

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, February 22, 2022 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 22nd day of February 2022, the City Council of the City of Rockport, Aransas County, Texas, convened in a 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

Interim City Manager Richard Morton
Assistant to City Manager Kimberly Henry
City Attorney Dan Santee
Director of Finance Katie Griffin
Parks & Leisure Services Director Rick Martinez
Director of Public Works and Building & Development Services Mike Donoho
Community Planner and Assistant Director of Building & Development Services Carey Dietrich
Chief of Police Greg Stevens
Information Technology Director Bob Argetsinger

ELECTED OFFICIALS PRESENT

Opening Agenda

1. Call meeting 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, February 22, 2022, 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 Jackson led the Pledge of Allegiance to the U.S. flag.

3. Presentation: Society for Human Resources Management (SHRM) Certified Professional designation – Kaycee Eddins.

Mayor Rios stated Ms. Eddins has recently completed her Society for Human Resources Management (SHRM) Certification. There are minimum requirements of previous education and time in service involved, not to mention the studying for a rigorous test. Currently Ms. Eddins is our only Human Resource (HR) staff member and therefore handles all employee related needs, applications for employment, evaluation/merit increases, and anything else HR related. Mayor Rios presented the SHRM Certified Professional designation certificate to Ms. Eddins, there was a round of applause, and the Council took a photo with Ms. Eddins.

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, spoke in favor of more transparency and public input. She stated she is concerned about receiving agenda items at the last minute and requested the Council to slow their actions down and to make their votes count.

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 February 8, 2022.

6. Deliberate and act on a Resolution of the City of Rockport, Texas, authorizing the Rockport Police Department to apply for and operate an Operation Stonegarden Grant Program (OPSG) administered by the Office of the Governor, Homeland Security grants division for Fiscal Year 2021; and authorizing the Mayor to act as the Executive Officer and authorized representative in all matters pertaining to the participation in this grant program.

7. **Deliberate and act on 1st quarter report from the Rockport Cultural Arts District for Fiscal Year 2021-2022 marketing expenditures.**
8. **Deliberate and act on a Resolution approving and adopting an Investment Policy and Strategy for the City of Rockport, Texas.**
9. **Deliberate and act on Resolution authorizing the selection of a Professional Service Provider for the FEMA Hazardous Mitigation Assistant (HMA) grant and authorizing the Mayor to negotiate and execute all necessary documents.**

Mayor Rios called for requests to remove any item from the Consent Agenda for separate discussion. There were not requests.

MOTION: Council Member Brundrett moved to approve the Consent Agenda Item, as presented. Council Member Jackson seconded the motion. Motion carried unanimously.

Regular Agenda

10. **Deliberate and act on first reading of an Ordinance granting a Conditional Use Permit for development of a RV park on property located at 1411 West Twelfth Street; also known as 12.832 acres of land out of portions of Lot H and portions of Lot 43, Block 251, Foor & Swickheimer Subdivision located in the City of Rockport, Aransas County, Texas; subject to compliance with the conditions stated within this Ordinances, 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.**

Andrew Kane, 2106 Lakeview Drive, and Jeff Hutt, 2201 Prairie Road, spoke regarding this Ordinance. Mr. Kane noted that although he is in favor of the Conditional Use Permit (CUP), he is concerned with flooding and questioned where engineered documents were before a CUP is allowed. Mr. Hutt questioned if the CUP stays with the property if it were to be sold.

Community Planner and Assistant Director of Building & Development Services Carey Dietrich explained the expense for engineered plans and documents are not required until a rezone or CUP is approved. If the required engineered plans and documents are not submitted within a specific time, the CUP would be abandoned. She further explained that a CUP would continue with the property as long as the specified use continues and does not lap for more than 12 months. Any expansion would require an additional CUP or other rezone requirements that would be in place at the time of the request.

Public Works Director Mike Donoho noted that once the CUP is approved and the necessary engineered documents are submitted to the City, the plans are brought back to Council for approval.

MOTION: Mayor Pro-Tem Villa moved to approve the first reading of an Ordinance granting a Conditional Use Permit for development of a RV park on property located at 1411 West Twelfth Street; also known as 12.832 acres of land out of portions of Lot H and portions of Lot 43, Block 251, Foor & Swickheimer Subdivision located in the City of Rockport, Aransas County, Texas;

subject to compliance with the conditions stated within this Ordinances, 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 Brundrett seconded the motion. Motion carried unanimously.

- 11. Deliberate and act on first reading of an Ordinance amending the official zoning map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-6/R-2 (Hotel Motel District/2nd Single Family Dwelling) for property located at 1315 South Church Street; also known as part of Outlot 14, Doughty & Mathis Outlots, Doughty & Mathis Division, being 2.526 acres, City of Rockport, Aransas County, Texas, to R-6 (Hotel Motel District) to allow individual beach style houses; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date.**

Property owner John Berlet explained that following Hurricane Harvey, all structures were demolished, and he is now wanting to rebuild on the property. He plans to build 25-28 beach homes on two- and three-story heights to better see the view of the beach. Due to him taking advantage of federal funding, he will maintain ownership for at least ten years.

MOTION: Mayor Pro-Tem Villa moved to approve the first reading of an Ordinance amending the official zoning map as stipulated under Article 4.1 of the City of Rockport Zoning Ordinance Number 1027 by changing the zoning of land from R-6/R-2 (Hotel Motel District/2nd Single Family Dwelling) for property located at 1315 South Church Street; also known as part of Outlot 14, Doughty & Mathis Outlots, Doughty & Mathis Division, being 2.526 acres, City of Rockport, Aransas County, Texas, to R-6 (Hotel Motel District) to allow individual beach style houses; repealing all ordinances in conflict therewith; providing for severability; and providing an effective date. Council Member Jackson seconded the motion. Motion carried 4:0.

FOR MOTION: Mayor Pro-Tem Villa, Council Member Jackson, Council Member Brundrett, and Mayor Rios.

ABSTAIN: Council Member Hattman.

- 12. Deliberate and act on second and final reading of an Ordinance of the City of Rockport, Texas, adopting an amended Comprehensive Plan for the City; providing that the adopted Comprehensive Plan shall supersede and replace any Comprehensive Plan previously adopted; providing a repealer clause; providing a severability clause; and providing an effective date.**

Mayor Rios read comments from Irene Dubicka, 1108 S. Austin Street, Billy Waddell, 202 Drum Drive, and Kathy Kane, 109 Boardwalk Avenue. Areas of concern were tax incentives, high-density zoning within residential areas, to downplay ideas as “aspirational only” and not as “guidance,” previous letters of concern from the public, making sure that zoning changes are sent to all surrounding property owners prior to a rezone, infrastructure and flooding must take priority, protection of natural habitats, budgeting for road maintenance and improvements over spending funds on marketing and tourist websites.

Speaking against the Ordinance were Kristie Rutledge, 1411 Dana Drive, Andrew Kane, 2106 Lakeview Drive, Candace Sargent, 214 Portia Avenue, Skip Carrier, 122 Cedar Ridge Drive, and

Jeff Hutt, 2201 Prairie Road. Items of concern were the Planning and Zoning Commission minutes not being on the website for public review, who authorized the changes to the map, prefer to take this back to the first reading, a future land use map carries weight for rezone in future, a request that this should have been front page news in the Caller Times, wanting more time to review the document, asking if this was zoning or not zoning on the included map, and a question whether this is subject to petition.

City Attorney Dan Santee stated that it is subject to petition.

Speaking in favor of the Ordinance was Nancy Bolting, 201 Spanish Wood Drive. Items observed were that when the citizen originally spoke again this plan there were specific items noted and those items have been removed, the future councils will still be required to vote on any future zoning changes, all the plans leading to this document are in place and this document brings them together, and this plan is a reference and not a mandate.

Council Member Jackson question the Heritage District Overlay.

Public Works Director Mike Donoho stated the Comprehensive Master Plan and the Heritage District are required to work together.

Council Member Hattman stated this was not a rushed product. It has been over three years to this point and a lot of people have been involved; however, she did ask if another 30-days could be allowed for a workshop or something for the public and Council to ask more questions.

Interim City Manager Morton explained this has gone back and forth between the City Council and Planning and Zoning Commission several times. Everything asked of the Planning and Zoning Commission has been accomplished and they recommend approval. It is now up to the City Council for final action. That action can be to approve, postpone, deny, or anything in between.

Public Works Director Mike Donoho provided a list of the various dates of public hearings, Planning and Zoning Commission meetings, and City Council Meetings and a summary of the instructions from those meetings. This has been a project since the Summer of 2018. This is a living document similar to a budget or the Code of Ordinances and can be changed at any time. This is a 20-year plan that should be reviewed every few years for possible changes.

Mayor Rios allowed additional statements from the public: Nancy Bolting, Kristi Rutledge, and Jeff Hutt. Statements made were: with each election and change of council there could be changes to the plan, the old plan helped us to rebuild following Hurricane Harvey, not to discredit the work of the public on this plan by continuing to delay it, just not liking the plan as a whole, that a long term recover plan is okay, but this is a bad plan.

Mayor Pro-Tem Villa stated that Council has listened to the public and directed the staff to go back and make the changes asked for. It has gone back and forth multiple times. We can't please everyone all of the time. We are elected to make the tough decisions for the public as a whole.

MOTION: Mayor Pro-Tem Villa moved to approve the second and final reading of an Ordinance of the City of Rockport, Texas, adopting an amended Comprehensive Plan for the City; providing

that the adopted Comprehensive Plan shall supersede and replace any Comprehensive Plan previously adopted; providing a repealer clause; providing a severability clause; and providing an effective date. Mayor Rios seconded the motion. (NOTE: A vote was not taken on this motion.)

MOTION: Council Member Brundrett moved to postpone until March 22, 2022, (allowing the Council to meet with staff one-on-one) the second and final reading of an Ordinance of the City of Rockport, Texas, adopting an amended Comprehensive Plan for the City; providing that the adopted Comprehensive Plan shall supersede and replace any Comprehensive Plan previously adopted; providing a repealer clause; providing a severability clause; and providing an effective date. Council Member Jackson seconded the motion. Motion carried: 3:2.

FOR MOTION: Council Member Brundrett, Council Member Jackson and Council Member Hattman.

AGAINST MOTION: Mayor Pro-Tem Villa and Mayor Rios.

13. Hear and deliberate on presentation from Republic Services on current contract with City of Rockport and possible additions of brush/bulk trash pickup.

A presentation was made by Mike Reeves of Republic Services. Items of note were the increase in residential waste due to the increase of people working from home during COVID, issues with recycling, the need for CDL drivers, the potential for curbside yard waste services, supply needs for Steele bins and new trucks all on back order, and the CPI and fuel increases. These were all items Republic Services wanted to make everyone aware of as the City enters into their budget process. The contract with Republic Services will be coming up for renewal before too long and these items can affect the rates and options available for the public.

Council Member Brundrett thanked Mr. Reeves for the updates and options. He asked that more firm numbers for curbside yard waste services along with cost saving for an extended contract be brought back to Council for further consideration.

Council Member Hattman requested a short break.

Mayor Rios recessed the meeting for a short break at 8:04 p.m. and re-opened the meeting at 8:16 p.m.

14. Deliberate and act on approval of an Interlocal Cooperation Agreement between Aransas County, Texas, and the City of Rockport, Texas for Municipal Court Prosecution.

Interim City Manager Richard Morton and City Attorney Dan Santee explained that during COVID-19, the City's local Municipal Court Prosecuting Attorney stepped down from her position. At that time, the City asked Denton, Navarro, Rocha, Bernal, and Zech, P.C. to assist via ZOOM video conferencing application. Now that the Court is resuming live sessions, the expense for them to travel is not cost effective. The City has spoken with the County Attorney and Municipal Court Judge McGinnis. Last year's cost was approximately \$32,000 and this would be at a set fee of \$25,000 annually.

MOTION: Council Member Hattman moved to approve an Interlocal Cooperation Agreement

between Aransas County, Texas, and the City of Rockport, Texas for Municipal Court Prosecution. Council Member Jackson seconded the motion. Motion carried unanimously.

- 15. Deliberate and act on an Ordinance authorizing the issuance, sale and delivery of “City of Rockport, Texas General Obligation Refunding Bonds, Series 2022” in the approximate amount of \$13,360,000, securing the payment thereof by authorizing the levy of an annual *Ad Valorem* tax, and approving and authorizing the execution of a paying agent/registrar agreement, an official statement, a purchase contract and other instruments and procedures related thereto, and calling certain obligations for redemption.**

Mayor Rios read a statement from Patrick Kane, 1123 East Cedar Street, focusing on preserving the interest and sinking fund tax rate, refinancing expenses, and difference in interest paid over time.

Citizen’s speaking were Kristi Rutledge, 1411 Dana Drive and Jeff Hutt of 2201 Prairie Road; with their concerns being the cost of debt, putting debt onto our children, getting complete information from the City, getting all of the information up front, refinancing of the 2020 Tax Notes, and was this known two years ago.

Interim City Manager Morton congratulated the Council and Staff for moving from a A+ bond rating to a AA- rating. This is no small accomplishment, and especially so soon after Hurricane Harvey.

Director of Finance Katie Griffin explained this item is to refinance the 2020 Tax Notes that consisted of funds for the City Hall construction, Concho Street Drainage, and the Key Allegro Bridge projects. In 2020 it was noted, that the City could “call” the Tax Notes, as early as two years, in order to refinance if there was a need.

Robert (Bob) Henderson of RBC Capital Markets stated the City of Rockport is the first city in Texas to recover their bond rating since Hurricane Harvey. He further explained that by moving these Tax Notes over the next 18 years, it allows the people who are actually using the drainage, bridge, and city hall facilities over the next 18 years to pay for this instead of everyone paying up front and now. It is closer to paying it out over the life of the facilities. Mr. Henderson went on to explain the 2.82% interest rate minus discount points and other items actually comes out to 2.101% discounted rate.

Council Member Hattman asked Mr. Henderson to explain to the public why these documents aren’t available until the day of transaction.

Mr. Henderson explained because these rates change daily, we actually went to bid from 9:30 a.m. to 11:30 a.m. today. At 11:30 a.m. the staff reviewed the rates and options and by about mid-afternoon had the best offer as an “oral award” pending tonight’s action by the Council. Therefore, the information was emailed to the Council this afternoon as soon as possible.

Jay Juarez of McCall Parkhurst and Horton clarified if this Ordinance is approved tonight, the

documents would be signed and overnighted back to their office where most blanks are filled in and everything is then put in binder form and forwarded to the Attorney General's office for final approval. We will not actually close on this refinance until March 23, 2022, and at that time, all blanks should be filled in.

MOTION: Council Member Hattman moved to adopt an Ordinance authorizing the issuance, sale and delivery of "City of Rockport, Texas General Obligation Refunding Bonds, Series 2022" in the approximate amount of \$11,925,000, securing the payment thereof by authorizing the levy of an annual *Ad Valorem* tax, and approving and authorizing the execution of a paying agent/registrar agreement, an official statement, a purchase contract and other instruments and procedures related thereto, and calling certain obligations for redemption. Council Member Jackson seconded the motion. Motion carried unanimously.

16. Deliberate and act on an Ordinance authorizing the issuance, sale and delivery of "City of Rockport Tax Notes, Series 2022" in the approximate amount of \$8,120,000; securing the payment thereof by authorizing the levy of an annual *Ad Valorem* tax; and approving and authorizing the execution of a paying agent/registrar agreement, a purchase contract, an official statement and all other instruments and procedures related thereto.

Mayor Rios read comments from Patrick Kane, 1123 East Cedar Street, stating he felt this should have been a vote by the public and is concerned about the needs over the next 10 to 30 years.

Also speaking from the audience was Jeff Hutt, 2201 Prairie Road, asking questions about anticipation notes and *ad valorem* taxes.

Director of Finance Katie Griffin noted these 2022 Tax Notes are related to escalating construction costs of City Hall due to circumstances outside the City's control and other needs for an emergency dispatch station to be located at the Rockport Service Center, a catch up from years of not paying into the Fleet Replacement program following Hurricane Harvey, and any additional funds going to streets/drainage projects.

Robert (Bob) Henderson of RBC Capital Markets explained these Tax Notes do not have a two-year call option, but rather the first call option is at four years. When meeting with the rating agency, it was discussed the City's need for a large bond election as early as May of 2023.

MOTION: Council Member Brundrett moved to adopt an Ordinance authorizing the issuance, sale and delivery of "City of Rockport Tax Notes, Series 2022" in the approximate amount of \$7,640,000; securing the payment thereof by authorizing the levy of an annual *Ad Valorem* tax; and approving and authorizing the execution of a paying agent/registrar agreement, a purchase contract, an official statement and all other instruments and procedures related thereto. Council Member Hattman seconded the motion. Motion carried unanimously.

17. 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 Hattman noted there are major sink holes being repaired in her Ward and asked that everyone be patient.

Mayor Rios noted there will be a press release regarding a survey about future Council of Government (COG) grant funds. Our COG will have up to \$180,000,000 to spend on local needs for those affected by Hurricane Harvey and have various infrastructure needs.

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:

- 18. Section 551.071 Consultations with Attorney seeking the advice of attorney about pending or contemplated litigation or a settlement offer; and on a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter: Concho Street Drainage Project.**

At 9:04 p.m., Mayor Rios convened the Rockport City Council into an executive session pursuant to Government Code Sections 551.071 (Consultations with Attorney) seeking the advice of attorney about pending or contemplated litigation or a settlement offer; and on a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the chapter: Concho Street Drainage Project.

Open Session

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

At 9:37 p.m., Mayor Rios reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code.

No action was taken

19. Adjournment.

At 9:38 p.m., Council Member Jackson moved to adjourn. Motion was seconded by Council Member Brundrett. Motion carried unanimously.



APPROVED:



Patrick R. Rios, Mayor

ATTEST:



Teresa Valdez, City Secretary