

**STATE OF TEXAS §**  
**COUNTIES OF ARANSAS §**  
**SAN PATRICIO AND NUECES §**  
**CITY OF ARANSAS PASS §**

A Regular Meeting of the Aransas Pass City Council was held on Monday, September 4, 2018 in the Aransas Pass City Hall, 600 W. Cleveland Blvd., Aransas Pass, Texas 78336. A notice of the meeting was posted 72 hours in advance in accordance with Section 551, Texas Government Code. Mayor Ramiro Gomez, and Council Members Vickie Abrego, Billy Ellis, Janet Moore and Carrie Scruggs were present. Also present was City Manager Gary Edwards and City Attorney Roxann Cotroneo.

**1. CALL MEETING TO ORDER.**

Mayor Gomez called the meeting to order at 6:00 pm.

**2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG.**

Council Member Abrego gave the Invocation and led the Pledge of Allegiance to the United States Flag.

**3. PRESENTATIONS AND PROCLAMATIONS:**

**3.I. Discussion and questions on Proposed 2018 Tax Rate \$0.805296.**

Gary Edwards, City Manager stated that two public hearings will be held for the property tax rate and the final adoption is scheduled for September 24, 2018. Mr. Edwards discussed approximately 50 FEMA reimbursable projects that have been completed one-year after Hurricane Harvey. He further discussed the following issues impacting the FY2018-2019 budget: loss of property, loss of residents created fewer funds in the water fund; damage to hotel/motel translating to fewer dollars and tourists; need to come up with FEMA match dollars and grant match dollars; loss of revenue from the Civic Center and Aquatic Center; loss of dollars from tax valuation from \$601,109,693 to \$578,182,763, a 3.81% decrease.

Mr. Edwards then discussed options to generate additional revenue to meet the budget challenges caused by Hurricane Harvey. He added that staff had initially suggested the effective tax rate of \$0.73, meaning this is the rate the City will need to maintain where we are now; however, due to problems caused by Harvey and the need to grow the community, the city council proposed a tax rate of \$0.805196. The purpose of the public hearings is to hear comments from the citizens before the final vote is made on September 24, 2018. He added that the general fund balance for a city is at minimum 25%, and if the council approves the \$0.73 tax rate the fund balance will be 24.58%, \$0.77 tax rate the fund balance will be 26.84%, and \$0.80 tax rate the fund balance will be 28.29%. He reiterated that Standard and Poors wants our city to be at 40%, which we will not reach 40% but can point out to Standard and Poors that we are showing progress and heading in this direction.

Sandra Garcia, Director of Finance stated that if the council approves the higher tax rate, it would generate approximately \$346,000 in revenues, and would be earmarked as follows: \$146,000 would be used to repair water and sewer lines (emergency repairs only), \$100,000 to clean up the city; and \$100,000 for roadways and sinkholes. Council Member Scruggs asked if the water lines breaks are due to the water tower being down and the intermittent pump system, and Mr. Edwards responded that they are cause by deteriorating lines and that once the water tower is up and running we will have more water line breaks. Council Member Abrego asked if the \$346,000 is at the high tax rate, and Ms. Garcia responded that is correct.

Ms. Abrego then asked if they vote on the lower rate of \$0.73 cents and a water line break were to occur, what city services would be affected to cover the costs of repair, and Mr. Edwards stated that they would have to review and decide where there are funds to cover the costs.

**4. BOARDS AND COMMISSION:**

There were no board and commission appointments.

**5. CONSENT AGENDA:**

5.I. Approval of August 6, 2018 Regular Meeting and August 9, 2018 Workshop Meeting minutes.

A motion was made by Mayor Pro Tem Ellis to approve Item 5.I, seconded by Council Member Moore, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

**6. PUBLIC HEARING:**

6.I. Public hearing on the Aransas Pass Operating Budget for Fiscal Year 2018-2019.

Mayor Gomez declared the public hearing open. Sandra Garcia, Director of Finance referred to a summary of funds reflecting the amount budgeted for next fiscal year. She pointed out that the revenue column reflects the amount collected based on the proposed tax rate, and stated that the budget was filed with the City Secretary and is also available on the city's website. She added that the Police Department has a Federal Impress Fund and will be using approximately \$505,000 to supplement their budget to purchase vehicles; and the MDD is covering the deficit for the Civic Center and Aquatic Center, and the Crime Control & Prevention District will use some funds to supplement the Police Department, and the Water and Sewer Fund are still operating in a deficit.

Council Member Moore asked if the San Patricio Municipal Water District would be giving the City a water adjustment for the water break that occurred in the Bay Harbor area, and Ms. Garcia stated that they would not be able to issue an adjustment and the city would have to absorb the costs.

Carol Salinas, commented on the tax rate and added than an increase from \$.069 cents to \$0.73 cents would generate the same amount of revenue for the city, but it is still an increase to the citizens. She added that at the last meeting, the city approved the \$0.80 cents proposed tax rate and the city would approve anywhere between \$0.73 to \$0.80; the school district is also raising their tax rate, and TWIA is also increasing rate and asked that the council consider all of these increases when the approve the tax rate.

There being no further comments, Mayor Gomez declared the public hearing closed.

6.II. Aransas Pass Crime Control & Prevention District.

1. Public hearing on the Aransas Pass Crime Control & Prevention District Budget for FY 2018-2019.

Mayor Gomez declared the public hearing open. Ms. Garcia stated that the Crime Control & Prevention District met on August 9, 2018 and held a public hearing and approved their budget. She added that the budget includes \$3,500 for an Audit, \$100,000 for the Building

Fund, \$709,000 to supplement the Police Department's budget, \$5,000 for the Fire Department, and \$25,000 for Code Enforcement.

There were no comments from the audience. Mayor Gomez declared the public hearing closed.

2. Consider and Act on Resolution 2018-870 adopting the Aransas Pass Crime Control & Prevention District Budget for Fiscal Year 2018-2019.

A motion was made by Mayor Pro Tem Ellis to approve the Crime Control & Prevention District budget, seconded by Council Member Moore, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

### 6.III. Aransas Pass Municipal Development District.

1. Public hearing on the Aransas Pass Municipal Development District Budget for Fiscal Year 2018-2019.

Mayor Gomez declared the public hearing open. Ms. Garcia stated that the MDD board met on August 21, and approved their budget. She stated that the budget includes \$3,500 for auditing, \$25,000 for Capital Outlay, \$290,000 to cover the 10% for the Civic Center Re-Roof, \$558,091 in bond payments, \$250,000 to cover the Civic Center deficit, and \$200,000 to cover the Aquatic Center deficit. She added that the expenditures exceeds revenues, but they have a beginning fund balance, and she projects that at the end of fiscal year an ending balance of \$467,000.

There were no comments from the audience. Mayor Gomez declared the public hearing closed.

2. Consider and Act on Resolution 2018-871 adopting the Aransas pass Municipal Development District Budget for Fiscal Year 2018-2019.

A motion was made by Mayor Pro Tem Ellis to approve the Municipal Development District budget, seconded by Council Member Scruggs, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

## 7. CITY MANAGER

- 7.I. Consider and Act on Professional Services Agreement with Griffith & Brundrett for survey of Conn Brown Harbor for a total amount of \$20,000.

Mr. Edwards stated that the purpose of this item is for a legal survey of Conn Brown Harbor to establish boundary lines for the city's leased property at Conn Brown Harbor. He added that a previous request for a survey was never completed. Mr. Edwards stated that the survey would be accomplished in two phases for a total cost of \$20,000.

A motion was made by Council Member Moore to approve Item 7.I, seconded by Council Member Scruggs, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

- 7.II. Consider and Act on approval of Task 1 and 2 with LNV Engineers for the Former Coastline Resources Facility Site for an additional \$8,000.

Mr. Edwards stated that these Task Orders are for additional work totaling \$8,000. Jacalyn Gorczynski, LNV Engineers stated the purpose is to provide additional samples to show that there is not an ecological habitat and to respond to TCEQ's letter on the city's behalf. Ms. Gorczynski provided an update on the JBS and Gulf King sites. She stated that the Gulf King site is all done, and all that needs to be done is take out the wells and send a report to TCEQ. In regards to the JBS, she was at the site last week and conducted groundwater remediation and soil remediation and is now complete, the groundwater lab results show it is clean, and is waiting to hear on the soil remediation. She stated that TCEQ mandates groundwater sampling for a year.

A motion was made by Council Member Moore to approve Item 7.II, seconded by Council Member Abrego, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

7.III. Consider and Act to authorize the US Army Corps of engineers to enter the Aransas pass Levee to perform an inspection and/or survey.

Katherine Comeaux, Planning Department stated the Corps of Engineers is seeking to conduct a risk analysis and survey the Aransas Pass Levee and this allows USACE surveyors to access all part of the levee to gather data for the risk assessment. She added there is no costs for this service.

A motion was made by Council Member Abrego to approve Item 7.III, seconded by Council Member Moore, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

7.IV. Consider and Act on the approval of grant from Rebuild Texas Foundation in the amount of \$533,220.

Mr. Edwards stated this item relates to acceptance of a grant from Rebuild Texas Foundation in the amount of \$533,220. The funds would be used to relocate City Hall to a downtown building, and renovate the current City Hall as an EOC public safety building.

Council Member Moore asked about the timeframe, and Mr. Edwards stated that the application would need to be submitted and reviewed, but is not aware of the timing.

A motion was made by Council Member Abrego to approve Item 7.IV, seconded by Council Member Moore, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

## **8. COMMUNITY ENRICHMENT:**

8.I. Consider and Act on the issuance of a Request for Proposals for Banquet Chairs for the Aransas Pass Civic Center.

Sarah Lee, Director of Community Enrichment stated that this is for issuance of an RFP for banquet chairs for the Civic Center.

Council Member Moore asked if any other RFPs that will need to be issued, and Ms. Lee stated none for over \$50,000. Council Member Moore asked if the city can sell the damaged chairs, and Ms. Lee responded that she is looking into this matter. Mayor Gomez asked the cost per chair, and Ms. Lee responded about \$29 to \$40 per chair.

A motion was made by Council Member Abrego to approve Item 8.I, seconded by Council Member Moore, and the motion passed with the following vote: Abrego, Ellis, Moore and Scruggs voting Aye.

**9. DEVELOPMENT SERVICES:**

There were no Development Services items.

**10. FINANCE:**

There were no Finance items.

**11. INFORMATION TECHNOLOGY:**

There were no Information Technology items.

**12. PUBLIC SAFETY:**

There were no Public Safety items.

**13. CITY COUNCIL OR STAFF ANNOUNCEMENT:**

**14. CITIZEN COMMENT:**

Donald Brummett, commented that work performed by a cement company in the downtown area (Greenwood to Goodnight) has not been cleaned up.

**14. EXECUTIVE SESSION:**

The meeting was recessed into Executive Session at 7:20 pm under the provisions of Section 551, Texas Government Code to discuss the authority of:

1. Section 551.071, Natalia Lamas vs. City of Aransas Pass and Board of Adjustment of the City of Aransas Pass, Texas, Cause No. S-16-5735CV-C in the 343 Judicial District of San Patricio County, Texas.
2. Section 551.071, Johnny Lee Davis vs. City of Aransas Pass, Eric Blanchard, Kyle Rhodes and Leo Martinez, Cause No. 13-17-00455-CV in the 13<sup>th</sup> District Court of Appeals of Texas.
3. Section 551.071, Gulf Marine Fabricators.
4. Section 551.071, Proposed Annexation.
5. Section 551.071, Update on Debris Pickup Status.
6. Section 551.072, Economic Development Negotiations with Integrity Development.
7. Section 551.087 and 551.071 regarding Hall Jones Development.
8. Section 551.071 and 551.071, regarding MKM Construction.

The council reconvened at 8:06 pm. Mayor Gomez announced that no action would be taken on the executive session Items 1 through 8.

**15. ADJOURNMENT**

There being no further business to come before the Council, Mayor Gomez adjourned the meeting at 8:07 pm.

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Ramiro Gomez  
Mayor

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Mary Juarez  
City Secretary

Approved on: \_\_\_\_\_