CITY OF ROCKPORT

MINUTES

CITY COUNCIL SPECIAL WORKSHOP MEETING
1:30 p.m., Tuesday, August 16, 2011
Rockport City Hall, 622 East Market Street

On this the 16th day of August 2011 the City Council of the City of Rockport, Aransas County, Texas convened in a Special Workshop Session at 1:30 p.m., at the regular meeting place in City Hall, and notice of meeting giving time, place, date and subject was posted as described in V.T.C.A., Government Code § 551.041.

CITY COUNCIL MEMBERS PRESENT
Mayor Charles J. Wax
Mayor Pro-Tem Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
N/A

STAFF MEMBERS PRESENT
City Manager Thomas J. Blazek
City Attorney Bill Walston
City Secretary Irma G. Parker
Finance Director Jacky Cockerham
Police Chief Tim Jayroe
Public Works Director Billy Dick
Building/Development Director Mike Henry

STAFF MEMBER(S) ABSENT
Parks & Leisure Services Director Tom Staley

EMPLOYEES PRESENT
IT Manager Brian Jacobs
Utility Customer Service Clerk Patty Howard

ELECTED OFFICIALS
N/A

OTHERS
Vicki Pitluk, Marketing/PR Consultant
Cindy Crosby, Attorney, Bickerstaff Heath Delgado Acosta, LLP

TOTAL VISITORS IN AUDIENCE: 2

BOARD/COMMISSION MEMBER(S): N/A

I. **CALL TO ORDER** - With a quorum of the Council Members present, the Workshop Meeting of the Rockport City Council was called to order by Mayor Wax at 1:30 p.m. on Tuesday, August 16, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **ITEMS FOR CONSIDERATION**

A. **Presentation by redistricting legal counsel of redistricting Initial Assessment, the need to redistrict the City Council member boundaries, describing applicable law, suggested**

redistricting process, and current City Council plan in context of redistricting based on recently issued 2010 Census data.

PRESENTATION: Attorney Cindy Crosby, Bickerstaff Heath Delgado Acosta LLP: There are four basic legal principles that govern the redistricting process: (i) the "one person-one vote" (equal population) principle; (ii) Section 5 of the Voting Rights Act, requiring preclearance and applying a "retrogression" standard to minority group populations in specific districts; (iii) the non-discrimination standard of Section 2 of the Voting Rights Act; and (iv) the *Shaw v. Reno* limitations on the use of race as a factor in redistricting.

- **The "One Person — One Vote" Requirement: Why You Should Redistrict.** The "one person-one vote" requirement of the United States Constitution requires that members of an elected body be chosen from districts of substantially equal population and applies to city councils. Exact equality of population is not required, but a "total maximum deviation" of no more than ten percent in total population between the most populated and the least populated city councilmember wards based on the most recent census should be achieved. This maximum deviation of ten percent constitutes a rebuttable presumption of compliance with the one person-one vote requirement. If the City's councilmember wards do not fall within the ten percent maximum deviation, the City is at substantial risk of being sued for violation of one person-one vote standards, and it would have little if any defense to the suit. The population and demographics of all of the current city councilmember districts are presented here and in Attachment A.

Initial Assessment – Benchmark
Summary 2010 Census Total

Wards	Persons	Deviation	Hispanic % of Total Population	Non-Hispanic Anglo % of Total Population	Non-Hispanic Black % of Total Population	Non-Hispanic Asian % of Total Population	Non-Hispanic Other % of Total Population
1	2,469	5.56%	19.20%	75.98%	1.22%	2.11%	1.50%
2	2,829	20.95%	34.18%	60.73%	2.12%	0.92%	2.09%
3	1,463	-37.45%	8.54%	87.83%	0.62%	1.30%	1.71%
4	2,596	10.99%	12.94%	81.12%	0.58%	4.24%	1.19%
Totals	**9,357**		**20.33%**	**74.65%**	**1.22%**	**2.21%**	**1.62%**

Ideal Size = 9,357 divided by *4* = 2,339 per ward.

Total Maximum Deviation = 20.95% - (-37.45%) = 58.4%

Some percentages may be subject to rounding error.

The table above shows that the total population of the City on April 1, 2010, was 9,357 persons. This represents an increase in population from 7,385 persons on April 1, 2000, or approximately

26.70 percent. The ideal City councilmember ward should now contain 2,339 persons (total population / 4 districts).

Councilmember Ward 2 has the largest population, which is approximately 20.95 percent above the size of the ideal ward. Ward 3 has the smallest population, which is approximately 37.45 percent below the size of the ideal ward. The total maximum deviation between the four existing City councilmember wards for the City, therefore, is 58.4 percent. This total maximum deviation exceeds the standard of ten percent that generally has been recognized by the courts as the maximum permissible deviation. Accordingly, the City should redistrict to bring its City councilmember wards within the ten percent range permitted by law.

Initial Assessment – Benchmark
Summary 2010 Census Voting Age Population

Total VAP*	Wards	Hispanic % of Total VAP	Non-Hispanic Anglo % of Total VAP	Non-Hispanic Black % of Total VAP	Non-Hispanic Asian % of Total VAP	Non-Hispanic Other % of Total VAP
2,089	1	16.28%	79.27%	1.20%	1.82%	1.44%
2,207	2	29.81%	65.16%	1.99%	0.95%	1.99%
1,298	3	6.63%	90.06%	0.54%	1.31%	1.54%
2,116	4	10.16%	84.36%	0.52%	3.88%	1.09%
7,710		16.85%	78.44%	1.13%	2.05%	1.52%

`Voting Age Population
Some percentages may be subject to rounding error.

- **Preclearance under Section 5 of the Voting Rights Act: The City's retrogression benchmark plan.** The Voting Rights Act of 1965 has applied to Texas since November 1, 1972. It requires that all political subdivisions within the state, including Texas cities, submit any proposed voting changes to the Department of Justice ("DOJ") for preclearance prior to implementation in any election. DOJ examines any submitted changes to ensure that the change does not have a "retrogressive" effect on protected minority voters in the political subdivision. Redistricting of city councilmember wards is a voting change requiring preclearance from DOJ.

  In determining if a new plan is retrogressive under Section 5 of the Voting Rights Act, DOJ will compare the newly adopted plan to the current plan considered in the context of the 2010 Census data. DOJ will review any changes made to the current plan by comparing minority voting strength under the proposed new plan as a whole to that under the benchmark current plan considered as a whole.

- **Section 2 of the Voting Rights Act: Avoiding discrimination claims.** The data in the Population Tables as well as the data in the maps, which show the geographic distribution of the

primary minority groups in the City, will be important in assessing the potential for Voting Rights Act Section 2 liability.

In redistricting the City councilmember wards, the City will need to be aware of the legal standards that apply. These principles will be reviewed in detail with the City Council at the presentation on the Initial Assessment. The method outlined for the redistricting process and the policies and procedures are recommended for Council adoption to ensure that the City adheres to these important legal principles and that the rights of protected minority voters in the political subdivision are accorded due weight and consideration.

- ***Shaw v Reno:* Additional equal protection considerations.** In the past, local government redistricting had to satisfy both the Section 5 non-retrogression standard and the Section 2 non-discrimination standard, but, until the 2000 round of redistricting, the *Shaw v. Reno* standard had not come into play. In order to comply with Sections 2 and 5, the City must consider race when drawing wards. *Shaw,* however, limits how and when race can be a factor in the districting decisions. Thus, the City must walk a legal tightrope, where the competing legal standards must all be met. The *Shaw v. Reno* standard requires that there be a showing that (1) the race-based factors were used in furtherance of a "compelling state interest" and (2) their application was "narrowly tailored", that is, they must be used only to the minimum extent necessary to accomplish the compelling state interest. The City will be guided through proper application of this principle.

- **Redistricting criteria and guidelines.** At the initial assessment presentation certain guidelines will be recommended that the City may wish to adopt to ensure fair and adequate public participation in the redistricting process. In addition, certain criteria and guidelines will be recommended that the City may adopt that will require all redistricting plans submitted by citizens to follow. These criteria generally track the legal principles that the courts and DOJ have found to be appropriate elements in sound redistricting plans. Once redistricting guidelines and criteria are adopted and the City Council gives instructions about how it would like plans to be developed considering the Initial Assessment and the applicable legal standards, then development of plans for the City's redistricting will be completed.

For the 2010 Census, the Census Bureau recognized 126 combinations of racial and ethnic categories and collected and reported data based on all of them. Many of these categories include very few persons, however, and will not therefore have a significant impact on the redistricting process. The charts that accompanied this report included only eight racial and ethnic categories that were consolidated from the larger set. All of the population of the City is represented in these charts. These eight categories are the ones most likely to be important in the redistricting process.

The 2010 Census listed six racial categories. Individuals were able to choose a single race or any combination of races that might apply. Thus, there are potentially 63 different racial combinations that might occur. Additionally, the Census asks persons to designate whether they are or are not Hispanic. When the Hispanic status response is overlaid on the different possible racial responses, there are 126 possible different combinations. The Census tabulates each one separately.

Also being considered will be data called "voting age population" (or "VAP") statistics. It is similarly classified in eight racial and ethnic categories. This information is provided for the limited purpose of addressing some of the specific legal inquiries under the Voting Rights Act. Voting age population is the Census Bureau's count of persons who identified themselves as being eighteen years of age or older at the time the census was taken (i. e., as of April 1, 2010).

In addition to this population and demographic data, the City Council will have access to other information that may bear on the redistricting process, such as county road miles, facility locations, registered voter information, incumbent residence addresses, etc.

Adoption of appropriate redistricting criteria — and adherence to them during the redistricting process — is potentially critical to the ultimate defensibility of an adopted redistricting plan. Traditional redistricting criteria that the City Council might wish to consider adopting include, for example:

- Making use of identifiable boundaries;
- using whole voting precinct, where possible and feasible; or where not feasible, being sure that the plan lends itself to creation of reasonable and efficient voting precincts;
- maintaining communities of interest (e.g., traditional neighborhoods);
- basing the new plan on existing councilmember wards;
- adopting councilmember wards of approximately equal size;
- drawing councilmember wards that are compact and contiguous;
- keeping existing councilmembers in their wards; and
- narrow-tailoring to comply with the Voting Rights Act.

There may be other criteria appropriate for the City's situation, but all criteria adopted should be carefully considered and then be followed to the greatest degree possible. A copy of a sample criteria adoption resolution was provided for Council consideration.

Council should also consider imposing the following requirements on any plans proposed by the public: (1) any plan submitted for consideration must be a complete plan, that is, it must be a plan that includes configurations for all districts and not just a selected one or several. This is important because, although it may be possible to draw a particular district in a particular way if it is considered only by itself, that configuration may have unacceptable consequences on other districts and make it difficult or impossible for an overall plan to comply with the applicable legal standards, and; (2) any plan submitted for consideration must follow the adopted redistricting criteria. Short question and answer period followed. **COUNCIL DIRECTIVE:** None at this time, council seeking direction on how to proceed with redistricting process.

B. **Discussion with redistricting legal counsel of possible approaches to developing new districting plans and proposed timeline.**

PRESENTATION: Attorney Cindy Crosby, Bickerstaff Heath Delgado Acosta LLP: Since the City of Rockport will be conducting an election in May, 2012 it will be necessary to proceed with redistricting process and schedule completion of this process in September. The Department of Justice requires 120 days for consideration and subsequent approval of the final proposed redistricting plan. Short question and answer period followed. **COUNCIL DIRECTIVE:** Legal

counsel will meet with council members individually to receive input and suggestions for addition or deletion of census blocks to their respective wards.

III. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek advice from legal counsel regarding the City's redistricting obligations.**

Mayor Wax closed the Open Session at 2:16 p.m. to convene the City Council into Closed Executive Session to consult with City Attorney Bill Walston and Bickerstaff Heath Delgado Acosta LLP Attorney Cindy Crosby.

IV. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

Mayor Wax reconvened the City Council into Open Session at 2:41 p.m. No action taken.

V. ITEMS FOR CONSIDERATION

C. Presentation and general discussion of FY 2011-12 Budget, proposed Tax Rate

PRESENTATION: City Manager Thomas J. Blazek, Finance Director Jacky Cockerham, City Secretary Irma Parker, Public Works Director Billy Dick, Police Chief Tim Jayroe, Director of Building & Development Mike Henry and Parks & Leisure Services Director Tom Staley: The final proposed FY 2011-2012 Budget was discussed. Significant changes are as follows:

1. Community Aquatic and Skate Park – Discussions are on-going with Aransas County and Town of Fulton for increase in funding from each entity to allow the facility to expand days of operation.
2. Gas Utility – Concern was expressed as to why the utility has not performed as predicted by consultant to show a 3% growth. Staff advised that after purchase of this utility, construction of new homes has declined due to the current economic conditions. The City had seen a steady increase of development and housing prior to the downturn in housing starts.
3. Employee Benefits – Insurance benefits increased 15% for FY 2010-2011. Council wants the employees to participate in this increase by paying half the increase by monthly contributions. Amendment to the personnel policy will be required to comply with this change.
4. Employee Merit Pool – A 3% merit pool was included for all employees except department directors, who are not included in the merit pool.
5. Rockport Beach Park – An Attorney General Opinion has been requested to clarify whether a navigation district can operate a park by the Aransas County Commissioners Court. The Aransas County Navigation District has indicated that if the City wishes to continue to operate the Park, the current contract must be amended to require the City either to establish a maintenance fund

for infrastructure maintenance and repairs for the Park or the City must pay the District so they can establish a fund. Maintenance of infrastructure has been the responsibility of the District in the current agreement; however, District has indicated that no funds have been set aside to accomplish this. The District has indicated that a minimum payment of $200,000 per year will be required as payment from the City. In addition, District is proposing a change of responsibility of various aspects of the Park.

6. Tax Rate – the effective tax rate is proposed.
7. Hotel Occupancy Tax Funds – A decrease in reserves in this account requires that a 5% deduction in award for Chamber, Museum, Art Center and Fulton Mansion. Funds from Fund Balance have been used in previous years.

A public hearing on the tax rate and budget will be conducted at the August 23, 2011 City Council meeting, with adoption scheduled in September. Short question and answer period followed. **COUNCIL DIRECTIVE:** Finalize budget and present at a future meeting for adoption.

VI. ADJOURNMENT

Upon a motion duly made and seconded, the Workshop Meeting was adjourned at 4:04 p.m.

CITY OF ROCKPORT, TEXAS

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Charles J. Wax, Mayor

ATTEST:

_____

Irma G. Parker, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL SPECIAL MEETING
6:30 p.m., Tuesday, August 16, 2011
Rockport City Hall, 622 East Market Street

On this the 16th day of August 2011 the City Council of the City of Rockport, Aransas County, Texas convened in Special 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 Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
N/A

STAFF MEMBERS PRESENT
City Attorney Bill Walston
City Secretary Irma G. Parker
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Building/Development Director Mike Henry

STAFF MEMBER(S) ABSENT
City Manager Thomas J. Blazek

EMPLOYEES PRESENT
IT Manager Brian Jacobs
Utility Customer Service Clerk Patty Howard

ELECTED OFFICIALS: N/A

OTHERS
Vicki Pitluk, Marketing/PR Consultant

TOTAL VISITORS IN AUDIENCE: 3

BOARD/COMMISSION MEMBER(S): N/A

I. **CALL TO ORDER** - With a quorum of the Council Members present, the Special Meeting of the Rockport City Council was called to order by Mayor Wax at 6:30 p.m. on Tuesday, August 16, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **PLEDGE OF ALLEGIANCE** - Mayor Pro-Tem Fisher led the City Council and audience in the Pledge of Allegiance to the Flag.

III. **TEXAS HOUSE OF REPRESENTATIVES RESOLUTION** – Mayor Wax read into the

record, HR No. 136, adopted by the House of Representatives on February 17, 2011 in recognition of Aransas County Day at the State Capital.

IV. **RECOGNITION – Rockport Utility Employees:** Mayor Wax read a letter from residents Tim & Pat Chaney, 304 Cherry Hills, complimenting Public Works Employees Darrell Haynes, Marvin Clark, and Jake Cross for their prompt and professional attention to restoring water services to the Chaneys.

V. **CITIZENS TO BE HEARD** - "A*t 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. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda."*

No Citizens requested to address the City Council on a subject matter that is not on the Agenda.

VI. **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".*

A. **Deliberate and take action to approve the Monday, July 18, 2011 City Council Budget Workshop Meeting Minutes.**

B. **Deliberate and take action to approve the Tuesday, July 19, 2011 City Council Budget Workshop Meeting Minutes.**

C. **Deliberate and take action to approve the Tuesday, July 26, 2011 City Council Workshop Meeting Minutes.**

D. **Deliberate and take action to approve the Tuesday, July 26, 2011 City Council Regular Meeting Minutes.**

E. **Deliberate and take action to approve the Wednesday, August 3, 2011 City Council Budget Workshop Meeting Minutes.**

Mayor Wax called for any request(s) to remove any item from *ARTICLE VI. "CONSENT AGENDA"* Section "A" through "E" for separate discussion. There being no requests Mayor Wax called for a motion.

MOTION: Council Member Marlatt moved to approve *ARTICLE VI. "CONSENT AGENDA"* Section "A" through "E" as presented. Council Member Lippke seconded the motion. Motion carried unanimously.

VII. **ITEMS FOR CONSIDERATION**

A. **Presentation and general discussion of proposed Fiscal Year 2011-2012 Budget and Budget Message pursuant to Section 7.02 of the City of Rockport Home Rule Charter.**

City Manager Blazek reported that Section 7.03 (2) states: *"The City council shall make available in the City offices a general summary of the proposed budget and a notice stating: (a) the times and places where copies of the message and budget are available for inspection by the public; and (b) the time and place, applicable to current laws, for a public hearing on the budget."* The proposed Budget and Budget Message for the 2011-2012 Fiscal Year was presented. City Council gives notice that copies of a general summary of the proposed budget will be available for public inspection in the office of the city secretary on August 12, 2011 and the public hearing on the budget will be held on Tuesday, August 23, 2011. The Budget Message from City Manager Blazek is included below.

August 16, 2011

To the Honorable Mayor and City Council Members:

The proposed Annual Operating Budget and capital Improvements Plan for Fiscal Years 2011-2012 (October 1, 2011 through September 30, 2012) is submitted in accordance with the Rockport Home Rule Chapter, Article VII and the Texas Local Government Code, Chapter 102.

Rockport residents share a basic belief that the high quality of life currently found in this community should not only be maintained, but also enhanced. The City plays an important role in defining quality of life by developing and maintaining standards that contribute to a pleasant, attractive, dynamic and healthy community.

The budget is the single most important document presented to you during the year and provides a comprehensive picture of the proposed operations for this budget year expressed in written and financial terms. The expenditure levels that you approve act as control on the overall expenditures for City programs, services and projects. Under your general direction, the City staff will assume responsibility to use and direct these funds to provide services and programs in an efficient and effective manner.

Policy Director and Significant Changes

- Environmentally-sensitive management of storm water has become a county-wide priority.
  - The voters of Aransas County approved dividing the existing Road and Bridge Tax to address storm water issues. Aransas County has established a Storm Water Management Advisory Committee (SWMAC) consisting of seven members which reports to Commissioners Court, one of whom is appointed by the Mayor. The County has hired an engineering firm to create a Regional Storm Water Master Plan under the guidance of the SWMAC. The purpose of this plan is to safeguard people, protect property and prevent damage to the environment.
  - Aransas County has received a grant from the Texas Department of Environmental Quality (TCEQ) under the Clean Water Act for the Tule Creek Water Quality Improvement Project. This project will construct a storm water control improvement system on the Tule Creek watershed providing water quality and habitat benefits as well as storm water control. In addition, Aransas County will educate citizens on the importance of protecting water quality from non-point source runoff.
  - The City of Rockport purchased 34.463 acres of undeveloped open space to retain in its

natural state, to create improvements in the Tule Creek storm water system and to complete another segment of the City's Hike and Bike Trail System which will go out for bid in August 2011. A portion of this property is the site of the proposed Tule Creek Water Quality Improvement Project mentioned above.

- The City of Rockport purchased 30 acres of undeveloped open space to the west of the Memorial Park to retain in its natural state. A Memorial Park Master Plan will be prepared this year to determine what is the right mix of uses for these properties, e.g., walking, bird and duck habitats and other activities.
- The Aransas County Navigation District conducted a study to determine if an underground pipe connecting Aransas Bay with the southern end of Little Bay will improve circulation and therefore water quality. Funding is being sought. The water quality of Little Bay (a cut-off portion of Aransas Bay with only two channels to circulate water) is of great concern. Both channels are in the north end of the Bay in populated areas; one of the channels is repeatedly restricted or closed by shoaling. Without a circulation pattern, the water in Little Bay, an estuary, is degraded. In addition, the Tule Creek watershed receives storm water runoff from Aransas County, the Town of Fulton, the City of Rockport and the Texas Department of Transportation. This solution has yet to be funded.
- The City of Rockport has established a Storm Water Pollution Prevention Plan (SWP^3) for storm water discharges from construction activities. Although not yet required by the U.S. Environmental Protection Agency, the City wishes to reduce pollutants in any storm water runoff from construction activities that result on land disturbance of less that one acre of land to safeguard people, property and prevent damage to the environment of the City of Rockport.
- The City is a part of the Aransas Pathways Project to conserve, develop and showcase the ecological, recreational, historic and aesthetic resources of Aransas County.
- The City cooperates with various environmental groups, some of which are: the Rockport-Fulton Area Chamber of Commerce Environmental Committee; Aransas First; and Preserving Aransas County Environment (P.A.C.E.) under the direction of the Aransas County Agrilife Extension Service.

❖ Downtown Rockport. The City Council designated a "Heritage District" in the downtown area and commissioned a Master Plan for Downtown Rockport. This project mapped the existing Downtown area, created a conceptual development scenario, prepared concept level statements of probable costs, developed an implementation strategy and developed the final Downtown Master Plan which was accepted by the City Council. The Downtown Master Plan also included the "Harborfront Development."

- The Rockport Heritage District, a citizens' organization, has formed a Design Guidelines Committee to gather opinions and form a consensus with regard to the Design Guidelines and Standards for the Heritage District. The City is finalizing a zoning overlay and an architectural control ordinance for the downtown area to provide for guidance and control of streetscapes and to ensure new or refurbished buildings complement the existing downtown heritage district.
- As a companion to the Downtown Master Plan mentioned above, the City Council commissioned an assessment of economic activities and market demand in the region as it relates to downtown Rockport. The assessment provided data on the impact of various development alternatives and the relationship of future development with other areas of the City, most notably the downtown Heritage District. This study will form the basis for strategies to guide public and private investments in the downtown district.

- Downtown Revitalization Program. The Texas Department of Agriculture administers the Texas Capital Fund — Downtown Revitalization grant program. Grants are awarded to rural Texas cities that are not members of the Texas Mainstreet Program to make public improvements within their designated downtown commercial district. The City received a grant of $141,000. The project began implementation of the Downtown Master Plan with the conversion of Austin Street/Broadway (our downtown area within the Heritage District) from a four lane boulevard to a two lane street with diagonal parking in the former traffic lanes. Added were "bulbouts," curb extensions that define the diagonal parking, which provided greater pedestrian and handicapped street crossing safety. The grant only funded three of the eight blocks of Austin Street/ Broadway. Concern over safety for vehicles traveling a four lane boulevard narrowing to a two lane street in the last three blocks of Austin Street led the City Council to devote funds allocated in other street projects, but not spent due to low bids, to complete the Revitalization Program in the remaining five blocks. With the street narrowing, improved pedestrian safety and increased parking, the City has funded staining of the bulbouts, additional shade structures, benches, planters and public art.

❖ Erosion Control

- The City of Rockport took the lead of all governmental entities concerned about erosion along Aransas Bay (the City, Aransas County, Aransas County Navigation District and the Town of Fulton). This led to the creation of the Live Oak Peninsula Shoreline Stabilization Strategic Plan. This project will significantly enhance public access to Aransas Bay shoreline by increasing the safety of pedestrian access and capability for recreational use. The existing broken rubble with exposed rebar placed along most of this shoreline endangers pedestrian access and discourages recreational use of this natural resource.
- The proposed alternates for stabilization of the shoreline will include "Living Shorelines," which utilize a management practice that addresses erosion by providing for long-term protection, restoration or enhancement of vegetated shoreline habitats. The proposed stabilization structures will protect the roads and public and private infrastructure at risk from storm damage. The structures will reduce undermining of the road by properly implementing the protection and overtopping by assuring adequate crest height elevation. The structures will incorporate drainage components throughout to ensure that overtopping and surface water runoff is properly discarded so that no ponding occurs or increased erosion due to surface water sheet flow.
- With the Live Oak Peninsula Shoreline Stabilization Strategic Plan in hand, it was used to apply for the Coastal Impact Assistance Program (CIAP). The total cost of the entire project, in 2006 dollars, is approximately $35 million spread over the four years. This program, a part of the Energy Policy Act of 2005, contains several provisions of particular importance to coastal resource management. Texas is expected to receive approximately $60 million each year from 2007 through 2010. Sixty-five percent (approximately $39 million) will be awarded to the state and 35% will be awarded to the 18 coastal counties. Aransas County's share is estimated to be $904,000 in both federal fiscal years 2007 and 2008. The four governmental entities jointly requested $12.8 million of state CIAP funds in 2007, but were not selected for funding. The City, on behalf of the four governmental entities, has applied for $2,300,000 from the 2008 state CIAP portion.
- Aransas County has received CIAP 2007 funds and allocated $306,676 for the Live Oak Peninsula Shoreline Enhancement Project to evaluate three project sites: Broadway along

Little Bay, South Fulton Beach Road and North Fulton Beach Road, along approximately 8,000 feet of shoreline, through engineering analysis, data collections, surveys and environmental assessments to prepare project designs and obtain permits.

- Annexation. At both the City Council Strategic Planning Retreat in January and the City Council Budget Retreat in May, annexation was discussed. The City Council reviewed the three annexation areas which were brought into the City and has put a hold on future annexations. This brings the City Limits closer to a development which has requested voluntarily annexation and should regularize the extraterritorial jurisdiction between the cities of Rockport and Aransas Pass.

- Harborfront Development. Rockport Harborfront, LP owns 12 acres of waterfront property and leases five acres of waterfront property owned by the Aransas County Navigation District. The City of Rockport is interested in ensuring this 17 acre tract is developed in a manner consistent with the Downtown Master Plan. The City wants to see this property flow together with downtown, with pathways joining the two so there isn't a separation. The City has continually stated that public access to the water is vital. One means of providing this public access could be a promenade or "boardwalk" along the water which would connect to the City of Rockport Hike and Bike Trail system. The Aransas County Navigation is in active negotiation with Rockport Harborfront, LP to accomplish this goal.

GENERAL FUND

General Fund operating revenues are projected to be $5,282,256; fund balance of $4,543,000 plus revenue transfers of $1,236,042 provide $11,061,298 for General Fund operations and maintenance. Expenditures for the operation and maintenance of general government services are proposed to be $7,040,576 with $4,020,722 remaining in unreserved fund balance, a decrease of $522,278 from the unreserved fund balance.

Ad Valorem Tax Rate

The combined General Fund and Debt Service *Ad Valorem* tax rate is proposed to be $0.308890 per $100 of assessed valuation which is the Effective Tax Rate — the tax rate that collects the same amount of revenue as the current fiscal year. This is the third consecutive year that the City has adopted the Effective Tax Rate.

Ad Valorem Tax Revenue

In anticipation of a 98% collection rate, the proposed Ad *Valorem* (property) tax revenue is $4,040,271 allocated as follows: $2,009,403 to General Fund operations and maintenance and $1,969,215 to the Interest and Sinking Debt Service Fund.

Sales Tax Revenue

Sales Tax revenue this fiscal year has been below revenue forecasts in this budget. The current budget forecast was $1,791,300, but estimates for the end of the fiscal year are only $1,706,000. Therefore, the projected sales tax revenue is $1,786,400 which takes into account recent increases in sales tax collections.

Fines and Forfeitures

The purpose of Municipal Court is justice, not revenue. But once a case has been adjudicated, it is incumbent upon the City to collect the fines and fees assessed as they not only benefit the City's treasury, but currently $82

from each conviction is sent to the State as "court costs." The full time collections officer plus the State Failure-to-Appear program (denying driver license renewals to those who fail to make a court appearance) have made a significant impact on previously uncollected fines. It is for these reasons that Fines and Forfeitures are estimated to increase 1.8% in the next fiscal year to $341,500.

❖ **UTILITY FUND AND NATURAL GAS FUND**

- The Utility Fund is an "Enterprise Fund" which means it must be self-supporting with revenues from utility rates meeting the anticipated expenses. The Utility Fund provides for the water storage and distribution system and for the wastewater collection and treatment system. Utility revenues are projected to be $8,424,329 and fund balance of $3,500,000 provides $11,924,329 for Utility operations and maintenance. Expenditures for the operation and maintenance of the water storage and distribution system and the wastewater collection and treatment system are proposed to be $9,161,219. This leaves $2,763,110 remaining in unreserved fund balance, a decrease of $736,890 over current fund balance.
- The Natural Gas Fund provides for the natural gas distribution system. Natural gas revenues are projected to be $2,054,451 and fund balance of $262,018 provides $2,316,469 for natural gas operations and maintenance. Expenditures for the operation and maintenance of the natural gas system are proposed to be $2,203,010. This leaves $113,459 remaining in unreserved fund balance, a decrease of $148,559 over current fund balance.
- The annual Rate Study Update for Fiscal Year 2011-2012 was performed by McLain Decision Support Systems, Government Utility Rate Group, of Lewisville, Texas on June 7, 2011. The results of this Update were:
  - The water revenues for FY 2009-2010 turned out to be $4,986,473, as compared to the projected $6,018,220 estimated last summer. Water revenues collected from rates are projected to be $5,611,955 in FY 2010-2011, as compared to $6,320,502 projected for FY 2010-2011 last summer. Water revenues did not materialize as forecasted last summer, due to the extremely wet year in FY 2009-2010. Water revenues collected from rates are projected to $5,720,146 in FY 2011-2012. No rate increase is planned for water rates in FY 2011-2012 since the City has sufficient reserves to draw down next year. However, a water rate increase will be needed effective October 1, 2012.
  - The wastewater revenues for FY 2009-2010 turned out to be $1,761882, as compared to the projected $1,903,609 estimated last summer. Wastewater revenues collected from rates are projected to be $1,918,536 in FY 2010-2011, as compared to the $1,983,440 projected for FY 2010-2011. No rate increase is planned for wastewater rates in FY 2011-2012, since the City has sufficient reserves to draw down next year. However, a wastewater rate increase will be needed on October 1, 2012.
    - The Fulton Billing Charge needs to change from $3.53 to $3.48 per monthly bill.
    - The Fulton volume charge for wastewater treatment needs to change from $2.23 per thousand gallons to $2.28 per thousand gallons.
  - Projected natural gas revenues for FY 2010-2011 are $1,925,024 (of which $897,600 is pass-through charges). A rate change is not required. Natural gas revenues collected from rates are projected to be $2,000,951 in FY 2011-2012, (of which $956,000 is pass-through charges) with the proposed rate design.

COMMUNITY AQUATIC PARK FUND

The Community Aquatic Park is an Enterprise Fund funded with revenue from admissions, passes, rentals, instructional classes and concessions. The base of this revenue is annual subsidies from three governmental

entities: $35,000 from the City of Rockport and from Aransas County and $5,000 from the Town of Fulton.

The result of this year's Texas Legislature cut to education meant the Aransas County Independent School District could no longer afford to maintain a swimming team with the resulting loss of revenues when the District rented the Multi-Purpose Pool. There have been some discussions with the other governmental entities about increasing their subsidies to prevent this year around aquatic center from becoming a summer-only facility.

The City of Rockport acts as the managing partner of this Countywide, governmental joint venture. The Community Aquatic Park is managed by the City of Rockport Director of Parks and Leisure Services. The operation of the Community Aquatic Park is conducted in such a manner so that the expenditures will be limited to revenues generated plus the subsidies from the participating governmental entities. The Community Aquatic Park budget is in the City of Rockport budget merely as an accommodation to this governmental joint venture.

ROCKPORT BEACH PARK FUND

As an Enterprise Fund, revenues must equal expenditures. In years past, in consultation with the City's Independent Auditor, any deficit was "adjusted" to reflect the costs borne by the General Fund so as not to create a receivable amount that will never be paid. This proposed budget includes proposed capital improvements in the General Fund Parks and Leisure Services Department with an interfund transfer to Rockport Beach Park revenue.

Rather than go through this exercise every year, the City Council has chosen to fund the anticipated deficit "up front." In actuality, the Rockport Beach Park simply cannot operate as a true Enterprise Fund as required by the twenty-five year Intergovernmental Agreement for Establishment, Operation and Maintenance of the Rockport Beach Park with the property owner, the Aransas County Navigation District. This Intergovernmental Agreement, which expires on April 30, 2012, is currently being negotiated between the Aransas County Navigation District (property owner) and the City of Rockport to continue operating and maintaining (or not) the Rockport Beach Park. The City's continued operation and maintenance of the Beach Park is uncertain at this time.

HOTEL OCCUPANCY TAX FUND

This Fund, commonly called the "Hotel/Motel" Tax Fund, is collected from a person who, pays for a hotel room (the term "hotel" includes motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house or bed and breakfast). This special type of tax is limited by the State and must be used to promote tourism and fund direct promotions; preservation of historical facilities such as the Fulton Mansion and the Texas Maritime Museum; promotion of the arts through agencies such as the Rockport Center for the Arts (limited by State Law to 15% of revenue) and to operate and maintain our convention facility (limited by State Law to ten percent of revenue). It may also be used to advertise community festivals and events throughout the year.

The Hotel Occupancy Tax revenues are projected to be $511,000, and fund balance of $25,424 provides $536,424. Allocations to eligible entities in the amounts they requested are $508,425. This leaves $27,999 in fund balance, an increase of $2,575. Therefore, for the third year in a row, allocations are the same as in fiscal year 2008-2009.

SIGNIFICANT INCREASE IN EXPENDITURES

❖ **Cost of Repaying New Debt**

Due to the current exceptional drought conditions, water usage greatly increased in June and July of 2011. In June, there were 13 days where water usage was over 4,000,000 gallons and on July 6, water usage exceeded 5,000,000 gallons for the first time ever. A similar situation occurred in July 2005 which led to the 2005 Certificate of Obligation for the construction of a 2,000,000 gallon capacity ground storage tank and an additional 24" water transmission line.

The City Water Utility has grown to the point that state rules will require an additional elevated water tower at an approximate cost of $1,795,000. The new elevated water tower will be placed on nine acres of property the City currently owns.

With the purchase of a natural gas company and the absorption of those personnel, the current Public Works Service Center can no longer provide space for personnel. In the interim, the street department has been moved into an equipment garage. This condition leads to the construction of a hardened building adjacent to the elevated water tower for not only employees of public works and utilities, but would have space for the building and development department. The hardened building would provide office and meeting space during normal operation and provide a place for employees from which to operate after a disaster such as a hurricane. Bringing the building and development department into this building to eliminate a monthly lease costs also provides a "one-stop" location for developers and others seeking permits, utility taps and associated street work. The estimated cost of this facility is $3,170,000.

CAPITAL IMPROVEMENT PROJECTS
General Fund

❖ Community Center

- The 2004 Parks, Recreation and Open Space Master Plan reflected that the "results for the park facilities needs assessment express an overwhelming need for a recreation/ community center in the City of Rockport." $2,000,000 has been budgeted in the 2007 Capital Improvements Funding for this purpose. A "focus group" was created by the Parks and Leisure Services Advisory Board to determine the design and use of the Community Center, dubbed "The Gathering Place." It is to be located adjacent to the Community Aquatic and Skateboard Park which is across the street from the High School and Middle School complex. The preliminary design of the Community Center was used to apply to the Texas Parks and Wildlife Department (TP&WD) for a $750,000 indoor recreation grant. The plan was to use the $2,000,000 for facility construction and the $750,000 matching grant for equipping the Community Center.

- After two unsuccessful applications to the TP&WD, the City Council decided to take the current design and put it out for bid to determine the actual cost of construction which is estimated to be $2,400,000 for this 17,897 square foot facility.

❖ Bay Education Center. On May 6, 2006, the National Oceanic and Atmospheric Administration (NOAA) officially designed the Mission-Aransas National Estuarine Research Reserve (NERR) encompassing Mission, Aransas, Copano, Mesquite, Ayers and St. Charles bays which is the third largest NERR in the nation. The purpose is to promote the sustainable use of our nation's coasts and oceans through scientific research, education and coastal stewardship. Federal funds were allocated for, among other things, a headquarters building at the University of Texas at Austin Marine Sciences Institute at Port Aransas and an educational outreach facility in Rockport.

- The City of Rockport is responsible for the total operation and maintenance costs for the Center (hence the co-location of City offices), monthly lease payments to the Aransas County Navigation District for the City portion of the Center ground lease and to manage any public use rentals.

- The Bay Education Center was constructed by the City of Rockport with federal funds through the University of Texas Marine Science Institute and the Aransas-Mission National Estuarine Research Reserve and City funds for a Parks and Leisure Services Department expansion which will now be included in the Center. The Center will be built on land owned by the Aransas County Navigation District which will also own the Center.

❖ Tule Hike and Bike Trail. With the acquisition of the 34 acres mentioned above, the long-awaited Tule Creek Hike and Bike Trail from the trailhead parking lot (on 1.95 acres donated by Wal-Mart which is off the access road to the Wal-Mart Supercenter), along Tule Creek, connecting with the Community Aquatic Center Hike and Bike Trail, continuing south on a recreational easement granted by the developer of Whistler's Cove to Enterprise Boulevard. The total cost of construction is $717,048 of which $573,638 is funded by a matching grant from the Texas Department of Transportation with the City providing $143,170 as its match. The project documents have been approved by the Texas Department of Transportation and the project is out for bid with bid opening scheduled for August 31, 2011.

❖ Other projects include additional funds for the Downtown rehabilitation program of approximately $50,000. Storm sewer rehabilitation estimated at $100,000, and the rehabilitation of Sandpiper Street.

Utility Fund

❖ Three large water utilities projects will be constructed: a new elevated storage tank, $1,795,000 and a new Utility Development Complex, $3,170,000.

❖ A total of $1,230,000 in utility system projects are budgeted: a new SCADA System which monitors and controls water storage and distribution, a Loop Line in Cape Valero subdivision to ensure fresh, chlorinated water to the subdivision without regular purging of the line thereby wasting potable water, $300,000; manhole rehabilitation, $250,000; Gagon Street force main, $150,000 and the continuation of the Valve Maintenance Program, $60,000.

❖ Modification of the Wastewater Treatment Plant. A scientific study *An Assessment of Little Bay Water and Sediment Quality in Relation to Indices of Sea grass Condition* dated July 6, 2010 from Dr. Kenneth Dunton and Christopher Wilson of the Mission-Aransas National Estuarine Research Reserve, University of Texas at Austin Marine Science Institute stated "Stable nitrogen isotopic ratios are often used to identify wastewater sources of dissolved inorganic nitrogen. Although the stable nitrogen isotopic values of Tule Creek algae and sediments were high and suggest some level of enrichment from wastewater derived nitrogen, the lack of a clear wastewater signal in Tule Creek waters likely reflect an input of nitrogen from non-point sources. The stable nitrogen isotopic values of seagrass leaf tissues and algal epiphytes in Little Bay also fail to reflect a significant source of wastewater nitrogen." While this scientific study does not point to the Wastewater Treatment Plant as the source of nitrogen making a detrimental impact on Little Bay, the fact that nitrogen from the Wastewater Treatment Plant "suggest some level of enrichment," the City wishes to be a part of the solution and not a part of the problem. Therefore, the City Council commissioned the city engineer to design a modification to the Wastewater Treatment Plant to reduce nitrogen output. The cost of the modification is approximately $785,000 has been funded in this budget from Wastewater Impact Fees. This project is currently out for bid with bid opening scheduled for August 16, 2011.

CONCLUSION

I appreciate the leadership of the Mayor and City Council Members in this year's budget process. The annual Strategic Planning Retreat held in January and the Budget Planning Retreat held in May provided the policy guidance and discussion that greatly increased the efficiency of the budget workshops in July and August. I

believe this interaction between Council and staff has provided a budget document that will ensure the effective and efficient use of the taxpayers' and utility rate payers' money. The early planning, input and support of the staff in the preparation of this budget were exemplary.

The professional knowledge and hands-on performance of Director of Finance Jacky Cockerham in the preparation of last year's budget was recognized by the Government Finance Officers Association with her receipt of the prestigious Distinguished Budget Presentation Award. The plaque memorializing this achievement is reproduced on the inside front cover of this budget. This is the ninth consecutive year Mrs. Cockerham has earned this award. This will be Mrs. Cockerham's last budget as she has elected to retire effective February 29, 2012.

I wish to express my appreciation to Mrs. Cockerham and to each of the department directors and their staffs who analyzed their departments' needs and crafted a realistic list of expenditures for this budget. I believe this budget, as a financial plan for the City of Rockport, is conservative. It recognizes the basic items a local government must provide to maintain the quality of life for which Rockport is famous.

Respectfully submitted,
/s/ Thomas J. Blazek City Manager

No action taken or required to be taken.

B. **Presentation and general discussion of FY 2011-12 Budget and proposed Tax Rate.**

Finance Director Cockerham reminded the City Council that several budget workshop meetings for adoption of FY 2011-12 Budget and 2011 Tax Rate were conducted. In the process of identifying the City' financial needs, a draft budget and the property taxes necessary to fund that budget must be determined. Council has completed that process in the past few months with a number of Budget Workshops. The tax rate proposed in the draft budget is $0.30889/100. Under the Property Tax Code, proposing and adopting a tax rate that exceeds the effective rate the taxing units' governing body must vote on the increase by a record vote. As the proposed tax rate does not exceed the effective rate, adoption will not require any public hearings or special notices. The effective rate calculated for the City of Rockport is $0.30889/100 and the rollback rate is $0.319834/100. Mayor Wax called for any questions and/or comments. No action taken or required to be taken.

C. **Deliberate and take action on second reading of Ordinance No. 1543, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 70 "Parks and Recreation", Article I. "In General" Amending Section 70-12(c) "Commercial sales prohibited; concessions management", by adding authority for City Staff to enter into specified contracts with concessionaires; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.**

City Secretary Parker presented Ordinance No. 1543 on second and final reading. There have been no changes since first reading. Ordinance No. 1543 allows city staff, particularly the Director of Parks and Leisure Services with City Manager approval to enter into routine contracts for park concessionaires. At the July 12, 2011 City Council Meeting, Staff advised that City Attorney Walston had amendments to this Ordinance. Due to the suggestions by City Attorney Walston, the

City Council recommended that this Ordinance be Tabled and presented at the July 28 Regular Meeting with changes suggested by Mr. Walston. Those changes recommended by City Attorney Walston have been included in the attached ordinance. Staff recommends approval and adoption of Ordinance No. 1543, An Ordinance Amending Chapter 70 "Parks and Recreation". There being no further questions and/or comments, Mayor Wax called for a motion.

MOTION: Council Member Villa moved to adopt Ordinance No. 1543, An Ordinance Amending the Code of Ordinances Chapter 70 "Parks and Recreation", Article I. "In General", Section 70-12(c) on second and final reading. Mayor Pro-Tem Fisher seconded the motion. Motion carried unanimously.

D. **Deliberate and take action on a contract with Teal Construction for a Wood Canopy Addition to the Bay Education Center.**

City Secretary Parker presented the contract for Teal Construction. The contract has been reviewed by the NERR and the City. The NERR cannot contract which is why the City is the awarding agency just like the entire Bay Education Center project. A wooden canopy was an original part of the Bay Education Center, but was eliminated due to overall project cost. The NERR was able to secure the funds to restore this item from NOAA. Cost of the project is $11,748.00 paid for by NOAA. This is a "pass through" from the NERR. There is no City funding in this project. Staff recommends the City Council award a contract for a Wood Canopy Addition to the Bay Education Center to Teal Construction in the amount of $11,748.00. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve contract agreement with Teal Construction for a Wood Canopy Addition to the Bay Education Center. Council Member Marlatt seconded the motion. Motion carried unanimously.

E. **Deliberate and take action on the TML Intergovernmental Employee Benefits Pool Continuation of Coverage Administrative Agreement for the Fiscal Year 2011-2012.**

City Secretary presented the Continuation of Coverage Administrative Agreement with the Texas Municipal League Intergovernmental Employee Benefits Pool for Council review and consideration. "Continuation of Coverage" is a risk pool's version of the Consolidated Omnibus Budget Reconciliation Act (COBRA). COC, like COBRA, provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of health coverage at group rates. This coverage, however, is only available when coverage is lost due to certain specific events. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since usually the employer pays a part of the premium for active employees while COBRA participants generally pay the entire premium themselves. It is ordinarily less expensive, though, than individual health coverage. The City will pay the Risk Pool a one-time $50.00 set up fee and a $0.50 Per Participant Per Month for each participating participant per month that enrolls in Continuation of Coverage. The Risk Pool agrees to take over the remaining Continuation of Coverage administration for any of the City's current Continuation of Coverage participants without compensation. Staff recommends the City Council enter into the Continuation

of Coverage Administrative Agreement with the Texas Municipal League Intergovernmental Employee Benefits Pool from October 1, 2011 through September 30, 2012. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Council Member Lippke moved to approve agreement with TML Intergovernmental Employee Benefits Pool Continuation of Coverage Administrative Agreement for the Fiscal Year 2011-2012. Council Member Villa seconded the motion. Motion carried unanimously.

F. **Deliberate and take action on Resolution No. 2011-10, A Resolution of the City of Rockport Authorizing 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; and Finding and Determining That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law.**

City Secretary Parker presented Resolution No. 2011-10 for Council consideration. The law firm of Linebarger Goggan Blair & Sampson, LLP publishes the delinquent taxpayers' names in the local newspaper each September in an attempt to collect past due taxes. This yearly action results in increased delinquent tax collections for the City. The Firm publishes no less than 2 warning notices 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. 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 was provided for Council review. Each of the governmental entities that receive property tax funds participate in this publication. The City has a 98% collection rate for ad valorem taxes. Staff recommends the City Council approve Resolution No. 2011-10, A Resolution of the City of Rockport Authorizing 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. Mayor Wax noted that the agenda indicated the Resolution No. was 2001-10 and should show 2011-10, the adopting motion will need to indicate the correct Resolution number. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to adopt Resolution No. 2011-10, A Resolution Authorizing 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. Council Member Villa seconded the motion. Motion carried unanimously.

G. **Deliberate and take action on Resolution No. 2011-11, A Resolution of the City Council of the City of Rockport, Texas, Adopting Criteria for use in the City's 2011 Redistricting Process; Providing an Effective Date; and Finding and Determining That**

the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law.

City Secretary Parker reminded the City Council that Cindy Crosby, attorney for Bickerstaff Heath Delgado Acosta LLP, presented information to the City Council to conduct the initial assessment and review of our population numbers at the Workshop meeting held earlier today. Every ten (10) years after the U.S. Census Bureau conducts the census, all governmental entities must review their population numbers and re-align their ward, precinct or district boundaries. Two primary requirements govern all redistricting decisions. First, districts must have equal or nearly equal populations. Secondly, districts must be drawn that neither have the purpose nor will have the effect of denying or abridging the right to vote on the basis of race, color, or language group – one person, one vote. Resolution No. 2011-11 adopts criteria for use in the City's 2011 redistricting process. The City of Rockport, Texas, in its adoption of a redistricting plan for the City's councilmember districts, will adhere to the following criteria:

- Where possible, easily identifiable geographic boundaries should be followed;
- Communities of interest should be maintained in a single district, where possible, and attempts should be made to avoid splitting neighborhoods;
- To the extent possible, districts should be composed of whole voting precincts. Where this is not possible or practicable, districts should be drawn in a way that permits the creation of practical voting precincts and that ensures that adequate facilities for polling places exist in each voting precinct. Splitting census blocks should be avoided where possible;
- Although it is recognized that existing council districts will have to be altered to reflect new population distribution, any districting plan should, to the extent possible, be based on existing districts;
- Districts must be configured so that they are relatively equal in total population according to the 2010 federal Census. In no event should the total deviation between the largest and the smallest district exceed ten percent.
- The districts should be compact and composed of contiguous territory. Compactness may contain a functional, as well as a geographical dimension.
- Consideration may be given to the preservation of incumbent-constituency relations by recognition of the residence of incumbents and their history in representing certain areas.
- The plan should be narrowly tailored to avoid retrogression in the position of racial minorities and language minorities as defined in the Voting Rights Act with respect to their effective exercise of the electoral franchise.
- The plan should not fragment a geographically compact minority community or pack minority voters in the presence of polarized voting so as to create liability under Section 2 of the Voting Rights Act, 42 U.S.C. § 1973c.

The criteria will assist the city council in its efforts to comply with all applicable federal and state laws. The cost of the Initial Assessment is a flat fee of $4,000.00 plus an hourly charge for GIS services. The hourly rate of a GIS Specialists is $130.00 to $150.00 per hour. Funds are available in City Secretary Account 6072045 – Contracted Services. Staff recommends approval. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Council Member Marlatt moved to adopt Resolution No. 2011-11, A Resolution of the

City Council of the City of Rockport, Texas, Adopting Criteria for use in the City's 2011 Redistricting Process. Mayor Pro-Tem Fisher seconded the motion. Motion carried unanimously

H. **Deliberate and take action on Resolution No. 2011-12, A Resolution of the City Council of the City of Rockport, Texas, Establishing Guidelines for Persons Submitting Comments and Specific Redistricting Proposals; Providing an Effective Date; and Finding and Determining That the Meeting at Which This Resolution is Passed is Open to the Public as Required by Law.**

City Secretary Parker reported that citizens would have the opportunity to submit their suggestions for redistricting of the City's four council wards during the redistricting process. Resolution No. 2011-12 sets procedures for citizen redistricting submittal. The following guidelines are proposed:

1. Proposed plans must be submitted in writing and be legible. If a plan is submitted orally, there is significant opportunity for misunderstanding, and it is possible that errors may be made in analyzing it. The City Council wants to be sure that all proposals are fully and accurately considered;
2. Any plan must report the total population and voting age population for Blacks, Hispanics, Asians, and Anglo/other for each proposed City Council district, based on 2010 Census Data. If a plan is submitted without a population breakdown, the City Council may not have sufficient information to give it full consideration;
3. Plans should redistrict the entire City of Rockport. The City Council and Mayor, of course, will be considering the effect of any plan on the entire City. Also, the City Council and Mayor are subject to the Voting Rights Act, which protects various racial and language minorities. Thus, as a matter of federal law, the City Council will be required to consider the effect of any proposal plan on multiple racial and ethnic groups. If a plan does not redistrict the entire City, it may be impossible for the City Council and Mayor to assess its impact on one or more protected minority groups;
4. Plans should conform to the redistricting criteria the City Council and Mayor have adopted and will be using in drawing new council districts;
5. Comments must be submitted in writing and be legible, even if the person also makes the comments orally at a public hearing;
6. Persons providing comments and those submitting proposed plans must identify themselves by full name and home address and provide a phone number and, if available, an e-mail address. The City Council may wish to follow up on such comments or obtain additional information about submitted plans; and
7. All comments and proposed plans must be submitted to the City Council by the close of the public hearing.

Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Council Member Marlatt moved to adopt Resolution No. 2011-12, A Resolution of the City Council of the City of Rockport, Texas, Establishing Guidelines for Persons Submitting Comments and Specific Redistricting Proposals. Mayor Pro-Tem Fisher seconded the motion.

Motion carried unanimously.

I. **Deliberate and take action on Interlocal Agreement between the City of Rockport, Aransas County, Aransas County Independent School District and Town of Fulton to fund and operate a Juvenile Case Manager and office for calendar year 2012 with the annual expense for the City of Rockport to be 30% of the total not to exceed $15,000.00.**

City Secretary Parker advised that a request was made to the City by Aransas County in 2008 to assist with the funding of a Juvenile Case Manager. A juvenile case manager primarily works with at-risk youths and their families. These children have mostly committed misdemeanors such as vandalism, truancy or alcohol consumption. However, more serious and violent offenders also go through a juvenile case manager's case load. The goal of the juvenile case manager is long-term rehabilitation of at-risk youth. A juvenile case manager works to assure the judge and the judicial system that juveniles are working in compliance with their court orders. In Aransas County, the juvenile case manager is an employee of the County.

The City Council adopted Ordinance No. 1507 in July 2010 which created and authorized a $5.00 court fee to be assessed on every individual convicted of a fine-only misdemeanor offense in municipal court. The $5.00 fee is placed in a municipal court juvenile case manager fund trust account to be administered by the city's finance department. The funds may be expended only for the salaries and benefits of juvenile case managers employed by the county whose work primarily relates to city municipal court school attendance cases involving either children or parents. The municipal court judge is authorized to waive the juvenile case manager fund court cost in cases of financial hardship.

Mayor Wax called for any questions or comments. Council Member Villa stated that he opposed the present system which appears to penalize students by placing them in the judicial system for minor infractions. Council Member Lippke questioned why the City was participating in the funding and requested information on establishment of this position and how effective the program is for the school. Council requested a status report of the juvenile case manager program to be presented at a future city council workshop. There being no other questions and/or comments, Mayor Wax called for a motion.

MOTION: Mayor Wax moved to approve Interlocal Agreement between the City of Rockport, Aransas County, Aransas County Independent School District and Town of Fulton to fund and operate a Juvenile Case Manager and office for calendar year 2012 with the annual expense for the City of Rockport to be 30% of the total not to exceed $15,000.00. Council Member Villa seconded the motion. Motion carried unanimously.

J. **Deliberate and take action on Interlocal Agreement between the City of Rockport, Aransas County, and Town of Fulton to fund and operate the Community Aquatic Park for calendar year 2012 with the annual contributions from the City of Rockport and Aransas County of $35,000 and the Town of Fulton contribution of $5,000.**

Mayor Wax proposed to Pass this item since this contract was being discussed by all the contributing

government entities at this time during their budget process. Staff was directed to post this item for discussion at the August 23 City Council meeting.

K. **Deliberate and take action on Interlocal Agreements with Aransas County for calendar 2012 as follows:**
   1. **Septic Systems;**
   2. **Sanitation Services/Restaurants;**
   3. **Roads; and**
   4. **Jail Services.**

City Secretary Parker reported that in an effort to provide services for the citizens of Rockport and Aransas County at lower costs both entities have entered into interlocal agreements for Septic Systems, Animal Control, Health Services, Jail Services, Road Maintenance, Hotel Occupancy Tax, Community Aquatic Park and the Juvenile Case Manager.

- **Septic Systems:** County inspects all private septic systems within the City. There is no fee to the City. The County Environmental Health Department enforces rules, regulations including fees.
- **Sanitation Services/Restaurants**: County provides health related services and charges recipients of the services for said services. There is no fee to the City. The County Environmental Health Department enforces rules, regulations including fees.
- **Roads:** County provides personnel, equipment and materials for the purposes of construction, improvement, maintenance, and/or repair of any street, alley, parking or drainage within the City. All charges for work are based on materials, fuel and labor only. Charges for material will be based on actual cost.
- **Jail Services:** The Aransas County Sheriff agrees to accept and admit those persons arrested by the City for City Class C Offenses or for arrest warrants issued by the City Municipal Court. City pays the County $10,000 per year, payable at $2,500 each quarter.

Department Directors have reviewed each contract document and recommend approval. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve Interlocal Agreements with Aransas County for calendar 2012 for Septic Systems; Sanitation Services/Restaurants; Roads; and Jail Services as presented. Council Member Marlatt seconded the motion. Motion carried unanimously.

L. **Deliberate and take action on Interlocal Agreement between the City of Rockport, Aransas County, and Town of Fulton to fund and operate the Animal Shelter and provide Animal control services by percentage basis with contributions from the City of Rockport of 39% and Aransas County of 51% and the Town of Fulton of 10% for 2012 calendar year.**

City Secretary Parker advised that all the government entities in Aransas County assist with the funding of the Animal Shelter located at 872 Airport Road. The Animal Shelter meets the State Department of Health standards and is under the supervision of the Aransas County Sheriff. Services provided include responding to service calls from residents of the City, provide traps to City

residents for the capture of stray animals and for the removal of dead domestic pets from City roadways and for the proper disposal of the carcasses. Aransas County invoices the City for actual monies spent quarterly based on the percentages: Aransas County 51%, City 39% and Town of Fulton 10%. Payments are made within 45 days from date of invoice. Any adjustment and re-invoicing of the cost of operation will be based upon the annual audit of Aransas County. Annual adjustment of percent paid by each party is based on the number of resident calls received from each jurisdiction.

Mayor Wax reported that he and City Manager Blazek had met with representatives to discuss the interlocal agreements. The percentages as shown in the contract document will be amended to show: Aransas County paying 49%, the City of Rockport paying 34% and Town of Fulton paying 17% of the total cost for services. He requested that those percentages be included in the motion for adoption of this agreement. Mayor Wax called for any questions or comments and then moved for approval of this agenda item.

MOTION: Mayor Wax moved to approve Interlocal Agreement between the City of Rockport, Aransas County, and Town of Fulton to fund and operate the Animal Shelter and provide Animal control services by percentage basis with contributions from the City of Rockport of 34% and Aransas County of 49% and the Town of Fulton of 17% for 2012 calendar year.

M. **Deliberate and take action to approve the Friends of the Fulton Mansion State Historical Park's FY 2010-2011 3rd Quarter Hotel Occupancy Tax Report and authorize disbursement of 4th Quarter Funds in the amount of $2,500.00.**

In Fiscal Year 2010-2011 Budget the City Council awarded the Friends monies from the Hotel Occupancy Tax Fund in the amount of $10,000.00.

CATEGORY	Grant Amount	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Education & History Center	$9,000.00	$58,000.00	$2,500.00	$2,500.00	$0	$63,000.00
Homes Tour & Caroling	$1,000.00	$707.16	$293.00	$0	$0	$1,000.16
TOTAL	$10,000.00					
EXPENSES		$58,707.16	$2,793.00	$2,500.00	$0.00	$64,000.16
LIABILITIES						
CASH ON HAND		$62,313.45	$6,106.29	$5,813.29	$5,813.29	
DISBURSEMENTS						
1st Qtr - 11/10/2010		***$2,500.00***				
2nd Qtr - 3/22/2011			***$2,500.00***			
3rd Qtr - 6/22/2011				***$2,500.00***		
4th Qtr						
TOTAL Disbursements		$2,500.00	$5,000.00	$7,500.00	$7,500.00	

Fund Balance		$62,313.45
Revenue		
1st Qtr - 11/10/2010	$2,500.00	
2nd Qtr - 3/22/2011	$2,500.00	
3rd Qtr - 6/22/2011	$2,500.00	
4th Qtr	$0.00	
Total Revenue	$7,500.00	$7,500.00
Expenditures		
Oct/Nov/Dec	$58,707.16	
Jan/Feb/Mar	$2,793.00	
Apr/May/Jun	$2,500.00	
Jul/Aug/Sept	$0.00	
Total Expenditures		$64,000.16
Fund Balance		$5,813.29

Report is in balance and Staff recommends approval.

MOTION: Council Member Lippke moved to approve the Friends of the Fulton Mansion State Historical Park's FY 2010-2011 3rd Quarter Hotel Occupancy Tax Report and authorize disbursement of 4th Quarter Funds in the amount of $2,500.00. Council Member Villa seconded the motion. Motion carried unanimously.

N. **Deliberate and take action of reimbursement request of Hotel Occupancy Tax Funds in the amount of $1,500.00 from the Rockport Yacht Club for their 11th Annual Nautical Flea Market held April 30, 2011 per contract agreement.**

City Secretary Parker reported that in the Fiscal Year 2010-2011 Budget the City Council awarded the Rockport Yacht Club $1,500.00 from the Hotel Occupancy Tax Fund for advertising of their Annual Nautical Flea Market. The purpose of this organization is to serve the interests of the community and its members, promoting water activities, cultivate community relations and to honor the historic nature of the club. The Nautical Flea Market is an annual fundraiser for the Yacht Club.

	FY 2010-2011	Other
Cable TV Advertising	$1,474.00	Cable ad spots in Kingsville, Goliad, Bay City, Port Lavaca, Victoria
Ad placed in "TellTales" Magazine	$180.00	Seabrook, Texas publication
TOTAL	$3,140.00	

Staff recommends the City Council approve reimbursement request from the Rockport Yacht Club of Hotel Occupancy Tax Funds in the amount of $1,500.00 for their 11th Annual Nautical Flea Market held April 30, 2011 per contract agreement. Mayor Wax requested Staff verify if there was an error in addition on the report submitted. Mayor Wax then called for any questions or comments.

Mayor Pro-Tem Fisher stated that the procedures established by the City Council for eligible expenditures of HOT required that advertising funds must be spent in areas at a minimum of 75 miles away for the City of Rockport. This requirement would ensure that visitors would come to Rockport and stay in our hotels – putting 'heads in beds'.

TABLE: Mayor Wax moved to Lay on the Table consideration of reimbursement of Hotel Occupancy Tax Funds in the amount of $1,500.00 from the Rockport Yacht Club for their 11th Annual Nautical Flea Market held April 30, 2011 per contract agreement. Council Member Marlatt seconded the motion. Motion carried unanimously

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

IX. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek his or her advice on legal matters: 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 – consultation with redistricting legal counsel regarding redistricting standards and development of new City Council member districts redistricting plan(s).**

- **SECTION 551.074(a)(1) PERSONNEL MATTERS - A governmental body may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: employment of a City Manager.**

Mayor Wax closed the Open Session at 7:32 p.m. to convene the City Council into Closed Session under Section 551.071(2) Consultations With Attorney and Section 551.074(A)(1) Personnel Matters.

X. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

Mayor Wax reconvened the City Council into Open Session at 8:00 p.m. Mayor Wax called for a motion on any action from Closed Session. There were no requests; therefore, no action taken.

XI. ADJOURNMENT

Upon a motion duly made and seconded, the Workshop Meeting was adjourned at 8:02 p.m.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Irma G. Parker, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING
6:30 p.m., Tuesday, August 23, 2011
Rockport City Hall, 622 East Market Street

On this the 23rd day of July 2011 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 Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
N/A

STAFF MEMBERS PRESENT
City Manager Thomas J. Blazek
City Attorney Bill Walston
City Secretary Irma G. Parker
Finance Director Jacky Cockerham
Building/Development Director Mike Henry
Police Chief Tim Jayroe
Public Works Director Billy Dick

STAFF MEMBER(S) ABSENT
Parks & Leisure Services Director Tom Staley

EMPLOYEES PRESENT
Utility Customer Serv. Clerk Patty Howard
Water Quality Specialist Art Smith

OTHERS
Vicki Pitluk, Marketing/PR Consultant

ELECTED OFFICIALS: N/A

TOTAL VISITORS IN AUDIENCE: 6

BOARD/COMMISSION MEMBER(S): N/A

I. **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 23, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **PLEDGE OF ALLEGIANCE** - Council Member Villa lead the City Council and audience in the Pledge of Allegiance to our flag.

III. **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. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda."

Lawana Jackson, 493 Augusta, Rockport, Texas addressed the City Council to inform them that the Donation Box at the Bay Education Center was used by the Center to pay for supplies and/or miscellaneous items for operation.

IV. **PUBLIC HEARING:** City of Rockport will hold a Public Hearing pursuant to Article 7 "Municipal Finance" of the Home Rule Charter. The purpose of this Public Hearing is to allow citizens an opportunity to be heard, either for or against any item of the proposed budget. Copies of the City of Rockport's Fiscal Year 2011-2012 Budget and Budget Message were made available for inspection by the public in the Office of the City Secretary, during regular business hours Monday through Friday, beginning Friday, August 8, 2011. The City Council may adopt the budget with or without amendment by ordinance on one (1) reading.

Mayor Wax opened the Public Hearing at 6:33 pm to allow citizens an opportunity to be heard for or against any item of the proposed budget. There were no requests to address City Council; therefore, Mayor Wax closed the Public Hearing at 6:34 pm.

V. **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".*

A. **Deliberate and take action to approve the Tuesday, August 16, 2011 City Council Workshop Meeting Minutes as presented.**

B. **Deliberate and take action on request from Alicia Ross, the Branding Arsenal, to hang the Rockport Film Festival Banner on Hwy. 35-Business at Wal-Mart and on FM 3036 from October 29, 2011 to November 5, 2011.**

Mayor Wax called for any request(s) to remove any item for *ARTICLE V. "CONSENT AGENDA"* Sections "A" and/or "B" for separate discussion. There were no requests. Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve *ARTICLE V. "CONSENT AGENDA"* Sections "A" and "B" as presented. Council Member Villa seconded the motion. Motion carried unanimously.

VI. **ITEMS FOR CONSIDERATION**

A. **Presentation and general discussion of the Rockport-Fulton Chamber of Commerce 'Big Picture' report.**

Rockport-Fulton Chamber of Commerce Board Representative Betty Adams presented the "Big Picture" report as follows:

- **Teacher Resource Guide for Local Attractions** — The Teacher Resource Guide identifying the City's many attractions has been developed and distributed. A project of the "Attractions Committee" with assistance from Bay Education Center employee Carolyn Rose is a collaborative project that will be added to the Visitor Website for viewing and downloading. The Guide will be circulated through ACISD schools as well as schools in the Coastal Bend and around the state.
- **Teacher Goodie Bags** —Charmer volunteers stuffed 350 bags for the teacher welcome ceremonies. The bags consisted of 9 coupons, note pads, pens and pencils and gift certificates. It is important for the Chamber to support our school system.
- **Business After Hours**— This event is scheduled for Thursday, August 25 at First Victoria Bank. The "Hot Topic" will be the HummerBird Celebration Co-Chairs so come hear all the new additions such as a "Birding and Kayak" Field Trip in Little Bay and a "Birds, Wine and Dine" Field Trip that includes viewing birds at the Fennessey and ending with a Wine Tasting at the two wineries in Refugio. Two film crews are expected to attend this event: Birding Adventures filming for Versus TV and an International Film crew filming for British television.
- **Leadership Aransas County Class XVI** —Applications for this Class are ready at the Chamber office. The deadline is September 12, 2011.
- **Board Retreat** — The Board of Directors just completed the retreat planning process where Chamber guru, Art Roberts, facilitated. The Board reviewed and evaluated each Chamber program and determined their effectiveness.
- **Grand Opening** — A photo was submitted to the Guinness Book of World Records applying for a record for the "World's Largest Ribbon Cutting Per Capita". There were more than 300 people who attended the event.

No action taken, provided for information only.

B. **Deliberate and take action on offer from Dorothy Truly to settle disputed sewer assessment for Fulton Oaks Block 6, Lots 11-14 and the west strip of 7-10 (3014 Highway 35-North) for $6,262.00, original lien amount, forgive all accrued penalty and interest.**

A letter was received from Dorothy Truly, dba Truly Investment Co., dated August 14, 2011 with an offer to settle this dispute. Said letter is shown below:

August 14, 2011

Dear Rockport Mayor, City Manager and City Council Members:

Since not one of you agreed with my interpretation of Vernon's Texas Statutes and Codes which govern assessments for water and sewer improvements placed on properties, and even though a sewer system

was already in place on my property and the tract was not benefitted, would you please consider reassessing the lien back to its original amount of $6,252.00 and foregoing the interest?
Yours truly,
/s/ Dorothy Truly

At the June 28, 2011 meeting Dorothy Truly addressed the City Council regarding the lien placed on her property in November 1996. The City of Rockport assessed property for the Sylvan Heights Sewer project following annexation in October 1994. Total due on the lien to date is $12,910.16. The original amount of the lien is $6,262.00 and the balance of $6,648.16 is penalty and interest. Mayor Wax called for any questions and/or comments.

Council Member Lippke noted that he appreciated Mrs. Truly's feelings; however, to forgive the interest accrued on this account would send the wrong message to others who owe liens to the City. He suggested offering to settle this account for original lien amount and half of the interest, with offer being good for a specific time period of 30 or 60 days.

MOTION: Council Member Lippke moved to deny offer from Dorothy Truly and counter-offered to settle this disputed sewer assessment for original lien amount of $6,262.00 plus half of the interest and penalty of $3,324.00 for a total payment of $9,586.00 with offer to expire in 30 days. Council Member Marlatt seconded the motion. Motion carried unanimously.

C. **Deliberate and take action to approve Intergovernmental Cooperation Agreement between Aransas County and City of Rockport, Texas for 2012 Hotel Occupancy Tax Funding Grant in a sum not to exceed $20,000.00 to fund eligible activity.**

City Secretary Parker advised Council that counties bordering the Gulf of Mexico that receive revenue from a tax imposed under V.T.C.A., Tax Code Chapter 352 (Hotel Occupancy Tax) may use funds for eligible activities. The City has applied for and received approval from the County for funding for eligible activities within the County i.e. cleaning Rockport Beach Park. The contract had remained the same for several years with the exception of the amount provided to the City. Staff recommends approval. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve Intergovernmental Cooperation Agreement between Aransas County and City of Rockport, Texas for 2012 Hotel Occupancy Tax Funding Grant in a sum not to exceed $20,000.00 to fund eligible activity. Council Member Villa seconded the motion. Motion carried unanimously

D. ***TABLED 8/16/2011:*** **Deliberate and take action on reimbursement request of Hotel Occupancy Tax Funds in the amount of $1,500.00 from the Rockport Yacht Club for their 11th Annual Nautical Flea Market held April 30, 2011 per contract agreement.**

MOTION: Mayor Wax moved to remove Article VI. "Items for Consideration", Section "D" from the Table. Mayor Pro-Tem Fisher seconded the motion. Motion carried unanimously.

City Secretary Parker reported that in Fiscal Year 2010-2011 Budget the City Council awarded the Rockport Yacht Club $1,500.00 from the Hotel Occupancy Tax Fund for advertising of their Annual Nautical Flea Market. The purpose of this organization is to serve the interests of the community and its members, promoting water activities, cultivate community relations and to honor the historic nature of the club. The Nautical Flea Market is an annual fundraiser for the Yacht Club.

	FY 2010-2011	Other
Cable TV Advertising	$1,474.00	Cable ad spots in Kingsville, Goliad, Bay City, Port Lavaca, Victoria
Ad placed in "TellTales" Magazine	$180.00	Seabrook, Texas publication
TOTAL	$1,654.00	

This request for reimbursement was submitted to the City Council for action at the August 16, 2011 Special Meeting. Current policy requires all Hotel Occupancy Tax Expenditures for advertising to be expended in markets at least 75 miles from the City to ensure the advertising will place 'heads in beds' as required by law. The City Council TABLED this item and requested a Yacht Club representative attend the August 23 meeting to respond to Council's request for information regarding their expenditures.

Yacht Club representative Valarie Nowell addressed the City Council regarding this request for reimbursement. Ms. Nowell stated that there were several advertising expenditures but in compiling this report only those invoices totaling $1,500 plus/minus were reported. Mayor Pro-Tem Fisher noted that the cities shown by the Club, only Seabrook and Bay City were in excess of 75 miles of the City and therefore qualified expenditures. Ms. Nowell stated that the cable spots reported would reach people farther than the 75 miles due to the range of each cable station. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Council Member Lippke moved to approve reimbursement request of Hotel Occupancy Tax Funds in the amount of $1,500.00 from the Rockport Yacht Club for their 11th Annual Nautical Flea Market held April 30, 2011 per contract agreement. Council Member Villa seconded the motion. Motion carried 4 to 1, with Mayor Pro-Tem Fisher voting against.

E. ***PASSED 8/16/2011:* Deliberate and take action on Interlocal Agreement between the City of Rockport, Aransas County, and Town of Fulton to fund and operate the Community Aquatic Park for calendar year 2012 with the annual contributions from the City of Rockport and Aransas County of $35,000 and the Town of Fulton contribution of $5,000.**

Mayor Wax stated that all the government entities in Aransas County had subsidized the Community Aquatic Park's maintenance and operations on an annual basis. There was on-going discussion by each entity during this budget process looking for funds the community pool to keep it open year around. A coordinated effort was made to develop and build the community pool and skate park by private donations, state agency funds and contributions from the governmental entities of Aransas County. Funds from the Aransas County Independent School District were discontinued due to budgetary cuts and since ACISD will no longer fund a swim team. The Friends of the Pool have organized and are assisting with programs for the Park. The City's contribution has been $35,000.00

payable at 8,750 per quarter. Any short-fall from the Park is paid by the City of Rockport and all pool employees are employed by the City of Rockport. Mayor Wax noted that amendments to this Interlocal Agreement were being considered to change the 2012 contributions from the City and Aransas County to $55,000 and $7,000 from the Town of Fulton. This amendment is for 2012 only and will be re-addressed when developing 2012 Agreements.

MOTION: Mayor Wax moved to approve Interlocal Agreement between the City of Rockport, Aransas County, and Town of Fulton to fund and operate the Community Aquatic Park for calendar year 2012 with the amended annual contributions from the City of Rockport and Aransas County of $55,000 and the Town of Fulton contribution of $7,000. Council Member Villa seconded the motion. Motion carried unanimously.

F. **Deliberate and take action to approve proposed 2011 Property Tax Rate of $0.30889/$100.00 valuation.**

Finance Director Cockerham presented the 2011 Property Tax Rate to the City Council. In the process of identifying the City' financial needs, a draft budget and the property taxes necessary to fund that budget must be determined. Council has completed that process in the past few months with a number of Budget Workshops. The tax rate proposed in the draft budget is $0.30889/100. Under the Property Tax Code, proposing and adopting a tax rate that exceeds the effective rate the taxing units' governing body must vote on the increase by a record vote. As the proposed tax rate does not exceed the effective rate, adoption will not require any public hearings or special notices. The effective rate calculated for the City of Rockport is $0.30889/100 and the rollback rate is $0.319834/100. Mayor Wax called for any questions or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve proposed 2011 Property Tax Rate of $0.30889/$100.00 valuation. Council Member Lippke seconded the motion. Motion carried unanimously.

G. **Deliberate and take action to award Job No. 1560.B1.01 – New Anoxic Basin and Miscellaneous Improvements to Rockport Wastewater Treatment Plant to Associated Construction Partners, Ltd., for the Base Bid amount of $1,082,000.00 as recommended by city engineers.**

Public Works Director Billy Dick reported that on Tuesday, August 16, 2011, staff and Urban Engineering conducted a bid opening for the Wastewater Treatment plant anoxic basin and miscellaneous improvements. Six bids were received on the project with Associated Construction Partners, LTD, of Boerne, TX submitting the low bid in the amount of $1,082,000 and Additive Alternate No. 1 in the amount of $110,000. Additive Alternate No. 1 is for coating of the concrete basin. The Associated Construction Partners, LTD bid appears to be excessive; therefore, Additive Alternate No. 1 will not be awarded with the completion of the coating awarded to another contractor at a later date. This project will provide the nutrient removal from the wastewater stream; i.e., Tule Creek and Little Bay and will be paid from the Capital Impact Fees collected by the City. Staff recommends approval.

MOTION: Council Member Marlatt moved to award Job No. 1560.B1.01 – New Anoxic Basin and Miscellaneous Improvements to Rockport Wastewater Treatment Plant to Associated Construction Partners, Ltd., for the Base Bid amount of $1,082,000.00 as recommended by city engineers. Council Member Lippke seconded the motion. Motion carried unanimously.

H. **Deliberate and take action on first reading of Ordinance No. 1546, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control", Section 98-31 "Guidelines All-Way Stop Signs; Installation Criteria; Removal Criteria" by Clarifying Procedures and Guidelines; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.**

City Secretary Parker presented Ordinance No. 1546 on first reading. At the May Workshop a request was made to install a 4-Way Stop Sign at the intersection of Olympic and Colonial Drive in the Rockport County Club subdivision. Council has adopted guidelines for installation of all-way stop signs that includes installation criteria which was followed. A traffic study was conducted and results presented to the City Council. The traffic study that was presented did not qualify this intersection for a stop sign using the present guidelines. Upon review Staff determined that the ordinance could use some additions or deletions to make the ordinance easier to follow or streamline the procedure. These questions were presented to the City Council, with Staff being directed to amend the ordinance to include deadline: (1) requiring a deadline for return of Petition of 60 days; (2) changing the 2/3 rule to apply to those responding, not of total participants; (3) the city secretary to compile the information and present to the City Council at the next available meeting after those targets have been met; and (4) the 85th percentile will not be a requirement or a major consideration, council has option to approve or disapprove installation of sign.

Amendments to this ordinance were made and presented to City Attorney Walston for his review. City Attorney Walston recommends that this section of the Code be deleted since the City Council has the option to install or remove signs for the health and safety of its citizens. Mayor Wax questioned why the City Council had to identify each sign within the city limits. City Attorney Walston reported that for the police to issue tickets for failure to obey these signs, the City Council had to designate the signs – yield, stop, etc.

Regarding this section Council Member Marlatt stated she thought keeping a policy in place would be beneficial to citizens who would want the City Council to consider a sign in their neighborhood. Council Member Marlatt questioned the status of her request for the 4-way Stop Sign at Olympic and Colonial. City Attorney Walston stated that an ordinance would be presented deleting this section of the Code on September 13th and presented at second and final reading on September 27th. An ordinance adding the 4-Way Stop Sign at Olympic and Colonial would be included at the September 27th meeting for council consideration.

MOTION: Mayor Wax moved to deny approval on first reading of Ordinance No. 1546, An Ordinance Amending Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control", Section 98-31 as presented. Council Member Lippke seconded the motion. Motion carried unanimously.

I. **Deliberate and take action to cast ballot for Mayor Joe Hermes, City of Edna, to serve on the TML Intergovernmental Employee Benefits Pool Board of Trustees, TML Region 11 Representative for a term beginning October 1, 2011 and ending September 30, 2014.**

City Secretary Parker advised that members of the Texas Municipal League Intergovernmental Employee Benefits Pool may select a representative from their Region to represent member cities on the Board of Trustees. The ballot for the Board of Trustee election is attached for Council review. Region 11 Representative since 2007 has been Joe Hermes, Mayor of the City of Edna. The term of office is from October 1, 2011 through September 30, 2014. Mayor Hermes is running unopposed but Council may submit a 'write-in candidate' should they chose. The ballot must be received by 9/26/2011 by the Board Secretary. Staff recommends approval.

MOTION: Mayor Pro-Tem Fisher moved to cast ballot for Mayor Joe Hermes, City of Edna, to serve on the TML Intergovernmental Employee Benefits Pool Board of Trustees, TML Region 11 Representative for a term beginning October 1, 2011 and ending September 30, 2014. Council Member Villa seconded the motion. Motion carried unanimously.

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

VIII. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek his or her advice on legal matters: 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 – consultation with redistricting legal counsel regarding redistricting standards and development of new City Council member districts redistricting plan(s).**

- **SECTION 551.074(a) (1) PERSONNEL MATTERS - A governmental body may deliberate the appointment, employment, evaluation, reassignment, duties,**

discipline, or dismissal of a public officer or employee: employment of a City Manager.

Mayor Wax closed the City Council Meeting at 7:34 pm to reconvene the City Council in Closed Session.

IX. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

Mayor Wax reconvened the City Council into Open Session at 7:53 p.m. Mayor Wax called for any questions, comments or action from Closed Executive Session.

MOTION: Mayor Pro-Tem Fisher moved to authorize Mayor Wax to pursue contract negotiations with consultant firm to conduct executive search for the city manager position. Council Member Lippke seconded the motion. Motion carried unanimously.

X. **ADJOURNMENT**

Upon a motion duly made and seconded, the meeting was adjourned at 7:54 p.m.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Irma G. Parker, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL SPECIAL WORKSHOP MEETING
12:00 p.m., Tuesday, August 30, 2011
Rockport City Hall, 622 East Market Street

On this the 30th day of August 2011 the City Council of the City of Rockport, Aransas County, Texas convened in Special Workshop Session at 12:00 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 Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
N/A

STAFF MEMBERS PRESENT
City Manager Thomas J. Blazek
City Secretary Irma G. Parker

EMPLOYEES PRESENT
IT Manager Brian Jacobs

STAFF MEMBER(S) ABSENT
City Attorney Bill Walston
Parks & Leisure Services Director Tom Staley
Finance Director Jacky Cockerham
Police Chief Tim Jayroe
Public Works Director Billy Dick
Building/Development Director Mike Henry

ELECTED OFFICIALS: N/A

OTHERS: N/A

TOTAL VISITORS IN AUDIENCE: 1

BOARD/COMMISSION MEMBER(S): N/A

I. **CALL TO ORDER** -With a quorum of the Council Members present, the Workshop Meeting of the Rockport City Council was called to order by Mayor Wax at 12:00 p.m. on Tuesday, August 30, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek his or her advice on legal matters: 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 – consultation with redistricting legal counsel regarding**

redistricting standards and development of new City Council member districts redistricting plan(s).

Mayor Wax convened the City Council into Closed Session at 12:02 pm. Staff members included in Closed Session included City Manager Thomas J. Blazek, City Secretary Irma G. Parker, IT Manager Brian Jacobs and via telephone Bickerstaff Heath Delgado Acosta, LLP Cindy Crosby, Attorney, and GIS Specialist Brad Lingenfelder.

III. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

Mayor Wax reconvened the City Council into Open Session at 2:18 pm. Mayor Wax called for any action, questions and/or comments from the City Council regarding the item discussed in Closed Session. There were no comments made.

IV. **RECESS** – Mayor Wax called a recess at 2:19 pm.

V. **RECONVENE** - Mayor Wax reconvened the City Council back into Special Workshop Session at 2:40 pm.

VI. **ITEMS FOR CONSIDERATION**

A. **Consultation with redistricting legal counsel regarding redistricting standards and development of new City Council member districts redistricting plan(s).**

PRESENTATION: Attorney Cindy Crosby, GIS Specialist Brad Lingenfelder, City Secretary Irma G. Parker, IT Manager Brian Jacobs - By law since the City's deviation exceeds 10%, the city has to redistrict in order to balance. At the Tuesday, August 16, 2011 Special City Council Meeting, the City Council met with Cindy Crosby, Bickerstaff Heath Delgado Acosta, LLP, redistricting attorney to begin the process of redistricting. **COUNCIL DIRECTIVE:** A special meeting will be held on Tuesday, September 6, 2011 to approve redistricting map, schedule public hearings and council meetings for presentation of ordinance approving the new redistricting map.

B. **Presentation and general discussion with Consultant from The Mercer Group, Inc., independent management consulting firm, hired to conduct the search for city manager.**

PRESENTATION: Jim Mercer, Consultant, The Mercer Group, Inc. - is an independent management consulting firm incorporated in the State of Georgia and operating nationwide. The firm was founded by James L. Mercer, a management consultant of more than 30 years in the public and private sectors and a former Assistant City Manager. He has written and co-authored seven books and more than 300 articles on various phases of public management. Key benefits for hiring The Mercer Group, Inc. is the fact that they encourage top level people to apply independently and objectively assess candidate qualifications; coordinate interviews; and assist in reaching a final decision. Their process utilizes a unique Seven Step Process to work through the recruitment maze for the client to include: position analysis; recruitment process; resume review; candidate screening;

background investigation; interview process; and negotiation and follow-up. Short question and answer session conducted. **COUNCIL DIRECTIVE:** None at this time.

VII. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.074(a) (1) PERSONNEL MATTERS - A governmental body may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: employment of a City Manager.**

Mayor Wax closed the Special Workshop Meeting at 3:20 pm to convene the City Council into Closed Session.

VIII. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551.074(a)(1) Texas Government Code.

Mayor Wax reconvened the City Council into Open Session at 3:54 pm. Mayor Wax called for any questions and/or comments. There were no requests at this time.

IX. **ADJOURNMENT**

Upon a motion duly made and seconded, the Workshop Meeting was adjourned at 3:55 p.m.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Irma G. Parker, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL SPECIAL MEETING
4:30 p.m., Tuesday, September 6, 2011
Rockport City Hall, 622 East Market Street

On this the 6th day of September 2011 the City Council of the City of Rockport, Aransas County, Texas convened in Special Session at 4:30 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 Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
N/A

STAFF MEMBERS PRESENT
City Manager Thomas J. Blazek
City Secretary Irma G. Parker

STAFF MEMBER(S) ABSENT
Parks & Leisure Services Director Tom Staley
City Attorney Bill Walston
Finance Director Jacky Cockerham
Building/Development Director Mike Henry
Police Chief Tim Jayroe
Public Works Director Billy Dick

EMPLOYEES PRESENT: N/A

OTHERS: N/A

ELECTED OFFICIALS: N/A

TOTAL VISITORS IN AUDIENCE: 6

BOARD/COMMISSION MEMBER(S): N/A

I. **CALL TO ORDER** - With a quorum of the Council Members present, the Special Meeting of the Rockport City Council was called to order by Mayor Wax at 4:30 p.m. on Tuesday, September 6, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **PLEDGE OF ALLEGIANCE** - Mayor Wax lead the City Council and audience in the Pledge of Allegiance to our flag.

III. **ITEMS FOR CONSIDERATION**

A. **Presentation of Draft Redistricting Plan(s) and discussion.**

Mayor Wax advised that Bickerstaff Heath Delgado and Acosta, LLP Attorney Cindy Crosby requested this item be added to the agenda to allow the City Council the opportunity to discuss the Redistricting Plans drawn and presented in previous sessions. Mayor Wax called for any questions and/or comments regarding the four (4) Draft Redistricting Plans(s) discussed and presented at the August 16, 2011, August 23, 2011, and August 30, 2011 City Council Special Workshop Meetings. There were no requests. No action taken on this item.

B. **Redistricting Plan map-drawing session with redistricting legal counsel, if necessary.**

Mayor Wax advised that Bickerstaff Heath Delgado and Acosta, LLP Attorney Cindy Crosby requested this item be included to provide the opportunity for Council Members to discuss the Draft Redistricting Plans and conduct a map-drawing session if needed or requested. Mayor Wax called for any requests to re-draw. There were no requests. No action taken on this item.

C. **Deliberate and take action to designate one or more DRAFT Redistricting Plans as Illustrative Plan(s) to be proposed for public consideration and comment.**

Mayor Wax advised that after the release of new Census data every ten years by the federal government, the City is required by state and federal law to determine whether its councilmember districts are within the legally required population balance; that is, whether the population in each of the districts is relatively equal. According to federal law, they may not be out of population balance by more than ten percent overall, i.e., from the most populous to the least populous ward. This is often called the "one person-one vote" standard, and the "ten percent rule." The City has determined, based on the new 2010 Census data and the report of our redistricting consultant law firm, that our councilmember districts are sufficiently out of population balance that we must redistrict; that is, we must re-draw our city council ward lines in a way that new districts are within the required ten percent population balance limit.

The City Council may designate one or more DRAFT Redistricting Plans. In addition, the City Council may adjust the Illustrative Plan, or develop another, alternative plan, before adopting a final plan, and submitting it to DOJ for preclearance. Assuming the new plan is precleared on time, it will be used for the City's election in May 2012. Mayor Wax called for any questions, comments or action.

MOTION: Council Member Villa moved to designate Plan "D" as the Illustrative Plan to be proposed as the new Redistricting Plan for the City of Rockport. Council Member Marlatt seconded the motion. Motion carried unanimously.

D. **Deliberate and take action to schedule one or more public hearings at which to receive comments on designated redistricting Illustrative Plan(s) from members of the Public.**

Mayor Wax suggested that the City Council consider conducting a Public Hearing for Tuesday, September 13, with first reading of the ordinance approving the new redistricting held on that same date. Final adoption of the ordinance may be conducted at the Tuesday, September 27, 2011 City Council Meeting. The city council workshop will be held on the same date at 1:30 pm, and the

public is invited to attend either meeting. Once a plan has been adopted, a copy of the preclearance submission will be available for public inspection during regular business hours in the City Secretary's office in City Hall.

MOTION: Mayor Wax moved to (1) conduct the Public Hearing to consider the Redistricting Proposals at 6:30 pm, on September 13, 2011, Rockport City Hall, 622 E. Market Street, Rockport, Texas; (2) provide that the plan adopted by the City Council be available for public inspection during regular business hours in the City Secretary's office in City Hall until final adoption; (3) conduct first reading of ordinance adopting Redistrict Plan on September 13, 2011 at the Regular City Council Meeting with second reading held on September 27, 2011 at the Regular City Council Meeting; (4) direct that the plan adopted is included in the City Council Workshop Meeting of September 27, 2011 at 1:30 pm with the public invited to attend; and (5) direct that a copy of the preclearnance submission be available for public inspection during regular business hours in the City Secretary's office at City Hall. Council Member Villa seconded the motion. Motion carried unanimously

E. **Deliberate and take action to approve contract agreement with The Mercer Group to conduct the city manager search.**

City Manager Blazek reported that the consensus of the City Council was to enter into a contract with The Mercer Group to conduct a search for a city manager. A copy of the contract and the Proposal for Executive Search Services for the Position of City Manager dated July 20, 2011 were presented to the City Council.

Approximately 60 resumes have been received in the past month with a very small number whose qualifications would warrant an interview. City Manager Thomas J. Blazek has announced his intention to retire effective January 31, 2012. The City Council has determined that an executive search firm will assist in the selection process. At the Tuesday, August 23, 2011 City Council meeting the City Council authorized Mayor Wax to contact The Mercer Group, Inc. to conduct the city manager search.

The Proposal of July 20, 2011 states $15,000 "plus out-of-pocket expenses not-to-exceed $8,000."

Position Analysis	$ 2,000
Advertising Campaign	$ 2,500
Resume Review	$ 1,750
Candidate Screening	$ 4,000
Background Investigation	$ 4,750
Interview Process	$ 1,000
Negotiation and Follow-up	$ 500
TOTAL FEE	**$16,500**
DISCOUNT	**$ 1,500**
TOTAL DISCOUNTED FEE	**$15,000**

The proposed not-to-exceed $23,000 fee would be split between the General Fund fund balance and the Utility Fund fund balance. Staff recommends the City Council enter into a contract with The

Mercer Group for executive search services for the position of city manage at a fee not to exceed $23,000. Mayor Wax called for any questions and/or comments. There being none, Mayor Wax called for a motion.

MOTION: Mayor Pro-Tem Fisher moved to approve contract agreement with The Mercer Group to conduct the city manager search for a cost not to exceed $23,000.00. Council Member Lippke seconded the motion. Motion carried unanimously

IV. **CLOSED SESSION**- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek his or her advice on legal matters: 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 – consultation with redistricting legal counsel regarding redistricting standards and development of new City Council member districts redistricting plan(s).**

- **SECTION 551.074(a)(1) PERSONNEL MATTERS - A governmental body may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: employment of a City Manager.**

Mayor Wax advised that no Closed Session was needed at this time.

V. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

VI. **ADJOURNMENT**

Upon a motion duly made and seconded, the meeting was adjourned at 4:41 p.m.

CITY OF ROCKPORT, TEXAS

Charles J. Wax, Mayor

ATTEST:

Irma G. Parker, City Secretary

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING
6:30 p.m., Tuesday, September 27, 2011
Rockport City Hall, 622 East Market Street

On this the 27th day of September 2011 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 Pro-Tem Bill Fisher, Ward 1
Council Member Leo Villa, Ward 2
Council Member Paul Lippke, Ward 3
Council Member Adelaide Marlatt, Ward 4

CITY COUNCIL MEMBER(S) ABSENT
Mayor Charles J. Wax

STAFF MEMBERS PRESENT
City Secretary Irma G. Parker
Finance Director Jacky Cockerham
Building/Development Director Mike Henry
Police Chief Tim Jayroe
Public Works Director Billy Dick
Parks & Leisure Services Director Tom Staley

STAFF MEMBER(S) ABSENT
City Manager Thomas J. Blazek
City Attorney Bill Walston

EMPLOYEES PRESENT
N/A

ELECTED OFFICIALS: N/A

OTHERS
Vicki Pitluk, Marketing/PR Consultant

TOTAL VISITORS IN AUDIENCE: 6

BOARD/COMMISSION MEMBER(S): N/A

I. **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 Pro-Tem Fisher at 6:30 p.m. on Tuesday, September 27, 2011 in the Council Chambers of the Rockport City Hall, 622 E. Market Street, Rockport, Texas.

II. **PLEDGE OF ALLEGIANCE** - Mayor Pro-Tem Fisher lead the Pledge of Allegiance to the Flag.

III. **PROCLAMATIONS – National Night Out 2011, Tuesday, October 4, 2011**

South Rockport Neighbors George Reiker and Jim Godfrey joined Mayor Pro-Tem Fisher at the

podium to accept the National Night Out 2011 Proclamation.

IV. **CITIZENS TO BE HEARD** - "A*t 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. In accordance with the Open Meetings Act, Council may not discuss or take action on any item which has not been posted on the agenda."*

No citizens requested to speak on an item not on the agenda.

V. **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".*

A. **Deliberate and take action to approve the Tuesday, September 13, 2011 City Council Regular Meeting Minutes as presented.**

B. **Deliberate and take action to approve request from Bastante Tournament, LLC Director Tami Noling to use the Festival Grounds on July 11-14, 2012 to hold The 1st Annual John Uhr Memorial Billfish Tournament.**

Mayor Pro-Tem Fisher called for any request(s) to remove any item for *ARTICLE V. "CONSENT AGENDA"* Sections "A" and/or "B" for separate discussion. There were no requests. Mayor Pro-Tem Fisher called for a motion.

MOTION: Council Member Lippke moved to approve *ARTICLE V. "CONSENT AGENDA"* Sections "A" and/or "B" as presented. Council Member Marlatt seconded the motion. Motion carried unanimously.

VI. **ITEMS FOR CONSIDERATION**

A. **Presentation and general discussion of the Rockport-Fulton Chamber of Commerce "Big Picture" Monthly Activity Report.**

Rockport-Fulton Chamber Board Member Lynn Baskin presented the "Big Picture" Monthly Activity Report. No action taken.

B. **Deliberate and take action on offer from Allied Waste Services/Republic Services for early renewal of contract, which expires in July 21, 2012 as authorized by Solid Waste Collection and Disposal Contract, of extension of five years beginning October 1, 2011 and ending September 31, 2016.**

MOTION: Council Member Marlatt moved to accept offer from Allied Waste Services/Republic Services for early renewal of contract, which expires in July 21, 2012 as authorized by Solid Waste

Collection and Disposal Contract, of extension of five years beginning October 1, 2011 and ending September 31, 2016. Council Member Villa seconded the motion. Motion carried unanimously.

C. **Deliberate and take action on request from Mary J. Logsdon, Marion Drive Watch Captain, to close Marion Drive to 1-way traffic beginning at the intersection of Marion Drive and Henderson Street to 210 Marion Drive on Saturday, October 15th from 8:00 am to 12:00 pm to hold their 2nd Annual Block Driveway/Garage Sale.**

MOTION: Council Member Marlatt moved to approve request from Mary J. Logsdon, Marion Drive Watch Captain, to close Marion Drive to 1-way traffic beginning at the intersection of Marion Drive and Henderson Street to 210 Marion Drive on Saturday, October 15th from 8:00 am to 12:00 pm to hold their 2nd Annual Block Driveway/Garage Sale. Council Member Lippke seconded the motion. Motion carried unanimously.

D. **Deliberate and take action on FY 2011-2012 Hotel Occupancy Tax Contract between the City and the Texas Maritime Museum for funds in the amount of $71,250.00 or $17,812.50 per quarter.**

MOTION: Council Member Lippke moved to approve FY 2011-2012 Hotel Occupancy Tax Contract between the City and the Texas Maritime Museum for funds in the amount of $71,250.00 or $17,812.50 per quarter. Council Member Villa seconded the motion. Motion carried unaniomously.

E. **Deliberate and take action on Rockport-Fulton Area Chamber of Commerce's Hotel Occupancy Tax fund as follows:**
   1. **review and approve FY 2010-2011 4th Quarter Hotel Occupancy Tax Report;**
   2. **approve budgetary revisions Advertising/Promotion, Printing and Publications Categories pursuant to §5 'Management of Funds' of Contract; and**
   3. **authorize disbursement of 1st Quarter HOT funds from FY 2011-2012 in the amount of $71,250.00 upon approval of FY 2011-2012 Contract and Exhibit A-Budget.**

MOTION: Council Member Lippke moved to approve Rockport-Fulton Area Chamber of Commerce's Hotel Occupancy Tax fund as follows: (1) approve FY 2010-2011 4th Quarter Hotel Occupancy Tax Report; (2) approve budgetary revisions to the Advertising/Promotion, Printing and Publications Categories pursuant to §5 'Management of Funds' of Contract; and (3) authorize disbursement of 1st Quarter HOT funds from FY 2011-2012 in the amount of $71,250.00 upon approval of FY 2011-2012 Contract and Exhibit A-Budget. Council Member Marlatt seconded the motion. Motion carried unanimously.

F. **Deliberate and take action on second reading of Ordinance No. 1551, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 40 "Employees", Article I, "Personnel Policy", Division 4. "Compensation and Benefits,"; Section 40-61(b) and 40-61(c) "General Policy Statements" identifying employees exempt from Grade and Step Wage/Salary Schedule; and Section 40-65(a)(1) "Benefits" "Group Insurance" by**

providing for employee contributions to the health insurance plan; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.

MOTION: Council Member Villa moved to adopt Ordinance No. 1551, An Ordinance Amending Chapter 40 "Employees", Article I, "Personnel Policy", Division 4. "Compensation and Benefits,"; Section 40-61(b) and 40-61(c) "General Policy Statements" identifying employees exempt from Grade and Step Wage/Salary Schedule; and Section 40-65(a)(1) "Benefits" "Group Insurance" by providing for employee contributions to the health insurance plan on second and final reading. Council Member Lippke seconded the motion. Motion carried unanimously.

G. **Deliberate and take action on second reading of Ordinance No. 1550, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control" Amending Appendix T-41(C) "Yield Signs" by Including the Yield Sign in the Newly Annexed Area to Said Appendix; Repealing All Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.**

MOTION: Council Member Lippke moved to adopt Ordinance No. 1550, An Ordinance Amending Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control" Amending Appendix T-41(C) "Yield Signs" by Including the Yield Sign in the Newly Annexed Area to Said Appendix on second and final reading. Council Member Villa seconded the motion. Motion carried unanimously.

H. **Deliberate and take action on second reading of Ordinance No. 1549, An Ordinance Amending the City of Rockport, Texas, Code of Ordinances, Chapter 34 "Elections", Article II. "Districts (Wards)", Section 34-26 "Electoral Wards", Approving the Redistricting of the City's Single-Member Council Wards and Establishing New Ward Boundary Lines Based on 2010 Census Data for Rockport City Council Elections; Directing the City's Redistricting Consultant to Submit the Adopted Plan for Preclearance Under Section 5 of the Federal Voting Rights Act; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.**

Deliberar Y Emprender Acciones Sobre La Segunda Lectura De La Ordenanza N.º 1549, Una Ordenanza Que Enmienda El Código De Ordenanzas De La Ciudad De Rockport, Texas, Capítulo 34 "Elecciones",Artículo Ii "Distrito", Sección 34-26 "Distritos Electorales", Aprobando La Nueva Delimitación De Los Distritos Del Concejo Municipal De Un Solo Miembro, Y Estableciendo Nuevas Líneas Divisorias Basadas En La Información Del Censo De 2010 Para Las Elecciones Del Concejo Municipal De La Ciudad De Rockport; Ordenando Que El Asesor Encargado De La Nueva Delimitación De Distritos Presente El Plan Adoptado Para La Preautorización Bajo La Sección 5 De La Ley De Derecho Al Voto; Revocando Todas Las Ordenanzas Previas Que Discrepen Con Esta Ordenanza; Estipulando Divisibilidad; Y Estipulando Una Fecha De Entrada En Vigor.

No public participation. No comments made by audience.

MOTION: Council Member Marlatt moved to adopt Ordinance No. 1549, An Ordinance Amending Chapter 34 "Elections", Article II. "Districts (Wards)", Section 34-26 "Electoral Wards", Approving the Redistricting of the City's Single-Member Council Wards and Establishing New Ward Boundary Lines Based on 2010 Census Data for Rockport City Council Elections; Directing the City's Redistricting Consultant to Submit the Adopted Plan for Preclearance Under Section 5 of the Federal Voting Rights Act on second and final reading. Council Member Lippke seconded the motion. Motion carried unanimously.

I. **Deliberate and take action on second reading of Ordinance No. 1547, An Ordinance Deleting the City of Rockport Code of Ordinances Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control", Section 98-31 "Guidelines All-Way Stop Signs, Installation Criteria, Removal Criteria" in its Entirety; and Providing for an Effective Date.**

MOTION: Council Member Marlatt moved to adopt Ordinance No. 1547, An Ordinance Deleting Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control", Section 98-31 "Guidelines All-Way Stop Signs, Installation Criteria, Removal Criteria" in its Entirety on second and final reading. Council member Lippke seconded the motion. Motion carried unanimously.

J. **Deliberate and take action on first reading of Ordinance No. 1552, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control" Amending Section 98-26.1 "Stop Signs", Appendix T-41(B) by Deleting Stop Sign at Olympic and Colonial Drives; Amending Appendix T-50 "All-Way Stop Signs" by Adding All-Way Stop Sign at Olympic and Colonial Drives; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.**

MOTION: Council Member Marlatt moved to approve first reading of Ordinance No. 1552, An Ordinance Amending the City of Rockport Code of Ordinances Chapter 98 "Traffic and Vehicles", Article II. "Traffic Control" Amending Section 98-26.1 "Stop Signs", Appendix T-41(B) by Deleting Stop Sign at Olympic and Colonial Drives; Amending Appendix T-50 "All-Way Stop Signs" by Adding All-Way Stop Sign at Olympic and Colonial Drives. Council Member Lippke seconded the motion. Motion carried unanimously.

K. **TABLED September 13, 2011:** Deliberate and take action on first reading of Ordinance No. 1548, An Ordinance Amending Provisions of the City of Rockport Code of Ordinances Chapter 18 "Animals", Article II. "Animal Control", by Deleting Definition of "Animal Fancier"; Deleting and/or Repealing all Requirements Relating to Licensing of Dogs and Cats, the Wearing of a Collar and Tag and/or the Removal of Collar and Tag; Amending the Impound Fees to be Charged; Repealing all Prior Ordinances in Conflict Herewith; Providing for Severability; and Providing for an Effective Date.

PASSED:

L. **Deliberate and take action on the Tule Hike and Bike Trail bid award as follows:**
   1. **rescind award to Golf Works, Inc. at the Tuesday, September 13, 2011 City Council Meeting;**
   2. **reject all bids received for the construction of the Trail; and**
   3. **authorize Staff to proceed with the rebidding process for construction of the Trail.**

MOTION: Council Member Lippke moved to (1) rescind award to Golf Works, Inc. at the Tuesday, September 13, 2011 City Council Meeting; (2) reject all bids received for the construction of the Trail; and (3) authorize Staff to proceed with the rebidding process for construction of the Trail. Council Member Villa seconded the motion. Motion carried unanimously.

M. **Deliberate and take action on Project No. 090124 Change Order No. 1 deleting three items in original contract on Wastewater System Improvements Project TCDP Contract No. R729530 a total decrease of $16,147.50 amending the total contract price to $287,809.75 to Island Construction LP.**

MOTION: Council Member Marlatt moved to approve Project No. 090124 Change Order No. 1 deleting three items in original contract on Wastewater System Improvements Project TCDP Contract No. R729530 a total decrease of $16,147.50 amending the total contract price to $287,809.75 to Island Construction LP.

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

VIII. **CLOSED SESSION- The City Council will now hold a Closed Session pursuant to the provisions of Chapter 551 Texas Government Code, in accordance with the authority contained in:**

- **SECTION 551.071(2) CONSULTATIONS WITH ATTORNEY - A governmental body may consult with its attorney to seek his or her advice on legal matters: 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 – consultation with redistricting legal counsel regarding redistricting standards and development of new City Council member districts redistricting plan(s).

- **SECTION 551.074(a) (1) PERSONNEL MATTERS - A governmental body may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: employment of a City Manager.**

IX. **OPEN SESSION** – The City Council will now reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code.

Mayor Pro-Tem Fisher reported that no new information was provided therefore there would be no need to conduct a Closed Executive Session.

X. **ADJOURNMENT**

Upon a motion duly made and seconded, the meeting was adjourned at 7:19 p.m.

CITY OF ROCKPORT, TEXAS

_____

William H. Fisher, Mayor Pro-Tem

ATTEST:

_____

Irma G. Parker, City Secretary

DRAFT