

City Manager Update



City of Rockport

March 25, 2025
City Council Regular Meeting

March 2025 Development

- **Meetings with Freese & Nichols regarding the Impact Fee CIP;**
- **Discussions with P&Z regarding updating the Future Land Use Map regarding recommended Industrial Use properties;**
- **Meetings with Engineers regarding the demolition, repairs, or reconstruction of duplex structures located at 1601 Mathis;**
- **Oasis PUD Final Plat Approved;**
- **Kokomo PH VI Final Plat under review;**

March 2025 Permitting

- **Permitted eight (8) single family residential dwellings;**
- **Permitted three (3) commercial projects with a total value of \$193,490.00;**
- **Conducted six (6) pre-development meetings;**

- Building & Development Stats

February

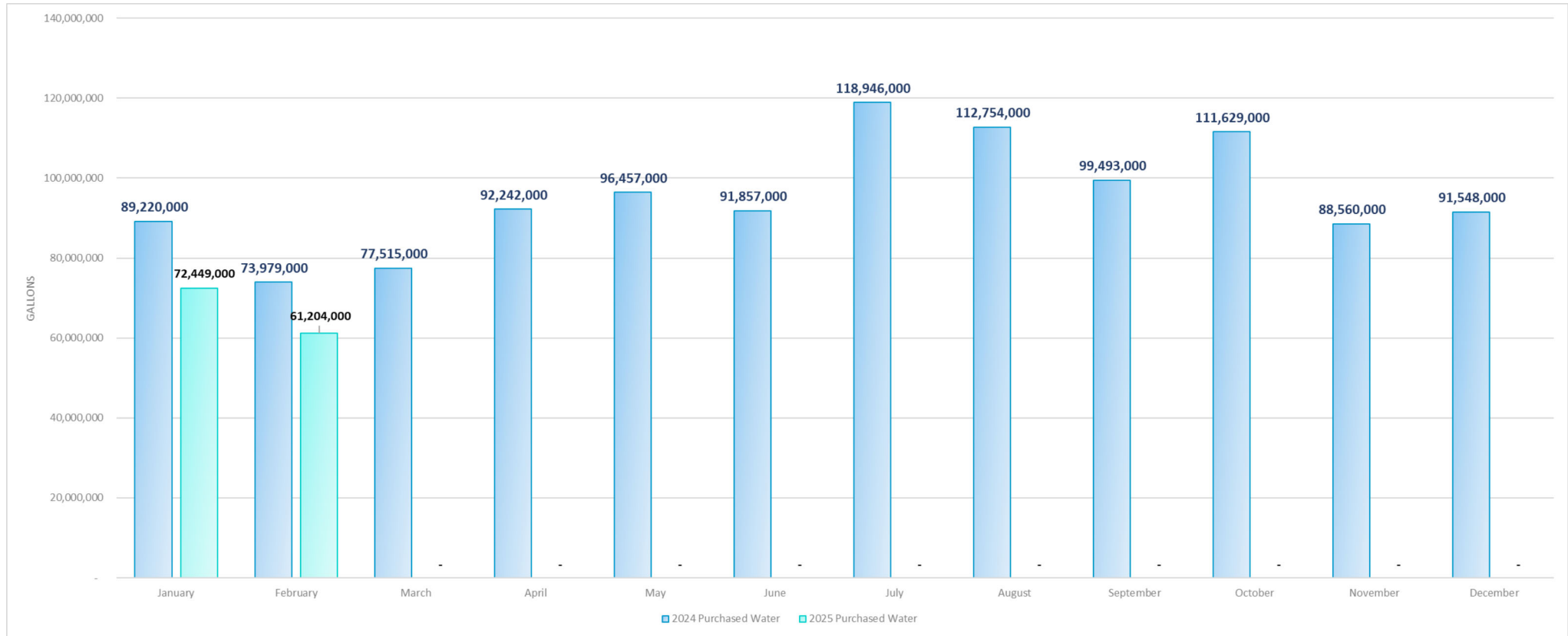
- **Permits Issued: 81**
- **Permit Fees Collected: \$21,139.01**
- **Impact Fees Collected: \$34,975.01**
- **Inspections: 327**
- **Code Enforcement**
 - **Open Cases: 66**
 - **Closed Cases: 60**
 - **New Complaints: 69**
 - **General Inquiries: 107**

Public Works

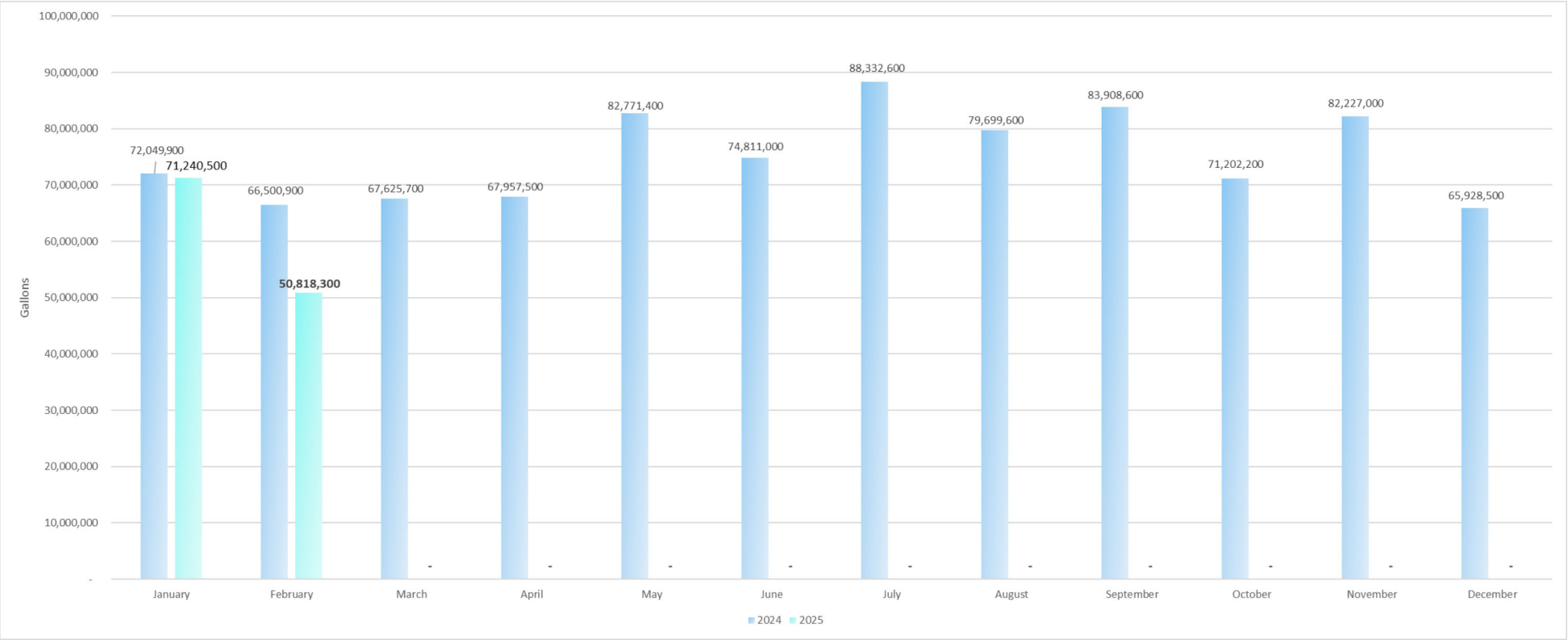
February Billed Utility Connections / Consumption

- **Water: 10,408 / 508,183.0000**
- **Sewer: 5,641 / 271,243.0000**
- **Gas: 4,632 / 183,239.0000**

Purchased Water



Residential/Commercial Water Usage



Water Conservation & Drought Emergency Information

The City of Rockport is currently under Stage 3 Water Restrictions

Stage 1 – Mild Water Shortage Watch: Initiated when combined lake levels of the Choke Canyon Reservoir and Lake Corpus Christi system (CCR/LCC system) fall below 40% of capacity. Stage 1 restrictions are not lifted until combined lake levels return to at least 50%.

Stage 2 – Moderate Shortage Condition: Additional restrictions are initiated when lake levels fall below 30% and remain in effect until combined lakes return to at least 40%.

Stage 3 – Critical Water Shortage Condition: Stage 3 is initiated if combined water storage levels decline below 20%. Additional restrictions on certain non-essential water uses will remain in effect until levels increase to above 30%. Stage 2 then becomes operative.

Stage 4 – Emergency Water Shortage Condition: Stage 4 could be declared by our supplier, San Patricio Municipal Water District (SPMWD), in the event of an extreme water system production or transmission system failure.

Stage 3 Restrictions are as Follows:

- Mandatory Compliance
- All landscape watering prohibited
- No filling of new and existing pools *(NOT RECOMMENDED)
- No washing of cars at home
- All fountains shall operate only to maintain equipment
- Washing of Impervious Surfaces is prohibited unless for health and safety reasons

Why are we entering Stage 3?

Combined reservoir levels are below 20% capacity. Current weather forecasts predict above-normal temperatures and below-normal rainfall, which will impact our water supply.

For more frequently asked questions visit

<https://www.rockporttx.gov/494/Water-Plan>

Finance Department

Good Morning,

Below is the FY 26 Budget estimate for those meters served by GEXA.

TCAP Member	2024 TCAP			Sum of 2024	Sum of 2024		2024 Total	FY 2026				
	25 Rate	26 Rate	Budget Estimate	kWh	Energy Charges	TDSP Charges		FY 2026 kWh	Energy Charge	FY 2026 TDSP	FY 26 Fees	FY 2025 Total
CITY OF ROCKPORT	0.06607	0.07182	528,618.26	4,515,531	\$ 277,437.92	\$ 296,564.32	599,510.48	4,515,531	\$ 317,814.36	\$ 302,495.61	\$ 21,771.60	\$ 642,081.57

There are three months of projected costs under the current 2025 rate and nine months under the 2026 rate. If you have any accounts in the regulated area or with another provider, you'll need to add those estimates to ours for your total electricity costs. The fees column includes the PUC fee, gross receipts tax, aggregation fee, and winter debt securitization.

The 2026 rate came in higher than we would have expected. Attached is also an explanation of why the prices are higher than we expected.

Detailed spreadsheets broken out by ESI ID and/or GEXA Group number are available upon request.

Thank you,

Drew Shores

Assistant to the Executive Director

[Texas Coalition for Affordable Power](#)

dshores@tcaptx.com

Fire Fund Comparison

<u>February 2023</u>	<u>February 2024</u>	<u>February 2025</u>
9,987	10,099	10,080

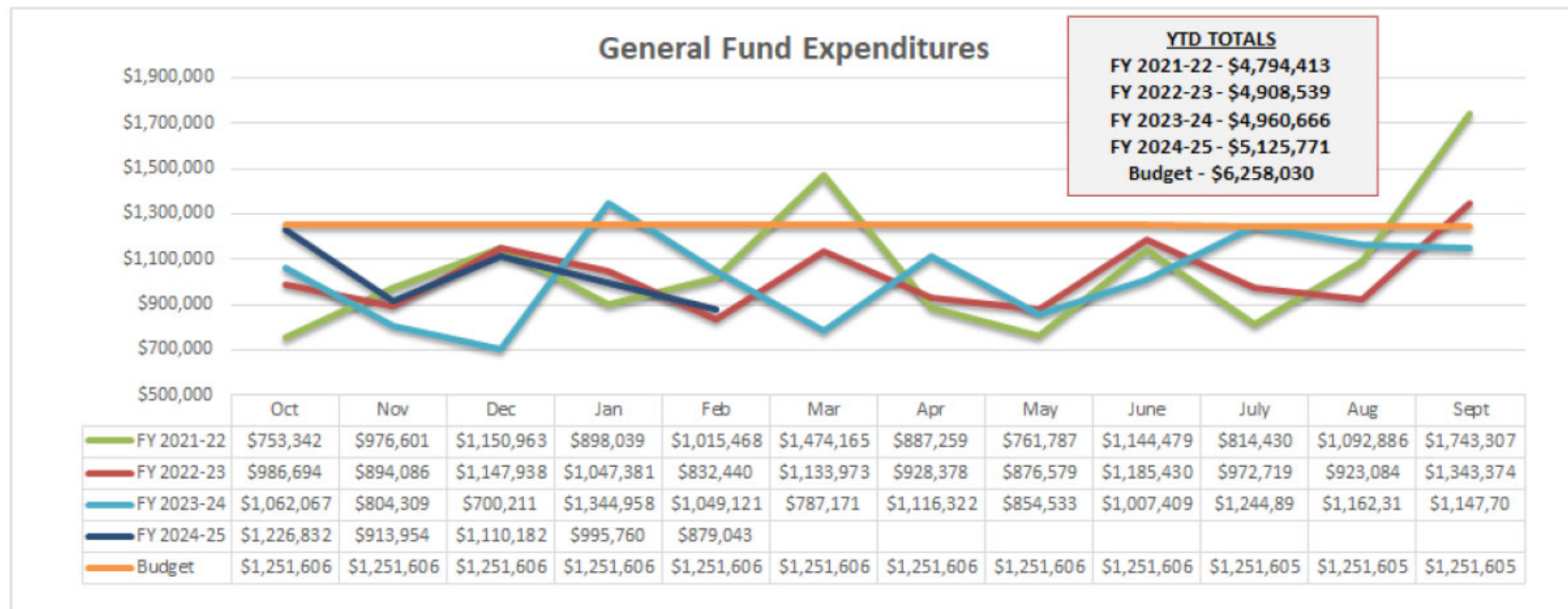
February, 2025 marks the first year over year decline in utility connections voluntarily contributing to the Fire Fund.

Notice on next Utility Bill regarding garbage pick-up exclusivity

- **As a friendly reminder, please know Republic Services is the exclusive and legal provider of Commercial and Residential Garbage Services inside the City limits. Hiring another provider is illegal.**

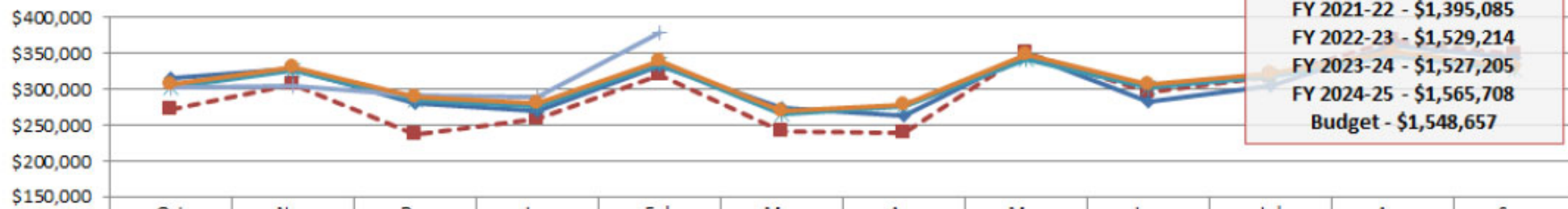
City of Rockport

General Fund Expenditures thru February 2025



Up 3% YoY- 18% below budget.

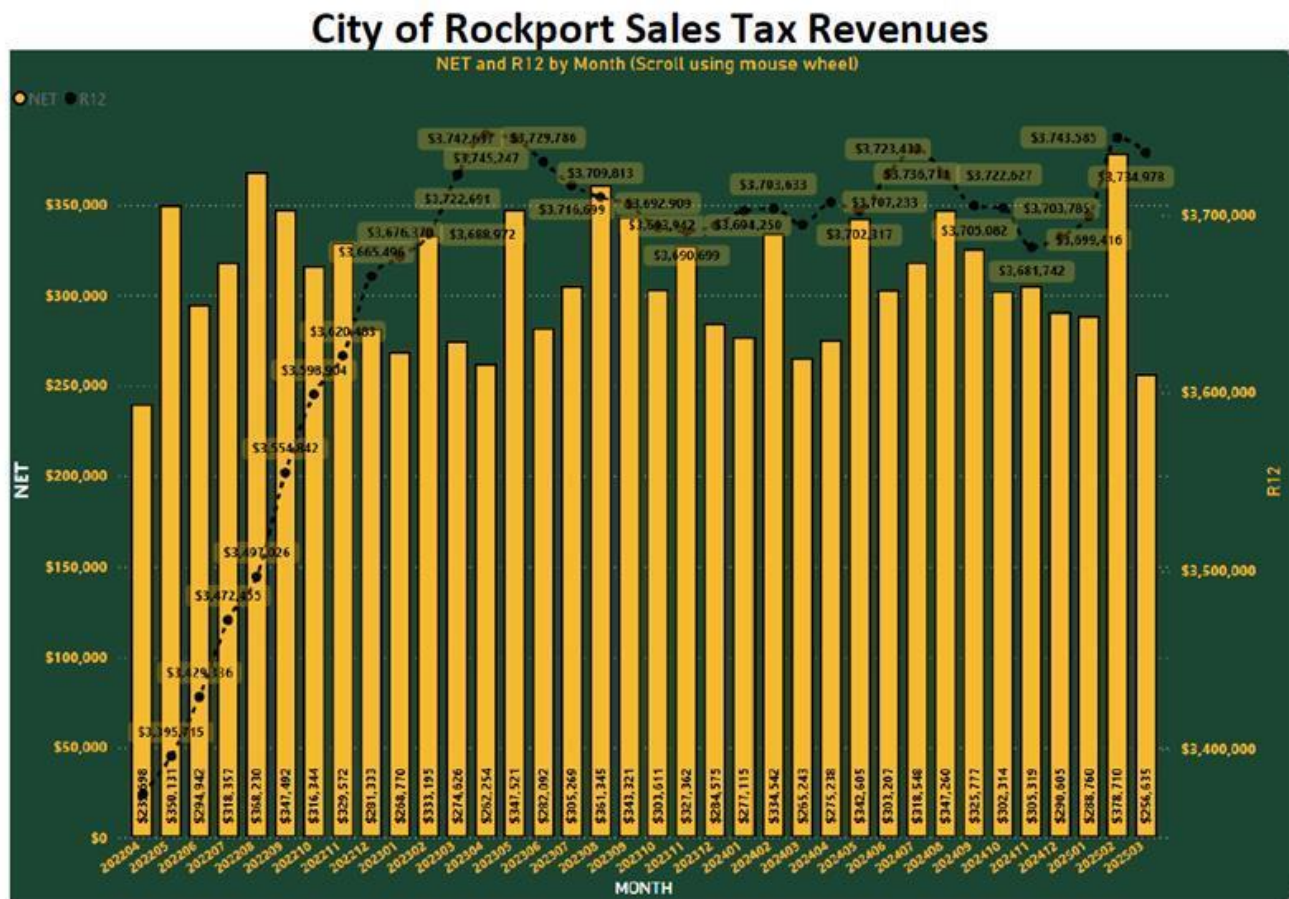
Sales Tax Revenue



YTD TOTALS	
FY 2021-22	- \$1,395,085
FY 2022-23	- \$1,529,214
FY 2023-24	- \$1,527,205
FY 2024-25	- \$1,565,708
Budget	- \$1,548,657

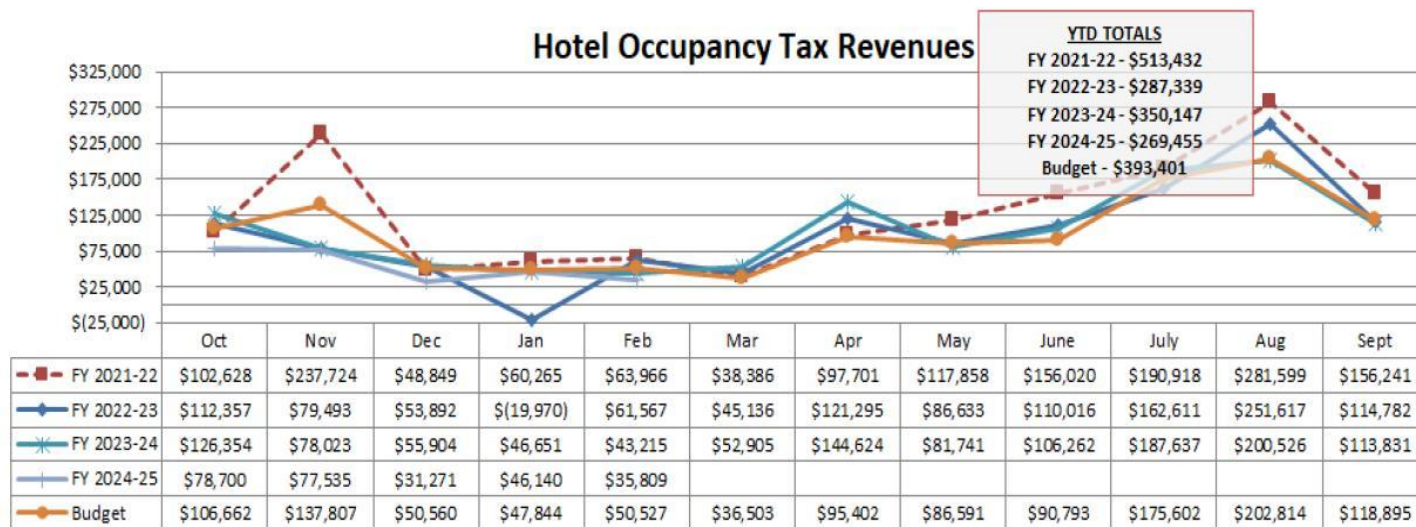
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2021-22	\$272,283	\$307,992	\$236,320	\$257,897	\$320,593	\$240,907	\$239,698	\$350,131	\$294,942	\$318,357	\$368,230	\$347,492
FY 2022-23	\$316,345	\$329,572	\$281,332	\$268,770	\$333,195	\$274,626	\$262,254	\$347,521	\$282,092	\$305,269	\$361,345	\$343,321
FY 2023-24	\$303,611	\$327,362	\$284,575	\$277,115	\$334,542	\$265,243	\$275,238	\$342,605	\$303,207	\$318,548	\$347,260	\$325,777
FY 2024-25	\$302,314	\$305,319	\$290,605	\$288,760	\$378,710							
Budget	\$307,876	\$331,960	\$288,572	\$281,008	\$339,241	\$268,968	\$279,104	\$347,417	\$307,466	\$323,022	\$352,138	\$330,353

Sales Taxes for February reflect December sales.



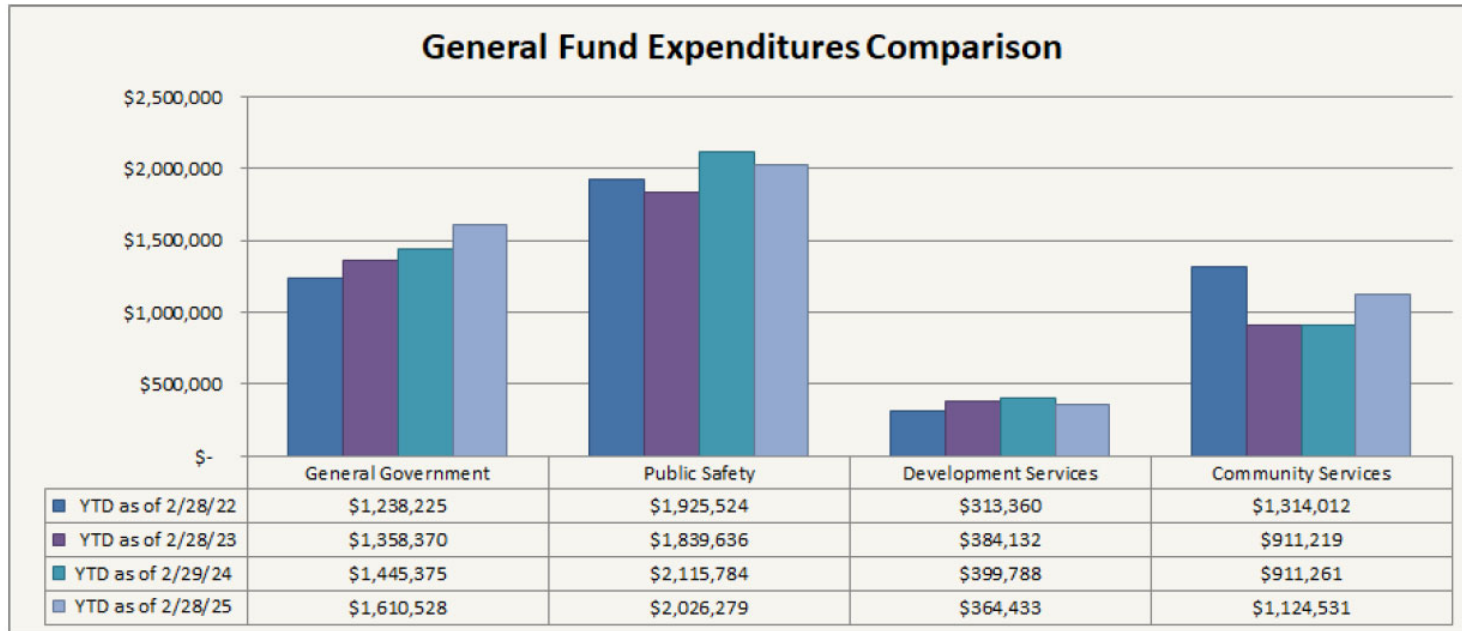
Above graph of 12 month rolling average reflects sales taxes rolling over in April/May 2023 and staying flat to declining.

City of Rockport Hotel Occupancy Tax Fund Revenues thru February 2025



Down 23% YTD YoY - Revenues 32% under budget. RentalScape is now the only payment medium with learning/transition curve impacting revenues. Airbnb and VRBO issues are now being resolved and will be collected.

Business Comparisons for This Month				
PAYER NAME	2023	2024	2025	% OF TOT ▼
WAL-MART	\$29,146	\$27,783	\$26,976	10.51%
BUILDERS FIRSTSOURCE	\$26,982	\$22,701	\$26,184	10.20%
PROBUILD	\$33,932	\$21,990	\$17,299	6.74%
H-E-B FOOD STORE	\$15,863	\$16,399	\$16,797	6.54%
AMAZONCOM SVCS (MARKE...	\$9,788	\$10,715	\$11,189	4.36%
AMAZON COM COMPANIES	\$5,485	\$5,453	\$6,046	2.36%
ACE HARDWARE	\$7,103	\$6,466	\$5,891	2.30%
SNS INDUST	\$0	\$0	\$4,131	1.61%
CITY OF ROCKPORT	\$3,762	\$4,462	\$4,035	1.57%
RELIANT ENERGY RETAIL SVCS	\$4,269	\$3,488	\$3,901	1.52%
DUNCAN AVIONICS	\$0	\$0	\$3,754	1.46%
ROCKPORT COUNTRY CLUB ...	\$2,995	\$2,940	\$3,332	1.30%
ROCKPORT TACKLE TOWN	\$3,994	\$3,053	\$3,315	1.29%
VALERO CORNER STORE	\$4,011	\$3,894	\$3,157	1.23%
DERRICK CONSTR CO	\$5,890	\$1,842	\$3,036	1.18%
FLEXICORE	\$0	\$0	\$2,904	1.13%
SPEEDY STOP FOOD STORE	\$0	\$1,622	\$2,800	1.09%
SPANKY'S LIQUOR	\$2,707	\$2,583	\$2,529	0.99%
RECONCILE TO NET STATE C...	\$509	\$1,459	\$2,323	0.91%
ZAVALA'S FURN & MATTRESS	\$1,621	\$1,980	\$2,308	0.90%
CENTIMARK CORP	\$0	\$0	\$2,193	0.85%
PARADISE KEY DOCKSIDE BA...	\$2,891	\$2,227	\$2,110	0.82%
SPECTRUM GULF COAST	\$2,514	\$2,339	\$2,085	0.81%
APPLE COMPUTER	\$1,762	\$2,008	\$2,053	0.80%
Total	\$274,626	\$265,243	\$256,635	100.00%



- **General Government:** Mayor & Council, City Manager, Human Resources, City Secretary, Finance, Information Technology, Building Maintenance, and Non-Departmental
- **Public Safety:** Police Administration, Patrol, CID, and Municipal Court
- **Development Services:** Building Development, Emergency Operations, Code Enforcement and Inspections
- **Community Services:** Street Department and Parks and Leisure Services

City of Rockport

General Fund Expenditures thru February 2025

After Hours Utility-Related Payments to On-line Only

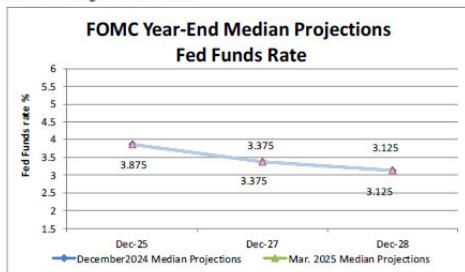
- Previously, Communications handled both the after-hours Utility-related phone calls and accepted check or money orders onsite. While this was an exchange made at a safe location, it did require additional coordination between an already short-staffed Communications Department.
- In order to maximize the time Communications has in coordinating and responding to multiple emergency response entities, accepting payments will now be truncated to online only.

A Continuing Disclosure for fiscal year 2024 has been filed on behalf of Rockport, Texas bondholders through our Financial Advisor.

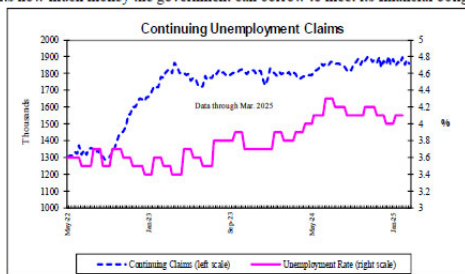
The Disclosure will be replaced with the 2024 Audit as soon as it is presented to and accepted by Council.

March 31, 2025

Noting that "uncertainty around the economic outlook has increased," the Federal Open Market Committee (FOMC) elected to keep its target range for the federal funds rate unchanged at 4.25% - 4.50% at their March 18-19th meeting. The policy statement continued to characterize inflation as "somewhat elevated," and indicated the Committee would be "attentive to the risks to both sides of its dual mandate." The Summary of Economic Projections (SEP) revealed that their median GDP growth forecast for this year was downgraded, while the core PCE inflation forecast was pushed higher. Still, the new 'dot plot' showed minimal changes from the December version. The median projection continued to call for two rate cuts of 25 basis points this year and two more in 2026, suggesting that they believe growth risks will outweigh inflation risks.

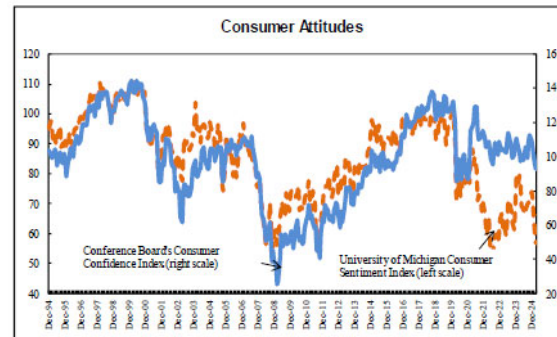


The FOMC also announced it would slow the pace of Quantitative Tightening (QT). Beginning in April, the Fed will only allow \$5 billion of Treasury securities to roll off its balance sheet, whereas it was allowing \$25 billion per month mature and roll off. The Fed will re-invest most of its treasury holdings when they mature. The central bank will continue allowing up to \$35 billion worth of the Agency and mortgage-backed securities roll off the balance sheet every month. The Fed is slowing the reduction of its balance sheet in order to avoid disruptions that could come about from the ongoing standoffs over the debt ceiling, which limits how much money the government can borrow to meet its financial obligations.

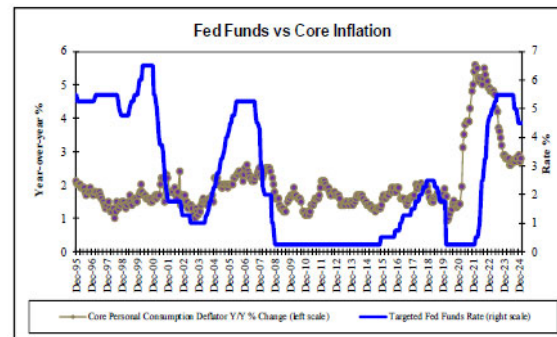


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An economy losing momentum has been evident in recent reports of softening retail sales and personal spending. Consumers seem to be tightening their belts, causing large national retailers to issue downbeat guidance for the year. There has also been evidence of some cooling in the labor market, notably the February U-6 underemployment rate, which includes individuals working part-time for economic reasons and those who currently want a job but are discouraged from job seeking, jumped to 8.0% from 7.5%. The more timely weekly jobless claims for unemployment benefits are also telling. The relatively low level of initial claims is consistent with a low rate of private-sector layoffs, while the expanded level of continued claims indicates that individuals looking for work are finding a sluggish hiring pace. Federal layoffs will also have a negative impact, although it may take time to filter into the data.



Along with the rising risk of an economic downturn the ratcheting of trade tensions has added to concerns of upward pressure on inflation. Meaningful increase in inflation expectations have been seen in both consumer and business surveys, while the high level of uncertainty surrounding fiscal, tariff and tax policies have been a contributing factor in financial market volatility. Such volatility further dampening consumer and business sentiment.



Independent Economic Report reflecting the impact of irresponsible past fiscal spending – this is why your dollar is devalued (ie. Why everything is so expensive) and Gold is over \$3,000 an ounce.

Unspent Bonds

Unspent Bond and ARPA Funds Expenses as March 24, 2025

Public Works Projects

	January 23, 2024	Updated Contracts	Spent to Date
Expenditures:			
W/W Treatment Plant - in progress	\$4,998,048	\$5,162,601	\$3,027,705
Rehab of RSC Elevated Tank- Completed November 2024	\$270,371		\$270,371
Force Main - Gagon to WWTP - Completed 5/6/24	\$427,840	\$408,585	\$408,585
SCADA-WWtp & Lift Stations - completed Jan 2025	\$230,000	\$124,104	\$124,104
RCC Lakes - Sediment Removal - Completed 7/25/23	\$460,000		\$460,000
Traylor Blvd Pavement Repairs - Completed 3/2/23	\$98,684		\$98,684
Concho Street Drainage Completed	\$192,000		\$192,000
	\$6,676,943	\$6,716,345	\$4,581,449

Revised

Park Projects

	January 23, 2024	Updated Contracts	Spent to Date
Expenses:			
Bent Oaks Rookery: Finish permiterg - Completed	\$22,125		\$22,125
Bent Oaks Rookery: Addl Fence around park - Completed	\$49,950		\$49,950
Bent Oaks Rookery: Sidewalk and Observation - Completed	\$48,795		\$48,795
Bent Oaks Rookery: Park -Completed	\$2,000	\$2,571	\$2,571
Bent Oaks Rookery: Addl fencing of last position - Completed	\$37,750		\$37,750
Aquatic Park - Connect walkway to Tule HikeBike Trail - Completed	\$13,025		\$13,025
Re-Stripping/Widen of pool parking lot entrance - Completed 8/30/24	\$24,230		\$24,145
Pool Pump House piping - Completed	\$8,500	\$8,630	\$8,630
Memorial - Completed 8/27/24	\$26,500	\$24,750	\$24,750
Memorial - Fitness Court Shade - Completed	\$84,509		\$84,509
Lighting for fitness court - in progress - scheduled for August 2025	\$45,000		\$322
Skate park refurbishing - in progress - scheduled for August 2025	\$12,500		\$3,120
	\$374,884	\$373,835	\$319,691

Revised

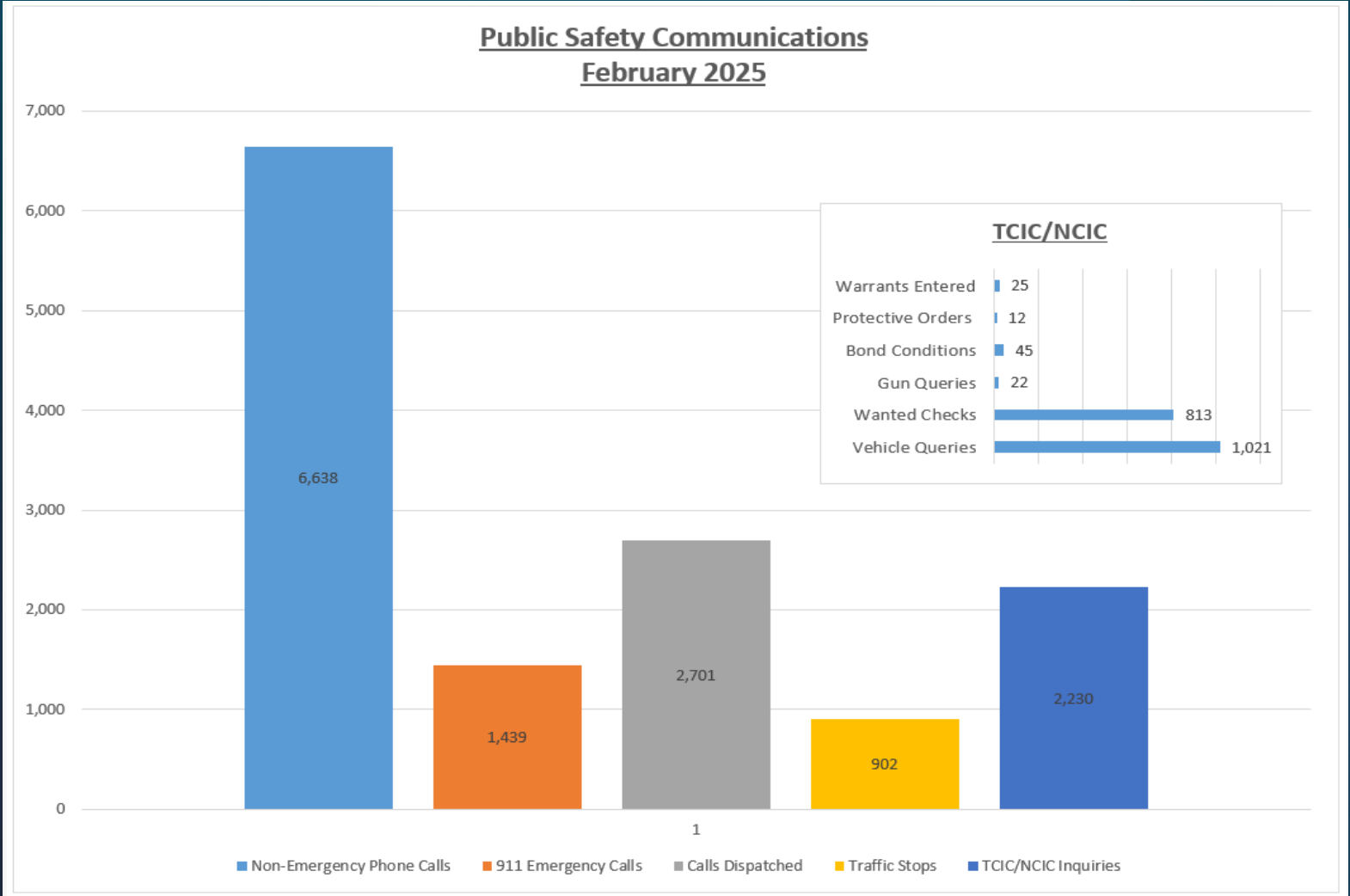
Police Department



Congratulations to Lieutenant David Gerloff for his promotion to Captain. He will be taking over the Criminal Investigations Division. Captain Gerloff has been with the RPD since August of 2020. We could not be prouder of his selection!

Police Department

Police Department		
May	2024	2025
Police Incidents	80	64
Calls for Service	510	522
Arrests	33	28
Traffic Contacts	440	481
Traffic Crashes	19	8
CID Cases Assigned	55	53
CID Clearance Rate	38%	31%

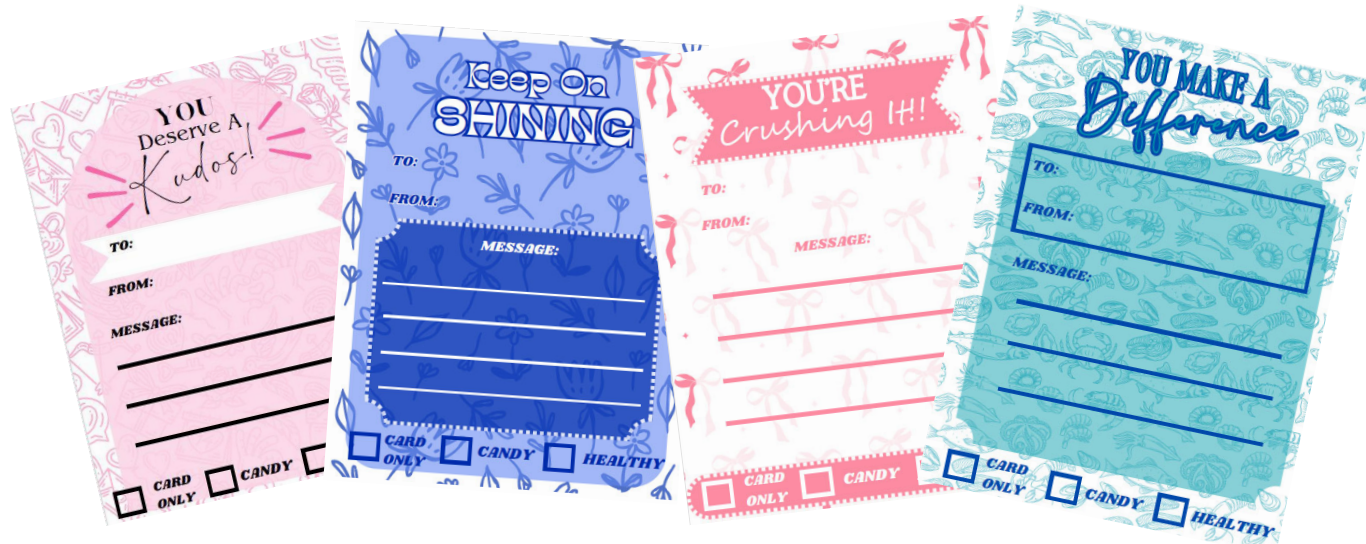


Human Resources

EMPLOYEE KUDO Day!!!!
FEB. 14TH, 2025

Employees and Leadership were able to take a moment and send a Kudo's Card to their co-workers to say, "Thank you for all you do", and send them a treat!

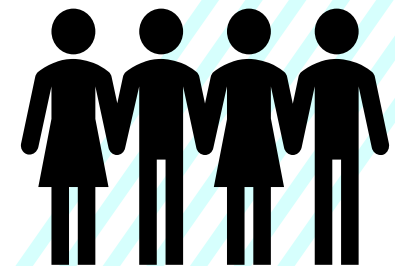
Kudos to City Secretary Shelley Goodwin for such an amazing idea!



Human Resources

February

- Separations:
 - 2 –Communications Officers
 - 2 – PT Natural Gas Maintenance Technicians
 - 1 – Utilities Maintenance Technician
- Positions Open:
 - Conventions and Visitor's Bureau Marketing Manager
 - Police Officer
 - Property and Evidence Technician
 - Utilities Maintenance Technician
 - Communications Officer
 - Lifeguard





ROCKPORT Parks & Recreation Department

FEBRUARY PARKS ACTIVITIES

MEMORIAL PARK PAVILION RENTALS (1)

MEMORIAL PARK FIELD RENTALS (11)

PARKS & RECREATION FLOAT PARTICIPATED IN LAMARDI GRAS PARADE

INFORMATIONAL BOOTH AT ACMSI HEALTH FEST

HOSTED RFHS GIRLS SOFTBALL TOURNAMENT AT MEMORIAL PARK

ARCHERY INSTRUCTOR TRAINING HELD FOR PARK RANGERS (7)

COASTAL BEND LANDSCAPE CONFERENCE ATTENDED BY PARKS
MASTER GARDENERS

ACCEPTED SOUTH ROCKPORT NEIGHBORS DONATION CHECK TO THE
ARCHERY RANGE

POOL IMPROVEMENTS PROJECT STARTED

ROCKPORT Parks & Recreation Department

UPCOMING EVENTS

MARCH 26TH – PARKS & REC BOOTH AT RFISD CAREER DAY

APRIL 5TH – KIDS DAY IN THE PARK (CCAC EVENT)

APRIL 11TH – FLASHLIGHT EASTER EGG HUNT

APRIL 12TH – 4TH ANNUAL ROCKPORT KITE FESTIVAL

APRIL 24TH – PARKS & REC BOOTH AT BUSINESS EXPO

MAY 26TH – MEMORIAL DAY SERVICE





Civic Engagement

- March 19th - Coffee with the City Manager was uneventful so changes are being made;
 - New name City Connect – April 9th at 6:30 p.m. at Grandma B's 1141 Tx 35 Business. "Scoop Talk with City Manager and Councilmember Brundrett"
- March 20th - Rockport Citizen University
- City Council Agendas are now livestreaming on the City's Facebook account
- A mass email was sent to those signed up on the old Agenda platform. The email included instruction on subscribing to the new platform.

Legislative Focus

Bill Tracking

- Assigned Bill Categories to the Team
- Provided information on how to sign up for alerts

House Committee on Delivery of Government Efficiency

- Sent a letter in opposition H.B. 1522
(Changing Agenda Posting to 3 business days)

Senator Kolkhorst

- Sent a letter in support S.B. 1062
(Digital Public Notices)

Region 11 Legislative Briefing