



GLEN SMITH – Mayor  
 JOHNNY TRAN – Councilmember Place 1  
 JUDY CHAVEZ – Councilmember Place 2  
 MARY CROCKER – Councilmember Place 3  
 TROY LEWIS – Councilmember Place 4  
 ANDY ERDELT – Councilmember Place 5  
 STEPHEN MCGOVERN – Councilmember Place 6

## **CITY OF PALACIOS CITY COUNCIL PUBLIC HEARINGS & REGULAR MEETING AGENDA**

Notice is hereby given of a Regular Council Meeting of the Palacios City Council to be held January 9, 2018, beginning at 7:00 p.m. in the Council Chambers of City Hall, 311 Henderson Avenue, Palacios, TX, for the purpose of considering the following items:

### **REGULAR COUNCIL MEETING**

#### **CALL TO ORDER**

**INVOCATION** – Councilmember McGovern

**PLEDGE OF ALLEGIANCE** – Councilmember Tran

**PLEDGE TO TEXAS FLAG** – Councilmember Tran

**PLEDGE TO PALACIOS FLAG** – Councilmember Tran

#### **VISITOR / CITIZEN FORUM**

#### **ADMINISTRATIVE REPORTS**

1. Palacios Pavilion Project
2. Downtown Revitalization Grant Update

#### **ITEMS TO BE CONSIDERED**

1. Discuss and consider approving the Interlocal Agreement between Matagorda County and the City of Palacios regarding The Palacios Pavilion Parking Lot.
2. Discuss and consider approving the Interlocal Agreement between Matagorda County and City of Palacios regarding the Palacios Volunteer Fire Department Building.
3. Discuss and consider approving Resolution 2018-R-01 for Improvements to the Palacios Municipal Airport (PSX) with financial assistance for the Texas Department of Transportation.
4. Discuss and consider approving the proposed Charter Amendments recommended by the Charter Review Committee.
5. Discuss and approve the first reading of Ordinance 2018-O-01 granting an increase in the Municipal Judge's Salary to \$32,000.00 a year and the Associate Municipal Judge's Salary to \$12.00 per hour.
6. Discuss and consider action to approve the following consent agenda items:
  - a) Minutes of the November 28, 2017 Regular Council Meeting
  - b) Minutes of the December 12, 2017 Regular County Meeting

**EXECUTIVE SESSION**

In accordance with Chapter 551, Government Code, (Open Meetings Law) the Council  
May go into Executive (closed) session in order to:

- Consult with its attorney (551.071)
- Discuss Real Estate transaction (551.072)
- Deliberation regarding prospective gifts or donation (551.073)
- Discuss personnel matters (551.074)
- Deliberation regarding security devices (551.076)
- Discuss economic development negotiations (551.087)

**ADJOURN**

In compliance with the Americans with Disabilities Act, the City of Palacios will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact City Hall, at 361.972.3605.

CERTIFICATION

I certify that a copy of the January 9, 2018 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00p.m. on January 5, 2018.

*Yammy McDonald*  
*City Treasurer*

INTERLOCAL AGREEMENT BETWEEN  
MATAGORDA COUNTY AND CITY OF PALACIOS  
REGARDING THE PALACIOS PAVILION PARKING LOT

THIS INTERLOCAL AGREEMENT ("Agreement") is made between MATAGORDA COUNTY, having its principal place of business at 1700 7<sup>th</sup> Street, Bay City, Matagorda County, Texas 77414, referred to as "County," and CITY OF PALACIOS, having its principal place of business at 311 Henderson Palacios, Matagorda County, Texas, 77414, referred to as "City."

WITNES SETH:

WHEREAS, Chapter 791, entitled the Interlocal Cooperation Act of the Texas Government Code provides that local governments may contract with one another to increase the efficiency and effectiveness of their governmental services and functions; and

WHEREAS, County and City are separate governmental entities; and

WHEREAS, County and City find it mutually beneficial and in the public interest for County to participate in the construction of a parking lot for the Palacios Pavilion; and

WHEREAS, City has the necessary personnel and is willing to assume the management and operation of the construction of the parking lot; and

WHEREAS, the parties desire to undertake a governmental function or service in which the parties do not have any pecuniary purpose, and there is no profit motive; and the only purpose of the contract is to further the public good; and

WHEREAS, County has authority under Section 352.001 of the Texas Local Government Code to contract with a municipality to perform governmental functions.

NOW, THEREFORE, County and City, in consideration of the mutual promises and covenants contained in this Agreement, do agree as follows with respect to County's contribution to the Palacios Pavilion parking lot:

ARTICLE 1. LEGAL AUTHORITY

Each party warrants that it possesses adequate legal authority to enter into this Agreement. The governing body of each party has authorized its respective signatory officials to enter into this Agreement and bind each party to the terms of this Agreement and any subsequent amendments thereto.

ARTICLE 2. APPLICABLE LAW

County and City agree to conduct all activities under this Agreement in accordance with all applicable rules, regulations, ordinances and laws in effect or promulgated during the term of this Agreement.

ARTICLE 3. WHOLE AGREEMENT

This Agreement, as provided herein, constitutes the complete agreement between the parties hereto, and supersedes any and all oral and written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Agreement cannot be modified without written consent of the parties.

ARTICLE 4. SCOPE OF AGREEMENT

This Agreement covers the amount that County will pay to the City out of the general fund of the county to assist in the construction of a parking lot for the Palacios Pavilion.

ARTICLE 5. PAYMENTS FROM CURRENT REVENUES

County shall make all payments pursuant to this agreement from current revenues available to County in accordance with § 791.011 of the Texas Government Code.

ARTICLE 6. CONTROL, DIRECTION AND MANAGEMENT

By entering into this Agreement, the parties do not intend to form a joint enterprise.

At no time will the parties have an equal or mutual right of control. At all times City reserves its superior right to control the direction and management of the enterprise solely for liability purposes under this Agreement and/or solely by virtue of the City's undertaking the responsibility of the construction of the new parking lot.

ARTICLE 7. DUTIES OF COUNTY

County shall provide funding in the amount of \$50,000.00 in 2017. County shall have no responsibility for performing any other duties or providing any other resources.

Payment will be made by County on or before December 31, 2017 and mailed to City at the address provided below.

This obligation is contingent on the City assuming title to the new fire station and dedicating its use to the public use of the Palacios Pavilion.

ARTICLE 8. DUTIES OF CITY

City shall be responsible for ownership of the building, insurance, and ensuring its dedication of public use for the Palacios Pavilion.

ARTICLE 9. CHANGES AND AMENDMENTS

Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in federal and state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulations.

The parties hereto may alter or amend this Agreement. Such amendments that are mutually agreed upon by City and County in writing shall be incorporated into this Agreement.

ARTICLE 10. SEVERABILITY

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

ARTICLE 11. TITLES NOT RESTRICTIVE

The titles assigned to the various sections of this Agreement are for convenience only and are generally descriptive of the matters following. Titles shall not be considered restrictive of the subject matter of any section or part of this Agreement.

ARTICLE 12. VENUE

Venue and jurisdiction of any suit, or cause of action arising under or in connection with this Agreement shall lie exclusively in Matagorda County, Texas.

ARTICLE 13. NOTICES

All notices required by this Agreement shall be delivered in person or by United States mail, postage prepaid, and shall be addressed:

To Matagorda County:  
Matagorda County  
Attn: County Judge  
1700 7<sup>th</sup> Street, Room 301  
Bay City, Texas 77414

To City of Palacios:

City of Palacios

Attn: City Manager  
311 Henderson Ave  
Palacios, TX 77465

AGREED to and ADOPTED by the Commissioners Court of Matagorda Texas on the \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_\_.

ATTEST:

MATAGORDA COUNTY

\_\_\_\_\_  
JANET HICKL  
COUNTY CLERK

\_\_\_\_\_  
By: NATE MCDONALD  
COUNTY JUDGE

AGREED to and ADOPTED by governing body of the City of Palacios on the \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_\_\_.

ATTEST:

CITY OF PALACIOS

\_\_\_\_\_  
DAVID KOCUREK  
CITY MANAGER

\_\_\_\_\_  
By: GLEN SMITH  
MAYOR

INTERLOCAL AGREEMENT BETWEEN  
MATAGORDA COUNTY AND CITY OF PALACIOS  
REGARDING THE PALACIOS VOLUNTEER FIRE DEPARTMENT BUILDING

THIS INTERLOCAL AGREEMENT ("Agreement") is made between MATAGORDA COUNTY, having its principal place of business at 1700 7<sup>th</sup> Street, Bay City, Matagorda County, Texas 77414, referred to as "County," and CITY OF PALACIOS, having its principal place of business at 311 Henderson Palacios, Matagorda County, Texas, 77414, referred to as "City."

WITNESSETH:

WHEREAS, Chapter 791, entitled the Interlocal Cooperation Act of the Texas Government Code provides that local governments may contract with one another to increase the efficiency and effectiveness of their governmental services and functions; and

WHEREAS, County and City are separate governmental entities; and

WHEREAS, County and City find it mutually beneficial and in the public interest for County to participate in the building of a new fire station for the volunteer fire department; and

WHEREAS, City has the necessary personnel and is willing to assume the management and operation of the construction of the fire station; and

WHEREAS, the parties desire to undertake a governmental function or service in which the parties do not have any pecuniary purpose, and there is no profit motive; and the only purpose of the contract is to further the public good; and

WHEREAS, County has authority under Section 352.001 of the Texas Local Government Code to contract with a municipality to perform governmental functions.

NOW, THEREFORE, County and City, in consideration of the mutual promises and covenants contained in this Agreement, do agree as follows with respect to County's contribution to the Palacios Volunteer Fire Department Building Fund:

ARTICLE 1. LEGAL AUTHORITY

Each party warrants that it possesses adequate legal authority to enter into this Agreement. The governing body of each party has authorized its respective signatory officials to enter into this Agreement and bind each party to the terms of this Agreement and any subsequent amendments thereto.

## ARTICLE 2. APPLICABLE LAW

County and City agree to conduct all activities under this Agreement in accordance with all applicable rules, regulations, ordinances and laws in effect or promulgated during the term of this Agreement.

## ARTICLE 3. WHOLE AGREEMENT

This Agreement, as provided herein, constitutes the complete agreement between the parties hereto, and supersedes any and all oral and written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Agreement cannot be modified without written consent of the parties.

## ARTICLE 4. SCOPE OF AGREEMENT

This Agreement covers the amount that County will pay to the City out of the general fund of the county to assist in the construction of a new fire station for Palacios Volunteer Fire Department.

## ARTICLE 5. PAYMENTS FROM CURRENT REVENUES

County shall make all payments pursuant to this agreement from current revenues available to County in accordance with § 791.011 of the Texas Government Code.

## ARTICLE 6. CONTROL, DIRECTION AND MANAGEMENT

By entering into this Agreement, the parties do not intend to form a joint enterprise.

At no time will the parties have an equal or mutual right of control. At all times City reserves its superior right to control the direction and management of the enterprise solely for liability purposes under this Agreement and/or solely by virtue of the City's undertaking the responsibility of the construction of the new fire station.

## ARTICLE 7. DUTIES OF COUNTY

County shall provide funding in the amount of \$100,000.00 in 2017. County shall have no responsibility for performing any other duties or providing any other resources.

Payment will be made by County on or before December 31, 2017 and mailed to City at the address provided below.

*Interlocal Agreement Between Matagorda County and  
City of Palacios Regarding the Palacios Volunteer Fire Department*



This obligation is contingent on the City assuming title to the new fire station and dedicating its use to the Palacios Volunteer Fire Department.

#### ARTICLE 8. DUTIES OF CITY

City shall be responsible for ownership of the building, insurance, and ensuring its dedication of use for the Palacios Volunteer Fire Department.

#### ARTICLE 9. CHANGES AND AMENDMENTS

Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in federal and state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulations.

The parties hereto may alter or amend this Agreement. Such amendments that are mutually agreed upon by City and County in writing shall be incorporated into this Agreement.

#### ARTICLE 10. SEVERABILITY

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

#### ARTICLE 11. TITLES NOT RESTRICTIVE

The titles assigned to the various sections of this Agreement are for convenience only and are generally descriptive of the matters following. Titles shall not be considered restrictive of the subject matter of any section or part of this Agreement.

#### ARTICLE 12. VENUE

Venue and jurisdiction of any suit, or cause of action arising under or in connection with this Agreement shall lie exclusively in Matagorda County, Texas.

#### ARTICLE 13. NOTICES

All notices required by this Agreement shall be delivered in person or by United States mail, postage prepaid, and shall be addressed:

*Interlocal Agreement Between Matagorda County and  
City of Palacios Regarding the Palacios Volunteer Fire Department*

To Matagorda County:

Matagorda County  
Attn: County Judge  
1700 7th Street, Room 301  
Bay City, Texas 77414

To City of Palacios:

City of Palacios  
Attn: City Manager  
311 Henderson Ave  
Palacios, TX 77465

AGREED to and ADOPTED by the Commissioners Court of Matagorda Texas on the \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_\_\_\_

ATTEST:

MATAGORDA COUNTY

JANET HICKL  
COUNTY CLERK

By: NATE MCDONALD  
COUNTY JUDGE

AGREED to and ADOPTED by governing body of the City of Palacios on the \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_\_\_

ATTEST:

CITY OF PALACIOS

DAVID KOCUREK  
CITY MANAGER

By: GLEN SMITH  
MAYOR

**RESOLUTION NO. 2018-R-01**

**A RESOLUTION OF THE CITY OF PALACIOS, TEXAS, TO MAKE PAVEMENT IMPROVEMENTS AND PAVEMENT MARKINGS TO THE PALACIOS MUNICIPAL AIRPORT (PSX).**

**WHEREAS**, the City of Palacios intends to make certain improvements to the Palacios Municipal Airport (PSX); and

**WHEREAS**, the general description of the project is described as: Pavement Improvements and markings; and

**WHEREAS**, the City of Palacios intends to request financial assistance from the Texas Department of Transportation for these improvements; and

**WHEREAS**, a total project cost is estimated to be \$620,150, and the City of Palacios will be responsible for 10% of the total project costs currently estimated to be \$62,015; and

**WHEREAS**, the City of Palacios names the Texas Department of Transportation as it agent for the purposes of applying for, receiving and disbursing all funds for these improvements and for the administration of contracts necessary for the implementation of these improvements;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALACIOS, TEXAS:**

SECTION 1. The City of Palacios is to execute on behalf of the City of Palacios, at the appropriate time, and with the appropriate authorization of the governing body, all contracts and agreements with the State of Texas, represented by the Texas Department of Transportation, and such other parties as shall be necessary and appropriate for the implementation of the improvements to the Palacios Municipal Airport (PSX).

SECTION 2. This Resolution shall become effective immediately after its approval and adoption.

PASSED, APPROVED AND ADOPTED on this 9<sup>th</sup> day of January, 2018.

CITY OF PALACIOS, TEXAS

\_\_\_\_\_  
GLEN SMITH, Mayor

\_\_\_\_\_  
TAMMY McDONALD, City Treasurer

**SAMPLE RESOLUTION**  
(Federal or State - TxDOT acting as Agent)

WHEREAS, the City of Palacios intends to make certain improvements to the Palacios Municipal Airport (PSX); and

WHEREAS, the general description of the project is described as: Pavement Improvements and Pavement markings; and

WHEREAS, the City of Palacios intends to request financial assistance from the Texas Department of Transportation for these improvements; and

WHEREAS, total project cost is estimated to be \$620,150, and the City of Palacios will be responsible for 10% of the total project costs currently estimated to be \$62,015; and

WHEREAS, the City of Palacios names the Texas Department of Transportation as its agent for the purposes of applying for, receiving and disbursing all funds for these improvements and for the administration of contracts necessary for the implementation of these improvements;

NOW, THEREFORE, BE IT RESOLVED, that the City of Palacios to execute on behalf of the City of Palacios, at the appropriate time, and with the appropriate authorizations of this governing body, all contracts and agreements with the State of Texas, represented by the Texas Department of Transportation, and such other parties as shall be necessary and appropriate for the implementation of the improvements to the Palacios Municipal Airport (PSX).

[March 21, 2001]

ORDINANCE NO. 2018-O-1

AN ORDINANCE ESTABLISHING THE SALARY OF THE JUDGE OF THE MUNICIPAL COURT AND THE COMPENSATION FOR THE INTERIM OR ASSOCIATE JUDGE; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF

WHEREAS, the Charter of the City of Palacios at section 5.02 states that the Judge appointed by City Council to preside over the Palacios Municipal Court shall receive such salary as shall be fixed by ordinance; and

WHEREAS, Section 5.02 further states that the City Council shall appoint an interim Judge to serve as the presiding Judge in the absence or illness of the Presiding Judge, and such interim Judge shall be entitled to compensation as set by City Council; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PALACIOS,  
TEXAS:

SECTION 1: That the Judge of the Municipal Court shall receive the following compensation for service as presiding Municipal Judge: An annual salary of \$32,000.00, which shall be divided into twenty-six equal installments, and each installment paid on the regular city payday.

SECTION 2: That the interim Judge of the Municipal Court, who shall be referred to as the Associate Judge, shall receive the following compensation for service as presiding Municipal Judge in the absence of the Presiding Judge: Paid at an hourly rate of \$12.00 an hour for time actually worked, which payment will be made at the first regular City payday after the City has received the Interim Judge's time sheets.

SECTION 3: The salary or compensation approved by this ordinance shall not become effective until the first month of each judge's next term of office.

SECTION 4: If any provisions, section, exception, subsection, paragraph, sentence, clause or phrase of this ordinance or the application of same to any person or set of circumstances, shall for any reason be held unconstitutional, void or invalid, such invalidity shall not affect the validity of the remaining provisions of this ordinance or their application to other persons or sets of circumstances and to this end all provisions of this ordinance are declared to be severable.

SECTION 5: All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

SECTION 6: This Ordinance shall become effective after its approval and adoption upon second and final reading.

PASSED AND APPROVED on first reading this 9th day of January, 2018.





GLEN SMITH – Mayor  
 JOHNNY TRAN – Councilmember Place 1  
 JUDY CHAVEZ – Councilmember Place 2  
 MARY CROCKER – Councilmember Place 3  
 TROY LEWIS – Councilmember Place 4  
 ANDY ERDELT – Councilmember Place 5  
 STEPHEN MCGOVERN – Councilmember Place 6

## CITY OF PALACIOS CITY COUNCIL REGULAR MEETING MINUTES November 28, 2017

### REGULAR COUNCIL MEETING

#### **CALL TO ORDER**

**INVOCATION** – Councilmember Chavez

**PLEDGE OF ALLEGIANCE** – Councilmember Crocker

**PLEDGE TO TEXAS FLAG** – Councilmember Crocker

**PLEDGE TO PALACIOS FLAG** – Councilmember Crocker

**COUNCILMEMBER ABSENT:** None, All Present

**CITY STAFF PRESENT:** David Kocurek, Angela Flores, Chief Miles, William Shaffer

**PUBLIC HEARING:** Mike Ferdinand discussed the real property purchase by EDC of 0 South Bay Blvd., formerly known as 0 Duson Dr., Palacios, Original Townsite consisting of 2.2 acres for the price of \$300,000.00. Citizen Patricia Loving spoke in support of the purchase. Citizen Chip Woolf stated he felt it would deplete the EDC funds.

**PUBLIC HEARING:** Mike Ferdinand discussed the expenditure of funds by the Palacios Economic Development Corporation regarding the remodeling of facilities located at 420 Main Street, Palacios for an anticipated total cost not to exceed \$35,000.00. Citizen Patricia Loving spoke in support of the funds being expended for the remodeling. Citizen Chip Woolf was not as enthusiastic and was concerned if the EDC has a lease for the building so that the building was not renovated and the owner then go up on rent or lease to someone else now that building was renovated.

**VISITOR / CITIZEN FORUM-Chip Woolf** discussed that he was still not in favor of the Pavilion.

#### **ADMINISTRATIVE REPORTS**

1. Palacios Pavilion Project- David Kocurek
2. EDC and Committee Members – David Kocurek
3. Election: Notice for Place on Ballot Dec 14<sup>th</sup> to mid January 2018.

#### **ITEMS TO BE CONSIDERED**

1. Discuss and consider approving the first reading of Resolution 2017-R-13 granting approval of the Palacios Economic Development Corporation on the expenditure of funds, \$300,000 on the purchase of real property located at 0 South Bay Blvd. formerly known as 0 Duson Dr., Palacios, TX, Original Townsite consisting of 2.2 acres. Councilmember Chavez motioned to approve the first reading Councilmember Chavez seconded Councilmember Crocker abstained. There was no opposition With no opposition, the motion carried.
2. Discuss and approve the first reading of Resolution 2017-R-14 granting approval to the Palacios Economic Development Corporation to expend funds not to exceed \$35,000.00 from the Economic Development fund balance to remodel the PEDC/Chamber office. Mayor Smith motioned to approve the first reading Councilmember McGovern seconded Councilmember Crocker abstained There was no opposition With no opposition, the motion carried

3. Discuss and accept the 4<sup>th</sup> Quarter Investment Report  
 Councilmember Tran motioned to approve the 4<sup>th</sup> Quarter Investment Report  
 Councilmember Chavez seconded  
 There was no opposition  
 With no opposition, the motion carried.
4. Discuss and accept the 4<sup>th</sup> Quarter Financial Report.  
 Councilmember Tran motioned to accept the 4<sup>th</sup> Quarter Financial Report  
 Councilmember Chavez seconded  
 There was no opposition  
 With no opposition, the motion carried
5. Discuss and consider action to approve the following consent agenda items:
  - a) Minutes of the November 14, 2017 Regular Council Meeting
  - b) Excuse absence of Councilmember Tran from the November 14, 2017 Council Meeting  
 Councilmember Erdelt motioned to approve minutes and excuse absence.  
 Councilmember Crocker seconded  
 There was no opposition  
 With No opposition, the motion carried.

**EXECUTIVE SESSION - No executive session**

In accordance with Chapter 551, Government Code, (Open Meetings Law) the Council May go into Executive (closed) session in order to:  
 Consult with its attorney (551.071)  
 Discuss Real Estate transaction (551.072)  
 Deliberation regarding prospective gifts or donation (551.073)  
 Discuss personnel matters (551.074)  
 Deliberation regarding security devices (551.076)  
 Discuss economic development negotiations (551.087)

**ACTION ON EXECUTIVE SESSION**

**ADJOURN**

Mayor Smith motioned to adjourn the meeting at 8:00 PM  
 Councilmember McGovern seconded  
 There was no opposition  
 With no opposition, the motion carried.

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Glen Smith, Mayor

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Tammy McDonald, City Treasurer