

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, August 8, 2017 Rockport City Hall, 622 East Market Street

On the 8th day of August 2017, 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 Secretary Teresa Valdez
City Attorney Terry Baiamonte
Police Chief Tim Jayroe
Public Works Director Mike Donoho
Parks & Leisure Services Director Rick Martinez
Finance Director Patty Howard
Community Planner Amanda Torres

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, August 8, 2017, in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

2. Pledge of Allegiance.

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

Mayor Wax congratulated Council Member Villa on his August 1st retirement from the United States Navy. Mayor Wax thanked Council Member Villa for his years of service.

Mayor Wax announced that City Secretary Teresa Valdez has been selected to serve as one of eight Trustees on the 2018 Texas Municipal Clerks Association Executive Board.

3. Citizens to be heard.

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

Jim Godfrey, 802 East Market Street, addressed the Council. Mr. Godfrey read a statement (below) asking the City to do something about the flooding of his property.

Mayor and city council,

A few meetings back a gentleman from Key Allegro addressed the City Council by thanking them about a flooding problem he had on Key Allegro. He said the first few attempts to solve it failed but at last it was solved. At a rezoning hearing residents of the Rockport Country Club were upset about storage facilities being built adjacent to the Country Club. Their concern was flooding. The rezoning was denied.

I don't live in the Country Club or Key Allegro I live one block from this city hall. My property flooded since this City Hall was built. But since then a duplex and a dentist office have been built. There is hardly any drainage on Pearl Street and the runoff becomes a river and runs right onto my property. Now the City has allowed the First Methodist Church to raise their property next door to me to build a school and also raise and concrete over a city street. I'd like to see drainage plans for that. I doubt there are any.

We have come to the City Manager, City Secretary and our Councilman Rusty Day with photos of the flooding. The appraisal district has lowered my property value due to the flooding and told me to go to the City before it does more damage.

We never had water in our work shop until the school was built. We have had water in it three times since.

Water is now knee deep after a good rain. My house is on pier and beam and water is now only an inch or two from entering my home.

I asked Councilman Day if my flooding problem had been discussed with Mayor Wax and City Manager Caruth and he said it had. Their solution? I should raise my 120 year old home at my expense. I guess my workshop as well.

According to the Texas Water Code 11.086 "No person may divert or impound the natural flow of surface water in this state, or permit a diversion or impounding by him to continue, in a manner that damages the property of another by the overflow of the water diverted or impounded."

Consent Agenda

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

- 4. Deliberate and act on approval of City Council Regular & Workshop Meeting Minutes of July 25, 2017.**
- 5. Deliberate and act on 3rd quarter report from Friends of the Fulton Mansion State Historical Site for Fiscal Year 2016-2017 marketing expenditures.**
- 6. Deliberate and act on approval of 2017-2018 Property Tax Assessment/Collection Agreement with Aransas County.**

7. **Deliberate and act on Resolution authorizing publication of delinquent taxpayers' names.**
8. **Deliberate and act on request from Rockport First Assembly of God for the temporary closure of East Laurel Street, from North Live Oak Street to North Church Street, on August 12, 2017, from 10:00 a.m. until 2:00 p.m. for annual community Back to School Backpack Giveaway.**

Mayor Wax called for requests to remove any item from the Consent Agenda for separate discussion.

MOTION: Council Member Villa moved to approve the Consent Agenda as presented. Mayor Pro-Tem Rios seconded the motion.

Public Hearing

9. **Conduct a Public Hearing on proposal to increase wastewater rates for all customers.**

At 6:35 p.m., Mayor Wax opened the Public Hearing.

There were no public comments.

At 6:36 p.m., Mayor Wax closed the Public Hearing.

Regular Agenda

10. **Deliberate and act on presentation of proposed Fiscal Year 2017-2018 budget.**

City Manager Kevin Carruth addressed the Council. Mr. Carruth stated the proposed Fiscal Year 2017-2018 budget is based on discussions held with the Council during the budget workshops. Mr. Carruth said the budget assumes an 8.0 percent increase in the *ad valorem* tax rate to \$0.385640 and had a net result on the median residential property of increasing *ad valorem* taxes by \$28.68 annually. Mr. Carruth then presented his budget letter (below) for Fiscal Year 2017-2018 proposed budget.

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August 8, 2017

To the Honorable Mayor and City Council Members:

Introduction

In accordance with Article VII of the City of Rockport Charter and Chapter 102 of the Texas Local Government Code, I am pleased to present for your consideration the proposed annual budget for fiscal year 2017-2018, beginning October 1, 2017. This historical budget is intended to serve as:

1. A plan of financial operations embodying an estimate of expenditures for the next fiscal year and the means of financing them.
2. A management and operational plan for utilization of resources during FY 2017-2018.

The budgetary and operating policies contained in the budget conform to generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board. The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate budgetary and operating entity. Within the budget, the City's various funds are grouped into general fund types and proprietary fund types. The budget is prepared on the GAAP basis, with all governmental funds determined by using the modified accrual basis of accounting and proprietary funds established by using the accrual basis of accounting.

Citizens of Rockport are proud to and enjoy the high quality of life they have come to expect. The City plays an important role in defining that quality of life by developing and maintaining standards of services that contribute to a pleasant, innovative, dynamic, and healthy community. In addition to continuing this role, staff will give due charge to the beginning of the budget process by:

- (1) Continue to look for efficiencies in operations.
- (2) Reduce expenses where possible.
- (3) Maintain levels of services.
- (4) Adjust the compensation plan by the Municipal Cost Index (MCI).
- (5) Increase personnel of Code Enforcement, Police, and Street Departments to compensate for attritions in December 2016 and expected attritions in August 2017.
- (6) Add a full-time human resources position, and
- (7) Submit a budget asking for no reduction in or less than an eight percent increase above the effective tax rate.

Consequently, staff developed budget proposals for these departments assuming essentially the same level of services as outlined in FY 2016-2017, with the notable exception of the Police Department. Requests for additional items were submitted with justifications and were reviewed by the City Manager and Director of Finance. The following sections highlight points of interest in the budget.

622 E. Market Street, Rockport, Texas 78242 Phone (361) 775-3711 Fax (361) 795-0066
www.cityofrockport.com

Revenue Outlook

Rockport is fortunate to get from year-over-year increases in the tax and a dedicated point for tourism and recreation revenue throughout the year. Consequently, our percentage of debt service is around 9.1% but we have the highest and lowest infrastructure investments to approximately 13,260 - 20,000 per year regularly and to more than 35,000 for special events and holidays. The revenues from a variety of sources on the City's fiscal books. In addition, like all other local governments, Rockport faces extraordinary payments for one-time or irregularly higher than most seasons and business occurrences. The U.S. National Crime Index, published by American City and County magazine in FY 16 to show the overall ranking of cities on the basis of providing services to citizens rose 3.1 percent for the 13-month period ending in May, while the U.S. Consumer Price Index (CPI) rose 1.9 percent during the same period.

According to the Texas A & M University (Ag) Light City's Outlook for the Future Economy, over the last several months the Texas economy rebounded and recovered energy industry and a strong labor market. Oil production and the output of other Texas key industries, including oil services, are down from the high point of 2014, but the Texas economy remained robust, but with a strong rebound in energy prices, and oil prices volatility may pressure economic growth. With a strong rebound in energy prices, the Texas economy rebounded and recovered energy industry and a strong labor market.

An evaluation of American County gross value added shows that an average of 2.5 percent of counties for both energy and non-energy had lower rates of growth in 2016. After nearly four years of unmitigated growth in the number of governmental units, the month - June 2017 posted into the first month of the fiscal year, about 100. Total tax deposits at American County Agency 1.6 percent in 2016 the same and slightly above the same-year average. Total county-level taxes collected a percentage of 2006 but not a strong rebound in 2017 levels.

While the projections for Texas and Rockport in the immediate year are still positive and the FY 2017-2018 is also an and total revenue for the same period are higher than FY 2016-2017, they reflect a more conservative view of the coming year.

Notable Policies and Programs

Fund Balance Policy

While there is no statutory or regulatory requirement for a minimum fund balance, the policy is to maintain a fund balance of at least 10% of the prior year's total revenue. In the past several decades, the City has had a consistent policy, however, in a recent emergency ordinance in June 2016 by vote, such a goal to change a minimum percentage. Consequently, Rockport has set a goal to have a fund balance greater than 10% (10 days or more) in the prior year as proposed to respond to a disaster and maintain continuity of government and operations. The FY 2017-2018 budget first established the policy of maintaining a minimum fund balance of 10 days and (10%) or more in the prior year (FY 2017-2018) and the FY 2017-2018 budget established the existing funding policy as an end to the mid-term.

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Revenue	1,250,000	1,350,000	1,450,000	1,550,000	1,650,000	1,750,000	1,850,000
Expenses	1,150,000	1,250,000	1,350,000	1,450,000	1,550,000	1,650,000	1,750,000
Surplus	100,000	100,000	100,000	100,000	100,000	100,000	100,000

While the City continues to add to the total number of officers in the local district, the duty rate of operations has also increased, but it larger proportion to the total force. Consequently, the FY 2017-2018 budget to add more of the 10-day goal in the General Fund has been approved by one day over the previous year.

Best Government Tax Policies

Rockport has historically achieved all its assigned NGT funds and has maintained a budgeted level of revenue or savings, leaving the City's ability to accommodate for unplanned opportunities or emergencies. As noted previously, the FY 2017-2018 budget established a policy of budgeting a contingency plan for the City Manager throughout the year and that policy continues in the FY 2017-2018 budget.

In addition, prior to FY 2017-2018, annual requests had been evaluated on their merits for the year, regardless of funding or previous years. The FY 2017-2018 budget adopted a policy stating that a new request should be reviewed from NGT funding over one to three years after it has received funding for several years (particularly to those where the City helps fund have received and those events have been successful) to fight budget NGT revenue in the FY 2017-2018 through FY 2019-2021 budgets. Overall, the City will continue the policy of saving. Additionally, that donor growth in NGT revenue was exceeded by higher growth in NGT requests on some NGT funding requests could be increased in this category.

The implementation of the funding of Rockport in 2018. With the FY 2017-2018 budget City Council established an additional Supplemental Fund in order to begin building a funding source for Supplemental Fund. The FY 2017-2018 budget includes another \$23,000 transfer into this fund.

Lastly, the City Council has targeted 367 days of NGT fund balance in a goal to order to make a transfer following a significant weather related disaster. As noted in the earlier table, the fund balance on September 30, 2016, is estimated to be 360 days.

Health Insurance

Employees are provided medical coverage through the Texas Municipal League Health Plan administered by American Health Plan. The City has a long history of providing health insurance to its employees and this is a significant financial expense.

The Plan experienced some high charges this year and all members entered at least a 15 percent premium increase. Members, such as firefighters, who had high charges over the group had premium beyond the 15 percent. Rockport's premium will increase by \$1.10 (28.8 percent) to \$4.64 per month. The City will increase the premium to \$4.64 per month in FY 2017-2018 and will the increase evenly with employees so that the City and employees will not pay an additional \$11.20 per month. All employees were asked to get their eyes or vision with the current plan or moving to one of our other, low expense plans and employees should voluntarily request their options to stay with the current plan.

Pension

The City has a very low pension for a service organization, where 76.7 percent of expense would not be needed for pension costs. In the General Fund pension costs remain for 54.4 percent of the pension, 19.1 percent in the Utility System Fund, 25.1 percent in the Gas System Fund, and 25.3 percent overall plan percentage do not factor in most of the capital requests, which would drive the percentage over time. Although very low, pension costs will represent the single largest cost center and any further attempts to decrease require careful review that.

Council implemented the findings of a compensation study in FY 2015-2016 and approved at that time to adjust the payroll pay rate by the amount of MCI in order to keep the comparative plan up to date and competitive. The MCI for the previous 11 months ending in May 2017 is 3.1 percent, which is compared to the FY 2017-2018 budget. Funding for employee wage increases is not included and will be determined with a goal of 3.1 percent, including adjustments to the wage planning policy of employees of personnel.

General Fund

Revenue

1. Tax Rate. The effective tax rate, is the rate that provides approximately the same amount of revenue as FY 2016-2017 is 10.3667% and the mid-term rate is 10.3667%. Since the City continued the effective tax rate for the entire year prior to FY 2017-2018, the impact of inflation was that rate was to create an appreciation strategy in the level of services. To help offset the inflationary consequences of previous years and maintain the current level of services, the general fund revenue in 2017-2018 budget is set at 10.3667% with a net result on the median residential property of increasing of revenue rates by 32.45 and will be average increased by 17.4%.
2. Sales Taxes. As a result of the mid-term, sales taxes will be one of the most important of the local economy. Sales tax collections in 2016, 2017, and 2018 were steady and continued to increase, with a 2.1 percent increase in 2017 and 2018. The FY 2017-2018 budget includes a 3.8 percent increase, reflecting more a constant estimated growth and previous revenues but the anticipated new revenues from businesses that were approved in December 2016 and their expansion to be approved in August 2017.

Expenditures

1. Finance. The current Finance Director will retire in December and an additional \$16,000 to be lost has been budgeted to allow for two months of overlapping service with the new Finance Director.
2. City Manager. The role of the City Manager is the FTC (Texas Council on Governmental Services) paid for by every 100 employees employed. The City Council has approved in FY 2017-2018 and in FY 2017-2018 will have 151 full-time positions in addition to approximately 45 part-time seasonal employees. A full-time HR professional will improve recruitment, ensure certain business from the local level, improve HR, and improve human resources and development.
3. Information Technology. The Information Technology (IT) Director will retire at the end of September 2017. The budget includes three months of leave salary for a new IT Director to be approved with the current IT Director in the interim of the current IT Director possibly moving into the IT Director's position.
4. Public Administration. The Department's services could decrease by 100,000, with 175 full-time, will be reduced with the current version of a total of 123,000. Software implementation will be a major improvement, mapping, and human capital, among others.
5. Building and Development Administration. The building administration to create the program in each department under a largely and programmatic approach. Purchase of the CityCode Community

Retard Gas System Fund

Revenues

Charge for Services. The 2017 rate study calls for no rate increase for gas in FY 2017-2018. This is expected to lower the system with a deficit of approximately \$4,175; however, the system has a final balance of \$400 in 2017 days of working capital, 177 days above the goal of 183 days, and will give the fund a year-over coverage ratio of 1.04.

Expenditures

1. Natural Gas Distribution - Public Awareness. The Department will continue to be aggressive in its public education efforts, including attending local meetings and events as well as direct mail. An additional \$18,000 has been allocated for FY 2017-2018.
2. Natural Gas Distribution - CNG Station Maintenance. The original warranty period on the CNG station has expired and the new service contract is \$25,000.
3. Natural Gas Distribution - Lease Land Retention. The \$16,200 fee due later each quarter will improve safety in the field.

Conclusion

The choice of city council is to maintain the level of service as far as possible in order to maintain and improve the existing roadway and business to have a low rate and services that are competitive with other communities. The City of Rockport has anticipated for the last few years prior to FY 2012-2013 by maintaining the efficiency and rate for the same that covers the same amount of revenue and saving money however, making an additional fee for the rate by achieving maintenance and making the same level of service as the long term and safety issues a more gradual fund movement for the future. Furthermore, over the years the City of Rockport has managed the road as reported in its infrastructure condition and budgeting in FY 2012-2013 and budgeting through FY 2013-2014, has advised the rates that are higher than the other cities in order to maintain a quality service and position the City for the future.

There are some issues with revenue and expense impacts that require consideration in the short- to medium-term specifically:

1. Continuity measures in the City's information technology.
2. Additional statutory obligations imposed by passing the threshold of 10,000 citizens.
3. The focus of drought and water drought has changed to include more aggressive drought contingency and water conservation plans that will lead to reduced water consumption and a corresponding change in base and volume rate. In addition, overall demand and availability of supply may lead to higher rates to the City from our supplier, San Antonio Municipal Water District.
4. Regional realignment of the division along the Texas Drive at Key Agency.
5. Reprioritization of the Key Agency budget.
6. Investment in human resources in the Public Department, mostly in the CID and Permit Division.
7. Current and projected upon costs and services delivery system for a new City Hall.
8. Development of a great communication plan and.
9. Increase of municipal authority from statutory changes made by the Texas Legislature concerning municipal approval acts, operations of flags, and revenue tools.

Development software tools will improve efficiencies in the field as well as in the office. The budget includes \$44,500 for the site.

4. Sewer and Drainage. An additional \$23,000 has been included to accommodate needs in the areas covered in December 2016 and four areas expected to be covered in 2017.

5. Building Operation and Maintenance. The Rockport Service Center is now five years old and the exterior needs need to be placed in prior to the budgeting. The budget includes \$20,000 for this project.

6. Parks and Leisure Services. The Administrative Assistant will retire in December. The budget includes \$1,200 to allow pay to allow the new Administrative Assistant's employment to carry the retiring Assistant's leave by three months.

Utility System Fund

Revenues

Charge for Services. The water conservation program implemented due to persistent drought conditions since 2011 continues to support water conservation, as planned. If water and wastewater rates are left unchanged, the water-use system will have a shortfall of \$14,225. However, the new budget maintains the growth of higher consumption rates to ensure the wastewater system runs smoothly and maintains self-sufficiency and eliminate the liability by the water system. The year's rate study calls for a three percent increase in the wastewater rate and no increase in the rate. With the one rate a liability for the fund balance will be 237 days, exceeding the 180-day goal by 57 days, and will give the fund a debt service coverage ratio of 1.02. The net effect of the one rate is an average 0.200 gallon residential water and sewer customer would be charged \$1.01 and for a customer outside the city limits a \$1.42.

Expenditures


1. Environmental. Household Hazardous Waste. This program has previously been in the IT budget. It is anticipated that the household hazardous waste event will be held every other year, alternating odd and even years. The budgeted amount is \$48,000.
2. Water Storage and Distribution, Public Relations/Water Conservation. The Department will continue to be aggressive in its public education efforts, including attending local events and events. An additional \$23,000 has been allocated for FY 2017-2018.
3. Water Storage and Distribution. Backflow Prevention Program. RV parks have been identified as a potential source for backflow problems into the public water supply. The program has the goal to do the program and the public's confidence was completed by a nearby city within the past year. This program has been budgeted \$20,000.
4. Utility Customer Service. Check Processing Software. The \$15,144 required for the credits will continue the check program promising, thereby reducing manual data entry errors, and allow customers to check status of their payment online. It will better allow staff to maintain by storing payments data electronically rather than in boxes.

Each of these items will require thoughtful and deliberate consideration by the City Council, together with city staff, for development and implementation of a budget strategy to meet future demands.

Through the proposed financing, the proposed FY 2017-2018 budget is comprehensive in its revenue sources and expenditures. The budget maintains a high level of reserves in order to mitigate the risks posed by Rockport's economic financial structure, market risks, reliance on tourism, and threat of rising interest rates. In 2017, the City's comprehensive financial position and budgeting resulted in the fourth consecutive year-end by High Ratings of the City's A+ with a stable outlook, outperforming the City's budget forecasted stability and position in the "Management" criteria, which correlates with operating performance. This earned the City "AAA" rating and the City's budget management position and the highest overall public health within the City's operating performance.

The government in the State of Texas has the highest ranking budget on the state basis of its citizens. Meeting the fundamental needs, safety, and welfare needs of our citizens is essential to a program of good governmental management and is prioritized. The budget will ensure the safety of our citizens and enhance their quality of life while providing an environment for successful development.

It anticipates the effects of each of the proposed budget items within your set of both fiscal and operational. In addition, I wish to extend my thanks to the City Council for its willingness to take the time to the annual planning process and the budget workshop to understand each department's operations and share the Council's vision with staff. Both comprehensive financial systems and budgeting to better manage the budget and also not-given staff's overview of Council's priorities.

Respectfully,

Ricardo Peralta
City Manager

Discussion was held among Council and Mr. Carruth regarding the proposed budget.

Roy Gorton, 214 Copano Ridge, addressed the Council. Mr. Gorton stated he lives in the Extraterritorial Jurisdiction area of the City. Mr. Gorton voiced comments regarding the City's proposed budget and recent annexation. Mr. Gorton stated that along with increased property appraisals, the City's tax rate increase will place an undue burden on citizens.

Mayor Wax stated that the Council intentionally makes sure the City has a significant General Fund Balance. Mayor Wax said this is to ensure that if a hurricane or other disaster would strike Rockport, the City's goal and policy is that it could maintain the same level of City services for six (6) months without any revenue coming into the City. Mayor Wax added that one reason for

annexation is to control growth and development of the community in certain areas that are important to the community. Mayor Wax expressed it is a myth that the reason cities annex is to get more taxable dollars. Mayor Wax said he appreciated Mr. Gorton's comments.

Council Member Day invited Mr. Gorton to attend the budget workshops.

MOTION: Council Member Day moved to approve the proposed Fiscal year 2017-2018 budget as presented. Council Member Gurtner seconded the motion. Motion carried unanimously.

{Council returned to this item to discuss the Hotel Occupancy Tax Fund allocations prior to Reports from the Council – see action taken after Agenda Item #20.}

11. Deliberate and act by taking record vote on proposed 2017 property tax for Fiscal Year 2017-2018 budget and scheduling dates for two required public hearings on proposed tax rate.

Mayor Wax stated the proposed tax rate is \$0.385640 per \$100.00 of valuation.

MOTION: Mayor Pro-Tem Rios moved that the property tax rate be increased by adoption of a tax rate of \$0.385640, which is an 8% increase in the tax rate. Council Member Gurtner seconded the motion. Roll Call record vote conducted as follows:

FOR MOTION: Council Member Day, Council Member Villa, Mayor Pro-Tem Rios, Council Member Gurtner and Mayor Wax.

AGAINST MOTION: none.

Motion carried unanimously.

MOTION: Mayor Wax moved to schedule the first public hearing at 1:30 p.m. on August 22, 2017, at the Council Workshop meeting, and the second public hearing at 6:30 p.m. on September 12, 2017, at the Council Regular meeting. Council Member Villa seconded the motion. Motion carried unanimously.

12. 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.

City Manager Kevin Carruth stated the City's rate consultant has projected wastewater revenues for Fiscal Year 2017-2018 to be \$2,737,723 with a 3.00% volumetric and minimum increase. Mr. Carruth said the proposed increase in wastewater rates is 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. Mr. Carruth explained the proposed Ordinance will increase \$1.01 the wastewater rate for an average residential customer inside the City limits, and increase \$1.42 for an average residential customer outside the City limits.

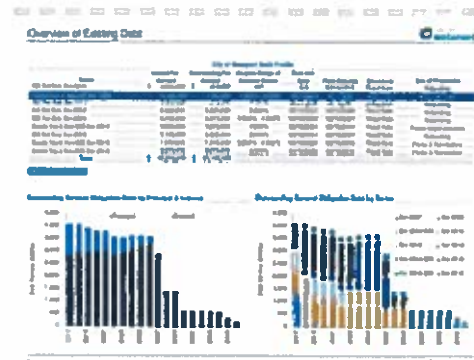
MOTION: Council Member Villa moved to approve the first reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities," Article III, Wastewater

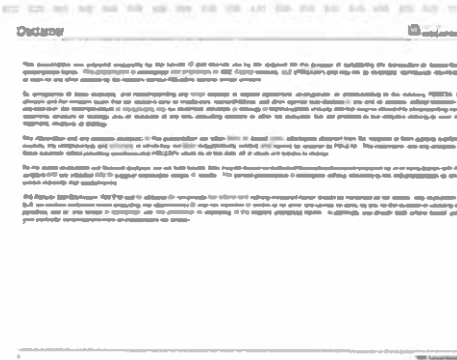
Service,” Division 4, “Service Charges” by amending wastewater rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date. Council Member Gurtner seconded the motion. Motion carried unanimously.

13. Deliberate and act on first and only reading of an Ordinance authorizing the issuance of up to \$7,000,000 in principal amount of City of Rockport, Texas General Obligation Refunding Bonds, Series 2017; approving and authorizing the execution of an escrow agreement, a paying agent/registrar agreement, a purchase contract and other instruments and procedures related thereto; delegating authority to certain city officials to select outstanding obligations to be refunded and approve all final terms of the bonds; approving an official statement; and calling certain obligations for redemption.

The City’s financial advisor, Bob Henderson, addressed the Council. Mr. Henderson called the Council’s attention to a handout (below) showing the City’s debt service savings. Mr. Henderson explained that \$7,258,258 bond debt becomes callable in 2019. Mr. Henderson said a refunding analysis shows if the City issues \$5,845,000 in refunding bonds, there would be a net debt service savings of \$508,313. Mr. Henderson stated this would be an average annual debt service savings of \$42,359.

City of Rockport, Texas
 City Manager: [Name], [Address], [Phone], [Email]
 Mayor: [Name], [Address], [Phone], [Email]
CITY OF ROCKPORT
BOC Capital Markets





The City's bond counsel, Tom Spurgeon of McCall, Parkhurst & Horton, addressed the Council. Mr. Spurgeon introduced Jay Juarez of McCall, Parkhurst & Horton. Mr. Spurgeon said the proposed Ordinance sets everything in motion for the refunding process.

Mayor Wax commented that 2.55% is a very nice interest rate.

MOTION: Mayor Wax moved to approve the first and only reading of an Ordinance authorizing the issuance of up to \$7,000,000 in principal amount of City of Rockport, Texas General Obligation Refunding Bonds, Series 2017; approving and authorizing the execution of an escrow agreement, a paying agent/registrar agreement, a purchase contract and other instruments and procedures related thereto; delegating authority to certain city officials to select outstanding obligations to be refunded and approve all final terms of the bonds; approving an official statement; and calling certain obligations for redemption. Council Member Day seconded the motion. Motion carried unanimously.

14. Deliberate and act on first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1s Single Family Dwelling District) to B-1 (General Business District) and granting a Conditional Use Permit for property located at 684-750 and 760-818 State Highway 35 Bypass; for the purpose of developing a RV resort and boat/RV storage; with no conditions other than those stipulated under Articles 15 and 23, Rockport Zoning Ordinance Number 1027; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.

Community Planner Amanda Torres addressed the Council. Ms. Torres said the Planning & Zoning Commission recommends approval of the rezone request.

Council Member Gurtner stated that there were currently no improvements on this property.

MOTION: Council Member Villa moved to approved the first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1s Single Family Dwelling District) to B-1 (General Business District) and granting a Conditional Use Permit for property located at 684-750 and 760-818 State Highway 35 Bypass; for the purpose of developing a RV resort and boat/RV storage; with no conditions other than those stipulated under Articles 15 and 23, Rockport Zoning Ordinance Number 1027; repealing all ordinances in conflict therewith;

providing for severability; and providing an effective date. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

- 15. Deliberate and act on first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) for property located at 1622 West Twelfth Street; also known as Lot 40, Block 252, Swickheimer Subdivision (7.603 acres), Rockport, Aransas County, Texas, to allow development of boat storage barns; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner Amanda Torres addressed the Council. Ms. Torres said the Planning & Zoning Commission recommends approval of the rezone request.

MOTION: Council Member Villa moved to approve the first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) for property located at 1622 West Twelfth Street; also known as Lot 40, Block 252, Swickheimer Subdivision (7.603 acres), Rockport, Aransas County, Texas, to allow development of boat storage barns; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Day seconded the motion. Motion carried unanimously.

- 16. Deliberate and act on first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) for property located at 2222-2352 FM 2165; being 6 acres of land out of a 152.735 acre tract, out of the George K. Taggart, III, Trustee 1108.79 acre tract, T.T. Williamson Survey A-219, Aransas County, Texas, and being a portion of the same property deeded by E.M. Spencer to George K. Taggart, III, Trustee in Volume 248, Pages 363-426, Deed Records, Aransas County, Texas, and being part of the same 152.735 acre tract, as described in deed of record Clerk's File Number 274313, Official Public Records of Aransas County, Texas, to allow development of resale on properties; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner Amanda Torres addressed the Council. Ms. Torres said the Planning & Zoning Commission recommends approval of the rezone request.

Mayor Wax stated no letters of opposition were received regarding this rezoning request.

MOTION: Council Member Villa moved to approve the first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) for property located at 2222-2352 FM 2165; being 6 acres of land out of a 152.735 acre tract, out of the George K. Taggart, III, Trustee 1108.79 acre tract, T.T. Williamson Survey A-219, Aransas County, Texas, and being a portion of the same property deeded by E.M. Spencer to George K. Taggart, III, Trustee in Volume 248, Pages 363-426, Deed

Records, Aransas County, Texas, and being part of the same 152.735 acre tract, as described in deed of record Clerk's File Number 274313, Official Public Records of Aransas County, Texas, to allow development of resale on properties; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

- 17. Deliberate and act on first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to R-6 (Hotel/Motel District) for property located at 3301-3401 State Highway 35 Bypass; also known as 26.67 acres of land out of a 152.735 acre tract, out of the George K. Taggart, III, Trustee 1108.79 acre tract, T.T. Williamson Survey A-219, Aransas County, Texas, and being a portion of the same property deeded by E.M. Spencer to George K. Taggart, III, Trustee in Volume 248, Pages 363-426, Deed Records of Aransas County, Texas, and being part of the same 152.735 acre tract, as described in Deed of record Clerk's File Number 274313, Official Public Records of Aransas County, Texas, to allow the development of an apartment complex; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner Amanda Torres addressed the Council. Ms. Torres said the Planning & Zoning Commission recommends approval of the rezone request.

MOTION: Council Member Gurtner moved to approve the first reading of an Ordinance amending the Official Zoning Map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-1 (1st Single Family Dwelling District) to R-6 (Hotel/Motel District) for property located at 3301-3401 State Highway 35 Bypass; also known as 26.67 acres of land out of a 152.735 acre tract, out of the George K. Taggart, III, Trustee 1108.79 acre tract, T.T. Williamson Survey A-219, Aransas County, Texas, and being a portion of the same property deeded by E.M. Spencer to George K. Taggart, III, Trustee in Volume 248, Pages 363-426, Deed Records, Aransas County, Texas, and being part of the same 152.735 acre tract, as described in Deed of Record Clerk's File Number 274313, Official Public Records of Aransas County, Texas, to allow development of an apartment complex; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Villa seconded the motion. Motion carried unanimously.

- 18. Deliberate and act on second reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 107 acres of land, more or less, along Market Street between Kelly Lane and Verne Street, out of portions of the John Smith Survey A-187, the T.B. Reeves Survey A-323, the T. Green Survey A-72, and the T.T. Williamson Survey A-222, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date.**

Mayor Wax stated that this is the second reading of the Ordinance.

MOTION: Mayor Pro-Tem Rios moved to approve the second reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas, of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 107 acres of land, more or less, along Market Street between Kelly Lane and Verne Street, out of portions of the John Smith Survey A-187, the T.B. Reeves Survey A-323, the T. Green Survey A-72, and the T.T. Williamson Survey A-222, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date. Council Member Day seconded the motion. Motion carried 4:1.

FOR MOTION: Mayor Wax, Mayor Pro-Tem Rios, Council Member Day and Council Member Gurtner.

AGAINST MOTION: Council Member Villa.

19. **Deliberate and act on second reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas of the hereinafter described territory, located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 182 acres of land, more or less, along State Highway 35 Bypass between 214 feet north of Holly Road and 1030 feet southwest of Eighteenth Street, being out of portions of the Paul McCombs Survey A-317, the C.W. Egery Survey A-63 and the Samuel Highland Survey A-73, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date.**

Mayor Wax stated this is the second reading of the Ordinance.

MOTION: Council Member Day moved to approve the second reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 182 acres of land, more or less, along State Highway 35 Bypass between 214 feet north of Holly Road and 1030 feet southwest of Eighteenth Street, being out of portions of the Paul McCombs Survey A-317, the C.W. Egery Survey A-63 and the Samuel Highland Survey A-73, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the

inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date. Council Member Gurtner seconded the motion. Motion carried 4:1.

FOR MOTION: Mayor Wax, Mayor Pro-Tem Rios, Council Member Day and Council Member Gurtner.

AGAINST MOTION: Council Member Villa.

20. ***Tabled July 25, 2017: Deliberate and act on first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 176 acres of land, more or less, along Maple Street between Steart Street and 128 feet east of Pearl Street, being out of portions of the Thomas Green Survey A-72, John W. Paup Survey A-179 and A-180, T.T. Williamson Survey A-221, T.B. Reeves Survey A-323 and the John G. Smith Survey A-239, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date.***

MOTION: Council Member Villa moved to remove this item from the table. Council Member Gurtner seconded the motion. Motion carried unanimously.

Mayor Wax stated staff recommends Council not approve the first reading of this Ordinance.

MOTION: Mayor Wax moved to **not approve** the first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 176 acres of land, more or less, along Maple Street between Steart Street and 128 feet east of Pearl Street, being out of portions of the Thomas Green Survey A-72, John W. Paup Survey A-179 and A-180, T.T. Williamson Survey A-221, T.B. Reeves Survey A-323 and the John G. Smith Survey A-239, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date. Mayor Pro-Tem Rios seconded the motion. Motion carried unanimously.

21. ***Deliberate and act on first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas, of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 23 acres of land, more or less, out of a portion of the T.T. Williamson Survey A-221, and the J.W. Paul Survey A-179, into the City's municipal limits, for all***

purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date.

City Manager Kevin Carruth stated that at the July 25, 2017, City Council meeting, staff recommended that the original 176 acres of Area D not be annexed except for the eastern most 23 acres roughly along Linden and Pearl Streets. Mr. Carruth stated in anticipation of Council annexing the 38 acres known as the Pearl Street area, staff is recommending annexation of this 23 acres which would result in Pearl Street being completely within the City. Mr. Carruth explained the labor requirements for the Police Department and Street Department have been refined since the July 23, 2017, Council meeting, resulting in less of an expected loss.

Council Member Villa stated he has not agreed from the beginning that additional property should be annexed. Council Member Villa stated the City has not yet seen how the annexations in December 2016 have affected the City's budget and call for services. Council Member Villa asked that Council take that into consideration and deny the first reading of this Ordinance.

Discussion was held among Council, Mr. Carruth and Police Chief Tim Jayroe regarding annexation of this area.

MOTION: Mayor Wax moved to approve the first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas, of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 23 acres of land, more or less, out of a portion of the T.T. Williamson Survey A-221, and the J.W. Paul Survey A-179, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date. Council Member Day seconded the motion. Motion carried: 4:1.

FOR MOTION: Council Member Day, Mayor Pro-Tem Rios, Council Member Gurtner and Mayor Wax.

AGAINST MOTION: Council Member Villa.

22. Tabled July 25, 2017: Deliberate and act on first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas, of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 38 acres of land, more or less, along Ann Street between Litron Street and 128 feet east of Pearl Street, being out of a portion of the T.T. Williamson Survey A-221, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the

inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date.

MOTION: Council Member Day moved to remove this item from the table. Council Member Gurtner seconded the motion. Motion carried unanimously.

Mayor Wax stated this area is known as the Pearl Street annexation area.

MOTION: Council Member Day moved to approve the first reading of an Ordinance of the City of Rockport, Texas, providing for the annexation into the City of Rockport, Aransas County, Texas, of the hereinafter described territory located adjacent to the City's corporate limits within the extraterritorial jurisdiction of the City and not being a part of any incorporated area; extending the boundary limits of the City so as to include the territory consisting of approximately 38 acres of land, more or less, along Ann Street between Litron Street and 128 feet east of Pearl Street, being out of a portion of the T.T. Williamson Survey A-221, into the City's municipal limits, for all purposes; providing for related annexation services plans; repealing conflicting ordinances and resolutions; including a severability clause; granting to all the inhabitants of the annexed territory all the rights and privileges of other citizens and binding the inhabitants by all of the acts, ordinances, resolutions, and regulations of the City; and establishing an effective date. Council Member Gurtner seconded the motion. Motion carried 4:1.

FOR MOTION: Council Member Day, Mayor Pro-Tem Rios, Council Member Gurtner and Mayor Wax.

AGAINST MOTION: Council Member Villa.

Mayor Wax stated the Council needed to return to Item #10 to discuss the Hotel Occupancy Tax Fund allocations.

Mayor Wax stated that Council had been asked to provide to Finance Director Patty Howard their proposals on the Hotel Occupancy Tax Fund allocations. Mayor Wax called the Council's attention to a spreadsheet prepared by Ms. Howard showing the proposals. Mayor Wax said Council needs to make a decision on these allocations so staff can finalize the budget.

Discussion was held among Council and City Manager Carruth.

MOTION: Mayor Pro-Tem Rios moved to amend the Hotel Motel Tax budget allocations as follows:

Rockport-Fulton Chamber of Commerce -Marketing	\$325,000
Rockport-Fulton Chamber of Commerce – Local Business Initiative	\$ 50,000
Texas Maritime Museum	\$ 75,000
Fulton Mansion	\$ 25,000
Rockport Center for the Arts	\$138,000
Aransas County Council on Aging – Bountiful Bowl	\$ 2,000
Rockport Yacht Club – Nautical Flea Market	\$ 2,500
Rockport-Fulton Chamber of Commerce – SeaFair	\$ 1,000
Rockport-Fulton Chamber of Commerce – HummerBird	\$ 1,000
Tropical Christmas	\$ 17,000

Rockport Rotary Club – Film Festival	\$ 3,000
Friends of the History Center – Tour of Historic Homes	\$ 3,000
Veterans Memorial Wall Traveling Exhibit	\$ 1,500
Education Foundation – Shopping Tournament	\$ 1,500
Visitor Transportation	\$ 30,000
Event Support	\$ 25,000
Shoreline Stabilizaton	\$ 20,000
Rockport Cultural Arts	<u>\$ 50,000</u>
TOTAL	\$772,000

Council Member Villa seconded the motion. Motion carried unanimously.

23. 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; 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 that H&R Block District General Manager Deborah O'Brien has offered counseling services on withholding to City of Rockport employees at no cost to them. Ms. O'Brien has agreed that these services will not interfere with employees' normal duties, will not be conducted on City property and will be done at the employees' convenience. Mayor Wax said he has provided Ms. O'Brien the telephone numbers of Department Directors since they are in the best position to know about their employees.

Mayor Pro-Tem Rios stated he attended a workshop on rising sea levels at University of Texas Science Institute in Port Aransas. Mayor Pro-Tem Rios said Community Planner Amanda Rios was a presenter.

Council Member Villa said he had attended the Swimming Pool Operations Committee meeting. Council Member Villa said the pool is doing great and numbers have increased.

Parks & Leisure Services Director Rick Martinez stated he had received a telephone call last week and Aransas County has committed to budgeting \$30,000 for swimming pool operations.

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:

24. Section 551.072 Deliberations about Real Property: Purchase, exchange, lease, or value of real property.

25. **Section 551.071(1)(A) Consultation with Attorney: Pending or contemplated litigation - Bay Education Center.**
26. **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.**

At 8:36 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 551.072 Deliberations about Real Property: Purchase, exchange, lease, or value of real property; Section 551.071(1)(A) Consultation with Attorney: Pending or contemplated litigation - Bay Education Center; and 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.

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 9:03 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 the City of Rockport join in the lawsuit being presented by the City of McAllen versus the State of Texas regarding Senate Bill 1004 at a cost to the City of Rockport of \$.15 per resident, approximately \$1500.00, and authorize the Mayor to execute necessary documents to join said lawsuit. Council Member Gurtner seconded the motion. Motion carried unanimously.

27. **Adjournment**


At 9:04 p.m., Council Member Villa moved to adjourn. Motion was seconded by Mayor Pro-Tem Rios. Motion carried unanimously.



ATTEST:


Teresa Valdez, City Secretary

APPROVED:


Charles J. Wax, Mayor