

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, April 2, 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:

4.I. Housing Authority of Aransas Pass

Mayor Gomez announced the reappointment Lupe Torres for a new two-year term, and new appointments of Rudy Abrego and Vickie Torres.

5. CONSENT AGENDA:

5.I. Ordinance No. 2018-4211 amending Chapter 18, Article VII, Sex Offender Residence Location Restrictions, Section 18-82, Exceptions to the Code of Ordinances.

5.II. Extending the Disaster Declaration issued on by the Mayor on August 27, 2017 in response to Hurricane Harvey and extend until the April 16, 2018 Regular City Council Meeting.

5.III. Approval of March 12, 2018 Workshop Minutes.

A motion was made by Council Member Moore to approve Items 5.I. through 5.III., seconded by Council Member Ellis, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

6. PUBLIC HEARING:

There were no Public Hearings.

7. CITY MANAGER

7.I. Consider and Act on 2018 Fireworks Production contract between the City of Aransas Pass and Western Enterprises, Inc.

Mr. Edward stated that this item related to the agreement with Western Enterprises for this year's fireworks production for the same amount as in previous years. He added that funding for the event would be identified prior to the event.

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

8. COMMUNITY ENRICHMENT:

8.I. Consider and Act on Resolution No. 2018-855 terminating the Community Services Agreement between the City of Aransas Pass and the Aransas Pass Housing Authority to release the Senior Citizen Center Annex, 250 S. 13th Street to the Housing Authority.

Mr. Edwards stated that this item was previously presented to Council during a Workshop Session on the matter of returning the Senior Citizen Center building back to the Housing Authority, and retain the City owned building, He added that the McSwain building will undergo mold remediation and is on the FEMA list for repairs.

Council Member Abrego asked about activities, and Ms. Sarah Lee, Director of Community Enrichment stated that her goal is to have all activities under one roof. Council Member Moore asked about the Meals on Wheels program, and Ms. Lee responded that the meals are still being delivered to their homes, but once the building is re-opened will operated out of the center.

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

9. DEVELOPMENT SERVICES:

There were no Development Services items.

10. FINANCE:

10.I. Consideration and approval of Resolution No. 2018-854 relating to establishing the City's Intention to Reimburse itself for the prior lawful expenditure of funds relating to constructing various City improvements from the proceeds of Tax-Exempt Obligations to be issued by the City for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

Sandra Garcia, Director of Finance introduced the City's Financial Advisor, Mr. Mark McLinney, SAMCO Capital Markets. Mr. McLinney stated that the City recently implemented financial policies making the City better than before and has seen a difference and significant progress has been made. He stated the first item is a Reimbursement Resolution which is a step that allows cities to spend money on projects that will issue bonds in the future. He added that this reimbursement resolution will allow the City to spend bond proceeds on the following projects: Vactor Truck, extension of water and sewer lines for Motel 6 project, replace failing sewer lines on DeBerry Street, replace old Fire Hydrants, repair King Lift Station, repair Pelican Cove Lift Station, environmental remediation of Conn Brown Harbor, and paving section of roadways on Beasley.

Council Member Moore asked if there are any negatives, and Mr. McLinney stated that there are none. He added that if the City does not want to reimburse themselves; that by authorizing this reimbursement resolution it is an option, and a protection in the event the city wishes to reimburse themselves. He stated that the funds should be in the bank in approximately four weeks.

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. Consideration and approval of Ordinance No. 2018-4212 by the City Council of the City of Aransas Pass, Texas authorizing the issuance of the City of Aransas Pass, Texas Tax Notes, Series 2018", levying an annual Ad Valorem Tax, within the limitations prescribed by law, for the payment of the obligations; prescribing the Form, Terms, conditions, and resolving other matters incident and related to the issuance, sale and delivery of the obligations; authorizing the execution of a Paying Agent/Registrar Agreement and a purchase and investment letter; complying with the Letter of Representations previously executed with the Depository Trust Company; and providing an effective date.

Mr. McLinney explained that this item relates to the actual Tax Notes in the amount of \$1,400,000 Series 2018. He added that a bid parameters packet was sent to 15 banks that purchases these type of bonds, and received 4 bids. Mr. McLinney added that 2 or 3 of the normal bidders did not submit a bid, because one stated they already own some of the city's bonds, and two stated they do not know where the City stands financially because the audit was not approved and published by the March 30th deadline and with the Hurricane situation they are not comfortable submitting a bid not knowing the City's finances; and pointed out that over the last 10 years, the City has not met the March 30th deadline since 2008. Mr. McLinney stated that the Bond Ordinance states that when we sell bonds, we will publish the Audit within 180 days of the fiscal year. Mr. McLinney stated that the City has published non-audited numbers which met the requirement, but the City needs to publish the Final Audit approved by the Council by March 30 which is important in continuing disclosure.

Mr. McLinney stated that Frost Bank is the best bid at 2.57% interest, and Texas Independent Bank at 2.64% interest, the total difference in adjusted interest is \$127,696 for Frost Bank, and \$131,105 adjusted interest for Texas Independent Bank, a \$4,000 difference in \$1.4 million. He added that some of the projects will be paid from the Utility Fund and the General Fund. Mr. McLinney stated that he recommends awarding the bonds to Frost Bank at 2.57% interest.

Council Member Moore reiterated comments that the Audit was not completed by the March 30th deadline and asked if it has been completed, and Mr. McLinney responded that he has received a draft. Ms. Garcia added that the Audit has not yet been completed, and that the Auditor will be coming in the week of April 23rd and will have numbers by the 30th, and it appears that May will be the target period for presenting and approving the Audit.

Council Member Abrego asked if necessary steps are being implemented to approve the Audit timely, and Ms. Garcia stated that the books were turned into the Auditor before the end of the year, and will work on better coordination with the Auditor to submit books in November and will work on better coordination.

A motion was made by Mayor Pro Tem Scruggs to approve Item 10.II., awarding the Tax Note Bonds to Frost Bank, seconded by Council Member Moore, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

11. INFORMATION TECHNOLOGY:

There were no Information Technology items.

12. PUBLIC SAFETY:

There were no Public Safety items.

13. CITY COUNCIL AND STAFF ANNOUNCEMENT:

Mr. Edwards stated that a Workshop Meeting is planned for April 10, 2018 at 6 pm.

14. CITIZEN COMMENTS:

Mary Wells, Aransas Pass Lions Club informed the Council that they will be accepting donations on April 7th at the Walmart to benefit the Eye Bank of Texas, benefitting sightless persons, such as guide dogs and Braille reading and writing instruments. She also state that other funds raised are for research for cataracts, glaucoma and to improve treatment to end these problems.

Howard Gillespie, San Patricio County Commissioner stated that the Commissioner's Court approved the Road Agreement with the City of Aransas Pass and once signed, will forward a copy to the city.

Jack Chaney, Aransas Pass County Commissioner stated that Aransas Pass is looking clean and thanked the city council and the city manager. He also recognized the City's Building and Inspections Department and stated that they are professional and have made a serious improvements in their processes.

15. EXECUTIVE SESSION:

The meeting was recessed into Executive Session at 6:30 pm under the provisions of Section 551, Texas Government Code to discuss the authority of:

1. Section 551.071, Consultation with City Attorney: Former Abandonment.
2. Section 551.071, Consultation with City Attorney: Bid for Field Lighting.
3. Section 551.072, Deliberation regarding Real Property: LWR Property.
4. Section 551.072, Deliberation regarding Real Property: Conn Brown Harbor – Hal Jones.
5. Section 551.074, Personnel Matters: Update on City Attorney Search.

The Council returned from Executive Session at 8:20 pm.

1. Section 551.071, Consultation with City Attorney: Former Abandonment.

A motion was made by Council Member Ellis to approve half of the original amount for the former abandonment for La Costa Development project, seconded by Council Member Moore, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

2. Section 551.071, Consultation with City Attorney: Bid for Field Lighting.

A motion was made by Council Member Ellis to award the bid to Scott Electric, second lowest bid for the field lighting due to the fact the City is in litigation with the lowest bidder, seconded by Council Member Abrego, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

3. Section 551.072, Deliberation regarding Real Property: LWR Property.

Mayor Gomez announced that no action would be taken on this item.

4. Section 551.072, Deliberation regarding Real Property: Conn Brown Harbor – Hal Jones.

A motion was made by Council Member Ellis directing staff to move forward to work out an agreement with Hal Jones for the development of Conn Brown Harbor, seconded by Council Member Moore, and the motion passed with the following vote: Gomez, Abrego, Ellis, Moore and Scruggs voting Aye.

5. Section 551.074, Personnel Matters: Update on City Attorney Search.

Mayor Gomez announced that no action would be taken on this item.

16. ADJOURNMENT

There being no further business to come before the Council, Mayor Gomez adjourned the meeting at 8:25 pm.

Ramiro Gomez
Mayor

Mary Juarez
City Secretary

Approved on: _____