

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, May 25, 2021 Rockport Service Center, 3751 State Highway 35 Bypass and Via Video Conferencing Application ZOOM

A temporary suspension of the Open Meetings Act to allow telephone or video conference public meetings was granted by Governor Greg Abbott. These actions were being taken to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting and in accordance with Section 418.016 of the Texas Government Code.

Due to the COVID-19 pandemic, the attorney general has said: "statutes that may be interpreted to require face-to-face interaction between members of the public and public officials are suspended; provided, however, that the governmental bodies must offer alternative methods of communicating with their public officials." Public participation is valued and citizens wishing to express their views on any topic or agenda item can electronically submit a Citizen Participation Form in order to register to speak by going to <https://rockport.seamlessdocs.com/f/CouncilCitizenParticipation> or scanning the QR code provided on the Agenda, or if attending the meeting in person register at the meeting. Using the same form, citizens can also provide written comments to the City Secretary by 4:00 p.m. on the day of the meeting. The Mayor will read the comments and they will be summarized in the minutes of the meeting.

On the 25th day of May 2021, the City Council of the City of Rockport, Aransas County, Texas, convened in Regular Session at 6:30 p.m., at the Training Room of the Rockport Service and via video conferencing application ZOOM, 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 Patrick R. Rios
Mayor Pro-Tem J.D. Villa, Ward 2
Council Member Katy Jackson, Ward 1
Council Member Bob Cunningham, Ward 3
Council Member Brad Brundrett, Ward 3
Council Member Andrea Hattman, Ward 4

CITY COUNCIL MEMBER(S) ABSENT

Council Member Michael Saski, Ward 1

STAFF MEMBERS PRESENT

City Manager Kevin Carruth
Assistant to City Manager Kimberly Henry
City Secretary Teresa Valdez
Director of Public Works & Building Services Mike Donoho
Director of Finance Katie Griffin
Parks & Leisure Services Director Rick Martinez
Chief of Police Greg Stevens
Information Technology Director Bob Argetsinger

ELECTED OFFICIALS PRESENT

Aransas County Navigation District
Commissioner Malcolm Dieckow

Opening Agenda

1. Call to Order.

With a quorum of the Council Members present, the Regular Meeting of the Rockport City Council was called to order by Mayor Rios at 6:30 p.m. on Tuesday, May 25, 2021, in the Training Room of the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas, and via video conferencing application ZOOM.

2. Pledge of Allegiance.

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

3. Presentation of Certificate of Election to newly-elected official for Ward 1.

(Presentación de los certificados de elección para recién elegido oficial de Barrio 1.)

Mayor Rios presented the Certificate of Election to newly-elected official for Ward 1, Kathleen “Katy” Jackson.

4. Administration of Oath of Office to newly-elected official for Ward 1.

(Administración de se juramento del cargo el recién elegido oficial de Barrio 1.)

Mayor Rios administered the Oath of Office to newly-elected official for Ward 1, Kathleen “Katy” Jackson.

5. Presentation of Certificate of Election to newly-elected official for Ward 3.

(Presentación de los certificados de elección para recién elegido oficial de Barrio 3.)

Mayor Rios presented the Certificate of Election to newly-elected official for Ward 3, Brad Brundrett.

6. Administration of Oath of Office to newly-elected official for Ward 3.

(Administración de se juramento del cargo el recién elegido oficial de Barrio 3.)

Mayor Rios administered the Oath of Office to newly-elected official for Ward 3, Brad Brundrett.

Mayor Rios thanked Council Member Cunningham and Council Member Saski for their service.

7. Deliberate and act on election by Council of Mayor Pro-Tem.

MOTION: Council Member Hattman moved to nominate and elect Council Member Villa to serve as Mayor Pro-Tem for a term of May 2020 to May 2021 pursuant to the City of Rockport Home Rule Charter. Council Member Brundrett seconded the motion. Motion carried unanimously.

8. Proclamation: Joe Gazin Day.

Mayor Rios read a Proclamation proclaiming May 28, 2021, as Joe Garzin Day in the City of

Rockport.

Mayor Rios stated Agenda Item #9 will be addressed later in the meeting.

10. Citizens to be heard.

At this time, comments limited to three (3) minutes will be taken from the audience from persons who have signed the speaker's card located on the table in the back of the Training Room of the Service Center and delivered to the City Secretary before the meeting begins, or written comments received by 4:00 p.m. on the day of the meeting, on any subject matter that is not on the agenda, will be read by the Mayor and summarized in the minutes of the meeting. Persons wishing to address the Council and who have registered using the Citizen Participation Form will have up to three minutes to speak. In accordance with the Open Meetings Act, Council may not discuss or take action on any item that has not been posted on the agenda. While civil public criticism is not prohibited, disorderly conduct or disturbance of the peace as prohibited by law shall be cause for the chair to terminate the offender's time to speak.

Mayor Rios said one Citizen Participation Form had been received.

Andrew Kane, 2106 Lakeview, addressed the Council. Mr. Kane voiced comments that he had not seen any action taken on his claim that the petition submitted with the Ward 3 application for a place on the ballot was invalid.

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.

- 11. Deliberate and act on approval of Regular Meeting Minutes of May 11, 2021.**
- 12. Deliberate and act on 2nd quarter report from the Texas Marine Science Institute/Mission Aransas National Estuarine Research Reserve for Fiscal Year 2020-2021 Bay Education marketing expenditures.**
- 13. Deliberate and act on request from Rockport Volunteer Fire Department for temporary closure of a portion of Gagon Street and Ann Street from 10:00 a.m. to 2:00 p.m. on June 5, 2021, for Fire Department Anniversary party.**
- 14. Deliberate and act on re-appointment of Municipal Court Judge and Municipal Court Administrator for a term of two years retroactive to November 10, 2020.**
- 15. Deliberate and act on an Ordinance of the City Council of the City of Rockport, Texas, extending a COVID-19 pandemic Declaration of Local Disaster for the period of May 25 – June 22, 2021; establishing rules and regulations for the duration of the disaster; restricting certain activities; and establishing penalties for violations.**
- 16. Deliberate and act on an Ordinance of the City Council of the City of Rockport, Texas, extending a Declaration of Local Disaster (Winter Storm Uri) for the period of May 25 – June 22, 2021, establishing rules and regulations for the duration of the Disaster; and establishing an effective date.**

Mayor Rios called for requests to remove any item from the Consent Agenda for separate

discussion.

Mayor Rios read the captions of the Ordinances listed as Consent Agenda Items #15 and #16.

MOTION: Council Member Hattman moved to approve the Consent Agenda, as presented. Mayor Pro-Tem Villa seconded the motion. Motion carried unanimously.

Regular Agenda

17. Deliberate and act on presentation and acceptance of Comprehensive Annual Financial Report for the City of Rockport for Fiscal Year 2019-2020 Audit.

F. John Sheppard, of Collier, Johnson & Woods, P.C. addressed the Council and gave a presentation (below) on the City of Rockport Fiscal Year 2019-2020 Audit.

Comprehensive Annual Financial Report
Year Ended September 30, 2020

- Introductory Section
- Financial Section
 - Independent Auditor's Report
 - Management Discussion and Analysis
 - Basic Financial Statements Including Notes to Financial Statements
 - Required Supplementary Information
- Combining and Individual Financial Statements and Schedules
- Statistical Section
- Single Audit Section

Auditor's Communication With Those Charged With Governance

Management is responsible for the selection and use of appropriate accounting policies used by the City which are described in Note 2 of the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

Included in these statements are accounting estimates that are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events.

Auditor's Communication With Those Charged With Governance

Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from the current. We believe that the pension and OPEB liabilities are particularly sensitive accounting estimates.

We do consult with management on the appropriate accounting principles and estimates but they are responsible for the information in the report.

Auditor's Communication With Those Charged With Governance

Throughout the course of the audit we had no disagreements with management and management corrected any misstatements we encountered. At the end of the audit we were provided certain representations from management that were included in the management representation letters to us.

Auditor's Reports

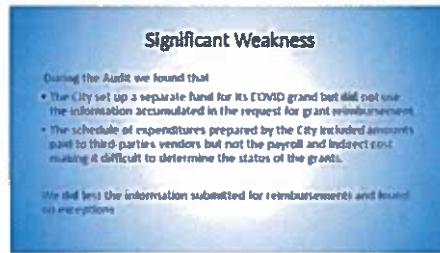
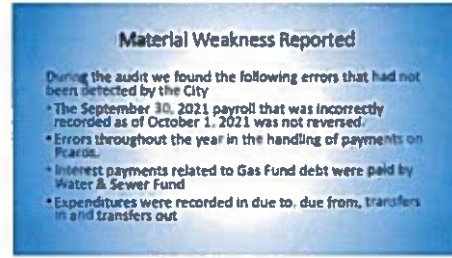
- Independent Auditor's Report - **Unmodified**
- Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Governmental Auditing Standards - **One material weakness and one significant deficiency and 10 internal control issues were reported.**
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance - **Complied in all material respects with compliance requirements with direct and material effect of major federal program funds.**

Financial Highlights

- The assets and deferred outflows of the City of Rockport exceeded its liabilities and deferred inflows at the close of 2020 by \$45,383,941 (net position). The unrestricted net position was \$500,464 (a net improvement over a negative \$78,1164 at the end of last year).
- The government's total net position increased by \$4,084,373 in 2020.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$35,042,318, an increase of \$14,930,875 from the prior year mainly due to the \$14,500,000 tax note that was issued.

General Fund Balance

- The General fund reported an unassigned fund balance of \$3,936,190 or 41.42% of total general fund expenditures.
- The General Fund increased by \$585,232 which was from a negative \$23,315 of revenue under expenditures and \$608,547 of net transfers.
- Covid Grants of \$563,420 are included in the general fund.



MOTION: Mayor Pro-Tem Villa moved to accept the Comprehensive Annual Financial Report for the City of Rockport for Fiscal Year 2019-2020 Audit. Motion was seconded by Council Member Brundrett. Motion carried unanimously.

18. Deliberate and act on second and final reading of an Ordinance granting a Conditional Use Permit for mobile food and retail vending for property located at 210 Seabreeze Drive; also known as approximately 80.0 acres of land out of portions of the Aransas County Navigation District No.1 Rockport Beach Park and Festival Grounds property located in the city of Rockport, Aransas County, Texas and being a portion of the 102.5 acres Rockport Harbor patent, Abstract 343 and revised August 12, 1953, and recorded in Volume M3, Page 499, Deed Records of Aransas County, Texas, along with a portion of Abstract 357 dated November 6, 1953, containing 604.296 acres and recorded in Volume N-3, Page 178, Deed Records of Aransas County, Texas, with said 80.0 acres being a portion of Abstracts 343 and 357; currently zoned R-1 (1st Single Family Dwelling District); subject to compliance with the conditions stated within this Ordinance, as well as those stipulated in the City of Rockport Code of Ordinances; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.

Mayor Rios said there had been no changes in format or content since Council approved the first reading of the Ordinance on May 11, 2021.

MOTION: Mayor Pro-Tem Villa moved to approve the second and final reading of an Ordinance granting a Conditional Use Permit for mobile food and retail vending for property located at 210 Seabreeze Drive; also known as approximately 80.0 acres of land out of portions of the Aransas County Navigation District No.1 Rockport Beach Park and Festival Grounds property located in the city of Rockport, Aransas County, Texas and being a portion of the 102.5 acres Rockport Harbor patent, Abstract 343 and revised August 12, 1953, and recorded in Volume M3, Page 499, Deed Records of Aransas County, Texas, along with a portion of Abstract 357 dated November 6, 1953, containing 604.296 acres and recorded in Volume N-3, Page 178, Deed Records of Aransas

County, Texas, with said 80.0 acres being a portion of Abstracts 343 and 357; currently zoned R-1 (1st Single Family Dwelling District); subject to compliance with the conditions stated within this Ordinance, as well as those stipulated in the City of Rockport Code of Ordinances; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Hattman seconded the motion.

Council Member Brundrett asked if the structure is ADA compliant.

Aransas County Navigation District Commissioner Malcolm Dieckow answered that it is being worked on and will be ADA compliant.

Motion carried unanimously.

19. Deliberate and act on Memorandum of Understanding with Texas State University, through its Meadows Center and Clean Coast Texas Collaborative program, to promote and improve water quality in Aransas Bay, Copano Bay, and Little Bay.

City Manager Kevin Carruth said the proposed Memorandum of Understanding (MOU) is non-binding and is the same as the MOUs to be executed by Aransas County, Aransas County Navigation District and Town of Fulton. Mr. Carruth stated there is no commitment of funds by the City.

MOTION: Mayor Pro-Tem Villa moved to approve the Memorandum of Understanding with Texas State University, through its Meadows Center and Clean Coast Texas Collaborative program, to promote and improve water quality in Aransas Bay, Copano Bay, and Little Bay. Council Member Hattmann seconded the motion. Motion carried unanimously.

20. Deliberate and act on a partial assignment and assumption agreement between Rockport Harvey Housing, LLC, and Pearl Point Phase 2, LLC, and authorizing the City Manager to negotiate and execute all necessary documents.

City Manager Kevin Carruth stated construction and leasing of Phase I of the Pearl Point Apartments development by Rockport Harvey Housing is ahead of schedule, 60% already leased, and the develop wants to proceed with Phase II. Mr. Carruth said there are no changes to the agreement, but the agreement cannot be assigned to another party without the City's consent, but the City cannot unreasonably "withhold, delay, or condition the assignment."

Mayor Rios stated this assignment will address the financing so they can proceed with Phase II.

MOTION: Mayor Pro-Tem Villa moved to approve the partial assignment and assumption agreement between Rockport Harvey Housing, LLC, and Pearl Point Phase 2, LLC, and authorize the City Manager to negotiate and execute all necessary documents. Council Member Hattman seconded the motion. Motion carried unanimously.

21. Deliberate and act on payment to Gexa Energy for ancillary services and nodal basis adjustment to electric energy costs related to Winter Storm Uri.

City Manager Kevin Carruth stated Winter Storm Uri resulted in unprecedented energy and

ancillary charges. Mr. Carruth said there are three components to the energy bill and the City did not suffer from two of those components as a member of the Texas Coalition for Affordable Power (TCAP), but the impact of Winter Storm Uri resulted in higher than anticipated ancillary services costs. Mr. Carruth informed the Council the total additional costs of the ancillary services and nodal basis adjustment is \$124,346.57 and Gexa has provided three payment options: 1) Monthly payments June 2021 to December 2022; 2) Lump sum; and 3) Monthly payments June 2021 to December 2028. Mr. Carruth said the balance of \$124,346.57 has been submitted by City staff to FEMA for reimbursement, and if FEMA does not provide reimbursement, alternative funding avenues identified include use of the Community Disaster Loan or use of Fund Balance in the Utility Fund and/or General Fund.

MOTION: Mayor Rios moved to approve the lump sum payment to Gexa Energy for ancillary services and nodal basis adjustment to electric energy costs related to Winter Storm Uri to be paid with FEMA reimbursement if received and if FEMA reimbursement is not received it will be paid using Community Disaster Loan proceeds. Mayor Pro-Tem Villa seconded the motion. Motion carried unanimously.

22. Hear and deliberate on status of COVID-19 and response efforts.

Mayor Rios stated the percentages of vaccinated person in Aransas County are way up for persons 65+ years of age.

City Manager Kevin Carruth said Aransas County is ahead of State statistics in all four categories.

9. Proclamation: Rockport-Fulton High School Lady Pirate Softball Team Week.

Members of the Rockport-Fulton High School Lady Pirate Softball Team joined Mayor Rios at the dais.

Mayor Rios read a Proclamation proclaiming the week of May 24-28, 2021, as Rockport-Fulton High School Lady Pirate Softball Team Week in the City of Rockport, Texas.

23. Reports from Council.

Mayor Pro-Tem Villa said he attended the Parks & Leisure Services Advisory Board meeting on Monday that had been rescheduled from last month due to a lack of quorum. Mayor Pro-Tem Villa stated it was suggested the Parks & Leisure Services Advisory Board meet quarterly instead of monthly and he asked the City Manager and City Secretary to research this and see if this was possible.

Council Member Brundrett thanked the voters of Rockport for giving him the opportunity to serve.

Council Member Hattman stated she will be working with Aransas Pathways to do a clean-up of Tule Creek. Council Member Hattman reminded everyone the Wine Festival is this weekend, there is a Grand Re-opening of the Skate Park and there will be a Fitness class at the Fit Court at Memorial Park on Saturday.

City Manager Kevin Carruth said there will be semi-pro skaters demonstrating moves at the Grand Re-opening of the Skate Park and there will be door prizes.

Mayor Rios said the annual Memorial event will be Monday at 2:00 p.m. Mayor Rios stated there will be a bench dedication on Monday at 1:30 p.m. at Veterans Memorial Park honoring Felix Keeley, former Naval Master Chief.

Mayor Pro-Tem Villa asked if the speed trailer could be placed near the Wine Festival to slow people down.

Chief of Police Greg Stevens stated the City cannot place the speed trailer on a Texas Department of Transportation roadway. Chief Stevens said he will check and see if they could put the City's message board near the Wine Festival.

Council Member Jackson announced the VFW, American Legion and GI Forum will be placing flags on Veterans' graves beginning at 8:00 a.m. on Thursday.

24. Adjournment.

At 7:41 p.m., Mayor Pro-Tem Villa moved to adjourn. Motion was seconded by Council Member Jackson. Motion carried unanimously.



ATTEST:


Teresa Valdez, City Secretary

APPROVED:


Patrick R. Rios, Mayor