

# CITY OF ROCKPORT

## MINUTES

### CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, September 13, 2016 Rockport City Hall, 622 East Market Street

On the 13<sup>th</sup> day of September 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 J. D. Villa, Ward 2  
Council Member Rusty Day, Ward 1  
Council Member Barbara Gurtner, Ward 4

#### CITY COUNCIL MEMBER(S) ABSENT

#### PLANNING & ZONING COMMISSION MEMBERS PRESENT

Edward Bellion  
Brian Olsen  
Shawn M. Johnston  
Graham Wilson  
W. Kent Howard  
Ruth Davis

#### STAFF MEMBERS PRESENT

City Manager Kevin Carruth  
City Attorney Terry Baiamonte  
City Secretary Teresa Valdez  
Community Planner Amanda Torres  
Police Chief Tim Jayroe  
Public Works Director Mike Donoho  
Parks & Leisure Services Director Rick Martinez  
Finance Director Patty Howard

#### 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, September 13, 2016, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

**2. Pledge of Allegiance.**

Rockport Veterans led the Pledge of Allegiance to the U.S. flag.

**3. Presentation of Proclamation declaring September 16, 2016, as “National POW/MIA Day” in Rockport.**

Mayor Wax proclaimed September 16, 2016, as POW/MIA Recognition Day in Rockport, Texas. Mayor Wax presented the Proclamation to Aransas County Veterans Service Officer Mike Kuertz and several Rockport Veterans.

**4. Citizens to be heard.**

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

There were no citizen comments.

**Consent Agenda**

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

**5. Deliberate and act on approval of Council Workshop Meeting Minutes and Regular Meeting Minutes of August 23, 2016.**

**6. Deliberate and act on a Resolution amending Resolution No. 2016-08 by revising the certification list and pay table.**

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

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

**Public Hearing**

**7. Call to Order – Rockport Planning & Zoning Commission.**

With a quorum of the Rockport Planning & Zoning Commission present, the meeting of the Rockport Planning & Zoning Commission was called to order at 6:35 p.m. on Tuesday, September 13, 2016, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

- 8. Conduct a Joint Public Hearing with the Planning & Zoning Commission to consider a request to rezone property located at 2201 State Highway 35 Bypass; also known as Lot 44 (west 100' x 49'), Block 1, West Terrace Unit 2, Rockport, Aransas County, Texas, currently zoned R-1 (1<sup>st</sup> Single Family Dwelling District) to B-1 (General Business District) to allow development of a utility trailer sales lot.**

Mayor Wax opened the Joint Public Hearing at 6:35 p.m.

Property owner Travis Kelly addressed the Council. Mr. Kelly stated he plans to sell and service utility trailers.

Mayor Wax stated the Planning & Zoning Commission will consider this request at their meeting on Monday, September 19, 2016 at 5:30 p.m.

Mayor Wax closed the Joint Public Hearing at 6:38 p.m.

- 9. Adjourn – Rockport Planning & Zoning Commission.**

At 6:38 p.m., the Rockport Planning & Zoning Commission adjourned.

- 10. Conduct the second public hearing for City of Rockport 2016 Property Tax Rate for taxpayers to have an opportunity to express their views on the increase, the City of Rockport will adopt the budget and tax rate for Fiscal Year 2016-2017 on September 20, 2016, at 6:30 p.m. at City Hall located at 622 E. Market Street, Rockport, Texas.**

At 6:38 p.m., Mayor Wax opened the public hearing.

There were no public comments.

At 6:39 p.m., Mayor Wax closed the public hearing.

### **Regular Agenda**

- 11. Deliberate and act on first reading of an Ordinance of the City of Rockport, approving the assessment and renditions for the 2016 taxable property as submitted by the Appraisal District; levying a tax rate for \$100.00 valuation for the City of Rockport, Aransas County, Texas, for the Tax Year 2016 of \$0.233912 for the purposes of Maintenance and Operation, \$0.155371 for the payment of Principal and Interest on debt of the City for a total tax rate of \$0.389283; and providing an effective date.**

**MOTION:** Council Member Villa moved to approve the first reading of an Ordinance of the City of Rockport, approving the assessment and renditions for the 2016 taxable property as submitted by the Appraisal District; levying a tax rate for \$100.00 valuation for the City of Rockport, Aransas County, Texas, for the Tax Year 2016 of \$0.233912 for the purposes of Maintenance and Operation, \$0.155371 for the payment of Principal and Interest on debt of the City for a total tax rate of \$0.389283; and providing an effective date. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

**12. Deliberate and act on Texas Municipal League Intergovernmental Employee Benefits Pool Retiree Options.**

City Manager Kevin Carruth said that there are two classes of retirees eligible to participate in the City’s medical insurance: Pre sixty-five retirees and post sixty-five retirees. Mr. Carruth explained the following to Council:

- **Pre Sixty-Five** (not eligible for Medicare) **Retirees** – In the past, Council has approved the same medical plan that is offered to our active employees at a cost to the City of 195% of the active employee contribution. In 2012, council voted to equally split any future increases with our retirees. City currently has 13 Pre Sixty-Five Retirees.
- **Post Sixty-Five** (eligible for Medicare) **Retirees** – In 2009, Council adopted Ordinance No. 1458, “freezing” the City contribution to Post Sixty-Five Retirees at \$268.08 for a medical supplement plan. In Plan Year 2015-16 our Post Sixty-Five Retirees contributed \$35.62 per month for their plan. City currently has 23 Post Sixty-Five Retirees.

**Pre Sixty-Five Retirees-** TML is offering the option of continuing with the 195% of active employee contribution plan, or the choice of 4 retiree pool plans.

	<u>Platinum</u>	<u>Gold</u>	<u>Silver</u>	<u>Bronze</u>	<u>195% Plan</u>
Cost	\$1,298.90	\$1,253.62	\$1,212.24	\$1,165.28	\$1,083.22
Benefit %	90/10%	80/20%	70/30%	60/40%	80/20%
Deductible	\$1,000	\$1,250	\$1,500	\$1,750	\$200

**Post Sixty-Five Retirees** – TML is offering a choice of 2 Medicare supplement plans, 2 stand-alone Medicare Part D plans and 2 Medicare Advantage HMO plans that are available in designated geographic areas - if retirees live in specific county areas (Aransas County not included).

	HMO/1	HMO/2	Plan F	Plan K	RX/1	RX/2
Cost	\$307.76	N/A	\$234.71	\$134.11	\$222.85	\$84.26

Council chose Medical Plan F and Prescription Option 2 last year for a total of \$303.70. The City pays \$268.08 and retiree pays \$35.62. TML is increasing the rates on the Post Sixty-Five plans this year. The new rate is \$318.97 and the retiree will pay \$50.89.

Mr. Carruth stated that staff recommends Council maintain the current coverage by adopting the 195% Plan for pre sixty-five retirees, and Plan F and prescription option 2 for post sixty-five retirees.

**MOTION:** Mayor Wax moved that the City maintain the current coverage by adopting the 195% Plan for pre-sixty-five retirees, and Plan F and prescription Option 2 for post sixty-five retirees. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

**13. Deliberate and act on selection of auditing firm to provide independent financial audit services, including preparation of the City’s consolidated annual financial report, for the fiscal year ending September 30, 2016, and authorizing the Mayor to negotiate and execute all necessary documents.**

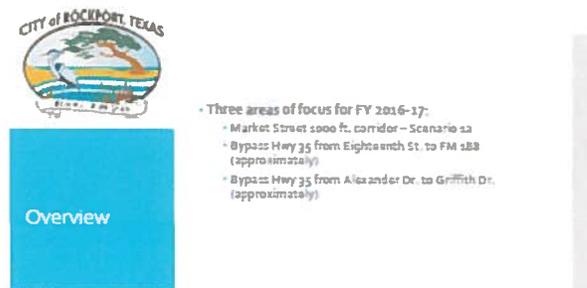
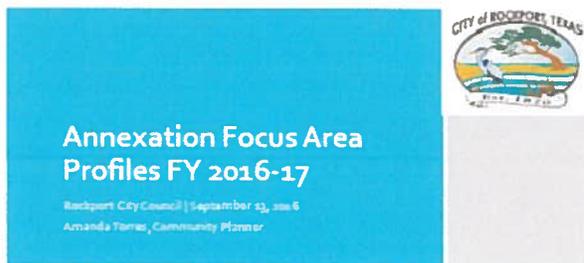
Finance Director Patty Howard addressed the Council. Ms. Howard stated there were four proposals received by the City from firms to provide independent financial audit services, and a summary of the responses is included in the Agenda packet. Ms. Howard said staff is recommending Council select Collier, Johnson & Woods, P.C. to provide independent financial audit services, including preparation of the City’s consolidated annual financial report, for the fiscal year ending September 30, 2016, and authorize the Mayor to negotiate and execute all necessary documents. Ms. Howard introduced F. John Shepherd, CPA with Collier, Johnson & Woods.

Discussion was held among Council and Mr. Shepherd regarding audit services that Collier, Johnson & Woods had provided to other municipalities.

**MOTION:** Mayor Pro-Tem Rios moved to select Collier, Johnson & Woods, P.C. to provide independent financial audit services, including preparation of the City’s consolidated annual financial report, for the fiscal year ending September 30, 2016, and authorizing the Mayor to negotiate and execute all necessary documents. Council Member Gurtner seconded the motion. Motion carried unanimously.

**14. Deliberate and act to select areas for annexation and authorize staff to prepare service plans, schedule public hearings, and draft annexation ordinance.**

Community Planner Amanda Torres addressed the Council. Ms. Torres stated that following the August Council Workshop staff was directed to make revisions to the previously presented proposed annexation areas. Ms. Torres gave a PowerPoint presentation on the proposed annexation areas:





**TLGC  
Annexation Area  
Allocation Policy**

- Sec. 43.055. MAXIMUM AMOUNT OF ANNEXTION EACH YEAR:
  - (a) In a calendar year, a municipality may not annex a total area greater than 20 percent of the incorporated area of the municipality as of January 1 of that year, plus any amount of area annexed over its last year under Subsection (a). In determining the total area annexed in a calendar year, an area annexed for limited purposes is included, but an annexed area is not included if it is:
    - (1) annexed at the request of a majority of the qualified voters of the area and the owners of at least 50 percent of the land in the area,
    - (2) annexed by the municipality, a county, or the federal government and used for a public purpose,
    - (3) annexed at the request of at least a majority of the qualified voters of the area,
    - (4) annexed at the request of the owners of the area.
  - (b) If a municipality fails to annex in a calendar year the entire 20 percent amount permitted under Subsection (a), the municipality may carry over the unannexed allocation for use in subsequent calendar years.
  - (c) A municipality carrying over an allocation may not annex in a calendar year a total area greater than 20 percent of the incorporated area of the municipality as of January 1 of that year.



**Area 1a:  
Market Street  
Corridor  
(Modified)**



**Area 1a:  
Land Use  
and Market  
Valuation**

- Estimated Population: 183
- Land Use and Associated Market Valuation: 70.5 acres total

Property Type	Count	Value	Area	A
Single-Family Units	25	23,210,000	4,870,230.00	
Small Multi-Family Units	5	8,527,000	278,980.00	
Total Commercial Properties	20	31,880,000	5,875,460.00	
Total Unimproved Properties	21	13,880,000	677,020.00	

  - Statistical Market Valuation:
    - Total Market Valuation: 85,477,000.00
    - Average Value (including exempt property): 1,220,117.39
    - Median Value (including): 664,944.00
    - Average Value (excluding exempt property): 1,118,615.48
    - Median Value (excluding): 694,150.00
    - Average Homestead Value: 610,144.00
    - 25 Properties are homesteaded
  - # of Building Permits since 2007: 35



**Risk Areas on FM 1069/Market St.**







**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: 189,6392 acres total
- | Property Type               | Count | Sq. Ft.   | Acres | A            |
|-----------------------------|-------|-----------|-------|--------------|
| Total Single-Family Units   | 16    | 31,440    | 0.72  | 1,073,730.00 |
| Total Multi-Family Units    | 0     | 0         | 0     | 0            |
| Total Commercial Properties | 5     | 26,372    | 0.60  | 1,073,730.00 |
| Total Unimproved Properties | 27    | 1,114,008 | 2.53  | 1,100,000.00 |
- Statistical Market Valuation:
    - Total Market Valuation: \$6,444,750.00
    - Average Value: \$113,677.27
    - Median Value: \$63,392.00
    - No tax-assess property in the area
    - Average Homestead Value: \$200,000.00
    - 13 properties are front-loaded
  - # of Building Permits since 2009: 7

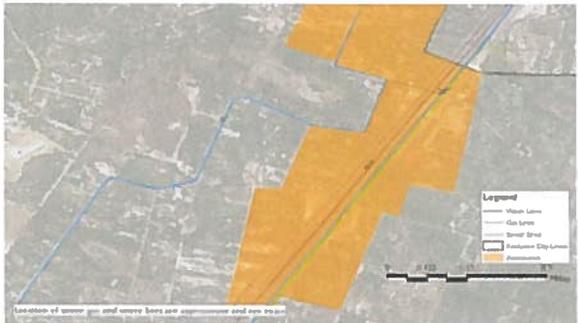


**Area 3:**  
Existing  
Infrastructure

Proposed  
Improvements:

Street	From	To	Length	Width
Carpen (Bikes)	Stewart	Griffith	1,200	20
Griffith	Carpen Caries	Bypass	7,400	24
St. Francis	Griffith	Alexander	2,204	20
Alexander	St. Francis	Moby	1737	20
Moby	Alexander	Bypass	1435	20
		<b>Average</b>	<b>695</b>	<b>20</b>
		<b>Width</b>	<b>20</b>	<b>20</b>

Street Condition(s): Good  
Chopped  
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. No current drainage projects.
- Maintenance and Operations:
 

Mile of Street	1.0
Cost per mile	\$1,975.27
Annual cost per street	\$1,975.27
Annual cost for 21 Light Dec	3,453.27
<b>Add to Operating Budget</b>	<b>\$5,428.54</b>
<b>Installation of street lights</b>	<b>\$0.00</b>
- Human Resources: One full-time Maintenance Technician would be required at an annual base salary of \$27,352.00 plus benefits.



**Proposed  
Annexation  
Summary**

**Annexation Profile Summary**

Category	Area 5	Area 2	Area 9	Total
	Market Street roadbed	Bypass 15/Liberty Rd 100	Bypass 35/Alexander Griffith	
Population	143	31	41	215
Area	76.10	1,370.51	385.42	1,492.03
Household Units	41	13	14	68
San Antonio's License	\$1546,212,221.5	1,024,723.5	177,434,751	1,723,233,546

**Annexation Profile Summary**

Category	Area 5	Area 2	Area 9	Total
	Market Street roadbed	Bypass 15/Liberty Rd 100	Bypass 35/Alexander Griffith	
Population	143	31	41	215
Area	76.10	1,370.51	385.42	1,492.03
Household Units	41	13	14	68
San Antonio's License	\$1546,212,221.5	1,024,723.5	177,434,751	1,723,233,546
Proposed Market Street	\$1,400,000.00	\$1,000,000.00	\$400,000.00	\$2,800,000.00
Proposed Bypass 15/Liberty	\$1,000,000.00	\$1,000,000.00	\$0.00	\$2,000,000.00
Proposed Bypass 35/Alexander	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00
Proposed Griffith	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00
Proposed Market Street	\$1,400,000.00	\$1,000,000.00	\$400,000.00	\$2,800,000.00
Proposed Bypass 15/Liberty	\$1,000,000.00	\$1,000,000.00	\$0.00	\$2,000,000.00
Proposed Bypass 35/Alexander	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00
Proposed Griffith	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00
Proposed Market Street	\$1,400,000.00	\$1,000,000.00	\$400,000.00	\$2,800,000.00
Proposed Bypass 15/Liberty	\$1,000,000.00	\$1,000,000.00	\$0.00	\$2,000,000.00
Proposed Bypass 35/Alexander	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00
Proposed Griffith	\$0.00	\$0.00	\$1,000,000.00	\$1,000,000.00



## **15. Reports from Council.**

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

Mayor Wax stated on Saturday September 10, 2016, at 6:00 p.m. at the History Center, the City received an award for being a “Steward of Nature” from the Friends of the History Center for Aransas County. Mayor Wax presented the award to Rick Martinez, Director of the Parks & Leisure Services Department.

Mayor Wax announced that the HummerBird event begins this weekend.

Council Member Day reported that the downtown committee working on the route for the Christmas parade has identified most of the costs involved and they are very minor. Council Member Day said they are gathering volunteers and working with TxDOT and the City to collect enough of the needed barricades.

Mayor Wax asked when Council Member Day expects the information to be brought to Council for consideration.

Council Member Day stated they want to first work out the parade route.

Mayor Pro-Tem Rios informed the Council that the first groin at Key Allegro has been completed and the second groin should be completed by the end of this week. Mayor Pro-Tem Rios stated that the Key Allegro Homeowners Association would like to know the status of the bridge repair and they have offered to give input and fund enhancements.

Council Member Gurtner announced that the Keep Aransas County Beautiful group has scheduled a clean-up for Saturday, September 24, 2016, beginning at 8:00 a.m. Council Member Gurtner said there will be hotdogs served at 11:00 a.m.

Council Member Villa suggested the City contact the Justice of Peace regarding persons required to do community service.

### **Executive Session**

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

- 16. Section 551.071(1)(A) Consultation with Attorney on pending or contemplated litigation: (A) Bay Education Center, (B) Texaz Construction and AZ Southwest Properties.**

17. **Section 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.**
18. **Section 551.072 Deliberation regarding real property – deliberate the purchase, exchange, lease, or value of real property: 40-foot wide portion of Young Street lying between Blocks 100 & 109, Manning Addition, and also a portion of Third Street lying between Blocks 100 & 101, Manning Addition.**
19. **Section 551.087 Deliberation Regarding Economic Development Negotiations: Project Cardinal.**

At 7:24 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 551.071(2) Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter; Section 551.072 Deliberation regarding real property – deliberate the purchase, exchange, lease, or value of real property: 40-foot wide portion of Young Street lying between Blocks 100 & 109, Manning Addition, and also a portion of Third Street lying between Blocks 100 & 101, Manning Addition; 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 7:48 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.

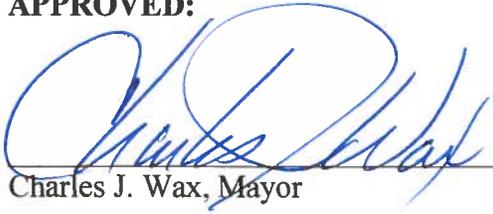
**MOTION:** Mayor Wax moved that Council authorize the Mayor to negotiate and finalize a 380 Agreement for Project Cardinal which is Ace Hardware. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

### **20. Adjournment**

At 7:49 p.m., Council Member Villa moved to adjourn. Motion was seconded by Mayor Pro-Tem Rios. Motion carried unanimously.



**APPROVED:**

  
\_\_\_\_\_  
Charles J. Wax, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Teresa Valdez, City Secretary