



GLEN SMITH – MAYOR
 JOHNNY TRAN – Mayor Pro-Tem – 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 MEETING MINUTES
 February 28, 2017**

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 – Mayor Smith

PLEDGE OF ALLEGIANCE – Councilmember Tran

PLEDGE TO TEXAS FLAG – Councilmember Tran

PLEDGE TO PALACIOS FLAG – Councilmember Tran

VISITOR FORUM- Cynthia Garrett, says she's a strong supporter of the Pavilion Project, but believes Action Item 1 should be voted on by the citizens first. Patricia Loving, says there is no Pavilion line item in the budget. Thinks City needs to submit why they haven't gotten the Grant money that has been promised in the beginning of the project. Also feels we should have Pavilion financials online for transparency. Claude Robbins, says he saw in the paper that the City citizens will be taxed for something that was built though we can't afford it. Says he can't afford any more taxes. Donna Schuleman, says she understood that the Pavilion was to be funded by grants and donations. She thinks that the money could be used in much better areas such as street, curbs and infrastructure. Says it is irresponsible to take a loan out for this. James and Via Edwards, brought pictures of their vehicle that has been vandalized several times over the last month. They claim they have been treated like criminals in trying to get help. Via has contacted Chief Miles, the county DA and the Sheriff's Department and though she knows who is doing it, due to a personal issue, nothing is being done. Bonnie Benson- submitted Public Records Request for Pavilion documents. She wants to know more information. She also asks Chief Miles about the amount of the Border Star Grant. Chief responded that the City puts no money match for this grant. Chip Woolf, also wants more information on the relationship between the City and the Pavilion. Says he knows we are asking \$700,000 and raising the taxes 8.5%. What we don't know he says is who is legally liable for the Pavilion. He feels we don't have enough information to move forward. He wishes we wouldn't do Action Item 1 for the night.

Joe Kana, President of the Pavilion Committee, answered some of the questions citizens were asking. At the October 2012 Council Meeting, Resolution No. 2012-R-11, the City expressed its support for the Pavilion. He also explained that the old Pavilion was removed after being condemned in 2003. We couldn't rebuild it in the same spot because it would have cost 3x the amount in construction and would have been uninsurable.

Councilmember Chavez, says she is proud of Palacios and excited about the Pavilion and the business opportunities it will bring to our community. She and Councilmember Tran reinforce that the City has always backed the Pavilion and has been a part of the project since its beginning. The Pavilion has always been and will always be a City facility.

ADMINISTRATIVE REPORTS

ITEMS TO BE CONSIDERED

1. Discuss and consider adopting Ordinance 2017-O-1 Authorizing the issuance of "City of Palacios, Texas Tax Notes, series 2017", levying an annual ad valorem tax, within the limitations prescribed by law, for the payment of the notes; prescribing the form terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the notes; authorizing the execution of a paying agent/registrar agreement and a purchase and investment letter; complying with the letter of representations previously executed with the

depository trust company; authorizing the execution of any necessary engagement agreements with the City's Financial Advisors and/or Bond Counsel; and providing an effective date.

-Victor Quiroga, Financial Advisor, briefed Council on the 7 year Tax Note to cover the \$700,000 loan. There were 6 bids and Zion Bank had the lowest APR. He explained that the option to Table this Action Item was there, but that would put the City at risk of losing the 6 bids it received and possibly a higher interest rate.

Councilmember Chavez motioned to adopt the Ordinance 2017-O-1.

Councilmember Tran seconded.

Andy Erdelt opposed.

With majority in favor, the motion carried.

- 2. Discuss and consider adopting Resolution 2017-R-3 requiring the City to adopt the 2016 Matagorda County, Texas Hazard Mitigation Plan, dated October 2016

Councilmember Tran motioned to adopt Resolution 2017-R-3.

Councilmember Erdelt seconded.

There was no opposition

With no opposition, the motion carried

- 3. Discuss and consider adopting Resolution 2017-R-4 approving submission of the grant application for the Local Border Security Program to the Office of the Governor, Criminal Justice Division.

Councilmember Erdelt motioned to adopt Resolution 2017-R-4

Councilmember Tran seconded

There was no opposition

With no opposition, the motion carried

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

- a) Minutes of the February 14, 2017 Regular Council Meeting

Councilmember Tran motioned to approve Consent Agenda as amended

Councilmember Chavez 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)

ACTION ON EXECUTIVE SESSION

ADJOURN

Councilmember Erdelt motioned to adjourn at 8:19 pm.

Councilmember Crocker seconded.

There was no opposition.

With no opposition, the motion carried.



Glen Smith, Mayor



Angela Flores, City Secretary

