

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, September 28, 2021 Rockport Service Center, 2751 State Highway 35 Bypass and Via Video Conferencing Application ZOOM

Social distancing guidelines and the video conferencing application ZOOM are actions were taken to mitigate the spread of COVID-19. Video conferencing capabilities were utilized to allow individuals to address the City Council. 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 before the meeting begins. 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 28th day of September 2021, the City Council of the City of Rockport, Aransas County, Texas, convened in Regular Meeting at 6:30 p.m., at the Training Room of the Rockport Service Center with social distancing guidelines and using the 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 Brad Brundrett, Ward 3
Council Member Andrea Hattman, Ward 4

CITY COUNCIL MEMBER(S) ABSENT

STAFF MEMBERS PRESENT

City Manager Kevin Carruth
Assistant to City Manager Kimberly Henry
City Secretary Teresa Valdez
Director of Finance Katie Griffin
Parks & Leisure Services Director Rick Martinez
Director of Public Works and Building & Services Director Mike Donoho
Community Planner/Assistant Director of Building & Development Carey Dietrich
Police Commander Larry Sinclair
Police Lieutenant David Rollins
Information Technology Director Bob Argetsinger

ELECTED OFFICIALS PRESENT

Opening Agenda

1. Call to Order.

With a quorum of the Council Members present, the Regular Meeting of the Rockport City Council was called to order by Mayor Rios at 6:30 p.m. on Tuesday, September 28, 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.

Council Member Brad Brundrett requested a Point of Privilege and asked former Police Chief Tim Jayroe to give an invocation.

Chief Jayroe gave an Invocation.

3. Proclamation: Domestic Violence Awareness and Prevention Month.

Mayor Rios proclaimed October as Domestic Violence Awareness and Prevention Month in Rockport, Texas. Mayor Rios read the Proclamation and presented it to Kayla Perez, Victim Advocate with the Purple Door.

4. 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.

Kristie Rutledge, 1411 Dana Drive, addressed the Council and commented: I was not allowed to speak at the last Council meeting because the cards had been taken up at the beginning of the meeting, but another gentleman was allowed to speak during the meeting. The rules are being applied disproportionately. I had some important things to say about the budget at that meeting. I ask that my Council Member pull Item #13 from the Consent Agenda because taxpayers funds should not be allowed for lobbying.

Andrew Kane, 2106 Lakeview Drive, addressed the City Council and commented: I want some truthful facts about the misinformation the City recently put out via the Mayor in regards to our housing boom. I am bringing this up is because Friday the Economic Development Corporation (EDC) will be considering guidelines for a tax abatement policy. In a Channel III news story Mayor Rios was quoted as saying there were 1300 homes under construction right now, and 1100 scheduled to be built around the County. In talking to Barbara Gurtner with the EDC, we need these tax incentives to get developers to come here, without them they won't come; she also said there was not 1300 homes currently under construction like Mayor Rios claimed. I get confused by conflicting information coming from the City, EDC and the Chamber; which is it? We have so

much growth coming here that there is nothing we can do to stop it and we must go bigger than currently needed City Halls and County Courthouses, or do current residents need to bear the costs of future development on infrastructure by paying higher taxes so new people can come in here and developers can enjoy tax abatements. You have to decide because Friday the Local Government Corporation is being pitched and pushed by the EDC to implement tax abatement policy so we can attract new development to meet the needs of the Comprehensive Plan that has not yet been passed. Please understand when you do tax abatements the existing citizens have to make up that tax burden. Seems we don't need any tax incentives nor can we afford them.

City Manager Kevin Carruth added a point of information: What we have been saying is that there have been, in some stage of development, over 1345 units of housing; some are single-family, some are multi-family. The comment has always been "some stage of development" and that means some are being built on the ground, some are developers coming and talking to us about their plans and that doesn't mean all 1300 are under construction right now.

Mayor Rios added that Hogan Homes builds in phases and all phases can't be built at one time.

Mr. Carruth explained a permit for a single-family house is one building permit, and a permit for an apartment complex is also one building permit but may have 15 units in it. Mr. Carruth said when you look at building permits, which some people on social media have said those numbers don't add up, that's because one building permit doesn't necessarily represent one single housing unit.

Consent Agenda

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

- 5. Deliberate and act on approval of Regular Meeting Minutes of September 14, 2021.**
- 6. Deliberate and act on report from the Rockport Yacht Club for marketing expenditures made for 2021 Nautical Flea Market.**
- 7. Deliberate and act on approval of City of Rockport holiday observance for 2022.**
- 8. Deliberate and act on request from First Assembly of God church for closing of East Laurel Street from North Live Oak Street to North Church Street on October 31, 2021, from 4:00 p.m. until 8:00 p.m. for First Assembly of God's Fall Festival.**
- 9. Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Aransas County Council on Aging for the 2021 Bountiful Bowl Pottery Fair.**
- 10. Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Rockport Center for the Arts for advertising and tourism promotion.**
- 11. Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Rockport Cultural Arts District for advertising and tourism promotion.**

12. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Friends of the Fulton Mansion State Historical Site for advertising and tourism promotion.**
13. **Deliberate and act on Fiscal Year 2021-2021 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for advertising and tourism promotion.**
14. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2022 HummerBird Celebration.**
15. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Rockport-Fulton Chamber of Commerce for the 2021 SeaFair Celebration.**
16. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Rockport Yacht Club for the 2022 Nautical Flea Market.**
17. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Texas Maritime Museum for advertising and tourism promotion.**
18. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the University of Texas Marine Science Institute/Mission Aransas National Estuarine Research Reserve for advertising and tourism promotion of Bay Education Center.**
19. **Deliberate and act on Fiscal Year 2021-2022 Hotel Occupancy Tax Agreement with the Pan American Civic Association (PACA) for advertising and tourism promotion for the 2022 Little Bay Labor Day Music Fest.**

Kristie Rutledge, 1411 Dana Drive, addressed the Council and commented on Item #13: Think we need to start having a conversation about HOT funds and their use. There is only one organization within the HOT fund structure that is a 501(c)6 which is allowed to engage in political lobbying and I think for taxpayer protection we need some kind of structure or statement around that. We've seen some pretty intense debates on this. Mayor you went to the Texas Legislature on August 30th and you told the insurance committee that there were several phases of recovery and we are in the third phase, 3-5 years out where we are experiencing economic development that will make it to where people are forced out and people cannot live here anymore. I am a taxpayer, I am not going to allow that to happen and I don't think this City Council should allow HOT funds to be used for political lobbying against taxpayers. I don't believe the Rockport-Fulton Chamber of Commerce and their Young Professionals should be given money to be used as a political lobby. I know this has happened because it is right here on Facebook and I know for a fact that the City's financial advisor had a private meeting with the Rockport-Fulton Young Professionals. We need some protection with these HOT funds and make sure they are being used as regulated. I would like to see a full audit of the Rockport-Fulton Chamber of Commerce and some type of clause in the agreement that limits their activities using HOT funds. Abolishing taxpayer funded lobbying is a priority of the Republican party in Texas and it should be your priority too.

Mayor Rios added a point of information: When I was invited to the House, I was speaking for

the House Oversight Committee on Insurance and I was speaking against the Texas Windstorm Insurance Association (TWIA) proposed 5% rate increase so it would protect all of the citizens here.

Mayor Rios called for requests to remove any item from the Consent Agenda for separate discussion. There were none.

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

Regular Agenda

20. Deliberate and act on selection of auditing firm to provide independent financial audit services, including preparation of the City's consolidated annual financial report, for the fiscal year ending September 31, 2021, and authorizing the Mayor to negotiate and execute all necessary documents.

Kristie Rutledge, 1411 Dana Drive, addressed the Council and commented: Regarding last year's audit there were substantial issues in that audit and concerning to the auditor and I would like to see that some financial transparency required to see if improvements have been made. We need to have some financial standards in place, so we don't run into the situation we did this year where there are all these errors with the budget that are discovered at the last minute. The standards need to protect the taxpayers, we fund the entire budget. I would like to see this Council come up with some standards that protect the taxpayers to make sure we have transparency and we don't run into an after-the-fact audit that discovers all these problems and we have no idea whether those issues have been taken care of. There used to be monthly financial statements posted on the website, they were there until 2017; also had debt summaries, had investment summaries. Those things have stopped 3-4 years ago and I don't understand why. We've heard there was some missing money for police cars in the vehicle fund. Where is that? Show it to us. Council you have a responsibility that the peoples' money is spent wisely and there is good oversight on it. It is not the responsibility of the hired employees. So whoever you select, make sure these things are in there that we get some standards as well as an audit.

City Manager Kevin Carruth gave a point of information: Ms. Rutledge's statements are full of riddle and error and I would be more than happy to meet with her and go over some of those things but there would be way too much time spent tonight to correct her statements.

Mayor Rios stated if Ms. Rutledge wanted to make an appointment they would be happy to go over that with you. Mayor Rios expressed the issues we had with the proposed budget is that people have to understand that was a draft budget and the final budget doesn't go public until after October 1st.

Director of Finance Katie Griffin stated when Council adopts the budget, that is when the numbers stop; it's a very long drawn-out process and the budget is put into OpenGov that is our transparency website and it will be ready to go October 1, 2021, and is updated on a monthly basis with all of our monthly financials.

Ms. Griffin stated as per the City's Charter and the State, the City selects an external auditor to do a third-party opinion on our financial books. Ms. Griffin said the City's Charter requires that every five years the City put out Request for Qualifications (RFQ) for a new auditing firm. Ms. Griffin informed the Council RFQs were solicited and three proposals were received and of those submittals staff has chosen Park Fowler & Company. Ms. Griffin said this choice was made for several reasons: They had the best point of references when we made calls to cities, counties and school districts; we were told they were very easy to work with and they understood that smaller cities have smaller staff; they are located in Corpus Christi; and they had a reasonable quote. Ms. Griffin stated Mr. Hall with Park Fowler & Company is present tonight if Council has any questions.

Mr. Patrick Hall, CPA, with Park Fowler & Company, addressed the Council. Mr. Hall stated he looks forward to working with the City and is excited about the opportunity.

Ms. Griffin gave a point of clarification: We do follow Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP) and auditors come in and they follow auditing standards. We do follow standards provided by the government and what we present to you is according to the standards we are required to follow.

Mayor Rios asked how many years the City has won the Government Financial Officers Association (GFOA) award.

Ms. Griffin answered 17 or 18.

Mr. Hall stated the auditor reports to the Council and we have professional standards we are required to follow. Mr. Hall added with the GFOA award there is a process to go through and it is a very detailed review, so if there were gross issues it wouldn't get through the review process.

Mayor Pro-Tem Villa asked how long the request for qualifications was posted. Mayor Pro-Tem Villa asked when the City requested qualifications last time, how many proposals did we receive. Mayor Pro-Tem Villa said he was worried about the difference in the estimated hours among the proposals.

Ms. Griffin answered this was posted on August 16th and fell within the required number of days for posting. Ms. Griffin stated last time the City received four proposals.

Mr. Hall stated he has 25 years working with local government accounting and smaller cities and districts. Mr. Hall said the reason for the lower hours is that you won't see a manager or partner with hours and paying for senior levels, and they utilize modern technology as much as they can.

Council Member Hattman asked if they were familiar with Incode and would be comfortable with it.

Mr. Hall answered Incode is utilized by a lot of local governments; they have seen it and would be comfortable with it.

Council Member Brundrett asked what the difference was between a single audit and an annual audit. Council Member Brundrett asked if there was also a cost savings by selecting this firm.

Ms. Griffin explained a single audit is required when we have received a threshold of \$750,000 in grant expenditures and a single audit is in addition to a standard annual audit. Ms. Griffin answered there is a \$38,000 cost savings.

MOTION: Council Member Brundrett moved to select Park Fowler and Company as the firm to provide independent financial audit services, including preparation of the City's consolidated annual financial report, for the fiscal year ending September 31, 2021, and authorizing the Mayor to negotiate and execute all necessary documents. Council Member Jackson seconded the motion. Motion carried unanimously.

- 21. Deliberate and act on first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance number 1027 by changing the zoning of land located at 902 West Market Street; also known as Bellevue Addition, Block B, Lots 1-8, East of Steart Street & 30' closing of Liberty Street adjacent to Lots 1 & 3, City of Rockport, Aransas County, Texas, from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) to comply with current use of property; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner/Assistant Director of Building & Development Carey Dietrich addressed the Council. Ms. Dietrich stated this is a rezone of Moore Than Feed because when it was annexed into the City, it came in as R-1 (1st Single Family Dwelling District).

MOTION: Council Member Hattman moved to approved the first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance number 1027 by changing the zoning of land located at 902 West Market Street; also known as Bellevue Addition, Block B, Lots 1-8, East of Steart Street & 30' closing of Liberty Street adjacent to Lots 1 & 3, City of Rockport, Aransas County, Texas, from R-1 (1st Single Family Dwelling District) to B-1 (General Business District) to comply with current use of property; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Mayor Pro-Tem Villa seconded the motion. Motion carried unanimously.

- 22. Deliberate and act on first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 414 Old Salt Lake Road; also known as Coleman Fulton Pasture, 9.772 acres - part of Lots 22 and 23 and 3.865 acres out of J. Hollis Survey, City of Rockport, Aransas County, Texas, from R-1 (1st Single Family Dwelling District) to B-1 (General Business District); to allow future development and ingress, egress to existing RV park; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Community Planner/Assistant Director of Building & Development Carey Dietrich addressed the Council. Ms. Dietrich stated when the Joint Public Hearing Notice was published the replat had not yet been received but this rezone request is only for Lot 2. Ms. Dietrich said this request is to

allow emergency exits from the RV park. Ms. Dietrich added two letters in opposition were received and that is equated to 1% of the property owners within the 200' area.

MOTION: Council Member Brundrett moved to approve the first reading of an Ordinance amending Article 4 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land located at 414 Old Salt Lake Road; also known as Coleman Fulton Pasture, 9.772 acres - part of Lots 22 and 23 and 3.865 acres out of J. Hollis Survey, City of Rockport, Aransas County, Texas, from R-1 (1st Single Family Dwelling District) to B-1 (General Business District); to allow future development and ingress, egress to existing RV park; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Jackson seconded the motion. Motion carried unanimously.

23. Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 22 adopting the 2018 International Building Code, with amendments adopting the 2018 International Residential Code, with amendments; adopting the 2018 International Mechanical Code, with amendments; adopting the 2018 International Plumbing Code, with amendments; adopting the 2018 International Fuel/Gas Code, with amendments; adopting the 2018 International Existing Building Code, with amendments adopting the 2018 International Wildland – Urban Interface Code, with amendments; adopting 2018 International Energy Conservation Code, with amendments; adopting the 2018 International Swimming Pool and Spa Code, with amendments; and adopting the 2017 Edition of the National Electrical Code; Repealing All Prior Ordinances In Conflict Herewith; Providing for Severability; and Providing for an Effective Date.

Director of Public Works and Building & Development Services said there had been no changes in format or content since Council approved the first reading on September 14, 2021.

MOTION: Mayor Pro-Tem Villa moved to approve the second & final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 22 adopting the 2018 International Building Code, with amendments adopting the 2018 International Residential Code, with amendments; adopting the 2018 International Mechanical Code, with amendments; adopting the 2018 International Plumbing Code, with amendments; adopting the 2018 International Fuel/Gas Code, with amendments; adopting the 2018 International Existing Building Code, with amendments adopting the 2018 International Wildland – Urban Interface Code, with amendments; adopting 2018 International Energy Conservation Code, with amendments; adopting the 2018 International Swimming Pool and Spa Code, with amendments; and adopting the 2017 Edition of the National Electrical Code; Repealing All Prior Ordinances In Conflict Herewith; Providing for Severability; and Providing for an Effective Date. Council Member Jackson seconded the motion. Motion carried unanimously.

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

City Manager Kevin Carruth said for the longest time Aransas County was amongst the highest in vaccination rates in Texas, but now we are at the bottom of the list. Mr. Carruth stated there are

1920 confirmed cases, 214 active cases, 56 fatalities and 556 probable cases in Aransas County. Mr. Carruth said Nueces County had 19 fatalities today.

Mayor Rios stated it is on the rise and it is an independent decision to be vaccinated or not. Mayor Rios added the data seems to indicate if one is vaccinated and you contract COVID you may be ill a lesser amount of time. Mayor Rios expressed he knows 14 people in Texas that have passed from this. Mayor Rios asked everyone to stay safe and take precautions.

25. Reports from Council.

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

Council Member Jackson announced the Rocktober Fest in the downtown district will be bringing vendors and musical acts. Council Member Jackson said the Cultural Arts District has great things going on and great things are coming.

Council Member Hattman thanked City staff for cleaning ditches; she knows a lot of work is involved in getting this done.

Mayor Rios said last weekend the HummerBird event was a success. Mayor Rios stated the Human Society Gala was held last Friday and on Saturday the 4H Booster fund raiser event was held. Mayor Rios informed everyone that all of the Council and some staff will be attending the annual Texas Municipal League Conference in Houston providing networking and many training hours.

Executive Session

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

26. Section 551.071(2) Consultations with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter – Texas Opioid Settlement Agreement.

At 7:18 p.m., Mayor Rios convened the Rockport City Council into an executive session pursuant to provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.071(2) Consultations with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter – Texas Opioid Settlement Agreement.

Open Session

City Council will reconvene into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any actions necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items.

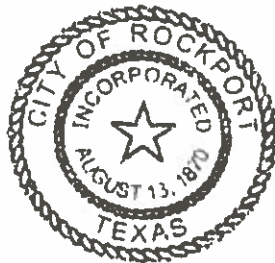
At 7:41p.m., Mayor Rios reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code to take any necessary actions related to the executive sessions noted herein, or regular agenda items, noted above, and/or related it.

27. Deliberate and act on a Resolution of the City Council of the City of Rockport, Texas, joining with the State of Texas and political subdivisions of the State as a party in the Texas opioid settlement agreements secured by the Office of the Attorney General; authorizing the City Manager to negotiate and execute settlement participation forms; and establishing an effective date.

MOTION: Mayor Rios moved to adopt a Resolution of the City Council of the City of Rockport, Texas, joining with the State of Texas and political subdivisions of the State as a party in the Texas opioid settlement agreements secured by the Office of the Attorney General; authorizing the City Manager to executive settlement participation forms; and establishing an effective date. Mayor Pro-Tem Villa seconded the motion. Motion carried unanimously.

28. Adjournment.

At 7:42 p.m., Council Member Villa moved to adjourn. Motion was seconded by Council Member Hattman. Motion carried unanimously.



APPROVED:



Patrick R. Rios, Mayor

ATTEST:



Teresa Valdez, City Secretary