



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

CITY OF PALACIOS CITY COUNCIL REGULAR MEETING AGENDA

Notice is hereby given of a Regular Council Meeting of the Palacios City Council to be held December 13, 2016, 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 Chavez

PLEDGE OF ALLEGIANCE – Councilmember Crocker

PLEDGE TO TEXAS FLAG – Councilmember Crocker

PLEDGE TO PALACIOS FLAG – Councilmember Crocker

VISITOR / CITIZEN FORUM

ADMINISTRATIVE REPORTS

1. Public Notice on Lead Reporting Violation

PROCLAMATION

1. National Pearl Harbor Remembrance Day

ITEMS TO BE CONSIDERED

1. Discuss and consider adopting on 2nd reading Ordinance 2016-O-11, amendments to Fence Ordinance.
2. Discuss and consider adopting on 2nd reading Ordinance 2016-O-12, amendments to Water Wells Ordinance.
3. Discuss and consider adopting on 2nd reading Ordinance 2016-O-13, amendments to Tire Generator Ordinance.
4. Discuss and consider approving the 1st reading on Ordinance 2016-O-14 setting the City's water and sewer rates.
5. Discuss and accept an STP Annual Letter of Agreement dealing with emergency situations.
6. Discuss and consider adopting Resolution 2016-R-24 authorizing the submission of a Community Development Block Grant application of up to \$350,000 with the minimum matching funds of up to \$52,500 committed by the City of Palacios to the Texas Department of Agriculture for the Community Development Fund.
7. Discuss and consider accepting an Interlocal Agreement with PISD for joint election services for the May 6, 2017 Election.

8. Discuss and consider accepting an Entitlement Transfer Agreement with the Federal Aviation Administration through TxDot.
9. Discuss and consider cancelling the December 27, 2016 Regular Council Meeting.
10. Discuss and consider action to approve the following consent agenda items:
 - a) Minutes of the November 15, 2016 Regular Council 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)

- a. Discuss and consider appointments to the PEDC Board.

Deliberation regarding security devices (551.076)

Discuss economic development negotiations (551.087)

ACTION ON EXECUTIVE SESSION:

- a. Vote on two appointments to the PEDC Board.

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 November 15, 2016 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00p.m. on November 11, 2016.

CALL TO ORDER

INVOCATION – Councilmember Chavez

PLEDGE OF ALLEGIANCE – Councilmember Crocker

PLEDGE TO TEXAS FLAG – Councilmember Crocker

PLEDGE TO PALACIOS FLAG – Councilmember Crocker

VISITOR / CITIZEN FORUM

ADMINISTRATIVE REPORTS

1. Public Notice on Lead Reporting Violation

PROCLAMATION

1. National Pearl Harbor Remembrance Day

Office of the **MAYOR**

CITY OF



PALACIOS

Proclamation



Whereas:

On Sunday, December 7, 1941 the Imperial Japanese launched a surprise attack on Pearl Harbor in an attempt to break the American will and destroy our Pacific Fleet. The attack left over 3,500 Americans killed or wounded and was the beginning of World War II; and

WHEREAS, our service members valiantly answered the call by defending their positions, fighting back against our attackers, and caring for our wounded. The sacrifices made by the members of our armed forces and civilians to protect America and its people, will never be forgotten; and

NOW, THEREFORE, I, Glen Smith, Mayor of the City of Palacios, Texas do hereby proclaim December 7, 2016, as:

“NATIONAL PEARL HARBOR REMEMBRANCE DAY”

Further be it known that the citizens of Palacios, Texas remember with eternal respect those who were injured or killed on December 7, 1941 at Pearl Harbor.

IN WITNESS WHEREOF, I hereunto set my hand and seal this 13th day of December, 2016.

Glen Smith, Mayor

ATTEST:

Angela Flores, City Secretary

Reviewed 10/17/16

ORDINANCE NO. 2016-0-11

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PALACIOS, TEXAS TO ADD ARTICLE 3.13 WHICH REGULATES FENCES; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; ESTABLISHING A PENALTY FOR VIOLATIONS; AND PROVIDING FOR THE PUBLICATION AND THE EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Palacios has determined that comprehensive and uniform regulation of fences within the City of Palacios would benefit the health and safety of the citizens of Palacios, and improve the value and use of the properties in Palacios owned by its citizens; and

WHEREAS, The Planning Commission of the City of Palacios has developed regulations regarding fences in the City of Palacios, and presented those regulations to City Council for its review, and after reviewing and considering those regulations, the City Council of the City of Palacios has determined that the regulations proposed below are needed and necessary, and will improve the use and enjoyment of property of the citizens of Palacios, both individual and business owned; NOW THEREFORE,

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

SECTION 1: That the Code of Ordinances of the City of Palacios, Texas is hereby amended by adding the following Article 3.13, which shall read as follows:

ARTICLE 3.13 FENCES

Sec. 3.13.001 Generally

(a) No fence, wall, or outdoor area enclosure structure may be erected, placed, or altered within the town unless the fence, wall, or outdoor area enclosure is in conformance with the provisions of this article.

(b) Definitions - for the purposes of this article, the following definitions shall apply:

Alternate orientation: Created when a structure located on a corner lot is constructed to face the street frontage not normally associated to be the front of the lot.

Approved fence materials: Wood, pipe, barbed wire, masonry, chain link, wrought iron, welded wire, plaster, plastic vinyl post and rail.

Corner lot: A lot, tract, or parcel which abuts two streets at their intersection, with the longer street frontage being the side of the lot.

Corner orientation: Created when a structure located on a corner lot is constructed to face the intersection, diagonally across a lot, rather than a traditional orientation toward one of the intersecting streets. In cases of corner orientation, both sides of the lot along the street frontages are to be treated as front yards.

Decorative fence: A fence or outdoor area enclosure constructed for aesthetic purposes only constructed of material such as wood pickets, lattice work, decorative metal, masonry or stone, meeting the requirements of this section.

Electrical fence: An outdoor area enclosure that contains an electrically charged or partially charged metallic material designed to discourage crossing by either man or animal.

Fence: An outdoor area enclosure of masonry, wood, chain link, plaster, or other approved building material no more than three inches in thickness, serving to enclose, divide, or protect an area.

Front building setback: Minimum required front yard setback as specified under Residential Regulations.

Key lot: An interior lot, tract, or parcel which sides to the rear of one or more lots, tracts, or parcels.

Nonresidential zoned areas: Any land within the city zoned for nonresidential uses: C, AG, A/R, WF3.

Office, business, or industrial park/complex enclosure (including entry features): A wall of masonry or a combination of masonry and pressure-treated timber, plaster, iron, or other approved building material serving to enclose or protect an office, business, or industrial park/complex.

Outdoor area enclosure: Any fence, wall, or structure of various materials designed to serve as an enclosure of an outdoor area, a barrier or boundary, or to otherwise divide or protect an area.

Privacy/security enclosures: Fences, walls, or structures located on individual lots, tracts, or parcels for the purpose of enclosing an outdoor area for privacy or security purposes.

Residential subdivision enclosures (including subdivision entry features): A wall of masonry or a combination of masonry and pressure-treated timber, plaster, iron or other building material as approved by the city serving to enclose, divide, or protect a residential subdivision.

Residentially zoned areas: Any land within the city zoned for residential uses: R-1, R-2, WF1, and WF2.

Wall: An outdoor area enclosure of masonry, wood, plaster or other approved building material that exceeds three inches in thickness, serving to enclose, divide, or protect an area.

Visibility triangle: An area as defined in the subdivision ordinance of the city, located at the intersection of two streets, access easements or alleys or any combination thereof where no structure, growth, or object shall exceed three feet in height.

Sec. 3.13.002 Uses

(a) *Residential uses.* In residentially zoned districts, fences, walls, and outdoor area enclosure structures may be erected if in accordance with the following regulations:

1. Privacy/security enclosures.

- (a) Privacy/security enclosures may be fences or walls.
- (b) Privacy/security enclosures shall not exceed eight feet in height.
- (c) Privacy/security enclosures may be erected upon the rear lot line of any lot.
- (d) Privacy/security enclosures may be erected upon the side lot lines of any interior lot.
- (e) Private/security enclosures can be no closer than 75 feet from front lot line.

2. Decorative fences.

- (a) Decorative fences shall not be walls.
- (b) Maximum height of decorative fences shall not exceed eight feet.
- (c) Solid surface area of any decorative fence shall not exceed 30 percent of the total surface area.
- (d) Decorative fences may be erected upon any residential lot line; however, no decorative fence may encroach upon any right-of-way, drainage or access easement, or flood way.
- (e) Decorative fences may be allowed within the visibility triangle with a maximum height of three feet.
- (f) Decorative fences shall be constructed of approved materials.

3. Residential subdivision enclosures, including subdivision entry features. All residential subdivision enclosures shall be walls or a combination of decorative fences as approved by the city staff.

(b) *Nonresidential Uses.* In nonresidential zoning districts, fences, walls, and outdoor area enclosures may be erected if in accordance with the following regulations:

1. Privacy/security enclosures.

- (a) Privacy/security enclosures may be fences or walls.
- (b) Maximum height of privacy/security enclosures shall not exceed eight feet.
- (c) Privacy/security enclosures may be erected on the rear lot line of any lot, tract, or parcel.
- (d) Privacy/security enclosures may be erected upon the side lot line of any lot, tract, or parcel provided that no fence may be erected to extend into the required front building setback without specific city staff approval.
- (e) No privacy/security enclosure may be erected to encroach upon any visibility triangle, right-of-way, access or drainage easements or flood way.

2. Decorative fences.

- (a) Decorative fence shall not be walls.
- (b) Maximum height of decorative fences shall not exceed eight feet.
- (c) Solid surface area of any decorative fence shall not exceed 30 percent of the total surface area.
- (d) Decorative fences may be erected upon any nonresidential lot line; however, no decorative fence may encroach upon any right-of-way, drainage or access easements, or flood way.
- (e) Decorative fences may be allowed within the visibility triangle with a maximum height of three feet.
- (f) Decorative fences shall be constructed of approved material.

3. Office, business, or industrial park or complex enclosure, including entry features.

- (a) Maximum height of all enclosures shall be eight feet.
- (b) Walls enclosing nonresidential developments may be erected along rear property lines.
- (c) Walls enclosing nonresidential developments may be erected upon rear property lines and along the front and side property lines to extend into the required front yard setback; provided that such encroaching structure does not exceed the required three-foot maximum height limit within the visibility triangle, and the enclosure does not encroach upon any right-of-way, drainage or utility easements, or flood way.
- (d) Plans for park or complex enclosures shall be reviewed and approved by the city staff.

(c) *Miscellaneous Uses.* The following regulations shall apply to zoning districts of the city as applicable:

1. Screening. Live screening using natural growth or planted vegetation shall be allowed within the city under the following provisions:

- (a) No tree, shrub, hedge, or other vegetation shall be so planted, pruned or otherwise maintained to exceed a height of three feet within the defined visibility triangle or street right-of-way.
- (b) Any tree, shrub, hedge, or other form of vegetation located within the public right-of-way, utility easement, or visibility triangle shall be subject to removal (without compensation) by the authority of the city for the purpose of utility maintenance and public safety.

2. Barbed wire: Is prohibited.

3. Electrical fences: Allowed for pet care only.
 - (a) A warning sign shall be affixed to the fence post or fence wiring, clearly reading "Electric Fence." The wording shall be in English with white letters on a red background.
 - (b) Electrical fences shall be UL-approved and installed and maintained as per manufacturer's instructions.

Sec. 3.13.003-3.13.004. Reserved

Sec. 3.13.005 Permits required

Prior to construction of a fence or any outdoor area enclosure, a permit shall be obtained from the city. Upon approval of the application by the city staff and payment of the permit fee, a permit shall be issued for construction. If the permit holder fails to comply with the provisions of this section, the permit shall be revoked, the fence will be considered a nuisance per se, and must be immediately removed.

Sec. 3.13.006 Permit not required

A permit is not required where fences are to be erected associated with new residential permit or new pool permit, where an existing fence is being repaired or where fences are erected within an existing fence. Enclosures in planned developments shall be addressed by the developer.

Sec. 3.13.007 Construction within easements

- (a) Permission to build a fence upon a utility easement does not remove the obligation of the owner of fence to remove the fence upon demand of the utility company. Removal of any fence and any rebuilding of any fence shall be the responsibility of the owner of said fence and at the owner's expense.
- (b) Fences shall be designed, constructed and maintained so as not to interfere with utility lines.
- (c) Fences shall be designed, constructed and maintained so as not to interfere with normal drainage.

Sec. 3.13.008 Setback requirements generally

No fence shall be built within the required front yard or any closer than the front edge of the building in commercial districts. (Reference Chapter 14, 12.4 Exhibit B)

Sec. 3.013.009 Height limit

- (a) No fence shall be built so as to exceed eight (8) feet in height on any residentially zoned property.
- (b) Fence height shall be measured from the grade adjacent to the fence from the applicant's side of the fence. If the fence is constructed on top of a retaining wall it shall be measured from grade near the retaining wall.

Sec. 3.13.010 Maintenance

It shall be unlawful to maintain a fence in such a manner as to allow:

- (1) Any portion of a fence to lean so that the fence is protruding on another's property or is in danger of falling.
- (2) Missing, loose or broken pickets, slats or panels in a fence.
- (3) Symbols, writings or other graffiti on a fence except for those which are permitted as signs or which pertain to the address or occupancy of a property.

Sec. 3.13.011 Variances

The Zoning Board of Adjustments may, upon the showing of an undue hardship to the applicant, grant a variance to this article.

Sec. 3.13.012 Existing Fences

Reviewed 10/17/16

(a) A fence that does not comply with the requirements of this article as of the effective date of this article, shall be allowed to remain provided that fences located in front of a building or in yards adjacent to streets in commercial districts that include barbed wire as a component shall be screened from public view by means of an authorized fence material, slats, or materials or by any screening method authorized in the landscape and screening regulations within 90 days of the effective date of this article and shall otherwise comply with all requirements of this article. If a fence that has barbed wire as a component is screened as provided in this section, the fence shall be allowed to remain unless the fence is replaced, destroyed or damaged to the extent of sixty (60) percent or more of the value of the structure, in which even the right to maintain the structure shall terminate.

(b) Any screening method installed under this article shall remain in place as long as the original fence is maintained. Once the original fence is removed the screening method must be removed within the 30-day period.

Sec. 3.13.013 Permitted types

The following types of fences may be built, erected or constructed within the city provided they meet all applicable requirements of this article:

- (1) Chain-link fences.
- (2) Board fences.

Sec. 3.13.014 Inspections required

When any fence is completed, an inspection must be performed by the building official. Upon completion of a fence, the permit holder shall notify the building official's office. The building official will issue a card of acceptance if the fence complies with the provision of this article. If the fence does not comply with the provisions of this article, it will not be accepted and the permit holder must call for an additional inspection when the fence is completed in accordance with the requirements of this article. All fences constructed under the provisions of this article shall be maintained by the property owner in a vertical position and shall comply with the requirements of this article at all times.

SECTION 2: 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 3: 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 4: Any person who shall violate any provision or provisions of this ordinance shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not more than \$500.00 for each violation. Each day in which any violation shall occur or continue shall constitute a separate offense.

SECTION 5: This Ordinance shall become effective after its approval and adoption upon second and final reading and its publication pursuant to law.

PASSED AND APPROVED on first reading this _____ day of _____, 2016.

PASSED, APPROVED AND ADOPTED on second and final reading this _____ day of _____, 2016.

CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

ATTEST:

ANGELA FLORES, City Secretary

APPROVED AS TO FORM:

RANDALL B. STRONG, City Attorney

...ordinances\ fence regulations

Review date 10/19/2016

ORDINANCE NO. 2016-O-12

AN ORDINANCE AMENDING SECTIONS 13.02.003 OF THE CODE OF ORDINANCES OF THE CITY OF PALACIOS, TEXAS TO CHANGE PROCEDURES FOR PLUGGING ABANDONED WELLS; DELETING SECTIONS 4.05.061 THROUGH 4.05.064 OF THE CODE OF ORDINANCES; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Palacios has determined that changes in the manner in which abandoned wells are regulated within the City should be modified and the provisions regarding the permitting for irrigation wells should be deleted as no longer needed; NOW THEREFORE,

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

SECTION 1: That Article 13.02, Section 13.02.003, of the Code of Ordinances of the City of Palacios, Texas is hereby amended to read as follows:

Sec. 13.02.003 Abandoned wells

(1) An abandoned well is any well which has been continuously out of use for a period of two (2) years or longer. Whenever any well has not been in active use for more than two (2) years, the owner or operator of such well shall report the fact to the City Manager or his designee. Every abandoned well shall be filled and plugged with such materials and in such manner as, in the judgment of the City Manager or his designee, will prevent the pollution and contamination of the city's water supply or the contamination of any other well within the limits of the city, and such filling and plugging shall be done under the supervision of the City Manager or his designee, and at the expense of the owner of such well.

(2) Whenever the City Manager or his designee shall receive notice from any source of the existence of an abandoned well which has not been plugged and filled in accordance with the provisions of this subsection, he shall notify *by certified mail* the owner or agent in charge of such well or of the property upon which it is situated that such well is abandoned and shall instruct him to fill and plug such well in accordance with this subsection, and the owner or operator of such well shall comply with such order within sixty (60) days after its date. Should he fail to comply within such period or if, after using reasonable diligence, the City Manager or his designee should fail to locate the owner or agent in charge of such well or of the property upon which the well is situated, the City Manager or his designee may go on and fill and plug such abandoned well in the manner provided, and the owner thereof shall be liable to the city for the cost of such work and shall pay such cost upon demand.

SECTION 2: That Article 4.05, Sections 4.05.061 through 4.05.064, of the Code of Ordinances of the City of Palacios, Texas are hereby deleted in their entirety.

SECTION 3: 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 4: 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 5: This Ordinance shall become effective after its approval and adoption upon second and final reading and its publication pursuant to law.

PASSED AND APPROVED on first reading this _____ day of _____, 2016.

PASSED, APPROVED AND ADOPTED on second and final reading this _____ day of _____, 2016.

CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

ATTEST:

ANGELA FLORES, City Secretary

APPROVED AS TO FORM:

RANDALL B. STRONG, City Attorney

...ordinances\amending.water wells

Reviewed 10/17/16

ORDINANCE NO. 2016-O-13

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PALACIOS, TEXAS TO ADD ARTICLE 4.10 WHICH REGULATES TIRE GENERATORS; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING FOR THE PUBLICATION AND THE EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Palacios has determined that the unregulated disposal and storage of tires within the City of Palacios adversely affects the health and safety of the citizens of Palacios, and negatively affects the value and use of surrounding properties; and

WHEREAS, in order to address these adverse affects and protect its citizens and their property, the City Council of the City of Palacios has determined that the regulations proposed below are needed and necessary, but will still allow tire generators to operate their businesses; NOW THEREFORE,

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

SECTION 1: That the Code of Ordinances of the City of Palacios, Texas is hereby amended by adding the following sections, which read as follows:

ARTICLE 4.10 TIRE GENERATORS

Sec. 4.10.001 Definitions

For the purpose of this article, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

Scrap Tire Generators: tire dealers, junkyards, fleet operators, and others who generate scrap tires. To be referred to as generators.

Scrap Tire Processing Facilities: operations that shred, bale, recycle, or recover energy from scrap tires.

Transportation Facilities: marine terminals, rail yards, or trucking facilities that store more than 500 scrap tires or equivalent scrap tire pieces for more than 30 days.

Sec. 4.10.002 Scrap tire generators

- (a) Tire sales, scrap tire generators and scrap tire storage facilities shall be located in commercial only zones.
- (b) Scrap tire generators shall follow the fencing requirements as a junkyard, salvage yard, wrecking yard.
- (c) Generators may not store more than 500 scrap tires on the ground.
- (d) Generators who are registered with TCEQ may store up to 2,000 tires in a closed and lockable trailer.
- (e) Generators shall stack, sort, classify and arrange good useable tires in an organized manner for sale.

(f) Generators shall document the removal of all scrap tires using manifests, work orders, invoices, or other records.

(g) Generators shall allow only registered scrap tire transporters to remove their scrap tires and ensure the tires are delivered to an authorized facility.

Sec. 4.10.003 Scrap tire storage facilities

Storage sites that store more than 500 whole used or shredded tire pieces shall register with TCEQ.

Sec. 4.10.004 Transportation facilities

Transportation facilities shall register with TCEQ.

Sec. 4.10.005 Scrap tire processing facilities

(a) Scrap tire processing facilities shall follow the fencing requirements as a junkyard, salvage yard, wrecking yard.

(b) Scrap tire processing facilities shall register with TCEQ.

(c) Scrap tire processing facilities that store more than 500 tires shall register with TECQ as a tire storage facility.

Sec 4.10.006 Penalties for non compliance

Violation of the provisions of this ordinance by failure to comply with any of its requirements (including violations of conditions and safeguards established in connection with conditions) shall constitute a misdemeanor. Any person who violates this ordinance or fails to comply with any of its requirements shall upon conviction thereof be fined not more than five hundred dollars (\$500.00) for each violation. Nothing herein contained shall prevent the City of Palacios from taking such other lawful action as is necessary to prevent or remedy any violation.

SECTION 2: 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 3: 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 4: This Ordinance shall become effective after its approval and adoption upon second and final reading and its publication pursuant to law.

PASSED AND APPROVED on first reading this _____ day of _____, 2016.

PASSED, APPROVED AND ADOPTED on second and final reading this _____ day of _____, 2016.

Reviewed 10/17/16

GLEN SMITH, Mayor

ATTEST:

ANGELA FLORES, City Secretary

APPROVED AS TO FORM:

RANDALL B. STRONG, City Attorney

...ordinances\tire generators

ORDINANCE NO. 2016-O-14

AN ORDINANCE AMENDING APPENDIX "A" ARTICLE A13.02 "WATER AND SEWERS", DIVISION 2. "RATES AND CHARGES", OF THE CODE OF ORDINANCES OF THE CITY OF PALACIOS, TEXAS TO CHANGE THE RATES FOR WATER AND SEWER USAGE; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

WHEREAS, the City Council of the City of Palacios has determined that the need to adjust water and sewer rates to recover the cost of providing these services; NOW THEREFORE,

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

SECTION 1: That Section A13.02.031 Water Rates, Appendix "A", Article A13.02 Water and Sewers, Division 2. Rates and Charges, of the Code of Ordinances of the City of Palacios, Texas is hereby amended to read as follows:

Sec. A13.02.031 Water Rates

(a) Each residential customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of sixteen dollars (\$16.00) for water service, which includes a base usage of two thousand (2,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next three thousand (3,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(b) Each residential customer with a one (1) inch meter shall pay a monthly fixed charge of twenty dollars (\$20.00) for water service, which includes a base usage of two thousand (2,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next three thousand (3,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(c) Each residential sprinkler system customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of twenty dollars (\$20.00) for water service, which includes a base usage of two thousand (2,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next three thousand (3,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(d) Each residential sprinkler system customer with a one (1) inch meter shall pay a monthly fixed charge of twenty dollars (\$30.00) for water service, which includes a base usage of two thousand (2,000) gallons,

plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next three thousand (3,000) gallons over the base usage amount up to five thousand (5,000) gallons,
then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons,
then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,
then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(e) Each commercial customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of sixteen dollars (\$16.00) for water service, which includes a base usage of one thousand (1,000) gallons,
plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons,
then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons,
then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,
then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(f) Each commercial customer with a one (1) inch meter shall pay a monthly fixed charge of twenty dollars (\$20.00) for water service, which includes a base usage of one thousand (1,000) gallons,
plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons,
then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons,
then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,
then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(g) Each commercial customer with a one and one-half (1.5) inch meter shall pay a monthly fixed charge of forty dollars (\$40.00) for water service, which includes a base usage of one thousand (1,000) gallons,
plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons,
then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons,
then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,
then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(h) Each commercial customer with a two (2) inch meter shall pay a monthly fixed charge of sixty-five (\$65.00) for water service, which includes a base usage of one thousand (1,000) gallons,
plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons,
then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons,
then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,
then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(i) Each commercial customer with a three (3) inch meter shall pay a monthly fixed charge of one hundred and twenty dollars (\$120.00) for water service, which includes a base usage of one thousand (1,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(j) Each commercial customer with a four (4) inch meter shall pay a monthly fixed charge of two hundred dollars (\$200.00) for water service, which includes a base usage of one thousand (1,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(k) Each commercial customer with a six (6) inch meter shall pay a monthly fixed charge of four hundred dollars (\$400.00) for water service, which includes a base usage of one thousand (1,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(l) Each commercial sprinkler system customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of twenty dollars (\$20.00) for water service, which includes a base usage of one thousand (1,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons, then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons, then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(m) Each commercial sprinkler system customer with a one (1) inch meter shall pay a monthly fixed charge of twenty dollars (\$30.00) for water service, which includes a base usage of one thousand (1,000) gallons, plus a usage charge of four dollars (\$4.00) per 1,000 gallons of the next four thousand (4,000) gallons over the base usage amount up to five thousand (5,000) gallons, then five dollars (\$5.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 10,000 gallons, then six dollars (\$6.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 15,000 gallons,

then seven dollars (\$7.00) per 1,000 gallons of the next five thousand (5,000) gallons up to 20,000 gallons,
then seven dollars and seventy-five cents (\$7.75) per thousand gallons per every thousand gallons over twenty thousand (20,000) gallons.

(n) Each existing service connection account, outside the city limits (O.C.L.), shall pay a rate equal to 1.5 times the base and usage charges. No new account, outside the city limits, shall be established without prior approval of a petition for annexation or other action by the city council.

SECTION 2: That Section A13.02.032 Sewer Rates, Appendix "A", Article A13.02 Water and Sewers, Division 2. Rates and Charges, of the Code of Ordinances of the City of Palacios, Texas is hereby amended to read as follows:

Sec. A13.02.032 Sewer Rates

(a) Each residential customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of sixteen dollars (\$16.00) for sewer service, which includes a base usage of two thousand (2,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount up to twelve thousand (12,000) gallons. No sewer charge will be applied for additional metered water over 12,000 gallons above the base charge.

(b) Each residential customer with a one (1) inch meter shall pay a monthly fixed charge of forty dollars (\$40.00) for sewer service, which includes a base usage of two thousand (2,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount up to twelve thousand (12,000) gallons. No sewer charge will be applied for additional metered water over 12,000 gallons above the base charge.

(c) Each commercial customer with a five-eighths (5/8) inch by three-quarter (3/4) inch meter shall pay a monthly fixed charge of sixteen dollars (\$16.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(d) Each commercial customer with a one (1) inch meter shall pay a monthly fixed charge of twenty dollars (\$20.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(e) Each commercial customer with a one and one-half (1.5) inch meter shall pay a monthly fixed charge of forty dollars (\$40.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(f) Each commercial customer with a two (2) inch meter shall pay a monthly fixed charge of one hundred and sixty-five dollars (\$65.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(g) Each commercial customer with a three (3) inch meter shall pay a monthly fixed charge of one hundred and twenty dollars (\$120.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(h) Each commercial customer with a four (4) inch meter shall pay a monthly fixed charge of two hundred dollars (\$200.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use,

plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(i) Each commercial customer with a six (6) inch meter shall pay a monthly fixed charge of four hundred dollars (\$400.00) for sewer service, which includes a base usage of one thousand (1,000) gallons of metered water use, plus a usage charge of five dollars and ninety-two cents (\$5.92) per 1,000 gallons of metered water use over the base usage amount.

(j) Each existing service connection account, outside the city limits (O.C.L.), shall pay a rate equal to 1.5 times the base and usage charges. No new account, outside the city limits, shall be established without prior approval of a petition for annexation or other action by the city council.

SECTION 3: 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 4: 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 5: This Ordinance shall become effective after its approval and adoption upon second and final reading.

PASSED AND APPROVED on first reading this 13th day of December, 2016.

PASSED, APPROVED AND ADOPTED on second and final reading this 10th day of January, 2017.

CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

ATTEST:

ANGELA FLORES, City Secretary

APPROVED AS TO FORM:

RANDALL B. STRONG, City Attorney

5. Discuss and accept an STP Annual Letter of Agreement dealing with emergency situations.

November 29, 2016

Vivian Wagnon
Emergency Response Division
STP Nuclear Operating Company
PO Box 289
Wadsworth, TX 77483

Dear Ms. Wagnon,

The City of Palacios hereby pledges support to the South Texas Project Nuclear Operating Company during any emergencies, drills and exercises. We will continue to attend trainings and will continue to execute our responsibilities under the Emergency Management Plan.

This support will join forces with Matagorda County and the City of Bay City as we plan to work together to help you save lives, minimize damage, alleviate suffering and to restore and rehabilitate property and society with in our respective jurisdictions.

Sincerely,

Glen Smith
Mayor, City of Palacios

RESOLUTION 2016-R-24

A RESOLUTION OF THE CITY OF PALACIOS, TEXAS, AUTHORIZING THE SUBMISSION OF A COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE COMMUNITY DEVELOPMENT FUND; AND AUTHORIZING THE MAYOR TO ACT AS THE EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City of Palacios desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low/moderate income; and

WHEREAS, certain conditions exist within the community which represent a potential risk to the public health and safety;

WHEREAS, it is necessary and in the best interests of the City of Palacios to apply for funding under the 2017-2018 Texas Community Development Block Grant Program.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. That a Community Development Block Grant application is hereby authorized to be filed with the Texas Department of Agriculture for funding consideration under the Community Development Fund;

Section 2. That the application be for up to \$350,000 of grant funds to carry out infrastructures improvements and upgrades in the City of Palacios;

Section 3. That minimum matching funds in the amount of \$52,500 in cash are committed by the City of Palacios from the utility fund toward the application activities; and

Section 4. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

Section 5. That the Mayor is designated as the Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and participation in the Community Development Block Grant Program.

PASSED AND APPROVED ON THIS THE 13th DAY OF December, 2016.

ATTEST:

Mayor

City Secretary

THE STATE OF TEXAS §
 §
COUNTY OF MATAGORDA §

INTERLOCAL AGREEMENT FOR
JOINT ELECTION SERVICES

This Interlocal Agreement (“Agreement”) is made and entered into pursuant to the Interlocal Cooperation Act (Texas Government Code, Title 7, Chapter 791) by and between the City of Palacios, hereinafter referred to as “City”, having its principal place of business at 311 Henderson Street, Palacios, Matagorda County, Texas, 77465, and Palacios Independent School District, hereinafter referred to as “District”, having its principal place of business at 1209 Twelfth Street, Palacios, Matagorda County, Texas 77465.

WITNESSETH

WHEREAS, the parties will each hold an election on May 6, 2017 to elect members of their respective governing bodies; and

WHEREAS, the boundaries of the City are located entirely within the boundaries of the District so that all eligible voters in the City election will also be eligible voters in the District election; and

WHEREAS, the parties have determined that it is in the public interest of the inhabitants of the City and the District that this contract be made and entered into for the purpose of voter convenience and public economy in connection with the May 6, 2017 election through the sharing of election equipment, costs, election officials, precinct polling locations, and election ballots where appropriate;

NOW THEREFORE, City and District in consideration of the mutual promises and covenants contained in this agreement do agree as follows:

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 official(s) to enter into this Agreement and bind each party to the terms of this Agreement and any subsequent amendments thereto.

ARTICLE 2. APPLICABLE LAW

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

ARTICLE 3. WHOLE AGREEMENT

This Agreement and attachments as provided herein, if any, constitute 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. APPOINTMENT OF ELECTION OFFICER

The City agrees that the Election Officer appointed by the District shall also be the City's Election Officer and is authorized to perform and supervise the duties and responsibilities of the Election Officer for the City election.

ARTICLE 5. DUTIES AND SERVICES OF DISTRICT

The District's Election Officer shall procure and prepare the lists of registered voters, voting booths, and personnel as required to conduct early voting and regular voting. The parties agree that the polling place for both early voting and the regular election shall be the Palacios Independent School District Administration Building.

ARTICLE 6. DUTIES AND SERVICES OF CITY

The City shall pay the lease fees on one Voting Machine for early voting and election day, and shall supply the ballots and supplies needed to conduct early voting and election day voting for the City election. The City shall provide one worker to work on election day if requested by the City.

ARTICLE 7. COSTS OF SERVICE

The City shall pay one-half of all expenses incurred in election day activities on May 6, 2017. Included expenses will be one-half of the pay for election judges, clerks, and the cost of any additional day supplies attributable to the City's election. Should City not require an election for city officers, the City shall not be responsible for any costs for early voting or for the regular election. Should the District not require an election for district officers, the City shall compensate District for all personnel expenses associated with conducting City early voting and regular election voting at the polling site located at the District offices. Alternatively, the City may appoint and use its own election officials and clerks, at its own cost.

ARTICLE 8. 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.

ARTICLE 9. TERMINATION

Either party reserves the right to cancel or terminate this Agreement upon thirty (30) days written notice by certified mail to the other party, provided that at the time of cancellation the other party still has time to comply with the requirements of the Texas Election Code for conduct of the election.

ARTICLE 10. TERM OF AGREEMENT

The term of this Agreement shall only be for the May 6, 2017 election and any run off elections regarding the City positions.

ARTICLE 11. 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 force and effect.

Effective as of the date of signing of duplicate originals by the parties hereto as follows:

CITY OF PALACIOS

BY: Glen Smith, Mayor

DATE

ATTEST:

David Kocurek, City Manager

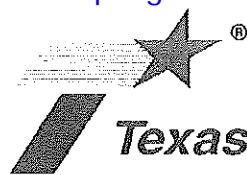
PALACIOS INDEPENDENT SCHOOL DISTRICT

BY: Alexandro Flores, Superintendent

DATE

ATTEST:

Angela Flores, City Secretary



Aviation Division

Texas Department of Transportation

125 EAST 11TH STREET | AUSTIN, TEXAS 78701-2483 | (512) 416-4500 | WWW.TXDOT.GOV

November 21, 2016

Mr. David Kocurek
City Manager
311 Henderson
Palacios, TX. 76458

RE: Palacios Municipal Airport NPE Funds

Dear Mr. Kocurek,

TxDOT Aviation participates in the FAA State Block Grant Program, through which it implements a federal improvement program for general aviation airports. The primary source for funding of capital improvement projects comes from the FAA's Airport Improvement Program (AIP), which TxDOT receives in a block grant to distribute and manage for airports around the state. Select airports in the FAA's National Plan of Integrated Airports System are designated as non-primary airports, and they receive an allocation, or reserve, out of the AIP block grant fund to be used for projects at the designated airport. Palacios Municipal Airport receives non-primary entitlement (NPE) funds on our books when we receive the AIP block grant from the FAA. Palacios Municipal Airport was allocated \$150,000 in fiscal year 2013 to be used as the Federal portion of an improvement project. These are funds that TxDOT Aviation cannot use at other airports and remain as a balance on our books.

If there are no projects programmed for the airport in the Aviation Capital Improvement Program, the NPE funds roll over and are 'banked'. The caveat is that these funds do expire after four years. Airport improvement projects often exceed the NPE funding allocated to the airport the project is supplemented by general or unassigned AIP funds.

The FY2013 NPE funds for Palacios Municipal Airport will expire before they can be allocated on a project at the airport. There is a mechanism that the FAA has provided that allows for the NPE recipient to transfer the unused or expiring NPE funds to TxDOT Aviation to use at other airports around Texas that have projects in need of supplemental funds from the unassigned AIP pool. Transferring the NPE also avoids returning the funds unused to the FAA and does not preclude Palacios from receiving future funding or participation in airport improvement projects.

Enclosed with this letter is an Agreement for Transfer of Entitlements form. Releasing the FY2013 NPE funds helps TxDOT Aviation with our cash-flow reports to the FAA and helps keep expiring funds within Texas and helps us maintain a viable air transportation system across the state.

OUR GOALS

MAINTAIN A SAFE SYSTEM ▪ ADDRESS CONGESTION ▪ CONNECT TEXAS COMMUNITIES ▪ BEST IN CLASS STATE AGENCY

An Equal Opportunity Employer

I would appreciate it if you, or a designated representative for the City of Palacios, would please review then sign the enclosed form for transfer of these expiring entitlement funds. Then, please have the attorney for the City of Palacios review and sign the form. When these signatures are obtained, please return the form to my attention via scan and email, by fax, or by post. I will then have TxDOT Aviation Director Dave Fulton sign and will return a copy to you for your records.

If you have any questions in the meantime, or desire further clarification, please feel free to contact me.

Respectfully,



Bill Macke
TxDOT Aviation Planning
512-416-4558
bill.macke@txdot.gov
fax: 512-416-4510

eCC: Greg Miller, Director of Planning and Programming, TxDOT Aviation
Kari Campbell, Director of Grants, TxDOT Aviation
Allison Martin, Transportation Funding Specialist, TxDOT Aviation

Enclosed: Entitlement Transfer Agreement Form

Appendix 1. ENTITLEMENT TRANSFER AGREEMENT



U.S. Department
of Transportation
Federal Aviation
Administration

AGREEMENT FOR TRANSFER OF ENTITLEMENTS

In accordance with section 47117(c)(2) of Title 49 U.S.C. (hereinafter called the "Act").

City of Palacios, Texas

Hereby waives receipt of the following amount of funds apportioned to it for each fiscal year specified under section 47114(c)(1) of the Act.

	<u>Amount</u>	<u>Fiscal Year</u>
	\$ 150,000	2013
	\$	
	\$	
TOTAL	\$ <u>150,000</u>	

On the condition that the Federal Aviation Administration makes the waived amount available to:

Texas Department of Transportation (TxDOT)

for eligible projects under section 47104(a) of the Act. This waiver shall expire when the availability of apportioned funds would lapse under section 47117(b) of the Act.

**FOR THE UNITED STATES OF
AMERICA, FEDERAL AVIATION
ADMINISTRATION through TxDOT**

FOR City of Palacios, Texas

_____ (Signature)	_____ (Signature)
David Fulton	
_____ (Typed Name)	_____ (Typed or Printed Name)
Director, Aviation Division	
_____ (Title)	_____ (Title)
_____ (Date)	_____ (Date)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____ acting as Attorney for the Sponsor do hereby certify:

That I have examined the foregoing Agreement and find that the Sponsor has been duly authorized to make such transfer and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of Texas and the Act

Dated at _____ this _____ day of _____, 20__.

By _____
(Signature of Sponsor's Attorney)

9. Discuss and consider cancelling the December 27, 2016 Regular Council Meeting.

a) Minutes of the November 15, 2016 Regular Council Meeting



JOHN C. SARDELICH – Mayor
JOHNNY TRAN – Mayor Pro-Tem – Councilmember Place 1
JUDY CHAVEZ – Councilmember Place 2
MARY CROCKER – Councilmember Place 3
GLEN SMITH – Councilmember Place 4
ANDY ERDELT – Councilmember Place 5
TROY LEWIS – Councilmember Place 6

**CITY OF PALACIOS
CITY COUNCIL MEETING MINUTES
November 15, 2016**

WORKSHOP- 6:00 PM

1. Discuss water and sewer rates

REGULAR COUNCIL MEETING

CALL TO ORDER – Mayor Smith called the Regular Meeting to order at 7:00 p.m.
City Staff present: David Kocurek, Angela Flores, Chief Miles, David Kauffman

CALL TO ORDER

INVOCATION – Councilmember Tran

PLEDGE OF ALLEGIANCE – Councilmember Chavez

PLEDGE TO TEXAS FLAG – Councilmember Chavez

PLEDGE TO PALACIOS FLAG – Councilmember Chavez

VISITOR / CITIZEN FORUM – Patricia Loving requested that Council approve Action Items 2, 3, 4 due to the Planning Commission working diligently on them. Councilmember Mary Crocker thanked the city staff for responding quickly to a dead cat in front of her house. Councilmember Tran mentioned seeing PD remove debris quickly from the road and he thanked Chief Miles for that. He also said that the HGAC was a great time and that there are some grants that the City would be interested in for bike trails and a fire station.

ADMINISTRATIVE REPORTS

1. Pedal Palacios/Monstrous 5k October 29- Great success, 120 riders. Was a nice night for the 5k and had a nice turnout.
2. Cancelling the December 27th Council Meeting

ITEMS TO BE CONSIDERED

1. Discuss and accept an agreement for professional services with Urban Engineering associated with the 2017-2018 TxCDBG Program application for a fixed fee of \$2,000.
Councilmember Crocker motioned to accept the agreement.
Councilmember McGovern seconded.
There was no opposition.
With no opposition, the motion carried.
2. Discuss and consider adopting on 1ST reading Ordinance 2016-O-11, amendments to Fence Ordinance.
Councilmember McGovern motioned to adopt 1st reading of Ordinance 2016-O-11.
Councilmember Erdelt seconded.
There was no opposition.
With no opposition, the motion carried.
3. Discuss and consider adopting on 1ST reading Ordinance 2016-O-12, amendments to Water Wells Ordinance.
Councilmember Tran motioned to adopt 1st reading of Ordinance 2016-O-12.
Councilmember Chavez seconded.
There was no opposition.
With no opposition, the motion carried.
4. Discuss and consider adopting on 1ST reading Ordinance 2016-O-13, amendments to Tire Generator Ordinance.
Councilmember Crocker motioned to adopt 1st reading of Ordinance 2016-O-13.

Councilmember McGovern seconded.

There was no opposition.

With no opposition, the motion carried.

5. Discuss and consider approving a tax abatement agreement with Annette Stonedale for the following property: 1409 E. Bayshore Dr. Bay Front S/D, Block 3, Lot 1-4; Palacios, TX 77465.

Councilmember Tran motioned to approve a tax abatement agreement.

Councilmember Chavez seconded.

There was no opposition.

With no opposition, the motion carried.

6. Discuss and consider action to approve the following consent agenda items:

- a) Minutes of the October 25, 2016 Regular Council Meeting
- b) Excuse absences of Councilmembers Judy Chavez and Stephen McGovern from the October 11, 2016 Regular Council meeting
- c) Excuse the absence of Councilmember Tran from the October 25, 2016 Regular Council meeting.

Councilmember Erdelt motioned to approve Consent Agenda.

Mayor Smith seconded.

There was no opposition.

With no opposition, the motion carried.

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

Councilmember Dodd motioned to adjourn at 8:25 pm.

Councilmember Tran seconded.

There was no opposition.

With no opposition, the motion carried.

Glen Smith, Mayor

Angela Flores, City Secretary

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)

b. Discuss and consider appointments to the PEDC Board.

Deliberation regarding security devices (551.076)

Discuss economic development negotiations (551.087)

ACTION ON EXECUTIVE SESSION:

- b. Vote on two appointments to the PEDC Board.

ACTION ON EXECUTIVE SESSION:

a. Vote on two appointments to the PEDC Board.

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

Please, mark an "X" next to two of your choices.

- Stuart A. Lynn
- Ronald Laws
- Robert H. Van Borssum
- Barney Gulley
- Paula Whitney
- John Harrison

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 November 15, 2016 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00p.m. on November 11, 2016.