



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 January 10, 2017, 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 Crocker

**PLEDGE OF ALLEGIANCE** – Councilmember Dodd

**PLEDGE TO TEXAS FLAG** – Councilmember Dodd

**PLEDGE TO PALACIOS FLAG** – Councilmember Dodd

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

#### **PRESENTATION**

1. Serendipity Bay Resort- Doug Jensen
2. American Red Cross

#### **ADMINISTRATIVE REPORTS**

1. Candidate's Packets will be ready January 18<sup>th</sup>.
2. Winter Texan Supper Jan 12<sup>th</sup> 5-8PM
3. City Calendar

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

1. Discuss and consider approving the 2<sup>nd</sup> reading on Ordinance 2016-O-14 setting the City's water and sewer rates.
2. Discuss and consider accepting the Change Order #2 with Lester Contracting, Inc. and Urban Engineering contract No.7215359.
3. Discuss and accept PEDC Resignation Letter from Paul Christensen.
4. 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)  
Deliberation regarding security devices (551.076)  
Discuss economic development negotiations (551.087)

**ACTION ON EXECUTIVE SESSION:**

**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 Crocker

**PLEDGE OF ALLEGIANCE** – Councilmember Dodd

**PLEDGE TO TEXAS FLAG** – Councilmember Dodd

**PLEDGE TO PALACIOS FLAG** – Councilmember Dodd

**VISITOR / CITIZEN FORUM**

**PRESENTATION**

1. Serendipity Bay Resort- Doug Jensen
2. American Red Cross

**ADMINISTRATIVE REPORTS**

1. Candidate's Packets will be ready January 18<sup>th</sup>.
2. Winter Texan Supper Jan 12<sup>th</sup> 5-8PM
3. City Calendar

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 13<sup>th</sup> day of December, 2016.

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

CITY OF PALACIOS, TEXAS

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GLEN SMITH, Mayor

ATTEST:

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ANGELA FLORES, City Secretary

APPROVED AS TO FORM:

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RANDALL B. STRONG, City Attorney



### Construction Contract Change Order

A505

Grant Recipient: City of Palacios      Select:  City     County  
 Contract No.: 7215359      Change Order No.: 2      Region: HGAC

Contractor: (Name and Address) Lester Contracting, Inc. P. O. Box 986 Port Lavaca, Texas 77979	Engineer: (Name and Address) Urban Engineering 2004 N. Commerce Victoria, Texas 77901-5510
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Select Change Order Type(s):     Change to Existing Line Items     New Items Requested     Change in Contract Duration

**Change in Contract Duration**

Provide explanation below (attach separate documentation as necessary).

Additional days added to the contract time due to the preparation and processing of Change Order No. 1 for the water line extension.

Original Contract End Date:	11/29/2016
Net change of previous Change Orders (days):	45
Increase/Decrease of this Change Order (days):	60
Change Order Contract End Date	3/14/2017

**Justification for Change**

	Increase	Decrease	No Change
1. Effect of this change on scope of work:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Effect on operation and maintenance costs:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No	Not Applicable
3. Will this Change Order change the number of beneficiaries or TxCDBG contract Performance Statement Exhibit A?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Is the TCEQ clearance still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are other TxCDBG contractual special condition clearances still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. If new items are included that were not included in the competitive bid, have the prices been determined to be reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Change Order Summary

Original Contract Price:	\$251,162.00	Original Contract End Date:	11/29/2016
Net Previous Change Order(s):	\$61,568.00	Net change of previous Change Orders (days):	45
This Net Change Order:		Increase/Decrease of this Change Order (days):	60
New Contract Price:	\$312,730.00	Change Order Contract End Date	3/14/2017
Cumulative % Change:	24,513%		

**NOTE:** Change orders for an increase of more than 25% will be rejected. The State of Texas considers a change in the construction contract price of greater than 25% to be non-competitive, as other potential bidders did not have the opportunity to bid on the true scope of the project during the procurement process. Grant Recipient must rebid project in the event of an increase of 25% or more.

<b>Grant Recipient Approval (REQUIRED)</b>	
Authorized Signature	Date

Glen Smith, Mayor Authorized Signatory's Name and Title
--

<b>Engineer's Recommendation</b>	
Engineer's Signature	Date

Matt A. Glaze, P.E. Engineer's Name
--

<b>Contractor's Authorization (REQUIRED)</b>	
Contractor's Signature	Date

Ken Lester, Jr., President Contractor's Name and Title
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To receive an email copy of the TDA response, provide contact information below		
Name	Email	+
David Kocurek, City Manager, City of Palacios	dkocurek@cityofpalacios.org	-
Ken Lester, Jr., President, Lester Contracting, Inc.	ken@lestercontracting.com	-
Caley Carmichael, CD Project Manager, GrantWorks, Inc.	caley@grantworks.net	-
Matt A. Glaze, P.E., Project Engineer, Urban Engineering	mglaze@urbanvictoria.com	-

<b>For TDA office use only</b>			
This Net Change Order:		Increase/decrease of this Change Order (days):	60
Net Change Order Approved:		Increase/decrease of this Change Order Approved:	
Approved Contract Amount:		Approved Contract Time:	

Notes:

Contract Specialist Signature	Date
Director Signature (optional)	Date

# OMEGA PRODUCTIONS

December 22, 2016

Honorable Glen Smith, Mayor  
City of Palacios  
311 Henderson  
Palacios, TX 77465

Dear Mr. Smith,

This letter is to inform you of my resignation as a member of the Palacios Economic Development Corporation (PEDC) effective immediately.

With regard to my position, I believe it is time for new leadership. With the start of a new year, my resignation will allow the city to appoint an additional new person to the board.

I wish to commend D. C. Dunham and the selection committee on the appointment of Mike Ferdinand as the new Executive Director of the Matagorda County Economic Development Corporation. I believe with Mike's leadership and the talent currently serving on both economic boards, the climate for future development is a positive one.

I have enjoyed my participation as a member of the PEDC and am honored to have been chosen to serve during my recent term.

  
Paul A. Christensen  
President

cc: Ms. Jan Pierce, President, PEDC



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  
December 13, 2016**

**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 Chavez

**PLEDGE OF ALLEGIANCE** – Councilmember Crocker

**PLEDGE TO TEXAS FLAG** – Councilmember Crocker

**PLEDGE TO PALACIOS FLAG** – Councilmember Crocker

**VISITOR / CITIZEN FORUM** – Patricia Loving asked once again to approve the final readings of actions items 2, 3 and 4. She says that a chart would be helpful on number 4.

**ADMINISTRATIVE REPORTS**

1. Public Notice on Lead Reporting Violation- David Kocurek explained that a step was missed when reporting to TCEQ. Five sample sites were not pre-approved due to ex-Public Works Director overlooking a new list.

**PROCLAMATION**

1. National Pearl Harbor Remembrance Day

**ITEMS TO BE CONSIDERED**

1. Discuss and consider adopting on 2<sup>nd</sup> reading Ordinance 2016-O-11, amendments to Fence Ordinance.  
Councilmember Erdelt motioned to adopt on 2<sup>nd</sup> reading of Ord. 2016-O-11.  
Councilmember McGovern seconded.  
There was no opposition.  
With no opposition, the motion carried.
2. Discuss and consider adopting on 2<sup>nd</sup> reading of Ordinance 2016-O-12, amendments to Water Wells Ordinance.  
Councilmember Crocker motioned to adopt on 2<sup>nd</sup> reading of Ord. 2016-O-12,  
Councilmember Chavez seconded.  
There was no opposition.  
With no opposition, the motion carried.
3. Discuss and consider adopting on 2<sup>nd</sup> reading Ordinance 2016-O-13, amendments to Tire Generator Ordinance.  
Councilmember Dodd motioned to adopt on 2<sup>nd</sup> reading of Ord. 2016-O-13.  
Councilmember Tran seconded.  
There was no opposition.  
With no opposition, the motion carried.
4. Discuss and consider approving the 1<sup>st</sup> reading on Ordinance 2016-O-14 setting the City's water and sewer rates.  
Councilmember McGovern motioned to approve the 1<sup>st</sup> reading of Ord. 2016-O-14.  
Councilmember Crocker seconded.  
There was no opposition.  
With no opposition, the motion carried.
5. Discuss and accept an STP Annual Letter of Agreement dealing with emergency situations.  
Councilmember Crocker motioned to accept the STP Letter of Agreement.



Councilmember Chavez seconded.

There was no opposition.

With no opposition, the motion carried.

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.

Councilmember Tran motioned to adopt Res. 2016-R-24.

Councilmember Chavez seconded.

There was no opposition.

With no opposition, the motion carried.

7. Discuss and consider accepting an Interlocal Agreement with PISD for joint election services for the May 6, 2017 Election.

Councilmember Tran motioned to accept the Interlocal Agreement with PISD.

Councilmember Erdelt seconded.

There was no opposition.

With no opposition, the motion carried.

8. Discuss and consider accepting an Entitlement Transfer Agreement with the Federal Aviation Administration through TxDot.

Councilmember Chavez motioned to accept the Entitlement Transfer Agreement.

Councilmember Tran seconded.

There was no opposition.

With no opposition, the motion carried.

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

Councilmember Chavez motioned to accept the cancellation.

Councilmember McGovern seconded.

There was no opposition.

With no opposition, the motion carried.

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

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

Councilmember Erdelt motioned to approve the consent agenda.

Councilmember Dodd seconded.

There was no opposition.

With no opposition, the motion carried.

#### **EXECUTIVE SESSION- Entered into at 7:35 PM**

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 review City Manager's Performance Annual Evaluation

Deliberation regarding security devices (551.076)

Discuss economic development negotiations (551.087)

#### **Adjourned Executive Session at 8:01 PM.**

#### **ADJOURN**

Councilmember Dodd motioned to adjourn at 8:06 pm.

Councilmember Tran seconded.

There was no opposition.

With no opposition, the motion carried.

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Glen Smith, Mayor

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Angela Flores, City Secretary

**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.