50.0%	2,400	Replace 1 laptop and 1 desktop computer
613-8002	Office Furniture/Equipment	\$ 5,500	\$ 2,500	45.5%	5,500	Need additional equipment for vault (Refrigerator and gun safe)
613-8003	Police Equipment	\$ 5,000	\$ 2,000	40.0%	5,000	Purchase body cameras
Subtotal Police - CID		\$ 111,800	\$ 68,100	78.8%	36,800	
Building Development - Administration						
621-1004	Certification Pay	\$ 6,000	\$ 6,000	100.0%	6,000	Additional Certifications achieved for new personnel
621-1006	Overtime	\$ 2,000	\$ 1,500	75.0%	2,000	Additional Overtime cost needed
621-8030	Pictometry	\$ 11,100	\$ 11,100	100.0%	11,100	High Resolution Pictometry (Cost to be divided between Utility and General Fund)
Subtotal Building Development - Administration		\$ 19,100	\$ 18,600	97.4%	19,100	
Building Development - Code Enforcement						
622-1001	Base Pay - Additional Position	\$ 20,000	\$ 20,000	100.0%	20,000	New Position split 1/2 with Code Enforcement
Subtotal Building Development - Code Enforcement		\$ 20,000	\$ 20,000	100.0%	20,000	
Building Development - Inspections						
623-1001	Base Pay - Additional Position	\$ 20,000	\$ 20,000	100.0%		New Position split 1/2 with Inspections
Subtotal Building Development - Inspections		\$ 45,000	\$ 45,000	100.0%	20,000	
Streets & Drainage						
631-2046	Contracted Services	\$ 29,000	\$ 4,000	16.0%	29,000	Increase in annual maintenance costs
Subtotal Streets & Drainage		\$ 29,000	\$ 4,000	16.0%	29,000	
Building Operation & Maintenance						
632-2047	Telephone	\$ 40,000	\$ 36,000	90.0%	40,000	Increase from last year due to not including all building land lines
Subtotal Building Operation & Maintenance		\$ 40,000	\$ 36,000	90.0%	36,000	
Parks & Leisure Services						
661-1006	Overtime	\$ 7,500	\$ 2,500	33.3%	7,500	Increase in overtime due to maintaining parks 7 days a week
661-3022	Sanitorial	\$ 5,000	\$ 500	10.0%	5,000	Additional cleaning supplies needed
661-3025	Christmas Lights & Maint	\$ 4,000	\$ 1,000	25.0%	4,000	Additional for cost of LED light replacement & maintenance
661-7001	Vandalism Repair	\$ 3,000	\$ 1,000	33.3%	3,000	Increase need for repair due to vandalism
661-8040	TPWD Outdoor Grant Match	\$ 33,000	\$ 11,400	34.5%	33,000	Grant match - Resurface trail system
Subtotal Parks & Leisure Services		\$ 127,500	\$ 91,400	71.7%	62,500	
GENERAL FUND GRAND TOTAL		\$ 772,061	\$ 415,502	53.8%	577,461	
UTILITY SYSTEM FUND						
Environmental						
634-1004	Certification Pay	\$ 10,080	\$ 2,680	26.58%	10,080	Additional certifications achieved for personnel
634-1005	Overtime	\$ 2,680	\$ 1,400	53.86%	2,680	Additional cost overtime needed
Subtotal Environmental		\$ 12,680	\$ 4,080	32.2%	12,680	
Water Storage & Distribution						
641-1004	Certification Pay	\$ 35,800	\$ 3,800	10.61%	35,800	Additional certifications achieved for personnel
641-2036	Communications Services	\$ 18,000	\$ 8,000	44.44%	18,000	Additional cost for cell phones, gps units and phones for meter reading
641-7016	Pump Station Maintenance	\$ 35,000	\$ 20,000	57.14%	35,000	Additional costs for maintaining older equipment

City of Rockport Page 2 of 4

Departmental FY 2016-2017 Budget Requests

Account Number	Description	Total Request	Difference Over Prior Yr.	% Difference	Approved Amount	Comments
641-8201	Computer Hardware	\$ 2,000	\$ 2,000	100.00%	\$ 2,000	Replace aging computer hardware
Subtotal Water Storage & Distribution		\$ 90,800	\$ 32,800	37.2%	\$ 90,800	
Wastewater Collection & Treatment						
646-1004	Certification Pay	\$ 20,580	\$ 7,060	34.40%	\$ 20,580	Additional certifications achieved for personnel
646-2036	Communications Services	\$ 4,200	\$ 1,000	23.81%	\$ 4,200	Additional cost for cell phones and gas units
646-2040	Engineering, Survey Fees	\$ 16,000	\$ 5,000	31.25%	\$ 16,000	Additional Engineering and Survey fees expected
646-2046	Contract Services	\$ 30,000	\$ 10,000	33.33%	\$ 30,000	Increase in annual maintenance costs
Subtotal Wastewater Collection & Treatment		\$ 69,780	\$ 23,060	33.1%	\$ 69,780	
Utility/Customer Service						
651-2002	Merchant Processing Fees	\$ 45,000	\$ 20,000	44.44%	\$ 45,000	Increase in number of customers using online credit card pymt system
Subtotal Utility Customer Service		\$ 45,000	\$ 20,000	44.4%	\$ 45,000	
Non-Departmental						
699-6030	Pictometry	\$ 11,100	\$ 11,100	100.00%	\$ 11,100	High Resolution Pictometry (Cost to be divided between Utility and General Fund)
Subtotal Non-Departmental		\$ 11,100	\$ 11,100	100.0%	\$ 11,100	
UTILITY SYSTEM FUND GRAND TOTAL		\$ 229,360	\$ 92,060	40.1%	\$ 229,360	
NATURAL GAS SYSTEM FUND						
Natural Gas Distribution						
646-1004	Certification Pay	\$ 3,000	\$ 2,000	66.67%	\$ 3,000	Additional certifications achieved for personnel
Subtotal Natural Gas Distribution		\$ 3,000	\$ 2,000	66.7%	\$ 3,000	
NATURAL GAS SYSTEM FUND GRAND TOTAL		\$ 3,000	\$ 2,000	66.7%	\$ 3,000	
COMMUNITY AQUATIC CENTER						
Aquatic Center						
672-1005	Part Time	\$ 130,000	\$ 30,000	23.08%	\$ 130,000	Additional cost for part time employees
672-3001	Office Supplies	\$ 2,400	\$ 400	16.67%	\$ 2,400	Additional costs for supplies
672-7002	Maintenance/Repair	\$ 20,000	\$ 3,000	15.00%	\$ 20,000	Additional costs for maintenance and repair
672-8001	Computer Hardware	\$ 1,500	\$ 1,500	100.00%	\$ 1,500	Replace aging computer hardware
Subtotal Community Aquatic Center		\$ 153,900	\$ 34,900	22.7%	\$ 153,900	
COMMUNITY AQUATIC SYSTEM FUND GRAND TOTAL		\$ 153,900	\$ 34,900	22.7%	\$ 153,900	
SPECIAL REVENUE FUNDS						
Fleet Operations & Maintenance						
633-1001	Base Pay	40,000.00	40,000.00	100.00%		
633-2036	Contracted Services	30,000.00	10,000.00	33.33%		Additional Shop Mechanic position
633-8010	Fleet Shop Improvements	\$ 20,000	\$ 20,000	100.00%	\$ 20,000	Building Renovations
	Fleet Tools and Equipment	\$ 180,000	\$ 180,000	100.00%	\$ 180,000	Purchase of Compressor, Lift, Software and Tools and Equipment
Subtotal Fleet Operations & Maintenance		\$ 270,000	\$ 250,000	92.6%	\$ 200,000	
Hotel Occupancy Tax Administration						
660-2001	R-F Chamber of Commerce-Mkt	\$ 330,000	\$ 10,000	3.03%	\$ 330,000	

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Departmental FY 2016-2017 Budget Requests

Account Number	Description	Total Request	Difference Over Prior Yr.	% Difference	Approved Amount	Comments
660-2009	Fulton Mansion	\$ 30,000	\$ 5,000	16.67%	\$ 30,000	
660-2040	RCFTA-Rockport Center for Arts	\$ 124,500	\$ 14,800	11.89%	\$ 124,500	
660-2044	Rockport Yacht Club - Nautical Fees	\$ 4,500	\$ 2,000	44.44%	\$ 4,500	
660-2056	Friends of The History Center - Tou	\$ 2,500	\$ 2,500	100.00%	\$ 2,500	
660-2057	Veterans Memorial Wall Exh	\$ 1,500	\$ 1,500	100.00%	\$ 1,500	
660-2095	Shoreline Stabilization	\$ 25,000	\$ 25,000	100.00%	\$ 25,000	
Subtotal Hotel Occupancy Tax Administration		\$ 518,000	\$ 60,800	11.7%	\$ 518,000	
SPECIAL REVENUE FUNDS GRAND TOTAL		\$ 788,000	\$ 310,800	39.4%	\$ 718,000	

Included in draft budget
 Not included in draft budget

Discussion was held among Council, City Manager and Staff in regard to the budget requests as presented by the City Manager.

A lunch break was taken from 11:55 a.m. until 12:19 p.m.

Discussion regarding budget requests continued among Council, City Manager and Staff.

A recess was taken from 1:55 p.m. until 2:05 p.m.

Discussion continued among Council, City Manager and Staff regarding budget requests for Fiscal Year 2016-2017.

Discussion was held among Council regarding hotel occupancy tax revenue requests.

It was the consensus of Council that the Rockport-Fulton Chamber of Commerce allocation for marketing be reduced to \$327,000.00 instead of \$330,000.00, and the \$3,000.00 be applied to the Tropical Christmas line item.

It was the consensus of Council that the Rockport Yacht Club allocation for the Nautical Flea Market be reduced to \$2,500.00 instead of \$4,500.00.

Discussion continued among Council regarding Special Revenue accounts.

Finance Director Patty Howard stated the public hearing on the utility rate increases will be held at the August 9, 2016, Council Meeting. Ms. Howard informed the Council that the two required public hearings on the tax rate will be held at the Council workshop on August 23, 2016, at 1:30 p.m., and at the regular Council meeting on September 13, 2016, at 6:30 p.m. Ms. Howard said formal adoption of the budget would be scheduled for the September 27, 2016, Council meeting.

Mayor Wax suggested a Special Meeting be scheduled for September 20, 2016, for adoption of the budget to allow time for any changes to the proposed budget if necessary.

It was the consensus of Council that a Special Meeting be scheduled for September 20, 2016.

Mayor Wax and Council expressed their thanks to City Manager Kevin Carruth and staff for the professional presentation of the proposed budget.

3. Adjournment.

At 4:17 p.m., it was the consensus of Council to adjourn the Workshop Session.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, July 26, 2016 Rockport City Hall, 622 East Market Street

On the 26th day of July 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 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
Finance Director Patty Howard
Police Chief Tim Jayroe
Public Works Director Mike Donoho
Community Planner Amanda Torres
Parks & Leisure Services Director Tom Staley
Parks Maintenance Superintendent Rick Martinez
Information Technology Director Brian Jacobs

ELECTED OFFICIALS PRESENT

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, July 26, 2016, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

2. Pledge of Allegiance.

Mayor Pro-Tem Pat Rios led the Pledge of Allegiance to the U.S. flag.

3. Proclamation: Law Enforcement Appreciation Day – Fourth Monday in July.

Mayor Wax read the Proclamation: Law Enforcement Appreciation Day – Fourth Monday in July. It proclaimed the fourth Monday in July as Law Enforcement Appreciation Day to thank our local law enforcement professionals for their dedication to and direct support of this safe and prosperous community.

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 Council Regular Meeting Minutes of July 12, 2016, and Budget Workshop Meeting Minutes of July 18, 2016.**
- 6. Deliberate and act on 3rd quarter hotel occupancy tax report from Texas Maritime Museum for 2015-2016 marketing expenditures.**
- 7. Deliberate and act on cancellation of October 11, 2016, Council Regular Meeting, November 22 and December 27, 2016, Council Workshop and Regular Meetings.**
- 8. Deliberate and act to appoint a special liaison to the YMCA Development Committee, and appoint a member to the Parks & Leisure Services Advisory Board.**

Mayor Wax stated that Consent Agenda Item No. 6 was to be pulled from the Consent Agenda due to inaccurate documentation.

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, minus Item No. 6, as presented. Council Member Villa seconded the motion. Motion carried unanimously.

MOTION: Mayor Wax moved to deny approval of Consent Agenda Item No. 6 due to inaccurate documentation. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

Regular Agenda

- 9. Deliberate and act on first reading of an Ordinance pursuant to Article 23 “Conditional Use Permit”, Rockport Zoning Ordinance Number 1027, granting a Conditional Use Permit to property located at 1515 Sixteenth Street; also described at Lot 76, Block 250, Swickheimer Subdivision (10 acres), Plat Records of Aransas County, Texas, for the purpose of establishing a Bed and Breakfast/Multi-Family Ranch with farm animals, subject to compliance with the conditions stated in said Ordinance, as well as those stipulated under Article 23, Rockport Zoning Ordinance Number 1027; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Planning & Zoning Commission Chairman Brian Olsen stated the Planning & Zoning Commission met on July 18, 2016, and voted to recommend approval of the request for a Conditional Use Permit to property located at 1515 Sixteenth Street.

MOTION: Council Member Villa moved to approve the first reading of an Ordinance pursuant to Article 23 “Conditional Use Permit”, Rockport Zoning Ordinance Number 1027, granting a Conditional Use Permit to property located at 1515 Sixteenth Street; also described at Lot 76, Block 250, Swickheimer Subdivision (10 acres), Plat Records of Aransas County, Texas, for the purpose of establishing a Bed and Breakfast/Multi-Family Ranch with farm animals, subject to compliance with the conditions stated in said Ordinance, as well as those stipulated under Article 23, Rockport Zoning Ordinance Number 1027; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Gurtner seconded the motion. Motion carried unanimously.

- 10. Deliberate and act on second and final reading of an Ordinance affecting participation of City employees in the Texas Municipal Retirement System; granting the additional rights, credits and benefits authorized by Section 852.205 of Title B. Government Code, as amended; and prescribing the effective date of this Ordinance.**

Mayor Wax stated the Ordinance had not changed in format or content since its first reading on July 12, 2016.

MOTION: Mayor Pro-Tem Rios moved to approve the second and final reading of an Ordinance affecting participation of City employees in the Texas Municipal Retirement System; granting the additional rights, credits and benefits authorized by Section 852.205 of Title B. Government Code, as amended; and prescribing the effective date of this Ordinance. Council Member Villa seconded the motion. Motion carried unanimously.

- 11. Deliberate and act on approving an expenditure not to exceed \$40,000.00 to perform a preliminary engineering study for the proposed sports complex on City owned property adjacent to the east side of Highway 35 Bypass and bordered by Teal and Corpus Christi Streets.**

Parks & Leisure Services Director Tom Staley addressed the Council. Mr. Staley stated that the purpose of a preliminary engineering study is to look at the property closely and determine storm water detention and water quality pond requirements and incorporate them into the site plan. Mr.

Staley added that the engineering study will give the City information needed to pursue grants and other fundraising efforts.

Council Member Day stated he had a conversation with a person who has been working with designing and building athletic fields. Council Member Day suggested Mr. Staley contact this person.

Discussion was held among Council and Mr. Staley.

MOTION: Council Member Villa moved to approve an expenditure not to exceed \$40,000.00 to perform a preliminary engineering study for the proposed sports complex on City owned property adjacent to the east side of Highway 35 Bypass and bordered by Teal and Corpus Christi Streets. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

12. Deliberate and act on approval to award a contract to Bridges Specialties, Inc. to connect the Cape Velero waterline to the waterline on Rattlesnake Point Road.

Public Works Director Mike Donoho stated in January 2016, the City of Rockport acquired a 15-foot wide piece of property at 9 Northpointe Drive for the purpose of a 10-foot permanent utility easement to accommodate the 8-inch waterline needed to loop the waterlines. Mr. Donoho stated seven bids were received and opened and staff is recommending award to Bridges Specialties Inc. in the amount of \$639,787.25. Mr. Donoho informed the Council that the developer of the Rattlesnake Point project has submitted a letter of commitment agreeing to contribute \$89,950 toward the project. Mr. Donoho added that the balance of the cost will come from the 2009 Bond, specifically the Cape Valero Loop Line account.

Brief discussion was held among Council and Mr. Donoho.

MOTION: Council Member Day moved to award a contract to Bridges Specialties, Inc. in the amount of \$ 639,787.25 to connect the Cape Velero waterline to the waterline on Rattlesnake Point Road. Council Member Gurtner seconded the motion. Motion carried unanimously.

13. 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 Wax read a letter (below) from the Texas Department of Transportation.

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201 EAST 11TH STREET, HOUSTON, TEXAS 77002-2460 | 512-463-8888 | www.txdot.gov

July 22, 2016

RE: Potential Sale of State-Owned Property
Texas Department of Transportation
+/- 16.5 acres
2301 Farm to Market Road
Rockport, Aransas County, TX 78382

MR. KEVIN CARRUTH
Kevin Carruth
City Manager
City of Rockport
622 E. Market Street
Rockport, TX 78382

RECEIVED
JUL 23 2016
CITY MANAGER

Dear Mr. Carruth,

The District Civil District of the Texas Department of Transportation ("TxDOT") has determined that the above described property is no longer needed for state highway purposes. A copy of an aerial map of the property is enclosed. In accordance with Texas Transportation Code, Section 202.021, governmental entities with the authority to condemn real property have priority right to purchase TxDOT property that is sold and this letter is a notice of your priority right to purchase the above described property.

The purchase price for this property is \$1,040,000.00 (one million two hundred fifty thousand and 00/100), SUBJECT to an appraisal, plus any additional incurred closing costs including the cost of any owner's title policy and any repairs. If the appraisal value is higher than the price, then the price shall be adjusted accordingly.

An appraisal must be obtained. At the choice of the purchaser, the purchaser may either obtain the appraisal or may request that TxDOT obtain the appraisal. If TxDOT obtains the appraisal then the costs will be passed through to the purchaser. If the purchaser wishes to obtain the appraisal from a TxDOT approved appraiser, then the appraisal must be reviewed and approved by TxDOT.

A signed and sealed survey from a surveyor licensed in Texas is required. At the choice of the purchaser, either the purchaser may obtain the survey or may request that TxDOT obtain the survey. If TxDOT obtains the survey, it must be reviewed and approved by TxDOT.

In order to exercise your priority, within thirty (30) days of the receipt of this letter, please provide TxDOT with a written statement of your entity's intent to purchase the property on these terms. Please forward a copy of the statement to:

Mr. Jess Berglund
Real Estate Management and Development Division
Texas Department of Transportation
125 E. 11th Street, 5th Floor
Austin, Texas 78701

Or by email to: jess.berglund@txdot.gov

This offer is subject to change or rescission by TxDOT. If the above does not resolve a copy of the statement exercising the priority right within thirty (30) days after the receipt of this letter, TxDOT will consider your priority right to purchase the property to be waived. If your governmental entity is not interested in the property TxDOT would accept any offer you received prior to the enclosed Waiver of Priority Purchase Right prior to the automatic 30-day waiver.

FOR FURTHER INFORMATION, CONTACT: Mr. Kevin Carruth, City Manager, City of Rockport, 622 E. Market Street, Rockport, TX 78382. Tel: 361-271-1111. Fax: 361-271-1112. Email: kcarruth@cityofrockport.com

Waiver of Priority Purchase Right

RE: Potential Sale of State-Owned Property
Texas Department of Transportation
+/- 16.5 acres
2301 Farm to Market Road
Rockport, Aransas County, TX 78382

Jess Berglund
Real Estate Management and Development Division
Texas Department of Transportation
125 E. 11th Street
5th Floor
Austin, Texas 78701

Dear Mr. Berglund:

We have reviewed TxDOT's letter dated 7/22/2016 regarding the proposed sale of the property at 2301 Farm to Market Road, Rockport, Aransas County, TX 78382.

City of Rockport IS NOT interested in purchasing this property. Therefore, City of Rockport WAIVES the priority right to purchase this property.

Sincerely,

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

Date: _____, 2016

Mayor Wax asked that the Council think about this and it will be discussed at the next Council meeting.

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:

- 14. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: (A) Bay Education Center, (B) Texaz Construction and AZ Southwest Properties.**
- 15. Section 551.072 Deliberation regarding real property – deliberate the purchase, exchange, lease, or value of real property: (A) Project Red Fish, and (B) Project Cobia.**
- 16. Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.**

At 6:54 p.m., Mayor Wax 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: (A) Bay Education Center, (B) Texaz Construction and AZ Southwest Properties; Section 551.072 Deliberation regarding real property – deliberate the purchase, exchange, lease, or value of real property: (A) Project Red Fish, and (B) Project Cobia; and Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.

Open Session

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 7:12 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 necessary actions related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

No action was taken.

17. Adjournment

At 7:13 p.m., Council Member Villa moved to adjourn. Motion was seconded by Council Member Gurtner and carried unanimously.

APPROVED:

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 5

Deliberate and act on 3rd quarter report from the Texas Maritime Museum for Fiscal Year 2015-2016 marketing expenditures.

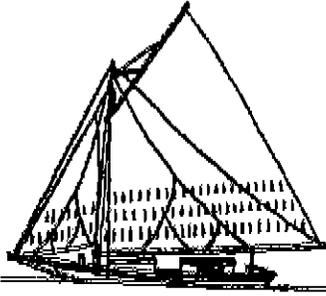
SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: The Texas Maritime Museum has been allocated \$80,000.00 in FY 2015-2016 Hotel Occupancy Tax (HOT) funds. According to our agreement with the Museum, fiscal quarterly financial reports are required to be submitted to the City Council for approval. See the accompanying 3rd quarter HOT expenditure report for additional information.

FISCAL ANALYSIS: Charged to account 6602002. The budgeted amount is \$80,000.00 and YTD expenses are \$28,751.00.

STAFF RECOMMENDATION: Staff recommends Council approve the Texas Maritime Museum's FY 2015-2016 Hotel Occupancy Tax funds 3rd quarter expenditures, as presented.



TEXAS MARITIME MUSEUM



1202 Navigation Circle • Rockport, Texas 78382 • (361) 729-1271 • Fax (361) 729-9938 • (366) 729-AHOY • E-mail: klrtdouglass@gmail.com

To: Jeress Valdez

FAX Number: 361-790-5966

Number of pages including cover sheet: 2

RE: 3rd. Quarter 2015-2016 Report

From: Kathy Roberts-Dayton Date: 7/11/2016

Notes: _____

Thank you!

EXHIBIT "B"

HOT FUNDING EXPENSE REPORT FY 2015-2016						
Description of Expense	Approved Budget	1st Quarter Expenses	2nd Quarter Expenses	3rd Quarter Expenses	4th Quarter Expenses	TOTAL
Advertising Expenses	\$ 26,000	\$ 996	\$ 5,251	\$ 8,715		\$ 14,962
Curatorial Expenses	7,000	1,526	1,578	646		\$ 3,750
Educational Expenses	7,000	197	900	698		\$ 1,795
Website Maintenance	6,000	1,500	1,500	1,500		\$ 4,500
Office Supply Expenses	6,000	1,434	1,647	663		\$ 3,744
TOTAL REQUESTED	\$ 52,000	\$ 5,653	\$ 10,876	\$ 12,222	\$ -	\$ 28,751

Description of Administrative Expenses	Current Fiscal Year Administrative Expenses Projection	Fiscal Year Administrative Actual Expenses	Percentage of Fiscal Year Projections
Salary Expenses	\$ 28,000	\$ 21,000	75%
TOTALS	\$ 28,000	\$ 21,000	75%

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 6

Deliberate and act on 3rd quarter hotel occupancy tax report from Friends of the Fulton Mansion State Historical Site for 2015-2016 marketing expenditures.

SUBMITTED BY: City Secretary Teresa Valdez

APPROVED FOR AGENDA: PKC

BACKGROUND: The Friends of the Fulton Mansion State Historical Site has been allocated \$25,000.00 in FY 2015-2016 Hotel Occupancy Tax (HOT) funds. According to our agreement with the Friends of the Fulton Mansion State Historical Site, HOT funds are paid in advance and a report of the previous quarter's expenditures is required. See the accompanying 3rd quarter HOT expenditure report for additional information.

FISCAL ANALYSIS: Charged to account 6602009. YTD expenses are \$18,394.95 out of \$25,000.00 budgeted.

STAFF RECOMMENDATION: Staff recommends Council approve the Friends of the Fulton Mansion State Historical Site FY 2015-2016 Hotel Occupancy Tax funds 3rd quarter expenditures, as presented.

Fulton Mansion

HOT FUNDING EXPENSE REPORT FY 2015-2016

Description of Expense	Approved Budget	1st Quarter Expenses (Oct – Dec)	2nd Quarter Expenses (Jan-March)	3rd Quarter Expenses (April-June)	4th Quarter Expenses (July-Sep)	TOTAL
Intern Salaries	\$10,000	\$2,134	\$1,380	\$988.20		\$4,502.20
Tour Guide Salaries	\$15,000	\$1,655	\$6,528.75	\$5,709.00		\$13,892.75
TOTAL REQUESTED	\$25,000	\$3,789	\$7,908.75	\$6,697.20		\$18,394.95

Description of Administrative Expenses	Current Fiscal Year Administrative Expenses Projection	Fiscal Year Administrative Actual Expenses	Percentage of Fiscal Year Projections
Intern and Tour Guide salaries	\$40,000	\$21,634.49	54%
TOTALS			

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 7

Deliberate and act on Resolution authorizing publication of delinquent taxpayers' names.

SUBMITTED BY: City Manager Kevin Carruth

APPROVED FOR AGENDA: PKC

BACKGROUND: The City, through its tax attorney Linebarger Goggan Blair & Sampson, has published the names of delinquent taxpayers for several years, as have all of the other taxing entities in Aransas County. Prior to publication of names, the firm prints at least two warning notices in the paper. See the accompanying resolution, letter from Linebarger, and sample ad and letter to delinquent taxpayers for more information.

FISCAL ANALYSIS: The program results in a higher level of collections of delinquent taxes.

RECOMMENDATION: Staff recommends City Council approve the resolution authorizing the publication of delinquent taxpayers' names in the newspaper, as presented.

RESOLUTION NO. 2016- __**RESOLUTION AUTHORIZING PUBLICATION OF
DELINQUENT TAXPAYERS' NAMES**

WHEREAS, a proposal has been made to publish in a newspaper of county-wide circulation a list of the names of no less than the top two hundred (200) individuals and/or businesses who owe delinquent taxes to the Aransas County Taxing Entities, and who are not currently making payments under a written installment agreement, in bankruptcy or have a filed over-65 or disability deferral; and

WHEREAS, the publication of delinquent taxpayers' names has resulted in a significant increase in the payment of delinquent taxes to the City of Rockport in the past; and

WHEREAS, the Aransas County Tax Office and the Law Firm of Linebarger Goggan Blair & Sampson, LLP will prior to the publication take out at least two advertisements warning the targeted taxpayers that their names will be published if full payment is not made or an installment payment agreement is not entered into.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Rockport does authorize the Aransas County Tax Office and the Law Firm of Linebarger Goggan Blair & Sampson, LLP to publish the names of no less than the top two hundred (200) individuals and/or businesses who owe delinquent taxes to the Aransas County Taxing Entities and who are not currently making payments pursuant to a written payment agreement, in bankruptcy or have a filed over-65 or disability deferral.

PASSED AND APPROVED this 9th day of August 2016.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

ATTORNEYS AT LAW

500 NORTH SHORELINE BLVD., SUITE 1111
CORPUS CHRISTI, TEXAS 78401

(361) 888-6898

FAX: (361) 888-4405

July 21, 2016

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

RE: Proposal to Publish Delinquent Taxpayers' Names

Dear Mr. Carruth:

Our law firm is proposing to publish delinquent taxpayers' names in the local newspapers in September, 2016. As in the past, there will be no less than 2 warning notices published in the local newspapers in order to give the taxpayers an opportunity to take action to prevent their names from appearing on the published list. This yearly action results in increased delinquent tax collections for the City of Rockport. Enclosed please find the proposed "Resolution Authorizing the Publication of Names," a sample letter notifying the taxpayer of the publication, and a sample advertisement notifying the public that the publication of names is going to occur. We would ask that this item be placed on the City Council's Agenda for the meeting scheduled for Tuesday, August 9, 2016 as an action item. A suggested wording of this item is as follows: "Consideration and Action on the Proposal to Publish Delinquent Taxpayers' Names."

It is a pleasure to serve the City of Rockport, and do not hesitate to contact my office if you have any questions, comments or need additional information regarding this or any other matter.

Sincerely,



Steven D. Saucedo
Attorney at Law

cc: Jeri D. Cox, Aransas County
Tax Assessor-Collector
319 N. Church Street
Rockport, Texas 78382

NOTICE OF INTENT TO PUBLISH DELINQUENT TAXPAYER NAMES

Dear Taxpayer;

The Taxing Entities in Aransas County will in September, 2016 publish the names of no less than the top 200 individuals and businesses that are delinquent in their tax obligations for the tax years 2015 and prior.

Due to the fact that you are delinquent in the payment of the taxes due on your property(ies) in Aransas County, you risk having your name published in a countywide newspaper in September, 2016. In order to prevent the publication of your name, full payment of the amount shown on the attached statement(s) should be made by **4:30p.m. Wednesday, August 31, 2016** to the Aransas County Tax Office.

Payment can be made by either visiting or mailing a check to:

**Aransas County Tax Office
319 North Church Street
Rockport, Texas 78382
(361) 729-6633**

Please disregard this notice if: (1) you are timely paying these taxes under a valid written installment agreement, (2) you have a filed over-65 or disability deferral, and/or (3) you are currently a debtor in a pending bankruptcy case. If you are now in bankruptcy, please furnish **in writing** the number of your bankruptcy and the identification of the court in which it is pending so as to enable us to code your account and avoid further mailings. Please disregard this notice if you have paid your taxes since August 4, 2016.

Sincerely,
Linebarger Goggan Blair & Sampson, LLP

**PUBLICATION
WARNING NOTICE**

**PAST DUE TAXES
OWED TO THE
ARANSAS COUNTY
TAXING
AUTHORITIES**

Aransas County ISD, Aransas County,
City of Rockport, Aransas County MUD
#1, Aransas County Navigation District
and the Town of Fulton will publish in
September, 2016 the names of no less than
the top 200 individuals and businesses
that are delinquent in their tax
obligations as of
Wednesday, August 31, 2016.

**PAY YOUR PAST DUE TAXES
PRIOR TO 4:30 P.M.
WEDNESDAY, AUGUST 31, 2015,
TO PREVENT YOUR NAME
FROM APPEARING ON THE
PAST DUE LIST TO BE
PUBLISHED.**

Please make any inquiries and payment to:

**Aransas County Tax Office
319 North Church Street
Rockport, Texas 78382
(361) 729-6633**

* If you are current in making payments pursuant to a valid written installment agreement, have a filed over 65 or disability deferral and/or if you are a debtor in a bankruptcy case where we have received notification, your name will not appear in the past due list.

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 8

Conduct a Public Hearing on proposal to increase water, wastewater, and solid waste collection rates for all customers.

SUBMITTED BY: City Manager Kevin Carruth

APPROVED FOR AGENDA: P K C

BACKGROUND: The proposed FY 2016-2017 budget assumes the following increases in the utility rates:

- Water – 2.5%
- Wastewater – 10.0%
- Natural Gas – 7.2%

The proposed schedule increases wastewater rates as another step to phase in the wastewater system to self-sufficiency so that water does not have to subsidize it, continuing with the process that began two years ago.

See the accompanying hearing notice and financial analysis for additional detail.

FISCAL ANALYSIS: The proposed rates will result in 229 days of operating capital for water and sewer, up from the expected end of year total of 206 days. The operating capital for the gas system will go from 233 days to 367 days. The City's goal for all funds is a minimum of 180 days of operating capital. The table below details the impact on the average residential customer.

Impact of Utility Rates on Average Residential Customer

Rate Schedule	Water	Wastewater	Gas	Total	△Current
Inside City Limits					
Current	\$ 41.85	\$ 31.22	\$ 27.80	\$ 100.87	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 42.90	\$ 34.34	\$ 29.80	\$ 107.04	\$ 6.17
Outside City Limits					
Current	\$ 57.34	\$ 44.34	\$ 27.80	\$ 129.48	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 58.77	\$ 48.77	\$ 29.80	\$ 137.35	\$ 7.87

Note: Average residential customer uses 6,000 gallons of water & 5,000 cu. ft. of gas

RECOMMENDATION: Not an action item.



PUBLIC HEARING
Rockport City Council

NOTICE is hereby given that the City of Rockport will hold a Public Hearing on Tuesday, August 09, 2016 at 6:30 p.m. at the Rockport City Hall, 622 E. Market Street, Rockport, Texas on a proposal to increase water, wastewater and natural gas for all customers. The rate will be effective on September 15, 2016. The City's customers will note an increase in rates with the November 1, 2016 utility billing.

The City encourages citizens to participate and to make their views known at this public hearing. Citizens unable to attend this meeting may submit their written comments to City Manager Kevin Carruth, 622 E. Market Street, Rockport, TX 78382 or email at citymgr@cityofrockport.com. For further information please contact the Finance Director Patty Howard at 361-729-2213 ext. 228 or email at finance@cityofrockport.com. This facility and parking spaces are wheelchair accessible. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting by contacting the Office of the City Secretary at 361/729-2213 extension 225 or email at citysec@cityofrockport.com. Braille is not available.

POSTED this the 26th day of July 2016, by 5:00 p.m., on the bulletin board at Rockport City Hall, 622 E. Market Street, Rockport, Texas 78382 and on the webpage at www.cityofrockport.com.

PUBLISHED in *The Rockport Pilot* in the Saturday, July 30, 2016, Edition.

CITY OF ROCKPORT


Teresa Valdez, City Secretary

WATER, WASTEWATER AND NATURAL GAS RATE UPDATE

FOR
CITY OF ROCKPORT, TEXAS



AUGUST 2016

PREPARED BY

NewGen
Strategies & Solutions, LLC



1300 E. Lookout Drive
Suite 100
Richardson, TX 75082
Phone: (972) 680-2000

August 3, 2016

Ms. Patty Howard
Finance Director
City of Rockport
622 East Market St.
Rockport, TX 78382

Subject: Rate Study Update Results for Fiscal Year 2016-2017

Dear Ms. Howard:

NewGen Strategies and Solutions, LLC, (NewGen) is pleased to submit this summary of our results from the 2016 Water, Wastewater and Gas Rate Update to the City of Rockport (City). Attached to this summary letter are schedules from the financial model NewGen developed to set the City's proposed rates for Fiscal Year 2016-2017 (FY 2017).

In March 2016, the City engaged our firm to complete this update. NewGen reviewed the City's budget, capital planning and historical billing data. NewGen held several conference calls with City staff to better understand the data provided, refine future projections and get further direction on rate design options. At the request of City staff, NewGen reviewed the rate model as designed and updated by the City's former rate consultant. In addition, NewGen relied on previous growth projections and the preliminary budgets for the each utility. NewGen relied on "normal consumption" patterns, which estimate future customer consumption to be equal to historical consumption under typical precipitation conditions. A more detailed listing of billing determinant assumptions is included on pages 12-14.

The City's primary objective was for revenue sufficiency, based on projected expenses and City funding objectives. The second objective was to make sure the City achieved its target financial metrics. These metrics include maintaining a Fund Balance Reserve of at least 180 days working capital on hand and having a Debt Service Coverage Ratio of at least 1.10.

Based on normal consumption and current rates, the Water and Wastewater Utilities are projected to fall short of necessary revenues in FY 2017 by approximately \$355,435. As shown on page 4, it is projected that Rockport will be under its target debt service coverage ratio of 1.10 unless rate action is taken. Assuming current rates for Natural Gas, page 5 estimates that this utility will under-recover approximately \$70,310 in FY 2017 and also not meet its 1.10 debt service coverage. NewGen evaluated several scenarios with City staff and has proposed rates for FY 2017 as discussed below.

Ms. Patty Howard

August 3, 2016

Page 2

After discussions with City leadership, NewGen ultimately proposed the following rate increases applied uniformly to each service type for minimum and volumetric charges.

- Water rates are proposed to increase 2.50%. (Page 6)
- Wastewater rates are proposed to increase 10.0%. (Pages 7-8)
- Natural Gas rates are proposed to increase 7.20%. (Page 9)

NewGen's proposed rates accomplish the following:

1. On a combined basis, the water and wastewater utilities are projected to generate sufficient revenues in FY 2017 with projected revenues at approximately \$25,000 more than expected expenses. The water and wastewater increases produce revenues that comfortably meet and exceed the targeted financial metrics. (Page 10)
2. When compared to the current rates of other regional water and wastewater providers the proposed rates, Rockport remains competitive. (Pages 15-16) Given many of the comparison communities are also considering rate increases for FY 2017, NewGen believes Rockport will likely remain near the middle when compared to the final, approved rates for the comparison cities.
3. Natural Gas FY 2017 revenues are projected to exceed expected expenses by approximately \$24,000. This leaves a healthy fund balance reserve untouched and just meets the debt service coverage target. (Page 11)

NewGen again thanks you for the opportunity to assist the City. If you or your staff should have any questions regarding this report and/or require additional information, please contact Chris Ekrut at (972) 232-2234 or via email at cekrut@newgenstrategies.net.

Very truly yours,

NewGen Strategies and Solutions, LLC



Chris D. Ekrut
Director

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City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Summary of Current Rate Performance

FY 2017

WATER

Net Revenue Requirement	\$6,766,683
Projected Revenue Under Current Rates	7,112,433
Over / (Under) Recovery	<u>\$345,750</u>
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	\$345,750
Adjusted Over / (Under) Recovery (%)	5.11%
Projected Annual Billed Water Consumption (000's)	7,995,082

WASTEWATER

Revenue Requirement	\$2,727,527
Projected Revenue Under Current Rates	2,026,343
Over / (Under) Recovery	<u>(\$701,184)</u>
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	(\$701,184)
Adjusted Over / (Under) Recovery (%)	(25.71%)
Projected Annual Billed Flow (000's)	4,459,617

TOTAL

Revenue Requirement	\$9,494,210
Projected Revenue Under Current Rates	9,138,776
Over / (Under) Recovery	<u>(\$355,435)</u>
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	(\$355,435)
Adjusted Over / (Under) Recovery (%)	(3.74%)

KEY FINANCIAL STATISTICS

Beginning Fund Balance	\$ 5,739,905
Total Revenues	9,934,776
Total Expenses	<u>9,845,710</u>
Ending Fund Balance	\$ 5,828,970
Fund Balance Reserve Policy (50% of Expenditures)	 59%
Days of Working Capital (180 Days)	216
Debt Service Coverage	
Total Revenues	\$9,934,776
Total Expenses Less Debt Service	<u>8,138,654</u>
Available for Debt Service Coverage	\$1,796,121
Debt Service	1,707,056
Coverage Ratio	 1.05
Target Debt Service Coverage Ratio	1.10

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Summary of Current Rate Performance

FY 2017

GAS

Revenue Requirement	\$1,381,072
Projected Revenue Under Current Rates	1,310,762
Over / (Under) Recovery	<u>(\$70,310)</u>
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	(\$70,310)
Adjusted Over / (Under) Recovery (%)	(5.09%)
 Projected Natural Gas Flow	 1,684,765

KEY FINANCIAL STATISTICS

Beginning Fund Balance	\$ 1,367,287
Total Revenues	1,313,062
Total Expenses	<u>1,383,372</u>
Ending Fund Balance	\$1,296,977
 Fund Balance Reserve Policy (50% of Expenditures)	  94%
Days of Working Capital (180 Days)	342
 Debt Service Coverage	
Total Revenues	\$1,313,062
Total Expenses Less Debt Service	<u>1,154,549</u>
Available for Debt Service Coverage	\$158,513
Debt Service	228,823
Coverage Ratio	 0.69
Target Debt Service Coverage Ratio	1.10

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Proposed Water Rates

INSIDE (All Customer Classes)				2.50%			
Minimum Charge		Current		2017		Change	
0.75 in	\$	18.79	\$	19.26	\$	0.47	
1.00 in		22.73		23.30		0.57	
1.50 in		42.34		43.40		1.06	
2.00 in		65.89		67.54		1.65	
3.00 in		128.70		131.92		3.22	
4.00 in		199.36		204.34		4.98	
Volumetric Charge (per Kgal)							
0 - 1,500 gallons	\$	-	\$	-	\$	-	
1,501 - 10,000 gallons		4.93		5.05		0.12	
10,001 - 15,000 gallons		5.80		5.95		0.15	
15,000+ gallons		6.61		6.78		0.17	
OUTSIDE (All Customer Classes)							
Minimum Charge							
0.75 in	\$	25.97	\$	26.62	\$	0.65	
1.00 in		31.45		32.24		0.79	
1.50 in		58.71		60.18		1.47	
2.00 in		91.44		93.73		2.29	
3.00 in		178.76		183.23		4.47	
4.00 in		276.97		283.89		6.92	
Volumetric Charge (per Kgal)							
0 - 1,500 gallons	\$	-	\$	-	\$	-	
1,501 - 10,000 gallons		6.97		7.14		0.17	
10,001 - 15,000 gallons		8.22		8.43		0.21	
15,000+ gallons		9.37		9.60		0.23	

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Proposed Wastewater Rates

RESIDENTIAL INSIDE				10.00%			
Minimum Charges		Current		2017		Change	
	0.75 in	\$	16.82	\$	18.50	\$	1.68
	1.00 in		21.02		23.12		2.10
	1.50 in		21.02		23.12		2.10
	2.00 in		21.02		23.12		2.10
	3.00 in		21.02		23.12		2.10
	4.00 in		21.02		23.12		2.10
Volumetric Charges (per Kgal)							
	0 - 1,500 gallons	\$	-	\$	-	\$	-
	1,501 - 5,000 gallons		3.08		3.39		0.31
	5,001 - 15,000 MAX gallons		3.62		3.98		0.36
RESIDENTIAL OUTSIDE							
Minimum Charges							
	0.75 in	\$	23.55	\$	25.91	\$	2.36
	1.00 in		29.43		32.37		2.94
	1.50 in		29.43		32.37		2.94
	2.00 in		29.43		32.37		2.94
	3.00 in		29.43		32.37		2.94
	4.00 in		29.43		32.37		2.94
Volumetric Charges (per Kgal)							
	0 - 1,500 gallons	\$	-	\$	-	\$	-
	1,501 - 5,000 gallons		4.31		4.74		0.43
	5,001 - 15,000 MAX gallons		5.07		5.58		0.51

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Proposed Wastewater Rates

COMMERCIAL INSIDE
Minimum Charges

0.75 in	\$	16.82	\$	18.50	\$	1.68
1.00 in		21.02		23.12		2.10
1.50 in		25.24		27.76		2.52
2.00 in		33.64		37.00		3.36
3.00 in		67.28		74.01		6.73
4.00 in		105.12		115.63		10.51

Volumetric Charges (per Kgal)

0 - 1,500 gallons	\$	-	\$	-	\$	-
1,501 - 5,000 gallons		3.08		3.39		0.31
5,000+ gallons		3.62		3.98		0.36

COMMERCIAL OUTSIDE
Minimum Charges

0.75 in	\$	23.55	\$	25.91	\$	2.36
1.00 in		29.43		32.37		2.94
1.50 in		35.33		38.86		3.53
2.00 in		47.10		51.81		4.71
3.00 in		94.19		103.61		9.42
4.00 in		147.17		161.89		14.72

Volumetric Charges (per Kgal)

0 - 1,500 gallons	\$	-	\$	-	\$	-
1,501 - 5,000 gallons		4.31		4.74		0.43
5,000+ gallons		5.07		5.58		0.51

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Proposed Gas Rates

INSIDE (All Customer Classes)		7.20%		
Minimum Charges		Current	2017	Change
Base		\$ 17.85	\$ 19.14	\$ 1.29
Volumetric Charges (per GGE)				
All Volumes		\$ 1.99	\$ 2.13	\$ 0.14
OUTSIDE				
Minimum Charges				
Base		\$ 17.85	\$ 19.14	\$ 1.29
Volumetric Charges (per GGE)				
All Volumes		\$ 1.99	\$ 2.13	\$ 0.14

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Summary of Proposed Rate Performance

FY 2017

WATER

Net Revenue Requirement	\$6,766,683
Projected Revenue Under Proposed Rates	<u>7,290,244</u>
Over / (Under) Recovery	\$523,561
Draw down of Reserves	<u>-</u>
Adjusted Over / (Under) Recovery	\$523,561
Adjusted Over / (Under) Recovery (%)	7.74%

Proposed Rate Increase	2.50%
Projected Annual Billed Water Consumption (000's)	7,995,082

WASTEWATER

Revenue Requirement	\$2,727,527
Projected Revenue Under Proposed Rates	<u>2,228,977</u>
Over / (Under) Recovery	(\$498,550)
Draw down of Reserves	<u>-</u>
Adjusted Over / (Under) Recovery	(\$498,550)
Adjusted Over / (Under) Recovery (%)	(18.28%)

Proposed Rate Increase	10.00%
Projected Annual Billed Flow (000's)	4,459,617

TOTAL

Revenue Requirement	\$9,494,210
Projected Revenue Under Proposed Rates	<u>9,519,221</u>
Over / (Under) Recovery	\$25,010
Draw down of Reserves	<u>-</u>
Adjusted Over / (Under) Recovery	\$25,010
Adjusted Over / (Under) Recovery (%)	0.26%

KEY FINANCIAL STATISTICS

Beginning Fund Balance	\$ 5,739,905
Total Revenues	10,315,221
Total Expenses	<u>9,845,710</u>
Ending Fund Balance	\$ 6,209,415

Fund Balance Reserve Policy (50% of Expenditures)		63%
Days of Working Capital (180 Days)		230

Debt Service Coverage	
Total Revenues	\$10,315,221
Total Expenses Less Debt Service	<u>8,138,654</u>
Available for Debt Service Coverage	\$2,176,566
Debt Service	1,707,056
Coverage Ratio	 1.28
Target Debt Service Coverage Ratio	1.10

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Summary of Proposed Rate Performance

FY 2017

GAS

Revenue Requirement	\$1,381,072
Projected Revenue Under Proposed Rates	1,405,137
Over / (Under) Recovery	<u>\$24,065</u>
Draw down of Reserves	-
Adjusted Over / (Under) Recovery	<u>\$24,065</u>
Adjusted Over / (Under) Recovery (%)	1.74%
Proposed Rate Increase	7.20%
Projected Natural Gas Flow	1,684,765

KEY FINANCIAL STATISTICS

Beginning Fund Balance	\$ 1,367,287
Total Revenues	1,407,437
Total Expenses	<u>1,383,372</u>
Ending Fund Balance	\$1,391,352
Fund Balance Reserve Policy (50% of Expenditures)	 101%
Days of Working Capital (180 Days)	367
Debt Service Coverage	
Total Revenues	\$1,407,437
Total Expenses Less Debt Service	<u>1,154,549</u>
Available for Debt Service Coverage	\$252,888
Debt Service	228,823
Coverage Ratio	 1.11
Target Debt Service Coverage Ratio	1.10

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Water, Wastewater, and Gas Inputs

INPUTS

This model begins with Year 1, ending on September 30, 2017

WATER CONNECTIONS (MONTHLY COUNT TIMES 12)

Based on September 2015 Connection Counts

Inside City		Current	2017
	0.75 in	47,052	48,852
	1.00 in	10,500	10,500
	1.50 in	540	540
	2.00 in	1,308	1,308
	3.00 in	72	72
	4.00 in	36	36
Total		59,508	61,308

Outside City		Current	2017
	0.75 in	40,644	40,644
	1.00 in	5,424	5,424
	1.50 in	228	228
	2.00 in	540	540
	3.00 in	24	24
	4.00 in	24	24
Total		46,884	46,884

TOTAL WATER CONNECTIONS (MONTHLY COUNT TIMES 12)	106,392	110,209
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WATER CONSUMPTION (Annual Kgals) In Current Rate Blocks

Based on FY2015 Consumption

Inside City		Current	2017
0 - 1,500 gallons		4,457,709	4,592,546
1,501 - 10,000 gallons		577,225	594,685
10,001 - 15,000 gallons		67,081	69,110
15,000+ gallons		36,209	37,304
Total		5,138,224	5,293,645

Outside City		Current	2017
0 - 1,500 gallons		2,562,932	2,562,932
1,501 - 10,000 gallons		136,488	136,488
10,001 - 15,000 gallons		-	-
15,000+ gallons		-	-
Total		2,699,420	2,699,420

TOTAL WATER CONSUMPTION (Annual Kgals) In Current Rate Blocks	7,837,644	7,995,082
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City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Water, Wastewater, and Gas Inputs

WASTEWATER CONNECTIONS (Monthly Count Times 12)

Based on September 2015 Connection Counts

RESIDENTIAL INSIDE		Current	2017
	0.75 in	37,812	39,012
	1.00 in	6,864	6,864
	1.50 in	84	84
	2.00 in	48	48
	3.00 in	-	-
	4.00 in	-	-
Total		44,808	46,008

RESIDENTIAL OUTSIDE		Current	2017
	0.75 in	6,084	6,084
	1.00 in	168	168
	1.50 in	-	-
	2.00 in	-	-
	3.00 in	-	-
	4.00 in	-	-
Total		6,252	6,252

COMMERCIAL INSIDE		Current	2017
	0.75 in	3,684	3,684
	1.00 in	1,536	1,536
	1.50 in	384	384
	2.00 in	972	972
	3.00 in	48	48
	4.00 in	36	36
Total		6,660	6,660

COMMERCIAL OUTSIDE		Current	2017
	0.75 in	696	696
	1.00 in	180	180
	1.50 in	24	24
	2.00 in	24	24
	3.00 in	24	24
	4.00 in	12	12
Total		960	960

TOTAL WASTEWATER CONNECTIONS (Monthly Count Times 12)	58,680	65,931
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WASTEWATER BILLED FLOW (Annual Kgals) In Current Rate Blocks

Based on FY2015 Billed Flow

RESIDENTIAL INSIDE	Current	2017
0 - 1,500 gallons	2,416,711	2,489,812
1,501 - 5,000 gallons	17,526	18,056
5,001 - 15,000 MAX gallons	5,103	5,257
Total	2,439,340	2,513,125

RESIDENTIAL OUTSIDE	Current	2017
0 - 1,500 gallons	213,895	213,895
1,501 - 5,000 gallons	116	116
5,001 - 15,000 MAX gallons	-	-
Total	214,011	214,011

City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Water, Wastewater, and Gas Inputs

COMMERCIAL INSIDE	Current	2017
0 - 1,500 gallons	1,416,052	1,416,052
1,501 - 5,000 gallons	153,880	153,880
5,000+ gallons	47,657	47,657
Total	1,617,589	1,617,589

COMMERCIAL OUTSIDE	Current	2017
0 - 1,500 gallons	147,348	147,348
1,501 - 5,000 gallons	36,339	36,339
5,000+ gallons	4,990	4,990
Total	188,677	188,677

TOTAL WASTEWATER BILLED FLOW (Annual Kgals) In Current Rate Blocks	4,459,617	4,539,453
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GAS CONNECTIONS (Annual or Monthly Count Times 12)

Based on September 2015 Connection Counts

Inside City	Current	2017
Base	30,720	31,020
Total	30,720	31,020

Outside City	Current	2017
Base	23,652	23,652
Total	23,652	23,652

TOTAL GAS CONNECTIONS (Annual or Monthly Count Times 12)	54,372	56,689
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GAS FLOW (Annual GGE) In Current Rate Blocks

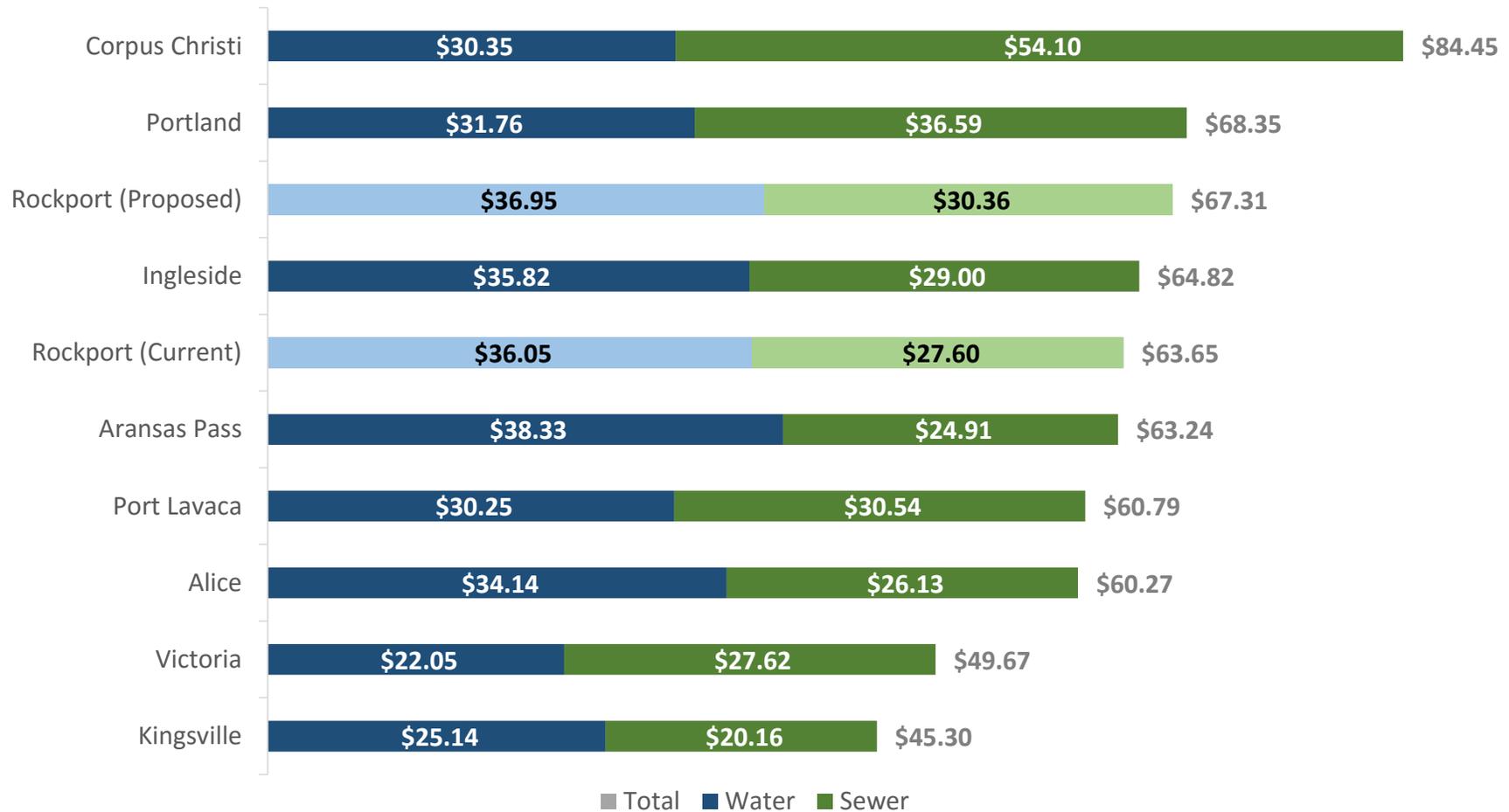
Based on FY2015 Billed Flow

Inside City	Current	2017
All Volumes	1,100,791	1,134,088
Total	1,100,791	1,134,088

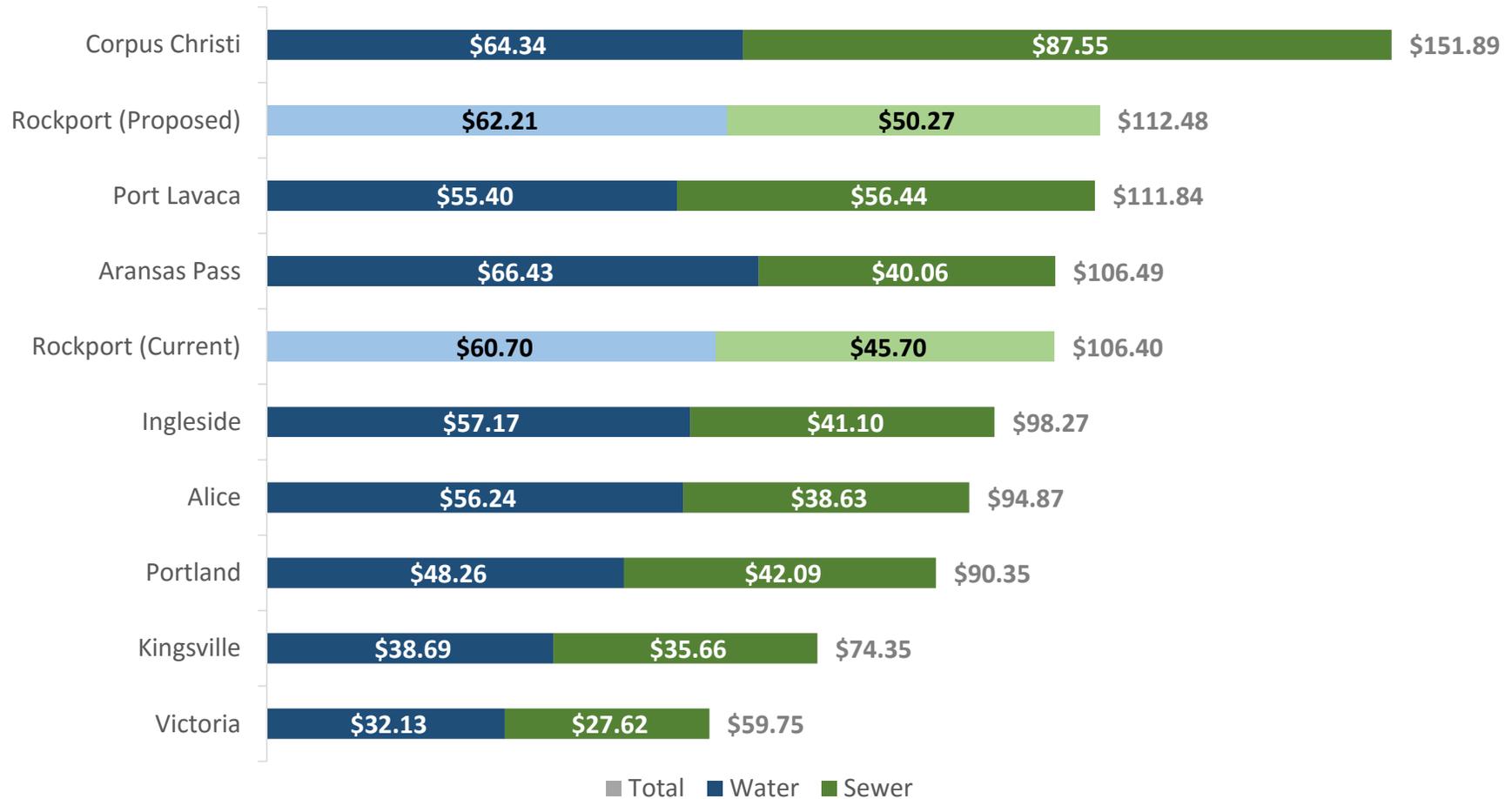
Outside City	Current	2017
All Volumes	548,660	548,660
Total	548,660	548,660

TOTAL GAS FLOW (Annual GGE) In Current Rate Blocks	1,649,451	1,684,765
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City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Regional Bill Comparison 5,000 gallons



City of Rockport, Texas
Water, Wastewater, and Natural Gas Rate Model
Regional Bill Comparison 10,000 gallons



CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 9

Deliberate and act on second and final reading of an Ordinance pursuant to Article 23 “Conditional Use Permit”, Rockport Zoning Ordinance Number 1027, granting a Conditional Use Permit to property located at 1515 Sixteenth Street; also described as Lot 76, Block 250, Swickheimer Subdivision (10 acres), Plat Records of Aransas County, Texas; for the purpose of establishing a Bed and Breakfast/Multi-Family Ranch with farm animals subject to compliance with the conditions stated in this Ordinance, as well as those stipulated under Article 23, Rockport Zoning Ordinance Number 1027; repealing all Ordinances in conflict therewith; providing for severability; and providing an effective date.

SUBMITTED BY: Community Planner Amanda Torres

APPROVED FOR AGENDA: PKC

BACKGROUND: Caleb and Kimberly Morales have submitted a request for a Conditional Use Permit (CUP) on behalf of the owner for the above listed property. A letter from the owner’s agent has been provided authorizing their representation. Mr. and Mrs. Morales are interested in purchasing the property and building a multi-family ranch on ten acres that would serve as an occasional bed and breakfast.

Per Article 23.10 of the Zoning Ordinance, bed and breakfast accommodations require a CUP. Additionally, the CUP would allow for multiple structures to be served by a common septic system on the property. The conditions for the CUP are indicated in the staff recommendation below.

The property meets the CUP Review Criteria as outlined in Article 23.4 of the Zoning Ordinance, as well as the Future Land Use Map of the City’s Comprehensive Plan of low-density residential by keeping a base zone of “R-1” 1st Single-Family Dwelling District.

A public notice regarding this item was published in *The Rockport Pilot* in the Saturday, June 18, 2016 edition and mailed out to eleven property owners within a 200-foot radius of the property. No letters in support or opposition were received. This item was also heard at a Joint Public Hearing with the City Council on July 12, 2016. There was no public input on this request. Supporting documentation follows this cover sheet.

On July 18, 2016, the Planning & Zoning Commission discussed the request for a Conditional Use Permit for property located at 1515 Sixteenth Street. The Commission voted unanimously to recommend this request for a Conditional Use Permit be approved.

There has been no change in format or content since Council approval of the first reading on July 26, 2016.

See the accompanying ordinance and zoning and land development application for more information.

FISCAL ANALYSIS: N/A.

STAFF RECOMMENDATION: Staff recommends to Council that, pursuant to Article 23 “Conditional Use Permit” (CUP), Rockport Zoning Ordinance Number 1027, a CUP should be granted to property located; for the purpose of building a multi-family ranch, on land located at 1515 Sixteenth Street, Rockport, Aransas County, Texas, subject to compliance with the following conditions as well as those conditions stipulated under Article 23, Rockport Zoning Ordinance Number 1027:

1. Dwellings on the parcel must comply with required dwelling square footage, yard areas, building setbacks, building heights, parking regulations, and accessory use regulations as outlined in Article 6, “R-1” 1st Single Family Dwelling District, Rockport Zoning Ordinance Number 1027.
2. All access driveways must meet standards as listed in Article 21.4.1, Paving Standards for Driveways and Parking Space of one-and two-family dwellings, must be paved with an all-weather surface, and able to support a load-bearing vehicle.
3. The conditional use permit will be granted solely to the applicant and current owner and cannot be transferred to a new property owner and/or tenant.
4. Any future sale of any segment of the property to a new property owner other than the applicant and current owner will be required to adhere to the City of Rockport Subdivision Regulations and Zoning Ordinance, and any common utilities or access easements must be abandoned.
5. Applicant and owner will be allowed to use the property as a Bed and Breakfast operation, if desired.
6. Any use other than that granted herein shall be treated as an amendment to the Conditional Use Permit and shall be required to re-submit a Conditional Use Permit request as outlined in the Zoning Ordinance.

**City of Rockport
Office of Building &
Development**

Memo

To: Mayor and City Council
From: Planning & Zoning Commission Chairman Brian Olsen
CC: City Manager Kevin Carruth
Date: 07/19/2016
Re: Commission action on requested Conditional Use Permit for 515 Sixteenth Street.

At our meeting held July 18, 2016, the Planning & Zoning Commission discussed the request for a Conditional Use Permit for property located at 1515 Sixteenth Street. The Commission voted unanimously to recommend this request for a Conditional Use Permit be **approved**.

Respectfully submitted,

Brian Olsen

Chairman, Planning & Zoning Commission

ORDINANCE NO. ____

AN ORDINANCE PURSUANT TO ARTICLE 23 “CONDITIONAL USE PERMIT” (C.U.P.), ROCKPORT ZONING ORDINANCE NUMBER 1027, GRANTING A C.U.P. TO PROPERTY LOCATED AT 1515 SIXTEENTH STREET; ALSO DESCRIBED AS LOT 76, BLOCK 250, SWICKHEIMER SUBDIVISION (10 ACRES), PLAT RECORDS OF ARANSAS COUNTY, TEXAS; FOR THE PURPOSE OF ESTABLISHING A BED AND BREAKFAST/MULTI-FAMILY RANCH WITH FARM ANIMALS SUBJECT TO COMPLIANCE WITH THE CONDITIONS STATED IN THIS ORDINANCE, AS WELL AS THOSE STIPULATED UNDER ARTICLE 23, ROCKPORT ZONING ORDINANCE NUMBER 1027; REPEALING ALL ORDINANCES IN CONFLICT THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, an application for a Conditional Use Permit was received in the office of the Building Department, Rockport, Texas; and

WHEREAS, On June 15, 2016 notice was posted on the bulletin boards at Rockport City Hall, 622 E. Market Street and Rockport City Hall Annex, 621 E. Market Street and on the City’s webpage www.cityofrockport.com; and

WHEREAS, on June 17, 2016 notice was mailed to affected property owners within 200’ of subject property; and

WHEREAS, on June 18, 2016 the City caused to be published “Notice of Joint Public Hearing” in the official newspaper of the City notifying area residents and the public in general to participate and make their views known regarding this request; and

WHEREAS, on July 12, 2016 at 6:30 p.m., the Rockport City Council and the Planning & Zoning Commission did hold a Joint Public Hearing; and

WHEREAS, on July 18, 2016 the Planning & Zoning Commission did meet and said Commission voted unanimously to recommend to the City Council to accept and approve this request for a Conditional Use Permit to property located at 1515 Sixteenth Street.

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

SECTION 1 – CONDITIONAL USE PERMIT

That, pursuant to Article 23 “Conditional Use Permit” (CUP), Rockport Zoning Ordinance Number 1027, a CUP is hereby granted to property located; for the purpose of building a

multi-family ranch with a shared septic system, on land located at 1515 Sixteenth Street, Rockport, Aransas County, Texas, subject to compliance with the following conditions as well as those conditions stipulated under Article 23, Rockport Zoning Ordinance Number 1027:

1. Dwellings on the parcel must comply with required dwelling square footage, yard areas, building setbacks, building heights, parking regulations, and accessory use regulations as outlined in Article 6, "R-1" 1st Single Family Dwelling District, Rockport Zoning Ordinance Number 1027.
2. All access driveways must meet standards as listed in Article 21.4.1, Paving Standards for Driveways and Parking Space of one-and two-family dwellings, must be paved with an all-weather surface, and able to support a load-bearing vehicle.
3. The conditional use permit will be granted solely to the applicant and current owner and cannot be transferred to a new property owner and/or tenant.
4. Any future sale of any segment of the property to a new property owner other than the applicant and current owner will be required to adhere to the City of Rockport Subdivision Regulations and Zoning Ordinance, and any common utilities or access easements must be abandoned.
5. Applicant and owner will be allowed to use the property as a Bed and Breakfast operation, if desired.
6. Any use other than that granted herein shall be treated as an amendment to the Conditional Use Permit and shall be required to re-submit a Conditional Use Permit request as outlined in the Zoning Ordinance.

SECTION 2 - REPEALER

Any previously adopted ordinances, and any subsequent amendments to them, which are in conflict with this ordinance, are hereby repealed.

SECTION 3 - SEVERABILITY

It is the intention of the City Council of the City of Rockport that if any phrase, sentence, section or paragraph of this ordinance shall be declared unconstitutional or otherwise invalid by final judgment of a court of competent jurisdiction such unconstitutionality or invalidity shall not affect any of the remainder of this ordinance since the same would have been enacted by the City Council without the incorporation of the unconstitutional or invalid phrase, sentence, section or paragraph.

SECTION 4 - EFFECTIVE DATE

This ordinance shall become effective immediately upon adoption by second and final reading.

APPROVED on first reading this the _____ day of _____, 2016.

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 _____, 2016.

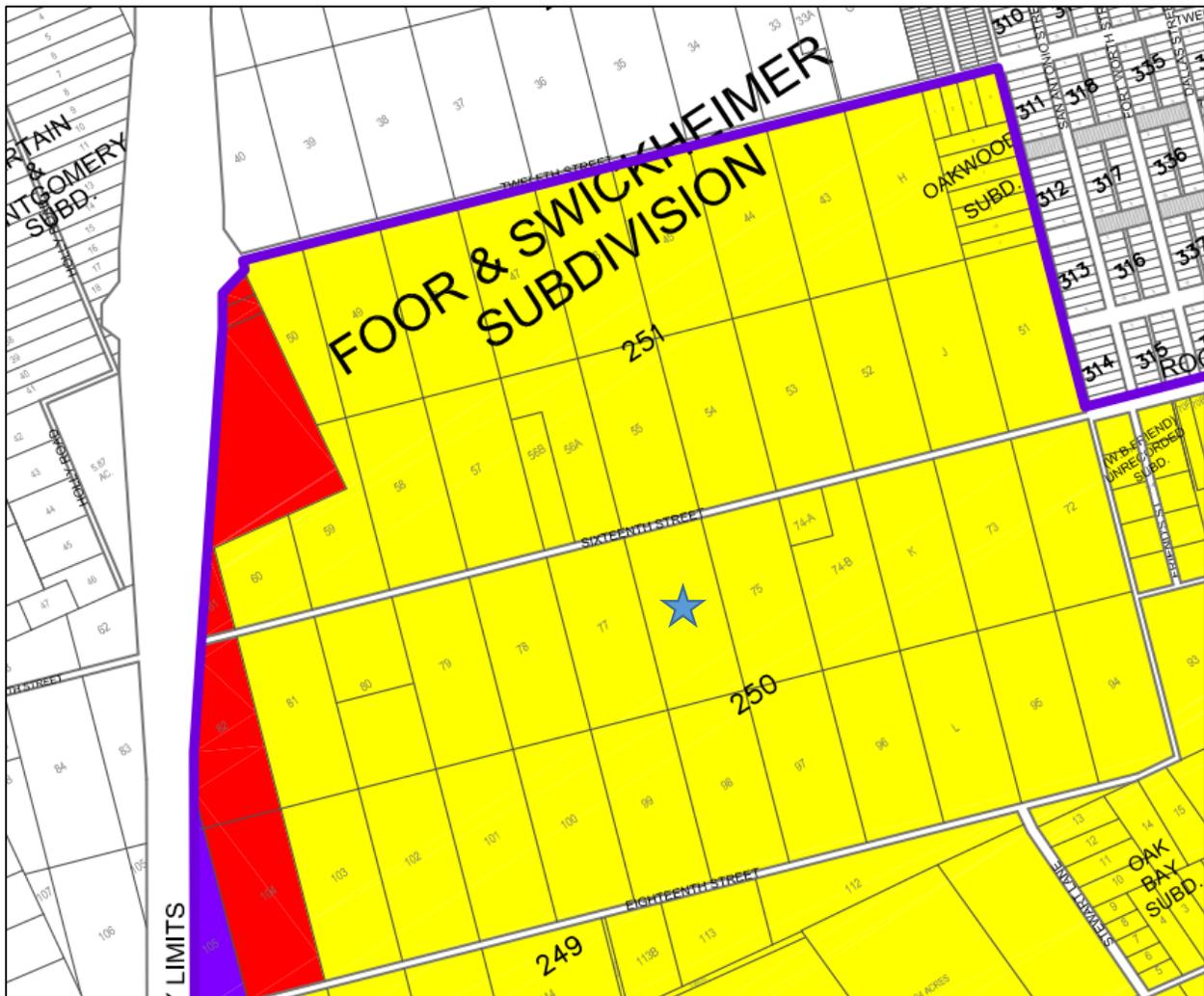
CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

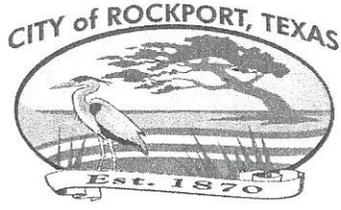
ATTEST:

Teresa Valdez, City Secretary

Current Zoning Around 1515 Sixteenth Street



-  R-1 – 1st Single Family Dwelling District
-  B-1 – General Business District
-  I-1 – Light Industrial District



RECEIVED
JUN 14 2016
BY: MB

**CITY OF ROCKPORT
ZONING AND LAND DEVELOPMENT APPLICATION**

INSTRUCTION: Please fill out completely. If more space is needed, attach additional pages. Please print or use typewriter.

A. REQUESTING: Rezoning [] Conditional Permit []
Planned Unit Development (P.U.D.) by Conditional Permit []

B. ADDRESS AND LOCATION OF PROPERTY 1515 16th Street, Rockport, TX 78382

C. CURRENT ZONING OF PROPERTY: R-1

D. PRESENT USE OF PROPERTY: undeveloped land

E. ZONING DISTRICT REQUESTED: R-1 with CUP

F. CONDITIONAL USE REQUESTED: see conditions

G. LEGAL DESCRIPTION: (Fill in the one that applies) Swickheimer Property ID # 34433
map ID: A2

• Lot or Tract 76 Block 250
Acres 10

• Tract _____ of the _____
Survey as per metes and bounds (field notes attached)

• If other, attach copy of survey or legal description from the Records of Aransas County or Appraisal District.

H. NAME OF PROPOSED DEVELOPMENT (if applicable) _____

I. TOTAL ACREAGE OR SQ. FT. OF SITE(S): 10 acres

J. REASON FOR REQUEST AND DESCRIPTION OF DEVELOPMENT:
(Please be specific)
multi-family ranch with farm animals. owned by moralez family when homes are not occupied will be used as a bed & breakfast.

K. OWNER'S NAME: (Please print) Soodchit Moore
ADDRESS: 6108 Sawyer
CITY, STATE, ZIP CODE: San Antonio, TX 78238
PHONE NO _____

L. REPRESENTATIVE: (If Other Than Owner) Caleb Moralez
ADDRESS: P.O. Box 1781
CITY, STATE, ZIP CODE: Rockport, TX 78381
PHONE NO 210-722-4663 - Caleb
210-441-8218 - Kim
moralezfamilia@gmail.com

NOTE: Do you have property owner's permission for this request?
YES X NO _____
contract pending request

M. FILING FEE:

REZONING	\$150.00 + \$10.00 PER ACRE
PLANNED UNIT DEVELOPMENT	\$200.00 + \$10.00 PER ACRE
P.U.D. REVISION	\$200.00 + \$10.00 PER ACRE
CONDITIONAL PERMIT	\$150.00 + \$10.00 PER ACRE

(Make check payable to the City of Rockport)

- Submit application and filing fee to the Department of Building & Development, City of Rockport; 2751 S.H. 35 Bypass, Rockport, Texas 78382.

Signed: 
(Owner or Representative)

(FOR CITY USE)

Received by: _____ Date: _____ Fees Paid: \$ _____

Submitted Information (_____ accepted) (_____ rejected) by: _____

If rejected, reasons why: _____

Receipt No. _____



JOINT PUBLIC HEARING

Rockport City Council and Planning & Zoning Commission

NOTICE is hereby given that the Rockport City Council and the Planning & Zoning Commission will hold a Joint Public Hearing on Tuesday, July 12, 2016, at 6:30 p.m., at Rockport City Hall, 622 E. Market St., Rockport, Texas, to consider a request for a Conditional Use Permit on property located at 1515 Sixteenth Street; also known as Lot 76, Block 250, Swickheimer Subdivision, 10 acres, Rockport, Aransas County, Texas, currently R-1 (1st Single Family Dwelling District) according to the Aransas County Appraisal District, to Conditional Use Permit Overlay. Purpose of the request is for bed and breakfast/multi-family ranch with farm animals.

The City encourages citizens to participate and make their views known at this Public Hearing. For further information on this request, please contact the Building Department at (361) 790-1125. 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 e-mail citysec@cityofrockport.com for further information. Braille is not available.

POSTED: the 15th day of June, 2016, by 5:00 p.m., on the bulletin board at Rockport City Hall, 622 E. Market Street, Rockport, Texas and on the website www.cityofrockport.com.

PUBLISHED: in *The Rockport Pilot* in the Saturday, June 18, 2016, Edition, in accordance with the City of Rockport Code of Ordinances.

CITY OF ROCKPORT, TEXAS


Diana R. Leonard, Administrative Assistant





Office: 361-729-2603

Fax: 361-729-3051

May 16, 2016

Re: Zoning
1515 Sixteenth St. Rockport, Tx
Legal: Lot 76, Blk 250, Swickheimer, 10 acres

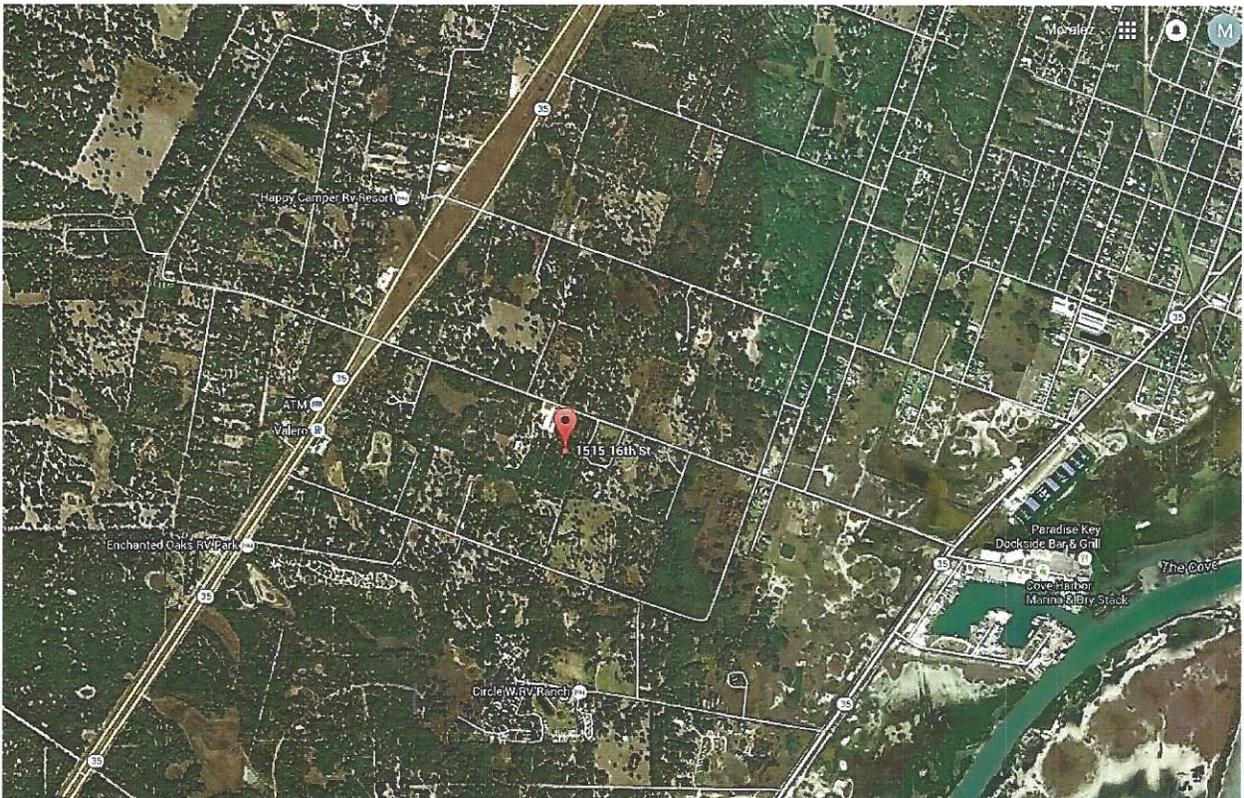
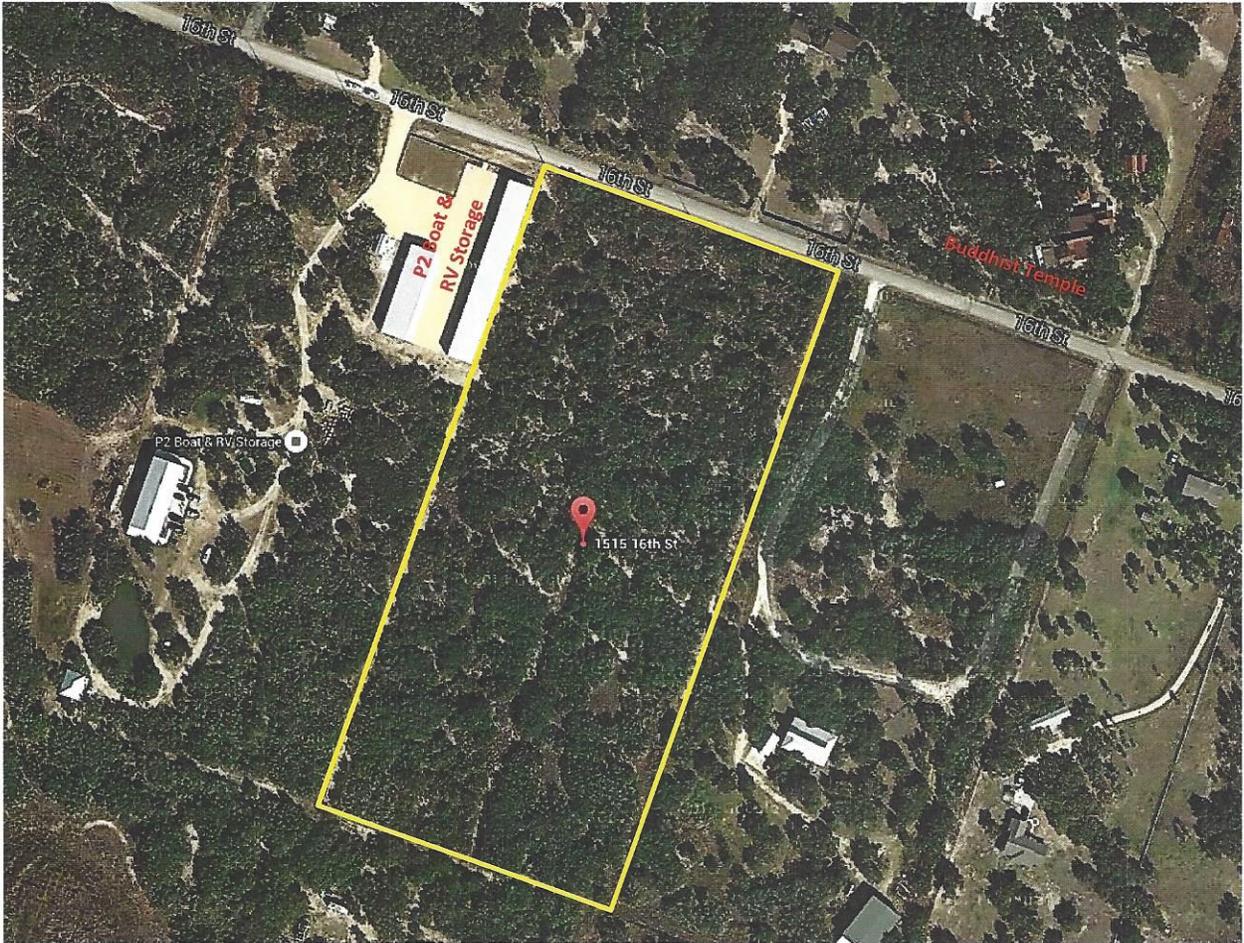
To whom it may concern,

The property in Aransas County located at 1515 Sixteenth St. in Rockport, TX is currently under contract for transfer of ownership. The current zoning of the property is single family residential. Soodchit Moore (current owner) has agreed to the terms set forth by Caleb and Kimberly Morales (buyers) that the sale of the property is contingent upon obtaining the allowance of construction of multi-family, more than one residence to be built upon the acreage. The contract was executed May 20th, 2016 and allows up to 60 days to meet the terms set forth. During this time period the prospective buyers are given the permission to apply for, and take any necessary actions needed to meet the terms specified in the contract.

Thank you for your consideration of this matter,
Listing agent: Randal Sprinkle – Sipe Real Estate

Randal Sprinkle





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Wat Dhammaratanaram

Buddhist Temple





on / off

Welcome

to our website

Welcome or at least a brief tour of it....
 Dhammaratanaram is a temple in the tradition of Theravada Buddhism (Thai Dhammayutti Nikaya), more specifically in the lineage of the Thai forest masters. As such it is a residence for bhikkhus (monks) and siladharas (nuns), where their life of training in ethics, meditation, and renunciation can be supported in a quiet rural environment. This




1510, 16th Street, Rockport, Texas 78382 t/f 361-790-9162 All rights reserved > watdhammaratanaram.com







*mailed
6-20-16*

SOODCHIT MOORE
6108 SAWYER
SAN ANTONIO, TX 78238-2203

MICHAEL & LINDA ADLER
1526 18TH ST
ROCKPORT TX 78382-7405

WILL PEIRCE
1521 16TH ST
ROCKPORT TX 78382-7401

CORPUS CHRISTI DHAMMARATANARAM
BUDDHIST TEMPLE
1510 16TH ST
ROCKPORT TX 78382-7401

RHEA PRIDGEN REVOCABLE TRUST
% RHEA PRIDGEN TRUSTEE
419 CHOWNING PLACE NW
MARIETTA GA 30064-1403

HARRISON FAMILY TRUST
% JOHN & BARBARA HARRISON
1522 16TH ST
ROCKPORT TX 78382-7401

JOHN E POLHEMUS ETUX SHIRLEY
P O BOX 1117
FULTON T X 78358-1117

RICHARD & BECKY MARTINEZ
P O BOX 1772
ROCKPORT TX 78381-1772

WILL & BRENDA ARTHUR
1519 W 18TH ST
ROCKPORT TX 78382

GLADYS V WAGNER
1614 16TH ST
ROCKPORT TX 78382-7402

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 1 0

Deliberate and act on presentation of proposed Fiscal Year 2016-2017 Budget.

SUBMITTED BY: City Manager Kevin Carruth

APPROVED FOR AGENDA:

BACKGROUND: Pursuant to the City of Rockport Charter Article VII, Municipal Finance, Section 7.02 the City Manager shall submit a proposed budget for the ensuing fiscal year and budget message on or before the first regular scheduled meeting in August of each year.

**Sec. 7.02 Submission
of Budget**

- 1) 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.

Sec. 7.03 Budget

- 1) The Budget shall consist of three (3) parts as follows:
 - a) Part I shall contain:
 - i. Budget message prepared by the City Manager which shall outline a fiscal policy for the City government, describing therein the important features of the budget with reference both to proposed expenditures and anticipated income for the ensuing year;
 - ii. A general budget summary with supporting schedules, which shall exhibit the aggregate figures of the budget in such manner as to show a balanced relationship between the total proposed expenditures and the total anticipated income for the fiscal year covered by the budget, and which shall compare these figures with the corresponding figures of the last completed fiscal year and the year in progress.
 - b) Part II shall contain:
 - i. Detailed estimates of all proposed expenditures, showing the corresponding expenditures for each item for the

- current fiscal year and the last preceding fiscal year with explanations of increases or decreases recommended as compared with appropriations for the current fiscal year;
- ii. Detailed estimates of anticipated revenues and other income;
 - iii. Delinquent taxes for current and preceding years, with estimated percentages collectible;
 - iv. Statements of the bonded debt redemption and interest requirements, the debt authorized and unissued, the condition of the sinking funds, if any, and the borrowing capacity of the City.
- c) *Part III shall contain* a complete draft of the budget ordinance, including an appropriation ordinance and such other ordinances as may be required to finance the budget.

The Budget Message will be presented at the meeting.

FISCAL ANALYSIS:

RECOMMENDATION: Staff recommends approval of the FY 2016-2017 budget, as presented.

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 11

Deliberate and act by taking record vote on proposed 2016 property tax rate for Fiscal Year 2016-2017 Budget and scheduling dates for two (2) required public hearings on proposed tax rate.

SUBMITTED BY: Finance Director Patty Howard

APPROVED FOR AGENDA: PKC

BACKGROUND: During the course of the budget workshops, the City Council has determined that an 8% effective increase in the maintenance and operation portion of ad valorem taxes is necessary. The proposed rate is \$0.389283 per \$100.00 of valuation. State law requires a taxing unit's government body to vote on any increase in the effective tax rate by a record vote. The government body is also required to schedule two public hearings on the proposed tax rate increase.

FISCAL ANALYSIS: As shown in the accompanying table, the proposed rate will increase ad valorem revenue 6.7% (\$342,899) and result in an increase in ad valorem taxes paid by the average homestead by \$63.79.

RECOMMENDATION: Staff recommends the City Council propose a tax rate of \$0.389283 and schedule two public hearings, the first on August 23, 2016 at 1:30 p.m. and the second on September 13, 2016 at 6:30 p.m. By statute, a roll call vote must be taken and recorded by the City Secretary.

Preliminary Ad Valorem Tax Rate Comparison FY 2016-2017

	Effective Tax Rate (ETR)	Alternate Tax Rate 1	Alternate Tax Rate 2	Alternate Tax Rate 3	Rollback Tax Rate	Alternate Tax Rate 4	Alternate Tax Rate 5	Alternate Tax Rate 6
		\$0.01 Increase Above ETR	\$0.01 Increase Above Rollback					
Percentage M & O Increase	0%	1.76%	12.62%	4.00%	8.00%	9.00%	10.00%	11.00%
M & O Tax Rate	\$ 0.205387	\$ 0.215387	\$ 0.243912	\$ 0.225260	\$ 0.233912	\$ 0.236075	\$ 0.238255	\$ 0.240400
I & S Tax Rate	\$ 0.155371	\$ 0.155371	\$ 0.155371	\$ 0.155371	\$ 0.155371	\$ 0.155371	\$ 0.155371	\$ 0.155371
TOTAL TAX RATE	\$ 0.360758	\$ 0.370758	\$ 0.399283	\$ 0.380631	\$ 0.389283	\$ 0.391446	\$ 0.393626	\$ 0.395771
Total Taxable Value	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929	\$ 1,214,240,929
Total Tax Levy								
Total Tax Levy	\$ 4,380,471	\$ 4,501,895	\$ 4,848,258	\$ 4,621,777	\$ 4,726,834	\$ 4,753,098	\$ 4,779,568	\$ 4,805,613
Over 65 Frozen taxes	\$ 773,527	\$ 773,527	\$ 773,527	\$ 773,527	\$ 773,527	\$ 773,527	\$ 773,527	\$ 773,527
Disabled Frozen taxes	\$ 13,562	\$ 13,562	\$ 13,562	\$ 13,562	\$ 13,562	\$ 13,562	\$ 13,562	\$ 13,562
Total Tax Levy	\$ 5,167,560	\$ 5,288,984	\$ 5,635,347	\$ 5,408,866	\$ 5,513,923	\$ 5,540,187	\$ 5,566,657	\$ 5,592,703
Total Tax Revenue								
Total Levy	\$ 5,167,560	\$ 5,288,984	\$ 5,635,347	\$ 5,408,866	\$ 5,513,923	\$ 5,540,187	\$ 5,566,657	\$ 5,592,703
Collection Ratio	99%	99%	99%	99%	99%	99%	99%	99%
Total Tax Revenue	\$ 5,115,885	\$ 5,236,095	\$ 5,578,993	\$ 5,354,778	\$ 5,458,783	\$ 5,484,785	\$ 5,510,991	\$ 5,536,776
Revenue Allocation by Fund								
M & O General Fund (59.46%)	\$ 2,879,306	\$ 2,999,516	\$ 3,342,414	\$ 3,118,199	\$ 3,222,204	\$ 3,248,206	\$ 3,274,412	\$ 3,300,197
I&S Debt Service Fund (40.54%)	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579	\$ 2,236,579
Total Tax Revenue	\$ 5,115,885	\$ 5,236,095	\$ 5,578,993	\$ 5,354,778	\$ 5,458,783	\$ 5,484,785	\$ 5,510,991	\$ 5,536,776
Revenue Difference								
Additional Revenue	\$0	\$120,210	\$463,108	\$238,893	\$342,899	\$368,900	\$395,106	\$420,891
% Increase in Revenue	0.0%	2.3%	9.1%	4.7%	6.7%	7.2%	7.7%	8.2%
Residential Taxpayer Impact Analysis								
Residential Value	ETR	Difference in Tax Paid from Effective Tax Rate						
	Tax Paid	Alternate Tax Rate 1	Alternate Tax Rate 2	Rollback Tax Rate	Rollback Tax Rate	Alternate Tax Rate 3	Alternate Tax Rate 4	Alternate Tax Rate 5
Average - \$223,629	\$806.76	\$22.36	\$86.15	\$44.44	\$63.79	\$68.63	\$73.50	\$78.30
Average Homestead - \$221,204	\$798.01	\$22.12	\$85.22	\$43.96	\$63.10	\$67.88	\$72.71	\$77.45
Median - \$170,385	\$614.68	\$17.04	\$65.64	\$33.86	\$48.60	\$52.29	\$56.00	\$59.66

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 12

Deliberate and act on first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities”, Article II. “Water Service”, Division 3. “Service Charges” by Amending Water Rates for all Customers; Providing for the Validity of Said Ordinance; Repealing all Prior Ordinances in Conflict Herewith; and Providing for an Effective Date.

SUBMITTED BY: Finance Director Patty Howard

APPROVED FOR AGENDA: PKC

BACKGROUND: Chapter 102 of the Code of Ordinances covers the Utilities provided by the City of Rockport.

The average residential user inside the city limits of Rockport with 6,000 gallons of water use will see a \$1.05 increase for water on the utility. The average residential user outside the city limits of Rockport with 6,000 gallons of water use will see a \$1.43 increase for water on the utility. See the proposed ordinance and rate study accompanying agenda item 8 for more detail.

Matthew Garrett of NewGen Strategies & Solutions, LLC, our rate consultant, has projected water revenues for FY 2016-2017 to be \$7,290,244 with a 2.50% volumetric and minimum increase.

FISCAL ANALYSIS: This increase will generate the revenue needed to maintain the FY 2016-2017 budget. The impact of all proposed utility rates on the average customer are detailed in the table below.

Impact of Utility Rates on Average Residential Customer

Rate Schedule	Water	Wastewater	Gas	Total	△Current
Inside City Limits					
Current	\$ 41.85	\$ 31.22	\$ 27.80	\$ 100.87	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 42.90	\$ 34.34	\$ 29.80	\$ 107.04	\$ 6.17
Outside City Limits					
Current	\$ 57.34	\$ 44.34	\$ 27.80	\$ 129.48	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 58.77	\$ 48.77	\$ 29.80	\$ 137.35	\$ 7.87

Note: Average residential customer uses 6,000 gallons of water & 5,000 cu. ft. of gas

STAFF RECOMMENDATION: Staff recommends approval of the Ordinance amending the water volumetric and minimum rate by 2.50%, as presented.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CITY OF ROCKPORT CODE OF ORDINANCES CHAPTER 102 “UTILITIES”, ARTICLE II. “WATER SERVICE”, DIVISION 3. “SERVICE CHARGES” BY AMENDING WATER RATES FOR ALL CUSTOMERS; PROVIDING FOR THE VALIDITY OF SAID ORDINANCE; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. AMENDMENT

That Chapter 102 “Utilities”, Article II. “Water Service”, Division 3 “Service Charges” is hereby amended to wit:

Sec. 102-56. - Water rates inside city limits.

(a) There shall be charged and collected by the city from all residential customers of water supplied by the city inside its city limits, as now or hereafter established, the amount of money based upon the size of the customers tap and the customers usage (in gallons of water), as set forth in the following schedule of rates and charges:

- (1) For the first 1,500 gallons, or fractional part thereof, used in any one regular billing cycle by any one user, the following sum per cycle:

Tap Size (In Inches)	MINIMUM CHARGES	NEW CHARGES
¾	\$18.79	\$19.26
1	\$22.73	\$23.30
1½	\$42.34	\$43.40
2	\$65.89	\$67.54
3	\$128.70	\$131.92
4	\$199.36	\$204.34
6	\$199.36	\$204.34

- (2) If applicable, for all additional gallons used over 1,501 to 10,000, the sum of ~~\$4.93~~ **\$5.05** per month for each 1,000 gallons, or fractional part thereof, used in any one regular billing cycle.

- (3) Conservation billing. If applicable for all gallons used over 10,001 to 15,000, the sum of ~~\$5.80~~ **\$5.95** each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

- (4) Conservation billing. If applicable for all gallons used over 15,001 and up, the sum of ~~\$6.61~~ **\$6.78** for each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

(b) There shall be charged and collected by the city from all commercial customers of water supplied by the city inside its city limits, as now or hereafter established, the amount of money based upon the size of the customers tap and the customers usage (in gallons of water), as set forth in the following schedule of rates and charges, used in any one regular billing cycle by any one user, the following sum per cycle.

- (1) For the first 1,500 gallons, or fractional part thereof, used in any one regular billing cycle by

any one user, the following sum per cycle:

Tap Size (In Inches)	MINIMUM CHARGES	NEW CHARGES
¾	\$18.79	\$19.26
1	\$22.73	\$23.30
1½	\$42.34	\$43.40
2	\$65.89	\$67.54
3	\$128.70	\$131.92
4	\$199.36	\$204.34
6	\$199.36	\$204.34

(2) If applicable, for all additional gallons used over 1,501 to 10,000, the sum of ~~\$4.93~~ **\$5.05** per month for each 1,000 gallons, or fractional part thereof, used in any one regular billing cycle.

(3) Conservation billing. If applicable for all gallons used over 10,001 to 15,000, the sum of ~~\$5.80~~ **\$5.95** each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

(4) Conservation billing. If applicable for all gallons used over 15,001 and up, the sum of ~~\$6.61~~ **\$6.78** for each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

Sec. 102-57. - Wholesale water rates.

There shall be charged and collected by the city from all contracted resale customers, the sum of ~~\$5.34~~ **\$5.47** per month for each 1,000 gallons, or fractional part thereof, used in any one regular billing cycle.

Sec. 102-58. - Water rates outside city limits.

(a) There shall be charged and collected by the city from all customers of water supplied by the city outside its city limits, including customers residing within the Town of Fulton city limits, the amount of money based upon the size of the customer's tap and the customer's usage (in gallons of water), as set forth in the following schedule of rates and charges:

(1) For the first 1,500 gallons, or fractional part thereof, used in any one regular billing cycle by any one user, the following sum per cycle:

Tap Size (In Inches)	MINIMUM CHARGES	NEW CHARGES
¾	\$25.97	\$26.62
1	\$31.45	\$32.24
1½	\$58.71	\$60.18
2	\$91.44	\$93.73
3	\$178.76	\$183.23
4	\$276.97	\$283.89
6	\$276.97	\$283.89

(2) If applicable, for all additional gallons used over 1,501 to 10,000 gallons, the sum of ~~\$6.97~~ **\$7.14** per month for each 1,000 gallons, or fractional part thereof, used in any one regular billing cycle.

(3) Conservation billing. If applicable, for all gallons used over 10,001 to 15,000 the sum of ~~\$8.22~~ **\$8.43** per 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

(4) Conservation billing. If applicable for all gallons used over 15,001 and up, the sum of ~~\$9.37~~ **\$9.60** for each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

(b) There shall be charged and collected by the city, for all commercial customers of water supplied by the city outside its city limits, as now or hereafter established, the amount of money based upon the size of the customers tap and the customer's usage (in gallons of water), as set forth in the following schedule of rates and charges, used in any one regular billing cycle by any one user, the following sum per cycle:

(1) For the first 1,500 gallons, or fractional part thereof, used in any one regular billing cycle by any one user, the following sum per cycle:

Tap Size (In Inches)	MINIMUM CHARGES	NEW CHARGES
¾	\$25.97	\$26.62
1	\$31.45	\$32.24
1½	\$58.71	\$60.18
2	\$91.44	\$93.73
3	\$178.76	\$183.23
4	\$276.97	\$283.89
6	\$276.97	\$283.89

(2) If applicable, for all additional gallons used over 1,501 to 10,000 gallons, the sum of ~~\$6.97~~ **\$7.14** per month for each 1,000 gallons, or fractional part thereof, used in any one regular billing cycle.

(3) Conservation billing. If applicable, for all gallons used over 10,001 to 15,000 the sum of ~~\$8.22~~ **\$8.43** per 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

(4) Conservation billing. If applicable for all gallons used over 15,001 and up, the sum of ~~\$9.37~~ **\$9.60** for each 1,000 gallons or fractional part thereof, used in any one regular billing cycle.

Secs. 102-59—102-70. - Reserved.

SECTION 2. REPEALER.

Any previously adopted ordinances, and any subsequent amendments to them, which are in conflict with this Ordinance, are all hereby repealed.

SECTION 3. SEVERABILITY.

If any provision, section, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is, for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof, or provisions or regulations contained herein, shall become inoperative or fail by reason of any unconstitutionality of any other portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

SECTION 4. EFFECTIVE DATE.

This ordinance shall become effective upon adoption on second reading by the Rockport City Council and publication of the Ordinance caption in the official newspaper of the City of Rockport. Rates would become effective on September 15, 2016 and reflected on the November 1, 2016 billing.

APPROVED on first reading this the 9th day of August 2016.

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 _____, 2016

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 13

Deliberate and act on first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities”, Article III. “Wastewater Service”, Division 4. “Service Charges” by Amending Wastewater Rates for all Customers; Providing for the Validity of Said Ordinance; Repealing all Prior Ordinances in Conflict Herewith; and Providing for an Effective Date.

SUBMITTED BY: Finance Director Patty Howard

APPROVED FOR AGENDA: PKC

BACKGROUND: Chapter 102 of the Code of Ordinances covers the Utilities provided by the City of Rockport. The proposed schedule increases wastewater rates as another step to phase in the wastewater system to self-sufficiency so that water does not have to subsidize it, continuing with the process that began two years ago.

The average residential user inside the city limits of Rockport with 6,000 gallons of water use will see a \$3.12 increase for wastewater service while the average residential user outside the city limits of Rockport with 6,000 gallons of water use will see a \$4.43 increase for wastewater on the utility. See the proposed ordinance and rate study accompanying agenda item 8 for more detail.

Matthew Garrett of NewGen Strategies & Solutions, LLC, our rate consultant, has projected wastewater revenues for FY 2016-2017 to be \$2,204,042 with a 10.00% volumetric and minimum increase.

FISCAL ANALYSIS: This increase will generate the revenue needed to maintain the FY 2016-2017 budget. The impact of all proposed utility rates on the average customer are detailed in the table below.

Impact of Utility Rates on Average Residential Customer

Rate Schedule	Water	Wastewater	Gas	Total	△Current
Inside City Limits					
Current	\$ 41.85	\$ 31.22	\$ 27.80	\$ 100.87	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 42.90	\$ 34.34	\$ 29.80	\$ 107.04	\$ 6.17
Outside City Limits					
Current	\$ 57.34	\$ 44.34	\$ 27.80	\$ 129.48	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 58.77	\$ 48.77	\$ 29.80	\$ 137.35	\$ 7.87

Note: Average residential customer uses 6,000 gallons of water & 5,000 cu. ft. of gas

STAFF RECOMMENDATION: Staff recommends approval of the Ordinance amending the waste water volumetric and minimum rate by 10.00%, as presented.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CITY OF ROCKPORT CODE OF ORDINANCES CHAPTER 102 “UTILITIES”, ARTICLE III. “WASTEWATER SERVICE”, DIVISION 4. “SERVICE CHARGES” BY AMENDING WASTEWATER RATES FOR ALL CUSTOMERS; PROVIDING FOR THE VALIDITY OF SAID ORDINANCE; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. AMENDMENT

That Chapter 102 “Utilities”, Article II. “Wastewater Service”, Division 4 “Service Charges” is hereby amended to wit:

Sec. 102-266. Wastewater rates inside city limits.

a) *Residential/single-family.* There shall be charged and collected by the city from all residential/single-family customers connected to wastewater utility system inside its city limits, as now or hereafter established, the amount of money based upon the customer's water tap and the customer's usage (in gallons of water, as set forth in the following schedule of rates and charges:

1. For the first 0 to 1,500 gallons, or fractional part thereof, used in any one billing calendar month by any one user, the following sum per month:

TABLE INSET:

Wastewater Tap Size (Inches)	Minimum Charge	New Rate
3/4	\$16.82	\$18.50
1 or larger	\$21.02	\$23.12

2. For all additional gallons used over 1,500 gallons the sum of ~~\$3.08~~ **\$3.39** for each 1,000 gallons up to 5,000 gallons or fractional part thereof, used in any one billing cycle.
3. For all additional gallons used over 5,000 gallons the sum of ~~\$3.62~~ **\$3.98** for each 1,000 gallons up to 15,000 gallons or fractional part thereof, used in any one calendar month.

b) *Nonresidential/non-single-family.* There shall be charged and collected by the city from all nonresidential/non-single-family customers connected to wastewater utility system inside its city limits, as now or hereafter established, the amount of money based upon the customer's water tap and the customer's water usage (in gallons of water), as set forth in the following schedule or rates and charges:

1. For the first 1,500 gallons, or fractional part thereof, used in any one billing calendar month by any one user, the following sum per month, to wit:

TABLE INSET:

Water Tap Size (Inches)	Minimum Charge	New Charges
3/4	\$16.82	\$18.50
1	\$21.02	\$23.12
1 -1/2	\$25.24	\$27.76
2	\$33.64	\$37.00
3	\$67.28	\$74.01
4 and larger	\$105.12	\$115.63

2. For all additional gallons used over 1,500 the sum of ~~_____ \$3.08~~ **\$3.39** for each 1,000 gallons up to 5,000 or fractional part thereof.
3. For all additional gallons used over 5,000 the sum of ~~\$3.62~~ **\$3.98** for each 1,000 gallons or fractional part thereof.

Sec. 102-267. Wastewater rates outside city limits.

a) *Residential/single-family.* There shall be charged and collected by the city from all residential/single-family customers connected to wastewater utility system outside its city limits, as now or hereafter established, the amount of money based upon the customer's water tap and the customer's water usage (in gallons of water), as set forth in the following schedule of rates and charges:

1. For the first 0 to 1,500 gallons, or fractional part thereof, used in any one billing calendar month by any one user the following sum per month:

TABLE INSET:

Water Tap Size (Inches)	Minimum Charge	New Charges
3/4	\$23.55	\$25.91
1 or larger	\$29.43	\$32.37

2. For all additional gallons used over 1,500 gallons the sum of ~~\$4.31~~ **\$4.74** for each 1,000 gallons up to 5,000 gallons or fractional part thereof, used in any one billing cycle.
3. For all additional gallons used over 5,000 gallons the sum of ~~\$5.07~~ **\$5.58** for each 1,000 gallons up to 15,000 gallons or fractional part thereof, used in any one calendar month.

b) *Nonresidential/non-single-family.* There shall be charged and collected by the city from all nonresidential/non-single-family customers connected to wastewater utility system outside its city limits, as now or hereafter established, the amount of money based upon the customer's water tap and the customer's water usage (in gallons of water), as set forth in the following schedule of rates and charges:

1. For the first 0 to 1,500 gallons, or fractional part thereof, used in any one billing calendar month by any one user, the following sum per month:

TABLE INSET:

Water Tap Size (Inches)	Minimum Charge	New Charges
3/4	\$23.55	\$25.91
1	\$29.43	\$32.37
1 1/2	\$35.33	\$38.86
2	\$47.10	\$51.81
3	\$94.19	\$103.61
4 or larger	\$147.17	\$161.89

2. For all additional gallons used over 1,500 the sum of ~~\$4.31~~ **\$4.74** for each 1,000 gallons up to 5,000 or fractional part thereof.
3. For all additional gallons used over 5,000 the sum of ~~\$5.07~~ **\$5.58** for each 1,000 gallons or fractional part thereof.

Sec. 102-268. Contracted wastewater rates.

Wastewater rates charged to contracted wastewater customers shall not be affected by this division.

Sec. 102-269. Rates if not on city water.

Any person using the city wastewater utility system, and not connected full-time to its municipal water system shall pay the following monthly charges:

TABLE INSET:

Account Type	Inside the City Limits	NEW – Inside City Limits	Outside the City Limits	NEW – Outside City Limits
Residential/Single-family	\$29.84	\$32.82	\$40.27	\$44.30
Nonresidential/non-single family	\$33.96	\$37.36	\$45.83	\$50.41
Commercial operations (car washes/laundry), minimum*	\$147.90	\$162.69	\$196.70	\$216.37

*Rate will be determined by the director of public works or his designee by comparing like services to other nonresidential users.

Secs. 102-270--102-290 Reserved for future use.**SECTION 2. REPEALER.**

Any previously adopted ordinances, and any subsequent amendments to them, which are in conflict with this Ordinance, are all hereby repealed.

SECTION 3. SEVERABILITY.

If any provision, section, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is, for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof, or provisions or regulations contained herein, shall become inoperative or fail by reason of any unconstitutionality of any other portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

SECTION 4. EFFECTIVE DATE.

This ordinance shall become effective upon adoption on second reading by the Rockport City Council and publication of the Ordinance caption in the official newspaper of the City of Rockport. Rates would become effective on September 15, 2016 and reflected on the November 1, 2016 billing.

APPROVED on first reading this the 9th day of August 2016.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary

CITY COUNCIL AGENDA
Regular Meeting: Tuesday, August 9, 2016

AGENDA ITEM: 14

Deliberate and act on first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities”, Article V. “Natural Gas Service”, Division 3. “Service Charges” by Amending Natural Gas Rates for all Customers; Providing for the Validity of Said Ordinance; Repealing all Prior Ordinances in Conflict Herewith; and Providing for an Effective Date.

SUBMITTED BY: Finance Director Patty Howard

APPROVED FOR AGENDA: PKC

BACKGROUND: Chapter 102 of the Code of Ordinances covers the Utilities provided by the City of Rockport.

The average natural gas user with 5,000 cu. Ft. of gas will see a \$2.00 increase for natural gas on the utility. See the proposed ordinance and rate study accompanying agenda item 8 for more detail.

Matthew Garrett of NewGen Strategies & Solutions, LLC, our rate consultant, has projected natural gas revenues for FY 2016-2017 to be \$2,255,137 with a \$1.29 increase for the minimum billing for natural gas as well as a 7.20% volumetric increase.

FISCAL ANALYSIS: This increase will generate the revenue needed to maintain the FY 2016-2017 budget as well as prepare for capital improvements. The impact of all proposed utility rates on the average customer are detailed in the table below.

Impact of Utility Rates on Average Residential Customer

Rate Schedule	Water	Wastewater	Gas	Total	△Current
Inside City Limits					
Current	\$ 41.85	\$ 31.22	\$ 27.80	\$ 100.87	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 42.90	\$ 34.34	\$ 29.80	\$ 107.04	\$ 6.17
Outside City Limits					
Current	\$ 57.34	\$ 44.34	\$ 27.80	\$ 129.48	\$ -
Proposed (2.5% Water/10.0% WW/7.2% Gas)	\$ 58.77	\$ 48.77	\$ 29.80	\$ 137.35	\$ 7.87

Note: Average residential customer uses 6,000 gallons of water & 5,000 cu. ft. of gas

STAFF RECOMMENDATION: Staff recommends approval of the Ordinance amending the Natural Gas volumetric and minimum rate by 7.20%, as presented

ORDINANCE NO. ____

AN ORDINANCE AMENDING THE CITY OF ROCKPORT CODE OF ORDINANCES CHAPTER 102 “UTILITIES”, ARTICLE V. “NATURAL GAS SERVICE”, DIVISION 3. “SERVICE CHARGES” BY AMENDING NATURAL GAS RATES FOR ALL CUSTOMERS; PROVIDING FOR THE VALIDITY OF SAID ORDINANCE; REPEALING ALL PRIOR ORDINANCES IN CONFLICT HERewith; AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. AMENDMENT

That Chapter 102 “Utilities”, Article V. “Natural Gas Service”, Division 3 “Service Charges”, Section 102-531 “Natural Gas Rates Inside City Limits”, Section 102-532 “Natural gas rates for Town of Fulton”, and Section 102-533 “Natural gas rates for unincorporated areas of Aransas County” is hereby amended to wit:

Sec. 102-531. - Natural gas rates inside city limits.

There shall be charged and collected by the city from all residential and commercial customers of natural gas supplied by the city inside its city limits, as now or hereafter established, the amount of money based on customers usage (in cubic centimeters), as set forth in the following schedule of rates and charges:

Demand Rate	\$17.85	\$19.14
Per 1,000 CF	\$1.99	\$2.13

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

Sec. 102-532. - Natural gas rates for Town of Fulton.

There shall be charged and collected by the city from all residential and commercial customers of natural gas supplied by the city to customers within the corporate city limits of the Town of Fulton, as now or hereafter established, the amount of money based on customers usage (in cubic centimeters), as set forth in the following schedule of rates and charges:

Demand Rate	\$17.85	\$19.14
Per 1,000 CF	\$1.99	\$2.13

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

Sec. 102-533. - Natural gas rates for unincorporated areas of Aransas County.

There shall be charged and collected by the city from all residential and commercial customers of natural

gas supplied by the city to the unincorporated areas of Aransas County, as now or hereafter established, the amount of money based on customers usage (in cubic centimeters), as set forth in the following schedule of rates and charges:

Demand Rate	\$17.85	\$19.14
Per 1,000 CF	\$1.99	\$2.13

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

SECTION 2. REPEALER.

Any previously adopted ordinances, and any subsequent amendments to them, which are in conflict with this Ordinance, are all hereby repealed.

SECTION 3. SEVERABILITY.

If any provision, section, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is, for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof, or provisions or regulations contained herein, shall become inoperative or fail by reason of any unconstitutionality of any other portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

SECTION 4. EFFECTIVE DATE.

This ordinance shall become effective upon adoption on second reading by the Rockport City Council and publication of the Ordinance caption in the official newspaper of the City of Rockport. Rates would become effective on September 15, 2016 and reflected on the November 1, 2016 billing.

APPROVED on first reading this the 9th day of August 2016.

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 _____, 2016.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Teresa Valdez, City Secretary