

CITY OF ROCKPORT

MINUTES

CITY COUNCIL REGULAR MEETING 6:30 p.m., Tuesday, August 22, 2023 Rockport Service Center, 2751 State Highway 35 Bypass

Members of the public could view the meeting via live stream. Public participation is valued and citizens wishing to express their views on any topic or agenda item could 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 could also provide written comments to the City Secretary by 4:00 p.m. on the day of the meeting. The comments were read at the meeting.

On the 22nd day of August 2023, 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 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 Tim Jayroe
Mayor Pro-Tem Andrea Hattman, Ward 4
Council Member Stephanie Rangel, Ward 1
Council Member Danielle Hale, Ward 2
Council Member Brad Brundrett, Ward 3

CITY COUNCIL MEMBER(S) ABSENT

STAFF MEMBERS PRESENT

City Manager Vanessa Shrauner
Assistant to City Manager Kimberly Henry
City Secretary Teresa Valdez
City Attorney Art Rodriguez, Jr.
Director of Public Works and Building & Development Services Mike Donoho
Parks & Leisure Services Director Gene Camargo
Information Technology Director Bob Argetsinger
Community Planner Carey Dietrich
Director of Finance Robbie Sorrell
Communications Center Director Lee Brown

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 Jayroe at 6:30 p.m. on Tuesday, August 22, 2023, in the Training Room of the Rockport Service Center, 2751 State Highway 35 Bypass, Rockport, Texas.

2. Pledge of Allegiance.

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

3. Proclamation: GSM 100th Anniversary

Mayor Jayroe read a Proclamation congratulating GSM Insurors on their 100th Anniversary. Mayor Jayroe presented the Proclamation to McDavid family members.

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 Agenda item or any subject matter, will be read at 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 Jayroe said Citizen Participation Forms had been received and Council Members will read the comments.

Mayor Pro-Tem Hattman read comments from the following:

- 1) Rebecca Lichtenberg, 114 Boardwalk Avenue: Protesting unfair implementation of an out of City surcharge on water usage.
- 2) Larry Gremminger, 32 Southpointe Circle: Recommend you obtain legal consultation before passing the water rate as proposed because it is not allowed by state law without a basis of service cost attributable to a distinct service area.

Council Member Brundrett read comments from the following:

- 3) Andrew Kane, 2106 Lakeview Drive: The 1.5% of the rate of in City customers for water is an illegal tax and against the state water code law Chapter 13 Section 13.182, 13.184, and 13.189. Table the rate vote tonight or suffer the consequences because you have been warned you are breaking the law and can and most likely will be sued for it seeking all illegal over charges for as many years as the law will allow.
- 4) Patrick Kane, 1123 E. Cedar Street: I object to the white washing of citizens to be heard comments in the City's minutes; I asked the City Council to end the out-of-town City rate premium.
- 5) Patrick Kane, 1123 W. Cedar Street: I am opposed to using a rate equal to 1.5 times of the inside City limit customer utility rates for out of City limit utility customers. The rate for all water and wastewater customers should be the same.

Council Member Hale read comments from the following:

- 6) Tamara Merson-Wren, 36 Southpointe Circle: Object to the proposed 50% rate hike for water for non-City residents; the extra “surcharge” acts as a tax on non-City residents.
- 7) Matt Maxfield, 10 Southpointe Circle: I urge City leaders to provide equity to County residents in the pricing of water to that of City residents. This inflated pricing for County residents is unlawful and inequitable.
- 8) Don Duncan, 20 Southpointe Circle: The type of rate separation for utility service being proposed for those that are out of Rockport City limits is illegal in Texas. It is a violation of Texas Water Code Chapter 13, and a violation of Chapter 552 Home Rule Municipality regulations.

Council Member Rangel read comments from the following:

- 9) Chad Stinson, P.O. Box 2561: It seems everything has increased in cost over the last year, so I can understand the need to increase utility rates, but I question increasing rates for customers outside the City limits more than customers living inside City limits. I do not know all of the details of this issue so I can only trust that the correction action will be taken.
- 10) Krisha Paul, 41 Lake Shore Circle: I feel like the City of Rockport is violating the law in Texas by charging our neighborhood of Cape Valero a higher price for our water and has been doing so for years.

Mayor Jayroe said he had received three “Appearance Before City Council” cards from citizens attending the meeting tonight:

- 11) Toby Kernan, 1401 Royal Oaks Trail, Fulton: We are neighbors, and we want to be together, we are friends, and we should amicably be able to solve this. Divide up so everybody gets the same rate.
- 12) Doug Webb, 130 Lamar Drive: Have promised that I will bring forth a petition which will force the City Council to go back to the previous rule regarding citizen comments at meetings, or call an expensive special election which will pass by a large majority. To avoid this expense and embarrassment, I want to meet with you/committee to discuss a compromise that might limit the number of speakers and time allotted to each citizen for each agenda item.
- 13) Kristie Rutledge, 1411 Dana Drive: You are not following your Ordinances; tonight there are three items I would like to speak on, and there is not enough time. Utility rate hike – these are unjust. Don’t understand your budget-at the Strategic Planning Session on March 8, 2022, you allocated \$3.6 million using Unspent Bond Proceeds and ARP for the Wastewater Treatment Plan and now it has disappeared, and I wonder if that has something to do with these rate increases. Fees need to be equitable and charge to new developers.

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 City Council Regular Meeting Minutes of August 8, 2023.**
- 6. Deliberate and act on a Resolution authorizing publication of delinquent taxpayers' names.**

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

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

Regular Agenda

- 7. Deliberate and act on possible approval of a first reading of an Ordinance repealing Chapter 66, Article II of the City's Code of Ordinances entitled "Minors; Curfew;" providing for repealing savings and severability clauses; and providing for an effective date.**

City Attorney Art Rodriguez, Jr., addressed the Council and stated the City's Ordinance in Chapter 66, Article II of the City's Code of Ordinances entitled "Minors; Curfew" is by virtue of House Bill 1819 passed in the 2023 regular session of the Texas Legislature repealed or non-enforceable.

Brief discussion was held between Council and Mr. Rodriguez.

MOTION: Council Member Brundrett moved to approve the first reading of an Ordinance repealing Chapter 66, Article II of the City's Code of Ordinances entitled "Minors; Curfew;" providing for repealing savings and severability clauses; and providing for an effective date. Council Member Rangel seconded the motion. Motion carried unanimously.

- 8. Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities", Article II. "Water Service", Division 3. "Service Charges" by amending water rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date.**

Director of Finance Robbie Sorrell addressed the Council. Mr. Sorrell stated this is the second reading of the Ordinance amending water rates for all customers. Mr. Sorrell said these rates, which are needed to support debt services and capital improvement projects were discussed at the August 1st and 3rd City Council Budget Workshops. Mr. Sorrell reviewed the proposed amended water rates as shown in the Ordinance.

Mayor Pro-Tem Hattman said Council had received questions about the out-of-city rates and she would like an explanation of the Article citizens are talking about. Mayor Pro-Tem asked the City Attorney to address the laws which the citizens are commenting about.

City Attorney Art Rodriguez, Jr. addressed the Council and stated he has been doing work in front of the Texas Commission on Environmental Quality (TCEQ) and the Public Utility Commission (PUC) with respect to rates. Mr. Rodriguez said that the provisions that were directly cited for you within Chapter 13 is related to Subchapter F which relates to utilities that are investor-owned utilities within the State and they are inapplicable to municipal owned utilities. Mr. Rodriguez explained if you read the definition of who they are regulating in those sections, they are specifically for investor-owned utilities because TCEQ and PUC were specifically set up for rate regulation of investor-owned utilities. Mr. Rodriguez stated for a utility that is a municipally owned utility that rate is solely with the governing body, which is City Council, to set rates. Mr. Rodriguez added there is relief that is granted to customers if there is a belief that the rates are not accurately set; there is a procedure, appellate process for people that live outside the cities – not only for city councils but for other types of governmental entities that have utilities. Mr. Rodriguez expressed that the statement that 13.184, 13.182 and 13.186 are applicable to the City is incorrect; if you read the law carefully in conjunction with 13.002 of the Water Code, we are specifically exempted from those provisions as a municipality.

Discussion was held between Council and City Manager Shrauner regarding the City's latest rate study conducted by New Gen in March 2022 and updated in August 2022, and the rates proposed for FY 2023-2024.

Council Member Hale stated in reviewing Council conversations held during budget workshops and the last Council meeting, this is not the first time rates are being discussed; we were looking at how to reduce the rates and still be able to do projects. Council Member Hale said if staff recommends and it is legal and within our rights, and if we do want to change, let's take it to another short workshop because any changes made now will have a ripple effect on everything.

Further discussion followed between Council.

MOTION: Mayor Pro-Tem Hattman moved to postpone Agenda Items 8, 9, 10, 11, 12, and 13 to a future meeting. Council Member Rangel seconded the motion. Motion carried 4-1.

FOR MOTION: Mayor Pro-Tem Hattman, Council Member Rangel, Council Member Hale, and Council Member Brundrett.

AGAINST MOTION: Mayor Jayroe.

- 9. Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 "Utilities", Article III. "Wastewater Service", Division 4. "Service Charges" by amending wastewater rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date.**

Postponed by motion in Agenda Item 8.

10. **Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities”, Article V. “Natural Gas Service”, Division 3. “Service Charges” by amending natural gas rates for all customers; providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith; and providing for an effective date.**

Postponed by motion in Agenda Item 8.

11. **Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances, Chapter 82 “Solid Waste” Article II. “Refuse Collection”, Section 82.39 “Fee Schedule” setting new fees for service; repealing all prior ordinances in conflict herewith; and providing for publication and an effective date.**

Postponed by motion in Agenda Item 8.

12. **Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities” Article V “Natural Gas Service” Division 2 ”Connections” Section 102-517 Rates for Natural Gas Tap/Meter Installation, by adding additional meter sizes and amending installation/tap/meter fees when a new connection has been made to the City system(s); providing for the validity of said Ordinance; repealing all prior ordinances in conflict therewith, and providing for an effective date.**

Postponed by motion in Agenda Item 8.

13. **Deliberate and act on second and final reading of an Ordinance amending the City of Rockport Code of Ordinances Chapter 102 “Utilities” Article II “Water Service” Division2 “Connections” Section 102-41 Rates for Water Taps and Meter Installation; and Article III “Wastewater Service” Division3 “Connection Fees” Section102-246 Schedule of Fees, by amending installation/tap/meter fees when a new connection has been made to the City system(s); providing for the validity of said Ordinance; repealing all prior ordinances in conflict herewith, and providing for an effective date.**

Postponed by motion in Agenda Item 8.

14. **Discussion for proposal and possible future action regarding the addition of a school zone to the area around ABC Learning Center and the addition of a four-way stop at the intersection(s) next to the facility.**

City Manager Shrauner stated the requestor is not present at the meeting tonight so this will be put on a future agenda.

15. **City Manager Report:**
 - A. **Budget process timeline.**

City Manager Shrauner distributed a Revised Budget Calendar to Council. Ms. Shrauner asked what day next week the Council would like to have the workshop to discuss utility rates. Ms. Shrauner suggested the Council begin the Workshop at 5:30 p.m. and a Special Meeting following the Workshop.

It was the consensus of Council to schedule a Workshop and Special Meeting for Wednesday, August 30, 2023, beginning at 5:30 p.m.

B. Projects

City Manager Vanessa Shrauner did not have a report on projects.

16. Reports from Council.

At this time, the City Council will report/update on activities in respective Wards, and 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 Rangel reported she attended the Texas Municipal League Newly Elected Officials Conference in San Antonio last week.

Council Member Hale reported she attended the Planning and Zoning Commission Meeting and they voted to recommend the Council remove Mr. Howard from the Planning and Zoning Commission due to absences. Council Member Hale reported the Planning and Zoning Commission will be adding some training to their meetings.

Council Member Brundrett reported drainage projects are still underway and constituents are happy to see work continuing.

Mayor Pro-Tem Hattman reported she attended the Chamber's Tourism Development Council meeting. Mayor Pro-Tem Hattman stated there is a new and improved Chamber Governmental Affairs Commission and the first meeting went well.

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:

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 governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: A) Concho Street & General Land Office (GLO) drainage projects; and B) Nguyen litigation.

At 7:41 p.m., Mayor Jayroe convened the City Council into executive session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in: 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 governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter: Concho Street & General Land Office (GLO) drainage projects; and B) Nguyen litigation.

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 8:08 p.m., Mayor Jayroe reconvened the Rockport City Council into open session pursuant to the provisions of Chapter 551 of the Texas Government Code.

No action was taken.

17. Adjournment.

At 8:08 p.m., Council Member Brundrett moved to adjourn. Motion was seconded by Mayor Pro-Tem Hattman. Motion carried unanimously.

APPROVED:


Tim Jayroe, Mayor



ATTEST:


Teresa Valdez, City Secretary