

**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, March 19, 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 Allen Lawrence.

**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:**

There were no Presentations and/or Proclamations.

**4. BOARD AND COMMISSION APPOINTMENTS:**

There were no Board Appointment items.

**5. CONSENT AGENDA:**

5.I. Ordinance No. 2018-4208 amending the City Code of Ordinances, Chapter 5, Building and Construction, Article I – In General, Section 5.2, amendments to the and modifications of Building Code; amending Requirements for Contractors who register with the City of Aransas Pass Building Department; providing a repealer clause; and, providing for an effective date.

5.II. Ordinance No. 2018-4209 amending the City Code of Ordinances, Chapter 5, Building and Construction, Article I- In General, Section 5-2, amendments to and modifications of Building Code; amending requirements for Windstorm Inspections on Accessory Buildings; providing a repealer clause; and, providing for an effective date.

5.III. Ordinance No. 2018-4210 amending Section 19.5-4, Overnight Camping and repealing Section 19.5-19, Camping Permit of the Code of Ordinances; providing a repealer clause; and, providing for an effective date.

5.IV. Approval of March 5, 2018 Regular Meeting Minutes.

A motion was made by Mayor Pro Tem Scruggs to approve Items 5.1 through 5.IV, seconded by Council Member Ellis, and the motion passed with the following vote: Gomez, Ellis, Moore and Scruggs voting Aye; Abrego abstained.

**6. PUBLIC HEARING:**

There were no Public Hearings.

## 7. CITY MANAGER

### 7.I. Consider and Act on Resolution No. 2018-851 authorizing Keep Aransas Pass Beautiful to complete the Harrison Boulevard Beautification Project, from Goodnight to Commercial.

Mr. Edwards stated that Keep Aransas Pass Beautiful is proposing to complete the Harrison Boulevard Beautification Project from Goodnight to Commercial. Ms. Brenda McElwee with KAPB played a video showing the TxDOT completed project from Wheeler to Goodnight, and discussed the type of vegetation that was planted. She added that KAPB will try to mirror the TxDOT project and asked that the City maintain the completed project.

Council Member Abrego asked what the time period was for this project, and Ms. McElwee said they will try to complete in about a year.

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

### 7.II. Consider and Act on Resolution No. 2018-852 authorizing an Interlocal Road Agreement with San Patricio County.

Mr. Edwards stated the purpose of this item is for maintenance and reconstruction of roads within the city limits.

Howard Gillespie, San Patricio County Commissioner stated that the County will provide all equipment and labor needed at its expense, and the City will pay for any materials needed at its expense and is only for streets within the city limits.

Council Member Abrego asked how many streets can be done in a year, and Mr. Gillespie responded that they can do one mile per year, and City will decided which road. Ms. Abrego asked if curbs and gutters are included, and Mr. Gillespie responded that the County does not do curbs and gutters. He added that the cost is approximately \$75,000 per mile, and will do one mile per year.

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

### 7.III. TABLED ~~Consider and Act on approving Harbor Lease with Justin Chandler for property located at 508½ Bigelow (formerly known as Kohootz, LLC).~~

Mr. Edwards stated that Items 7.III and 7.IV relate to two separate Harbor Leases with Justin Chandler. Mr. West stated that Item 7.III is for the property formerly known as Kohootz at 508½ Bigelow and consist of a concrete block building approximately 1,000 square feet on a 100 foot wide lot, bulkhead with a dock on the back. Mr. West added that Mr. Chandler submitted a proposal previously approved by Council, it is a structured lease with increasing rent, and will offer services such as motor repair work and a stock of items and recommends approval of the lease.

Council Member Moore asked if this was the property that would include Gatewoods, and Mr. West stated this is not Gatewoods. Mr. West informed the Council that one of Darrell Gatewoods previous employee is still doing work for him; and added that Mr. Chandler plans to utilize his skills in this lease. Ms. Moore asked if this employee was going to be a partner or a sublease, and Mr. Chandler said he would be involved in the business. Ms. Moore stated that if he is going to be involved in the lease and be a partner, his name should be included in the lease.

Mayor Pro Tem Scruggs asked if he was going to be a partner or an employee, and Mr. Chandler responded that it would be a working partnership. Mr. West stated that the City would re-write the lease and bring back at the next meeting.

Mr. West then referred to Item 7.IV, stating it is a new lease with Justin Chandler for property at 518 Bigelow formerly known as Diamond Marine located west of the Seaman's Memorial Tower. He added that the building was damaged during Hurricane Harvey, and Mr. Chandler's proposal is a structured lease which provides for a 12 month period of time to explore options for permits to building piers and docks. Mr. Chandler's proposal is to rebuild the facilities to include a restaurant, gift shop, sale of fishing supplies. Mr. West clarified that in the first year of the lease he will be evaluating and seeking permits and will also demolish the existing wreck at no cost to the city.

Council Member Moore stated that if this is going to be a partnership, the lease should include both names.

City Attorney Lawrence recommended tabling these two items on the basis of ownership until the next meetings, seconded by Mayor Pro Tem Scruggs, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

7.IV. TABLED

Consider and Act on approving Harbor Lease with Justin Chandler for property located at 518 Bigelow (formerly known as Diamond Marine).

**8. COMMUNITY ENRICHMENT:**

There were no Community Enrichment Items.

**9. DEVELOPMENT SERVICES:**

9.I. Monthly Statistical Report for Permitting, Inspections and Planning – February 2018.

Katherine Comeaux, Superintendent of Development Services provided a statistical report for the month of February 2018 and discussed the following: permit volume, revenues and expenditures. Ms. Comeaux stated that in February the overall volume for permits increased by 275% as compared to this time last year. She provided an update on the Hogan Homes development.

**10. FINANCE:**

10.I. Consider and Act on Resolution No. 2018-853 requesting financial assistance from the Texas Water Development Board for constructing various public improvements to the City's Utility System; authorizing the City's Financial Advisors, Bond Counsel, and Engineers to coordinate the submission of the application to the Texas Water Development Board; and other matters in connection therewith.

Mr. Edwards stated that the purpose of this item is to present a back-up option for a new Vactor Truck. He added that the current Vactor Truck is old and in need of repairs of approximately \$100,000 and is a major piece of equipment to keep the sewer lines clean. Mr. Edwards informed the council that while the truck is being repaired, the cost to rent a vactor truck is \$14,000 monthly, and rather than to spend these dollars, staff is recommending to purchase a new Vactor Truck.

Mr. Edwards stated that there are other items in need of repairs totaling approximately \$1.3 million and he is proposing Tax Notes to fund these projects. These items are: extension of water and sewer lines for a new hotel development, replacing a failing sewer line on DeBerry Street (a TCEQ required project), replace old fire hydrants, repairs to King Lift Station, repairs to Pelican Cove Lift Station, environmental remediation for Conn Brown Harbor, and paving a section of roadway on Beasley. He added that in the event the Tax Note funding falls through, all project would be funded through the Texas Water Development Board, with the exception of the Vactor Truck which would be a lease purchase.

Ms. Garcia stated that the timeline with the Texas Water Development Board is 6 – 9 months, and further explained the process and requirements, adding that the City would incur additional engineering fees. Ms. Garcia stated that the Financial Advisors are advising the City have a backup plan in the event the Tax Notes fall through. Ms. Garcia then explained that it would take seven years to repay the \$1.3 million, with an increase in Year 1 and Year 2, and the City will slowly begin to see a decline and would be paid from the Water Utility Fund and General Fund.

Mr. Edwards then asked the Council if they concurred with moving forward with the Texas Water Development Board if the Tax Notes fell through.

Council Member Moore asked for an explanation of a Tax Note, and Ms. Garcia responded it is similar to a Bond but does not require voter approval. She added that it is not for maintenance and operations, but for projects and equipment that the city does not have funds for. Ms. Garcia stated that the interest rate on the Tax Note is 3%, and the interest rate on a lease purchase is 3½ percent. She stated the cost to issue the Tax Note is approximately \$30,000 to \$40,000 to cover the Financial Advisor, Bond Attorney, and paperwork and funding would become available by April 23<sup>rd</sup>.

A motion was made by Council Member Abrego to approve Item 10.I, seconded by Council Member Moore, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

#### 10.II. Discussion of the lease purchase of a Vactor Truck.

Mr. Edwards stated that this item was discussed in the prior agenda item and reiterated the importance of a new Vactor Truck. Council Member Moore asked if the old Vactor Truck can be sold for parts, and Ms. Garcia responded that this matter has been discussed and are hoping that they can sell for parts.

Mr. Edwards advised that no action is needed on this item.

#### 10.III. Monthly Financial Report for February 2018.

Sandra Garcia, Director of Finance stated that revenues for the General Fund are up and expenses are down year-to-date for this same time last year; revenues for the Utility Fund are down about half a million dollar as budgeted and is due to the loss of customers and hotels but optimistic that with the re-opening of the Fairfield Inn and new development that revenues will

begin to increase; expenses for the Utility Fund are also down by \$207,000. Ms. Garcia stated that the Aquatic Center has no significant revenues to report and that the season will open in May; the Civic Center has no booked any new events due to the damage caused by Hurricane Harvey and only honoring those events booked prior to the hurricane. She informed the Council that FEMA is renting space at the Civic Center on a monthly basis at \$8,000 monthly.

She reported that overall the City has collected \$8.8 million in Revenues and expended \$6.3 million with a year-to-date surplus of \$2.5 million; property tax collected is \$3,789,380 an increase of approximately \$78,000 as compared to this time last year; sales tax collected is \$1,053,238 an increase of \$176,800 as compared to this time last year

**11. INFORMATION TECHNOLOGY:**

There were no Information Technology items.

**12. PUBLIC SAFETY:**

12.I. Consider and Act on modifying Section 1, Chapter 18, Sections 18-82, Exceptions of the Aransas Pass Code of Ordinances.

Eric Blanchard, Director of Public Safety stated that this item is amending the Sex Offender Residency ordinance to add a section that child safety zones don't come into play when a sex offender is actively exercising his or her constitutional rights such as attending church, a government public meeting, or engaging in a free speech event. He added that the purpose of the amendment is for consistency with codes and standards.

A motion was made by Council Member Ellis to approve Item 12.I., seconded by Mayor Pro Tem Scruggs, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

12.II. Presentation of Police Department Statistics for February 2018.

Eric Blanchard, Police Department reported the highlights for the CID Division, Patrol Division and discussed the following statistics: accidents, traffic stops, assault report, burglary, criminal mischief, death investigation, fraud, theft and theft motor vehicle for the month of February 2018. He added that the report will be posted on the City's website.

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

Mr. Edwards stated that there are no announcements.

**14. CITIZEN COMMENTS:**

Howard Gillespie, San Patricio County Commissioner stated he met with Rebuild Texas representatives pertaining to funding for the re-opening of Coastal Regional Medical Center Hospital.

Roy Vasquez, stated that car parts are visible at the intersection at Goodnight and Harrison resulting from a possible car accident, and asked if the City has looked into a better way of controlling the intersection. Mr. Blanchard stated that he communicates regularly with TxDOT and that the last study resulted in the current four-way stop and speed limit changes. He also stated that if the car parts are a result of an accident, it is the wrecker service responsibility to pick up crash debris but will look into the matter.

**15. EXECUTIVE SESSION:**

The meeting was recessed into Executive Session at 6:55 pm under the provisions of Section 551, Texas Government Code to discuss the authority of:

1. Section 551.074, Personnel Matters: City Attorney.

The Council returned from Executive Session at 7:10 pm.

1. Section 551.074, Personnel Matters: City Attorney.

A motion was made by Council Member Ellis to approve the Retirement Agreement between the City Attorney and the City, and authorize the Mayor to sign the agreement, seconded by Mayor Pro Tem Scruggs, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

**16. ADJOURNMENT**

There being no further business to come before the Council, Mayor Gomez adjourned the meeting at 7:11 pm.

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Ramiro Gomez  
Mayor

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Mary Juarez  
City Secretary

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