



MINUTES

Aransas County Commissioners Court

9:00 AM – Monday, January 24, 2022

The Aransas County Commissioners Court met in **Regular Session** on Monday, January 24, 2022, at 9:00 AM, in the Aransas County Courthouse, 2840 Hwy 35 N, Rockport, Texas.

Present: **C. H. "Burt" Mills, Jr.**, County Judge
Leslie Casterline, Commissioner, Precinct 2
Jack Chaney, Commissioner Precinct 1-1A (*by Zoom from his hospital bed*)
Pat Rousseau, Commissioner, Precinct 3
Wendy Laubach, Commissioner, Precinct 4

Absent:

I. Call to Order & Pledges

The meeting convened at 9:00 AM, followed by pledges to the American and Texas flags.

II. **The Invocation** was given by County Surveyor Jerry Brundrett.

III. **Roll Call** was taken.

IV. **A Quorum was declared**, and the following proceedings were had and done, to wit:

V. Citizens to be Heard –

Andrew Kane spoke out against Resolution #R-04-2022, the Aransas County Economic Development Policy which would, among other things, allow the county the right to grant rebate agreements and other incentives as authorized by Chapter 381 of the Local Government Code:

Tax abatements, without a doubt, are for communities to attract growth when they need the growth and the growth is not coming. What this county is wanting to do, and what our elected officials want to do, is control who comes by picking the winners and losers. Judge Mills, you said, last week at the forum of the South Rockport Neighbors, that it is undeniable that the growth is coming (here). We just need to decide by who and what. You're controlling the free market using tax citizens' money to pay for who you want to come, who you want to be here—and you're doing it through a committee of unelected officials who are not accountable to the citizens. You're spending our money rewarding the EDCs, the Chambers, yours and other elected officials partners and friends, and that's wrong.

My background. There's nobody that's sitting up there (pointing to the court) and I promise you there's nobody in this room that has done more economic development in the last six months that I have. I decide. I look at the properties. I do the feasibility studies. I talk to the city councils. I talk to the billing departments. And, I decide where we're investing our money. Over a quarter billion dollars in economic development last six months. I have 100%

participated. I got two contracts delivered in a day for 12 million. So, I'm speaking with authority when I say, not one time has any project I've ever done in the last 23 ever has a tax abatement played a fraction of a decision whether my project was going to be feasible or not—despite property taxes being the most expensive part of our business: two months of our revenue, 100% of that to go to property taxes. The fraction that is just shaved off in a tax abatement, that cost comes out of the taxpayers' pockets and it has zero impact on whether we're going to do a project in the town or city or not. All it is is a political payback to a developer—a little hundred thousand in his pocket, it's a little thank you for coming. And, what do you get for that? You got a \$1,000 from Mark Uhr for the PAC (political action committee) supporting you and Carolyn Smith, that's what these tax payment policies get. Political paybacks, campaign donations. It's a matter of record.

Why do we need tax abatements now? I've been part of this community since the 70s and we've never done them. We seem to be fine. We have record debt. We need the tax money that comes with development. We need the impact fees. We got to improve our infrastructure.

What happens if we don't do tax abatements? We haven't been doing them. Is the development going to stop? Is anyone in this room going to tell me that there's not going to be development if we don't do tax abatements. We know better. It's coming. We geared up for it.

This is about controlling the free market and choosing winners and losers with taxpayer money. How's this going to be done? You've got a committee. Appointed by who? Political appointments. Unelected. Private discussions. EDC's already said it's going to be 100% confidential. There will not be any transparency. There will not be any accountability to the voters. And, this is huge. It's our money and it's determining the growth of our county and our city.

Studies on tax abatements. I've googled and googled and googled, and I've read tons of economic studies that have not proven that a tax abatement has an end game that's positive for the local taxpayers. It's usually, at best, a break even in the long haul. We don't see the payback that you're promising. Never has anyone's property taxes in the growing area has the community's property taxes—not the rate—but their end result of the taxes have the taxes gone down because of growth. The rate goes down but the tax bill stays the same.

So, again, I'm going to ask you all, for the sake of the citizens, it's our money. Oh, on page 3 there is one thing I wanted to point out real quick. On page 3—this is important—section 5. Appointment of the committee members. Aransas County Economic Development Evaluation Committee—which we really don't need—is going to be made up of experts. Are you going to put me on it? I doubt it. It will be comprised of no fewer than seven committee members and the committee members shall be appointed by the Aransas County Commissioners Court by _____ . By who? Unaccountability. No transparency. Behind closed doors. Please don't do it. Thank you.

Jerry Brundrett, County Surveyor—but speaking as a private citizen who has spent a lifetime here in this county, spoke to the court about drainage. He read from a paper he wrote on December 4, 2021 and his Drainage 101 bullet points (both added below). He also shared

pictures of a detailed map and cost estimates to solve the county's drainage issues that were submitted to Aransas County by then County Surveyor, Fred Percival, back in 1926, as part of an effort to create the Aransas County Drainage District No. 1. The District was turned down by the voters. He noted that Mr. Percival's 17 identified outfall locations are the same areas we are dealing with today.

December 4, 2021

"To Flood or Not to Flood, That is the Question"

By: Jerry Brundrett

If William Shakespeare was alive today, he might ask this question of all of us. In the play "Hamlet" the words, "To be or not to be, that is the question." were spoken because he was questioning the value of life itself. He was asking the question as to whether it was worthwhile to hang in there or just give up.

I believe that at times we can all relate to the depression that Hamlet felt and we ask ourselves "is everything that is happening in the world worth hanging around for?" In our heart we say "come quickly, Lord Jesus!", and then we think about all that we would be leaving behind and we continue to fight the good fight.

I have used the words of William Shakespeare, with a light twist, to title this writing because I feel that same frustration and depression that he felt about life in general and particularly flooding in our County. I ask myself the question, "is it worth it to continue the fight or do I just give up?" I have been fighting the drainage battle for 43 years in Aransas County. The battle started back in 1978, before the unit road system, when each County Commissioner had the road equipment for one week out of the month and would do his or her best to take care of the roads and drainage in their precinct. Mr. T. E. Griffith and I would do what we could to assist each Commissioner. We did not have a master drainage plan or good topographic maps to even guide us in a County wide solution. For that reason, it seemed, we were just running the water around in circles. As we diverted the water from one flooded area, it just flooded another area.

The City of Rockport was a little ahead in the drainage game because they had more of a population density and only had a short distance to carry the water to Aransas Bay. At that time, the Navigation District understood that all drainage water runs from the ridge of the peninsula to the bays. They understood that by raising the elevation of our shoreline to protect against storm surges and to provide a safe harbor for boats, that it was necessary to provide storm drains through the raised shoreline. Since all drainage runs downhill, it was going to the bay anyway and the raised ground has impeded that flow.

The Navigation District worked with the City and County to manage this upland flow to the bays. In my 43 years of surveying for both the City and County, I cannot remember surveying or preparing an easement or right-of-way across the property maintained by the Navigation District. There would be discussions in public meetings by both groups and interlocal agreements that gave approval were recorded. You see, the County, City, and Navigation District are only trustees of "We the People." It was all public property and all that was needed as an agreement as to when, how and where the drainage would be installed. It was never a

question of if or how much because they all existed to serve "We the People" and it was understood that drainage runs to the bays.

From this common understanding, roads, waterlines, sanitary sewer, and drainage was constructed across Navigation District waterfront because it was in the best interest of our citizens to protect our health, safety, and welfare. We all shared a common goal and purpose and it all came out of the taxpayers pocket; there was never a hint of yours and mine, because it belonged to all of us.

In looking back to our past, in 1926, there was an effort to create the Aransas County Drainage District No. 1 and an election was held for the voters to decide. The District was turned down by the voters, but, Fred M. Percival, County Surveyor and Engineer, had prepared a detailed map and cost estimate that the District would need to solve our County drainage issues. He designated on a map of the peninsula 17 outfall ditches that were needed to be constructed, with the total cost being \$47,469.62 including structures and engineering. The estimated annual maintenance cost would be \$375.00 per year.

In reviewing his 17 outfall locations, those areas are the same we are dealing with today, including the Concho Street drainage basin which was outfall ditch No.13. The cost in 1926 to dig the outfall ditch No. 13 would have been \$320.00. This is like the old saying, "You can pay me now, or you can pay me later". The big concern is the cost to "pay me later" is now around \$2 million just for the Concho Street drainage basin. Keep in mind that the population of the whole County back in 1926 was around 2100 citizens. Today, just the City of Rockport has close to a 10,000 population and the County is around 23,830 citizens. Can anyone else in this County feel the concern, frustration, and depression that I feel for our citizens and our future? I am frustrated because I still see the water just running around in circles while the cost to control the waters' flow just escalates. In the words of Dr. Edward Deming, "every system is perfectly designed to get the results that it does". What that means is a bad system design will have bad results and a good system design will have good results. How we plan for drainage and the design we use will determine its success or failure. Dr. Deming also said that, "learning is not compulsory, neither is survival." Are we willing to learn from our past failures so we can survive the future? Will we, as citizens, hold all our elected officials, including the Navigation District, accountable to work together to solve our upland drainage that will run to the bays whether we like it or not?

Thus the title, "To Flood or Not to Flood, That is the Question." Will we, together, find the answers to that question, or will we in frustration just give up the fight and build an Ark? The choice is yours.

DRAINAGE 101

By: Jerry Brundrett

1. Water runs downhill
2. As it runs downhill, it chooses the path of least resistance.
3. As it chooses the path of least resistance, its course is altered by obstacles in that path.
4. Those obstacles can be natural, or manmade.

5. These obstacles usually have a higher elevation than the path the water has chosen.
6. The water will seek an alternate path with a lower elevation to continue its flow downhill.
7. If required, the water will increase its surface elevation to flow over the obstacle in order to continue its path downhill.
8. As it increases its elevation it creates ponding upstream to the elevations of the obstacle it is trying to flow over.
9. There is now potential flooding of homes and property from this ponding upstream.
10. In order to minimize this potential flooding, the flow can be channelized and diverted along the path required to prevent the increase of elevation and resulted ponding.
11. The system required to channelize and divert the flow is determined by the volume of the flow. The larger the volume, the larger the channel or pipe, the more the cost to divert the flow around the obstacle.
12. The factor known as the cost/benefit ratio determines the method used to divert the flow downhill.
13. As the flow continues its journey downhill, it will generally end in a body of water that has a relatively constant elevation that receives the downhill flow and spread that flow volume over a greater area.
14. The flow volume at this point of discharge is the greatest because it contains all the upstream volume that feeds into it.
15. The nature of coastal development is to raise the elevation of the land next to the shoreline to prevent flooding from the sea and to use the land for commerce and homes.
16. This development creates the obstacle that prevents the land water to reach its final destination. Herein is the problem we face.

Nancy Bolting spoke in favor of agenda item 22—the tax abatement—on behalf of the EDC:

Good morning, Commissioners and Judge Mills. I am Nancy Bolting from Rockport, Texas.

I am speaking first as an EDC representative and asking that the court vote to approve the Tax Abatement Resolution.

Ms. Laubach is the commissioner in my precinct. There are several of us in her precinct that are in favor of this (resolution). I've not spoken to her—other than after one of the meetings—but she knows my stance on this item, that I am pro-tax abatement. I would hope that she would communicate with the constituents in her precinct, to try to understand our position, rather than only relying on the ones who come to these meetings. I know that there are other commissioners that have probably reached out to their constituents who have been opposed

to this or, at least, I hope they have. But, on our stance, from those of us who live in her precinct, I hope she understands that the majority of us are for this tax abatement.

Then, Ms. Bolting spoke on something that was brought up in the last Commissioners' Court meeting (during Citizens to be Heard):

I am speaking as a resident and business owner concerning a recent controversy about our Copano Bay. I did a lot of research this weekend and all I'm asking is that those of you who believe some of the rhetoric and misinformation that's being posted, and being put out online, and uploaded onto YouTube, and anything else, is that you take some time to read the reports concerning the health of our local bays—including Copano Bay. I ask that you go to the MissionAransas.org site, that you go to NOAA.gov site profile, that you go to NOAA.gov management plan, to GLO, Texas Sea Grant, TCEQ, and the EPA, and to The Bay Education Center which was set up to help with information on topics like this. I would also suggest that the public reach out to Aransas County Navigation District, who is the overseer of our local waterways, not the Commissioners nor the County Judge who has been blamed for events that preceded the current court.

Please do not allow the false or misleading information that is all over social media and a particular YouTube channel to ruin our local tourism, especially the fishing guide industry. It affects our community, every resident, and even our future Art Center attendance—if we continue to let this type of misinformation to go unchecked. So, visit those sites, if you will. There are some long documents that were provided based off what was done to remediate this site. Thank you.

VI. Presentations – There were none.

VII. Items for Deliberation and/or Action

Consent Agenda:

1. Minutes from the January 10, 2022 Regular Meeting
2. Donation of \$25 from Sylvia Greckel for Aransas County Animal Control
3. Donation of a used Maytag washer and Whirlpool dryer from Christie and Mike Strunk valued at approximately \$300 to Aransas County Animal Control
4. Authorizing the Aransas County Library to apply for a Wal-Mart grant in the amount of \$1,000 to be used for supplies and incentives for the 2022 Summer Reading Program
5. Authorizing the Aransas County Library to apply for an H-E-B grant in the amount of \$400 to be used for supplies and incentives for the 2022 Summer Reading Program

Motion by Commissioner Rousseau to approve the Consent Items; seconded by Commissioner Laubach.

Vote: Motion carried 5-0; it was so ordered.

County Reports:

6. 4th Quarter 2021 Report for the Economic Development Corporation by Interim President and CEO Michael Meek

Motion by Commissioner Chaney to approve the 4th Quarter 2021 Report for the Economic Development Corporation; seconded by Commissioner Casterline.

Vote: Motion carried 5-0; it was so ordered.

Late last year, this group was asked to provide quarterly reports to the court. This was their first such report. In it, Mr. Meek touched on a Business Retention and Expansion Survey they conducted of over 50 local businesses. Major findings of the survey included:

- Workforce issues was the top challenge
- Drainage-flooding was #2
- 46.5% of these businesses plan to expand their operations
- 37.2% of the need more space to expand
- Housing for employees is a critical issue

He also called the court's attention to Del Mar College's recent \$500K grant award from the Texas Higher Education Coordinating Board for a Texas re-skilling and upskilling through education (a TRUE Grant).

This TRUE Grant will provide the county's workforce center here with monies to purchase a variety of instructional technology and equipment for use at the center, such as computers, printers, audio/video equipment, healthcare training equipment, and construction program equipment. Approximately \$262,500 will be spent on these types of equipment items. The balance will be spent on staff support, marketing, and student tuition support.

The grant MUST be started within a year from the October 2021 grant award—which means NO LATER THAN September 30, 2022. Because of that, there's work going on locally right now to find and secure some interim space options. The main campus probably won't be finished by then, but we can get the healthcare programs up and running in some temporary space by this summer.

7. 4th Quarter 2021 Report for the Rockport Center for the Arts by Executive Director Luis Puron

Motion by Commissioner Rousseau to approve 4th Quarter 2021 Report for the Rockport Center for the Arts; seconded by Commissioner Laubach.

Vote: Motion carried 5-0; it was so ordered.

8. 4th Quarter 2021 Report for the Rockport-Fulton Chamber of Commerce by President/CEO Diane Probst

Motion by Commissioner Casterline to approve the 4th Quarter 2021 Report for the Rockport-Fulton Chamber of Commerce; seconded by Commissioner Rousseau.

Vote: Motion carried 5-0; it was so ordered.

9. Sesquicentennial Year Report by co-chairs Betty Stiles and Pam Stranahan

Motion by Commissioner Casterline to approve the 2021 Sesquicentennial Year Report; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

10. 4th Quarter 2021 Report for the Historical Commission by Chair Betty Stiles

Motion by Commissioner Casterline to approve the 4th Quarter 2021 Report for the Historical Commission; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

11. 2022 Appointments and Officers for the Historical Commission by Chair Betty Stiles

Motion by Commissioner Rousseau to approve the new 2022 appointments and officers for the Historical Commission with one adjustment—my name is listed on there as the court-appointed liaison but I am not the court-appointed liaison, so that position will need to be filled; seconded by Commissioner Casterline.

Ms. Stiles then noted another change for the court. The person listed as treasurer (Sandy Gregory Bridges) is going to remain on the commission as their Ad Hoc Committee Chair for Cemeteries but not as treasurer. Dave Hattman will serve as the new treasurer.

With these needed changes, a **Motion to Table** was made by Commissioner Laubach; seconded by Commissioner Rousseau.

Judge Mills will provide a new court liaison and Ms. Stiles will present the updated listing to Commissioners' Court next meeting.

Vote: Motion to Table carried 5-0; it was so ordered.

County Roads:

12. Variance Request – Re-plat 111 and 113 Palm Street

Motion by Judge Mills to approve to approve request for variance on County Subdivision regulations on minimum lot size requirements to re-plat 111 and 113 Palm Street from three lots into two lots; seconded by Commissioner Chaney.

Vote: Motion carried 4-1 (Rousseau dissenting); it was so ordered.

County Elections:

13. Purchase - Verity Auditable Voting System

Motion by Commissioner Casterline to approve the purchase of a Verity Auditable Voting System from Hart Intercivic in the amount of \$194,539.00 and authorize the County Judge and/or the Elections Official to execute the necessary documents; seconded by Commissioner Laubach.

Vote: Motion carried 5-0; it was so ordered.

14. Resolution #R-03-2022 – To Apply for Reimbursement for Auditable Voting Machines

Motion by Commissioner Rousseau to the adoption of Resolution No. R-03-2022, a Resolution authorizing the County Judge or his designee to apply for funding from the Texas Secretary of State for “Reimbursement for Auditable Voting Machines” in the amount of \$194,539.00 and authorizing the County Judge and/or Elections Official to execute and submit necessary documents; providing for severability; and certification of compliance with the Open Meetings Act; seconded by Commissioner Laubach.

Vote: Motion carried 5-0; it was so ordered.

15. Purchase - Verity Auditable Voting System Carriers with Thermal Printers

Motion by Commissioner Laubach to approve the purchase of a Verity Auditable Voting System Carriers with Thermal Printers from Hart Intercivic in the amount of \$9,150.00 and authorize the County Judge and /or the Elections Official to execute necessary documents; seconded by Commissioner Rousseau.

It was noted that this item was not budgeted under Elections so, if passed, the funding would have to come out of the General Budget.

Vote: Motion carried 5-0; it was so ordered.

Environmental Health:

16. Brush Grinding Bid Awards

Motion by Commissioner Casterline to approve accepting and awarding Brush Grinding Bids; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

17. Mosquito Control Chemical Bid Awards

Motion by Commissioner Casterline to approve accepting and awarding Mosquito Control Chemical Bids; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

Contracts, Agreements, Grants & Leases:

18. DBR Engineering Contract

Motion by Commissioner Rousseau to approve executing a contract with DRB Engineering in the amount of \$82,000 to provide Mechanical, Electrical and Plumbing (MEP) Engineering services to the new workforce development building located at 2000 Hwy 35 N, Rockport, TX 78382, EDA #08-01-05487 and authorize the County Judge to execute necessary documents; seconded by Commissioner Laubach.

Vote: Motion carried 5-0; it was so ordered.

19. Airport Ground Lease with MS Land & Aero

Motion by Commissioner Casterline to approve a Ground Lease for multiple years with MS Land & Aero, LLC for approximately 13,382.5 square feet of land at the Aransas County Airport near John Wendell Road, which is currently leased to Grand Laurent Corporation, and upon which a private hangar is currently located, for a 30 year term with automatic 7% rental increases every 5 years, with the Lease being contingent to MS Land & Aero, LLC's purchase of the existing hangar, and authorize the County Judge to execute the Lease; seconded by Commissioner Rousseau.

Vote: Motion carried 5-0; it was so ordered.

20. Release of Grand Laurent Lease

Motion by Commissioner Chaney to approve releasing the Grand Laurent Financial Corporation from its Ground Lease at the Aransas County Airport, subject to the sale of the Grand Laurent Financial Corporation's airplane hangar located on the leased property and the full execution of a replacement Ground Lease with the new owner of the hangar, and authorizing County Judge to execute necessary documents; seconded by Commissioner Casterline.

Vote: Motion carried 5-0; it was so ordered.

21. GLO Amendment - Withdrawn – No Action

22. Resolution #R-04-2022 – Aransas County Economic Development Policy

Motion by Commissioner Casterline to approve the adoption of Resolution #R-04-2022, approving and adopting the Aransas County Economic Development Policy which includes guidelines and criteria for tax abatement as authorized by Chapter 312 of the Tax Code; guidelines and criteria for tax rebate agreements and other incentives as authorized by Chapter 381 of the Local Government Code; the creation of the Economic Development Evaluation Committee; the adoption of forms; and providing for severability, repealer and savings; and effective date; seconded by Commissioner Chaney.

Vote: Motion carried 3-2 (Rousseau and Laubach dissenting); it was so ordered.

Commissioner Pat Rousseau received two statements that she was asked to read in court during the time that item 22 is considered. First, she read the statement sent to her by Jon Heffron:

I want to thank Commissioner Rousseau, who is the Commissioner who represents the precinct in which I reside, for reading my remarks at this morning's meeting. I would have appeared in person this morning, but I must be in Corpus Christi for a previously scheduled medical procedure.

On December 13, 2021, I made a statement to the Commissioners Court in support of approval of the EDP policies and guidelines. I continue to stand by that statement in all respects.

Today, I want to speak on the subject of "super-majorities," a subject that I did not address on December 13, 2021.

The suggestion by some Commissioners that a "super-majority" of the Court should be required for the adoption of the proposed EDP policy and guidelines, and approval of each specific application, must be called out for what it is an effort designed either to kill adoption of the proposed EDP policy and guidelines in the first instance, or an effort to assure that few, if any, applications would ever be approved by the Court.

These Commissioners could vote to approve the proposed EDP policy and guidelines with a super-majority requirement, but would still give a veto pen to the minority over the majority when it comes to deciding on specific applications.

While I sincerely respect these Commissioners and their publicly stated views about super-majority approvals, I disagree with their arguments and urge the other Commissioners and Judge to do so as well.

I understand their first argument as follows—if state law requires a super-majority vote to amend or repeal a duly adopted EDP policy during the first two years after its adoption, then there should be a super-majority vote to adopt the EDP policies and guidelines in the first instance.

The fundamental problem with this argument is that State law does not require a super-majority for EDP policy and guideline adoption. A simple majority is all that is required.

I understand their second argument as follows—on a matter as "controversial" as the proposed EDP policy and guidelines, "cautious" counties have the discretion to impose additional requirements for approval of specific applications with a super-majority vote because state law is silent on this point.

My objection to this argument is that legislative silence should not be used to grant authorities not expressly required by statute.

I believe in the principle of strict construction of statutory language, just as I believe in strict construction of the U.S. Constitution.

Again, I urge the other Commissioners and Judge to reject these arguments.

The Assistant County Attorney stated previously that the Commissioners Court has the authority to require a super-majority vote on most anything it wants. This may be true, but I ask where does it end?

Super-majorities are rarely used in local government decision-making, and usually only when mandated by state law.

This would be a radical departure from "regular order" in Commissioners Court decision-making. It would also set a dangerous precedent. What other established rules of simple majority decision-making will be subject to change in the future?

What is the standard to be applied in the determination? Is the standard that the decision relates to a "controversial" matter? How is "controversial" standard defined? How many Commissioners are required to determine when a matter is "controversial"? One or two or more?

As you can see, if "regular order" decision-making is changed for approval of the proposed EDP policy and guidelines and specific applications, the Court would be opening up a can of worms.

The Court should not to go down this slippery slope now or in the future.

I urge the Court to put approval of the EDP policy and guidelines to a vote and allow it to pass or fail by a simple majority vote.

Next, Commissioner Rousseau read the statement sent to her by George Riekers:

I am asking you to please vote NO on the whole Economic Development Policy. Free Enterprise has been working for over 200 years and it will continue to work. It's the best plan.

I remember when a Starbucks opened in Rockport. It failed and had to close. That is Free Enterprise. If you open a business and you have a good product, good service and caring employees, your business will most likely be a success. You don't need tax abatements or incentives. As a matter of fact, I remember several folks wanting to open a McDonald's franchise here in Rockport.

McDonald's did a study and said they didn't want an abatement or tax credit. They said that the population of Rockport was not big enough to support a McDonald's. They were Not looking at how our population about doubles in the winter and almost does again in the summer. Mr. & Mrs. Sanchez knew this.

They also knew Rockport had a great program for their child with a disability and wanted to move here. They wanted a McDonald's but McDonald's said no. So, they, then bought the franchise and the property out of their own pocket without tax abatements or incentives (it's called FREE ENTERPRISE) and they opened their McDonald's and it's been a thriving business ever since. The restaurant is full and there are always cars at the drive-up window. Free Enterprise.

We the People also don't want unelected people telling us what we can and cannot do, just because they have the money to BUY a seat on that committee. That's not Free Enterprise, That's Socialism. We don't need or want that in Aransas County.

Also, lowering prevailing rental rates will cause landlords big and small to compete. The Commissioners Court has no business in the real estate rental market. This is a form of rent control that doesn't work well anywhere it's been tried, and it causes slum properties and eventually slum neighborhoods. With the slums, unfortunately comes crime.

If we wanted to live in New Braunfels, Fredericksburg or even Corpus Christi or Portland, we would have moved there. But we preferred to live here on the coast in a fishing town filled with charm, art galleries and great restaurants.

We urge each of you to say No on this whole Economic Development Policy. You should stand behind Free Enterprise and not Socialism. Because that's the American way and I hope we're all still Americans.

I represent over 300 members of South Rockport Neighbors and, although I cannot speak for everyone, we did manage to speak to over 175 members who are against this entire policy and would like to see it gone.

We urge you to keep Aransas County Free and keep our taxes down. SAY NO. Americans will cease to be free if you trade Free Enterprise for Socialism.

Commissioner Rousseau reported that she also received phone calls from **Richard Beauchamp** and **Peter Sandritter** who identified themselves as members of the South Rockport Neighbors group as taxpayers in our community and said they are both opposed to the abatements.

Judge Mills: I didn't write down all the names, but I got several emails from people that are in favor of the EDP (Economic Development Policy). That being said, you know I don't know about the rest of the court but I'd rather be able to guide the growth that have to react to what might come in that's not desirable for Aransas County. And, there's not one dime of current tax money that's going to be spent on EDP if it passes today. Not one dime. Any other discussion?

Commissioner Chaney: One of the things that's been brought up on this is how much it's going to cost the taxpayers to do this. You know, the whole point of tax abatement or other similar incentives is to bring more money in.

If you've got a piece of property out there that's worth \$2,500 or \$25,000 and you're paying taxes on it right now. Well somebody comes in and they want to do a five-year abatement, that's going to go up every year from the amount that you originally were paying on it. The public is not paying for that growth. It's the people that are making the investment that's willing to pay the additional taxes as they go, they just want to be taxed at a reasonable rate to growth and, of course, I'm in favor of the five year max. I think the eight year max in there is good and that's something that certainly can be looked at and I would go for that. This is not costing the tax payers money. The tax rolls are not going to go down the amount that we get because they offer an abatement to somebody. They're going to go up and we are so far lopsided on residential versus commercial as to—I think we're like 82% residential burden on the tax base rather than commercial. Something like that. So, this argument that this is going to cost taxpayers money, I don't understand it. I really just don't understand it.

Now, if you've got two businesses out there that are competing. The gentleman here earlier said he never looked for or received any tax abatements. I don't know what business he's in. I have no idea. But I guarantee you if somebody came down and gave him some sort of step increase in the taxes, he would certainly consider it. He may not go for it but he would certainly consider it depending upon what the argument were with it. But, how much it's going to cost you is not a

valid argument. It's how much in taxes is this business going to bring in for the county, city, nav district, school district, for everybody? How much is it going to increase over a five or six or seven year period? It's not how much I'm going to lose. It's how much am I going to gain.

I understand the argument. I understand that people are very adamant about their arguments on both sides of it. But, you know, I'm not bright. But I'm bright enough to know that if a piece of land is worth a dollar now and somebody builds something on it, it's going to be worth more than a dollar tomorrow. And, if that dollar helps pay for things—like I want a playground for the kids—I just can't see it's a valid argument so I'm all for calling for the question.

Commissioner Casterline: I'd like to remind people that this policy has to be reauthorized every two years. It can be changed or modified at that time.

Commissioner Chaney: That brings up another point, Commissioner. This is not a static policy. This is a living document that will change over the next 50 years. It'll change if it's successful. It'll change if it doesn't succeed. If we're not having the need for it that will also bring a change. This does not set in stone anything. And, with that, I would call for the question.

Commissioner Laubach: I have really two issues to address to explain why I don't support this policy. This first is the way I see taxes is that you collect them as equally as possible in order to fund the things that you absolutely must spend money on. I don't like to see taxes turned into a situation where you think of them as something punitive and then you relax them on certain people as a sort of reward in order to nudge people in one direction or another. I think that's just the wrong way to look at taxes even if you think you're really nudging for the right reason—which I don't necessarily hear. But, even if you were, I don't think it's the way you should use taxes.

If you do start using taxes that way—you know think of imposing them as a penalty and abating them as a reward—you're really creating the impression and I think it's an accurate one that you're picking winners and losers, which is a very unpopular view in this town and with me. If you're picking winners and losers, the more private and behind closed doors your process is, the stronger the impression is that you're going to create that the way to get on that winners list is to donate to the right campaign—and that perception, whether it's fair or unfair, is corrosive to the community and corrosive to public trust. We're just creating a problem we did not need to create.

If we perceive that companies are reluctant to move here and we want them to come and they're saying they won't come unless we give them a tax break, we shouldn't be looking at how to give them a tax break. We should be looking at what's stopping that from thinking that this is a good place to relocate. We're probably doing something that's making it unpleasant for them, or failing to do something that would make it pleasant for them. I think infrastructure is a great place to concentrate for making it attractive for companies to come here, not tax breaks.

The second thing is the super majority. I realize that this came from the Texas Legislature and that we don't have any choice about it. If we adopt one of these policies, we aren't allowed to amend or rescind it within the next two years without a super majority. We can't change that.

But I will point out that that got put in by lobbying and it's a barbed hook. You don't use barbed hooks when you think people are about to swallow something they're going to love. You use barbed hooks when you think people are about to swallow something they're going to have buyer's remorse about—so you make it really hard, harder for them to get out than it was for them to get in.

Now, that's the law and I can't change it but let's think about why it's the law. We ought to be really cautious because we've been given a really big red flag that there's a reason why we're going to want to change it later and it's going to be hard for us. I think it's better for us to not get into it given those circumstances.

But since the votes are there for us to get into this, I think the next best thing to do is to apply that same harder to get in standard both to the policy—although that's a losing argument since I would need four votes today and I'm not going to get them. But, I think it makes sense to apply it to future agreements. There is no harm whatsoever in doing that. Or, if that's harmful then we should consider that it's equally harmful to get into a policy we won't be able to get out of without a super majority vote. All it does is even the playing field between getting in and easing back out—and that's why I continue to support both the super majority to approve the policy. But, failing that, a super majority to approve future agreements when they come up.

I also agree with Commissioner Chaney that five years would be a better maximum than eight. And, as far as my constituents and how they contacted me, I can't say that I've gotten a clear majority vote one way or another. I have been contacted by a lot of people. None of them have asked me to read their statements today. I do occasionally get emails or phone calls from people saying please vote no and I've always said I've been saying no all along and I haven't changed my view so they know where I'm coming from.

Michael Meek: It was stated earlier in Citizens Comments that you didn't need to do this because growth was coming and I agree that you've got good population growth but we're talking about targeted commercial growth because your ratios now are 87:13 (residential vs. commercial), some of the highest (skewed) in the state. As far as accountability by the committee, this is an appointed committee with no authority. They're a recommending body. They will just simply look at the applications should you get any and make any recommendation to the court. They don't vote these in. That is still in the purview of Commissioners Court. I think there is an overall misunderstanding as was also stated about how these work. No existing values are ever abated. There are no monies lost by the county. This is only on any new added value that occurs and this policy is very targeted and it allows you to tell the world what you prefer to take a look at and you're under no obligation to ever do this. Harkening back to Mr. Brundrett's comments about an anchor, to me, this is more of an anchor. This just establishes the opportunity for you to consider things. You never have to approve a thing—but, at least, it'll tell the world what it is they have to do to even be considered. So, having this is very important for the county and I appreciate the opportunity to speak.

Commissioner Laubach: I understand that they are not being voted on officially in private, my concern is that they're being negotiated in private and I think that's what concerns my constituents as well.

Judge Mills: The counties have less control on development than cities do in this state. Is that right? I believe so. I want this court and future courts to have the options to help lessen the tax burdens on the citizens of Aransas County and to attract more commercial tax base. That's my goal. I think less than 87:13, if that's the number, even by a few points would help the residential taxpayers of this community immensely.

Commissioner Rousseau: I've heard the ratios given between residential and commercial, but I would like to point out is although that's based on residences, not all residences in this community are lived in by people who live here full-time. They are used in the VRBO and the Airbnb pool and then just possibly realtors who rent them out. So, a good portion of the residential properties are actually commercial; they are, essentially, single hotels.

We have discussed this policy in Court over the past several months. I have stated my reservations/concerns about it:

- Super majority required to amend or repeal the policy due to the State Legislature's mandate but not required to pass it.
- County is in the business of providing basic services to its residents, we are not in the business of serving as the Chamber of Commerce or a Convention & Visitors Bureau.
- Many arts-affiliated agencies reside in Aransas County. The County government is not in the business of recruiting more.
- The County provides a public library; we are not in the business of providing literacy education. Our facilities could be used by the public for this purpose if an organization or volunteer(s) wishes to do so.
- If a selection committee for applications is to be appointed, each member of the Court should be allowed one appointee (5 members, not at least 7 members as currently written). The appointment would be specific to each application, not an on-going term.
- Designating specific "Reinvestment Zones" creates unfair advantages to property owners in those zones; thus setting up winners & losers.

Many of my constituents have contacted me over the last few months to express their disapproval of tax abatements. They have told me in person at HEB, in my neighborhood, at book club, at church, and at social gatherings. They have called me and sent me messages on-line. Until last night, I had not heard from anyone who was in favor of the abatements. Yesterday evening, Jon Heffron and I had a phone conversation about this topic I agreed to read his comments into the Court's record today which I have done. Based on the heavy resistance of my constituents to this policy and on my concerns, I cannot vote in favor of its adoption.

Commissioner Laubach made several motions to amend the Economic Development Policy and Commissioner Rousseau seconded her motion each time. None of the proposed amendments

carried. Each received a 2-3 vote (with Chaney, Casterline, and Mills dissenting). Her proposed amendments to the EDP were:

1. To require a super majority to approve the policy itself.
2. To require a super majority for future agreements.
3. To shrink the term of future agreements to five years.
4. To shrink the evaluation committee to five members and to have each commissioners court member in charge of appointing one member.

Planning & Budget:

23. New GASB 34 Uncollectable Receivables Policy

Motion by Commissioner Casterline to approve a policy setting a new Governmental Accounting Standards Board (GASB) 34 - Uncollectable Receivables Policy; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

24. Job Description - Contract Compliance Specialist

Motion by Judge Mills to approve the job description for Contract Compliance Specialist; seconded by Commissioner Casterline.

Vote: Motion carried 5-0; it was so ordered.

25. Hire Deputy Treasurer Payroll Position (w/overlap)

Motion by Commissioner Casterline to approve authorizing the County Treasurer to hire for the Deputy Treasurer Payroll Clerk position, beginning January 24, 2022, in preparation of the February 28, 2022 resignation of the current Payroll Clerk, to allow proper payroll training. Funds will be available in the Treasurer's budget to cover the overlap of this position; seconded by Commissioner Chaney.

Vote: Motion carried 5-0; it was so ordered.

26. Budget Line Item Transfers and Amendments

Motion by Commissioner Rousseau to approve Budget Line Item Transfers and Amendments; seconded by Commissioner Chaney. (There were none.)

Vote: Motion carried 5-0; it was so ordered.

27. Accounts Payable and Payroll/Payroll Liabilities

Motion by Commissioner Rousseau to approve Accounts Payable and Payroll/Payroll Liabilities; seconded by Commissioner Casterline. (Per Auditor Cockerham, it includes \$2,483,774.26 for our principal payment against our outstanding debt and half of the interest.)

Vote: Motion carried 5-0; it was so ordered.

VIII. Reports from Commissioners, Elected Officials & Department Heads – No action will be taken

Sheriff Mills wanted to bring two items to the court's attention:

- 1. COVID issues at the jail and in the patrol group have spiked in the last two months and he continues to have COVID-related staffing issues there, so he needs to bring something to the court to address this issue.*
- 2. Since Harvey, the public safety facilities have had ongoing problems with its backup generators. And, at least twice in the last 10 days, they have failed. They failed over the weekend at the detention center with a commercial power outage—which we can't control—but we need to give some consideration to finding these generator replacements. We've applied for grant money for them but we haven't been received any awards so it's probably time for the county to pay to replace these generators, so I will be bringing this request to the court soon.*

Kevin Stroud gave information related to the upcoming primary election:

- 1. The deadline to register to vote is January 31st.*
- 2. Early voting for the Primary Election begins on Monday, February 14.*

Also, he does plan to do some type of open house to demonstrate the equipment to the public before we actually use it in the November election—assuming we receive the equipment back in time from our vendor.


Lori Cesar, Director of Animal Control, reminded the court:

- 1. The new outdoor tether law went into effect on January 18. Chains are no longer acceptable. So, if you see it, report it.*
- 2. Anyone who owns an animal in Aransas County is supposed to pay \$5 and license them. This can be done online with a valid rabies certificate. This fee is separate from the fee paid to the vet for a rabies certificate.*

The court then went into Closed Session (at 11:08AM). The court returned back into Open Session at 12:14PM.

X. Adjournment

No further business presenting, the Court adjourned at 12:15 PM on a motion duly made by Commissioner Rousseau and seconded by Commissioner Laubach.


C. H. "Burt" Mills, Jr., County Judge



Carrie Arrington, Ex-Officio Clerk
of the Commissioners Court

