



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 May 9, 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

PROCLAMATION

1. Hospital Week

ADMINISTRATIVE REPORTS

1. Unofficial Tabulation of May 6, 2017 General Election

ITEMS TO BE CONSIDERED

1. Discuss and consider action to approve the Resignation of Robert Garrett for Associate Municipal Judge
2. Discuss and consider action to approve Pay Application #18 to Charnok and Co. in the amount of \$105,356.29
3. Discuss and consider action to approve Resolution 2017-R-6 Denying AEP Texas Inc.'s Distribution Cost Recovery Amendment
4. Discuss and consider action to accept the Quarterly Investment Report
5. Discuss and consider action to accept the Quarterly Financials
6. Discuss and consider a Special Called meeting for May 16, 2017 6PM to Canvas the Election.
7. Discuss and consider action to approve the following consent agenda items:
 - a) Minutes of the April 25, 2017 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 May 9, 2017 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00p.m. on May 5, 2017.

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

PROCLAMATION

1. Hospital Week

Office of the **MAYOR**

CITY OF



PALACIOS

Proclamation



hereas:

the medical facilities available in our community are of vital interest to each and every citizen; and

WHEREAS, Palacios Community Medical Center continues to invest in this community by expanding and improving existing facilities in order to offer more types of health services as well as to improve existing services,

NOW, THEREFORE, I, Glen Smith, Mayor of the City of Palacios, Texas, do hereby proclaim the week of May 9, 2017, as

NATIONAL HOSPITAL WEEK

in Palacios, Texas and urge all citizens to consider the benefits derived from Palacios Community Medical Center and to express their appreciation.

DATED this 9th day of May 2017

Glen Smith, Mayor

Angela Flores, City Secretary



ADMINISTRATIVE REPORTS

1. Unofficial Tabulation of May 6, 2017 General Election

510 South Bay Blvd.
Palacios, Texas 77465

May 5, 2017

Mayor Glen Smith
City of Palacios
311 Henderson
Palacios, Texas 77465

Dear Mayor Smith,

In a meeting this morning, Judge Chou advised that I am in violation of the Judicial Ethics Commission by holding an appointment to the Planning and Zoning Commission and an appointment as an Associate Municipal Judge. I cannot be an active participant in the Judicial Branch and the Legislative Branch without possible conflict.

It was his opinion that I pick one or the other appointment.

Therefore, I hereby resign my appointment as Associate Municipal Judge effective immediately. I have enjoyed my five years working in this capacity. However, the challenges of the Planning and Zoning Commission offer me a unique opportunity to make a long term, lasting impact upon the future development of this city.

Sincerely,



Robert L. Garrett

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

TO OWNER City of Palacios
 311 Henderson
 Palacios, TX 77465

PROJECT: Palacios Coastal
 Education Pavilion

FROM CONTRACTOR:
 Charnok & Company Inc.
 1140 Sail Fish
 Hitchcock, TX 77563

VIA ARCHITECT: Randall-Porterfield
 265 FM 270 North
 League City, TX 77573

CONTRACT FOR:

APPLICATION NO: 018
 APPLICATION DATE 04/25/17
 PERIOD TO: 04/25/17
 ARCHITECT'S PROJECT NO: 131004-036

Distribution to:

<input checked="" type="checkbox"/>	OWNER
<input checked="" type="checkbox"/>	ARCHITECT
<input checked="" type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	
<input type="checkbox"/>	

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	
2. Net change by Change Orders	\$2,392,500.00
3. NEW CONTRACT SUM WITH CHANGE ORDERS	(\$111,922.30)
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 2,280,577.70
	\$ 2,223,251.70
5. RETAINAGE:	
a. 5 % of Completed Work (Column D + E on G703)	\$ 111,162.59
b. 5 % of Stored Material (Column F on G703)	\$ -
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$ 111,162.59
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$ 2,112,089.12
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$2,006,732.83
8. CURRENT PAYMENT DUE	\$ 105,356.29 ✓
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$ 168,488.59

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	(\$144,702.30)
Total approved this Month	\$0.00	\$32,780.00
TOTALS	\$0.00	(\$111,922.30)
NET CHANGES by Change Order	\$111,922.30	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due

CONTRACTOR
 By: [Signature] Date: 4-27-2017

State of: Texas
 Subscribed and sworn to before me this 27 day of April, 2017
 Notary Public:
 My Commission expires November 28 2019



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has been performed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 105,356.29 ✓
 (Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:
 By: [Signature] Date: 5/1/17

CONSTRUCTION MONITOR:
 By: _____ Date: _____

CONTINUATION SHEET

APPLICATION AND CERTIFICATE FOR PAYMENT, CONTAINING CONTRACTORS SIGNED CERTIFICATION IS ATTACHED.

IN TABULATION BELOW, AMOUNTS STATED TO THE NEAREST 1/100TH DOLLAR.
USE COLUMN "I" ON CONTRACTS WHERE VARIABLE RETAINAGE FOR LINE ITEMS APPLY.

APPLICATION NUMBER: 018
 APPLICATION DATE: 04/25/17
 PERIOD TO: 04/25/17
 ARCHITECTS PROJECT No.: 131004-036
 RETAINAGE: 5%

(A) ITEM No.	(B) DESCRIPTION OF WORK	(C) SCHEDULED VALUE	(D) PREVIOUS APPL.	(E) THIS APPLICATION	(F) STORED MATERIALS	(G) TOTAL COMPLETED/STORED TO DATE PCT		(H) BALANCE TO FINISH	(I) AMOUNT OF RETAINAGE
1	General Conditions	\$215,516.00	\$204,740.20			\$215,516.00			
2	Sitework	\$168,533.00	\$151,679.70	\$10,775.80		\$151,679.70	100.00%		\$10,775.80
3	Foundation Concrete	\$327,957.00	\$327,957.00			\$327,957.00	90.00%	\$16,853.30	\$7,583.99
4	Masonry	\$43,464.00	\$43,464.00			\$43,464.00	100.00%		\$16,397.85
5	Metals	\$328,413.00	\$328,413.00			\$328,413.00	100.00%		\$2,173.20
6	Framing Carpentry	\$221,699.00	\$221,699.00			\$221,699.00	100.00%		\$16,420.65
7	Moisture & Thermal	\$254,117.00	\$241,411.15	\$12,705.85		\$254,117.00	100.00%		\$11,084.95
8	Doors & Windows	\$90,771.00	\$86,232.45			\$86,232.45	95.00%	\$4,538.55	\$4,311.82
9	Exterior Finishes	\$180,131.00	\$153,111.35	\$18,013.10		\$171,124.45	95.00%	\$9,006.55	\$8,556.22
10	Interior Finishes	\$81,456.00	\$12,218.40	\$26,509.60		\$40,728.00	50.00%	\$40,728.00	\$2,036.40
11	H.V.A.C.	\$103,476.00	\$77,607.00			\$77,607.00	75.00%	\$25,869.00	\$3,880.35
12	Electrical	\$194,770.00	\$126,601.00	\$40,897.00		\$167,498.00	86.00%	\$27,272.00	\$8,374.90
13	Plumbing	\$131,766.00	\$112,000.60			\$112,000.60	85.00%	\$19,765.40	\$5,600.03
*15	Specialties	\$50,431.00	\$25,215.50			\$25,215.50	50.00%	\$25,215.50	\$1,260.78
	Allowances are here \$ 25,000.00								
	Change Order #1	(\$144,702.30)							
	Change Order #2	\$32,780.00							
		(\$111,922.30)							
PROJECT TOTALS		\$2,280,677.70	\$2,112,360.35	\$110,901.35		\$2,223,261.70	97.49%	\$169,248.30	\$111,162.69

RESOLUTION NO. 2017-R-6

A RESOLUTION OF THE CITY OF PALACIOS, TEXAS FINDING THAT AEP TEXAS INC.'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTORS TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; AUTHORIZING THE CITY'S PARTICIPATION IN THE GROUP OF MUNICIPALITIES KNOWN AS CITIES SERVED BY AEP; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Palacios, Texas ("City") is an electric utility customer of AEP Texas Central Company ("AEP" or "Company"), and a regulatory authority with an interest in the rates and charges of AEP; and

WHEREAS, the City is a member of the Cities Served by AEP ("Cities"), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP's service area; and

WHEREAS, on or about April 3, 2017 AEP filed with the City an Application for to Amend its Distribution Cost Recovery Factor ("DCRF"), PUC Docket No. 47015, seeking to increase electric distribution rates by \$28,010.174 (\$21,365,072 for the Central Division and \$6,645,102 for the North Division); and

WHEREAS, all electric utility customers residing in the City will be impacted by this rate making proceeding if it is granted; and

WHEREAS, the Cities are coordinating its review of AEP's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Cities members and attorneys recommend that members deny the DCRF; NOW THEREFORE,

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

SECTION 1. That the City is authorized to participate with Cities in PUC Docket No. 47015, and the City Manager is authorized to sign any documents necessary to effectuate the City's participation.

SECTION 2. That subject to the right to terminate employment at any time, the City of Palacios hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

SECTION 3. That the rates proposed by AEP to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

SECTION 4. That AEP shall continue to charge its existing rates to customers within the City.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed in full by AEP within 30 days of presentation of an invoice to AEP.

SECTION 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 7. That a copy of this Resolution shall be sent to Melissa Gage, American Electric Power Service Corporation, 400 West 15th Street, Suite 1520, Austin, Texas 78701 and to Thomas Brocato, General Counsel to the Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

SECTION 8: That this resolution shall become effective immediately from and after the date of its passage.

PASSED, APPROVED, and ADOPTED on this the 9th day of May, 2017.


CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

ATTEST:

ANGELA FLORES, City Secretary

APPROVED AS TO FORM:



RANDALL B. STRONG, City Attorney
...laep\2017\resolution denying rate request

4. Discuss and consider action to accept the Quarterly Investment Report

**CITY OF PALACIOS, TEXAS
QUARTERLY INVESTMENT REPORT
FOR THE QUARTER ENDED MARCH 31, 2017**

The investment portfolio detailed in the attached report includes all investment transactions made during the above referenced period. The investment portfolio and all related transactions comply with the investment policy of the City of Palacios, Texas and the Public Funds Investment Act of the State of Texas.

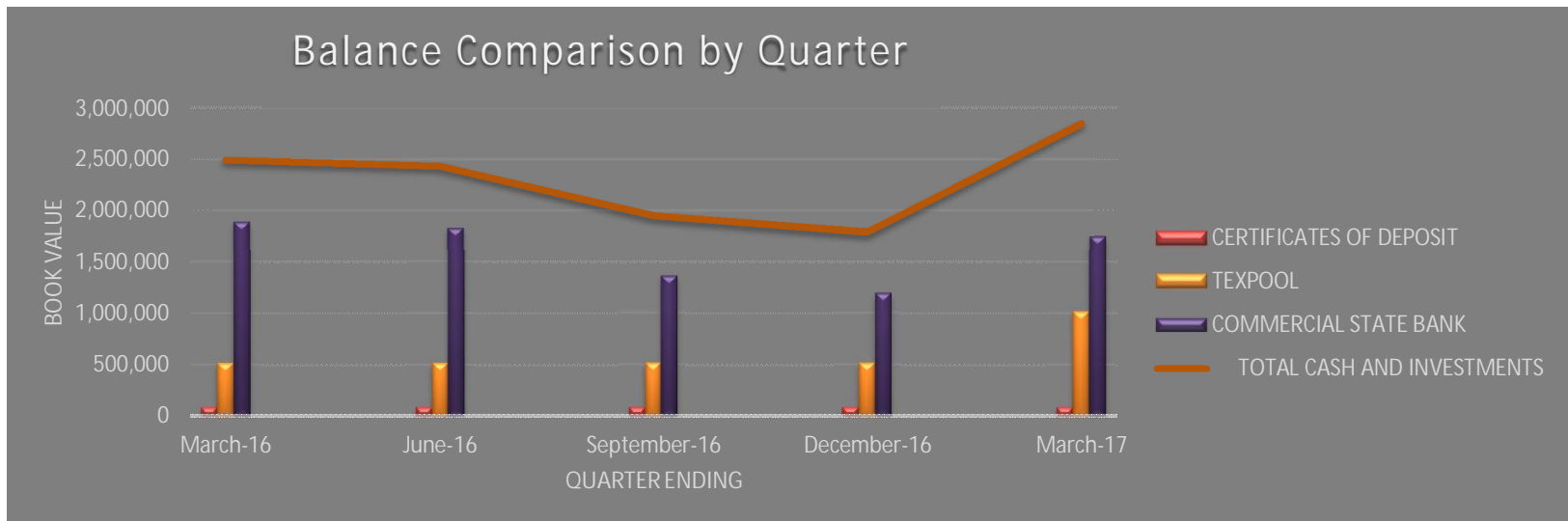
Investment Officer: 
Jackie Miller, City Treasurer

Date: 5/5/17

CITY OF PALACIOS, TEXAS
Quarterly Investment Report
As of March 31, 2017

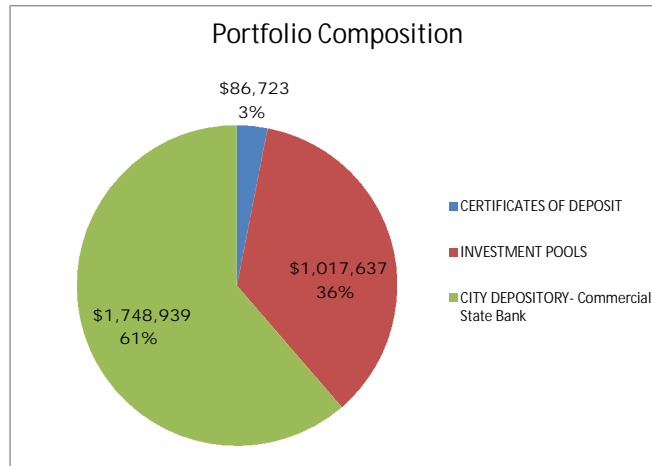
Balance Comparison by Quarter

INVESTMENT BALANCES BY TYPE	Book Value 3/31/2016	Book Value 6/30/2016	Book Value 9/30/2016	Book Value 12/31/2016	Book Value 3/31/2017
CERTIFICATES OF DEPOSIT	\$ 86,592	\$ 86,624	\$ 86,657	\$ 86,690	\$ 86,723
TEXPOOL	\$ 515,219	\$ 515,665	\$ 516,143	\$ 516,680	\$ 1,017,637
COMMERCIAL STATE BANK	\$ 1,893,128	\$ 1,834,009	\$ 1,352,762	\$ 1,190,444	\$ 1,748,939
TOTAL CASH AND INVESTMENTS	<u>\$ 2,494,939</u>	<u>\$ 2,436,298</u>	<u>\$ 1,955,562</u>	<u>\$ 1,793,815</u>	<u>\$ 2,853,299</u>



**CITY OF PALACIOS, TEXAS
INVESTMENTS OUTSTANDING AS OF MARCH 31, 2017**

Purchase Date	Description	Maturity Date	# Days to Maturity	Cost	Par Value	Coupon Yield	12/31/2016		Quarterly Activity			3/31/2017			Unrealized Gain/Loss
							Book Value	Market Value	Purchases	Maturities	Interest	Book Value	Market Price	Market Value	
CERTIFICATES OF DEPOSIT															
	Commercial State Bank	5/5/2017	365	\$ 86,624	\$ 86,278	0.15%	\$ 86,690	\$ 86,690	\$ -	\$ -	\$ 33	\$ 86,723	\$ -	\$ 86,723	-
							\$ 86,690	\$ 86,690	\$ -	\$ -	\$ 33	\$ 86,723	\$ -	\$ 86,723	
								5%						3%	OF TOTAL
INVESTMENT POOLS															
N/A	Texpool - Pooled	N/A	N/A		963,557	0.57%	\$ 462,677	\$ 462,677	\$ 500,000	\$ -	\$ 880	\$ 963,557	\$ -	\$ 963,557	
N/A	Texpool - Escrow Acct Beachside Dev	N/A	N/A		54,080	0.57%	54,004	54,004	-	-	76	54,080	-	54,080	
N/A	Texpool - CO 2011	N/A	N/A		-	0.57%	-	-	-	-	-	-	-	-	
							516,680	516,680	500,000	-	957	1,017,637	-	1,017,637	
								29%						36%	OF TOTAL
CITY DEPOSITORY- Commercial State Bank															
N/A	Pooled Cash Savings	N/A	N/A		1,560,048	0.24%	1,021,961	1,021,961	2,623,332	(2,086,003)	758	1,560,048	-	1,560,048	
N/A	Pooled Cash	N/A	N/A		181,802	0.00%	157,694	157,694	1,696,359	(1,672,252)	-	181,802	-	181,802	
N/A	Police Dept Drug Seized Funds	N/A	N/A		4,802	0.00%	4,802	4,802	-	-	-	4,802	-	4,802	
N/A	City Escrow Fund	N/A	N/A		787	0.00%	787	787	-	-	-	787	-	787	
N/A	TDHCA Home Program	N/A	N/A		-	0.00%	-	-	-	-	-	-	-	-	
N/A	TCDP	N/A	N/A		-	0.00%	3,700	3,700	167,413	(171,113)	-	-	-	-	
N/A	Disaster Recovery Supp Rd 2.2	N/A	N/A		1,500	0.00%	1,500	1,500	-	-	-	1,500	-	1,500	
							1,190,444	1,190,444	4,487,104	(3,929,368)	758	1,748,939	-	1,748,939	
								66%						61%	OF TOTAL
TOTAL PORTFOLIO					\$ 2,848,052	0.34%	\$ 1,793,815	\$ 1,793,815	\$ 4,987,104	\$ (3,929,368)	\$ 1,748	\$ 2,853,299	\$ -	\$ 2,853,299	



5. Discuss and consider action to accept the Quarterly Financials

City of Palacios
Financial Statement
As o March 31, 2017

General Fund

Percent of Year Complete 50%

Revenues	Budget	Y-T-D Actual	Percent of Budget
Property taxes	\$ 1,500,300	\$ 1,330,845	89%
Licenses & Permits	32,600	20,374	62%
Other Local Taxes	609,600	301,565	49%
Fines & Court Costs	80,000	52,171	65%
Miscellaneous	20,000	21,786	109%
Fund to Fund Transfers	150,600	75,300	50%
Leases & Contributions	148,400	98,813	67%
Recycling Revenues	8,900	6,398	72%
Park Reservation Fees	3,000	1,620	54%
Community Improv / Weedlots	38,250	33,010	86%
Total Revenues	\$ 2,591,650	\$ 1,941,881	75%

Expenditures			
Council	\$ 28,550	\$ 13,721	48%
Elections	2,300	-	0%
Administation	556,080	285,298	51%
Legal	8,000	2,835	35%
Corporation Court	96,460	46,729	48%
Library	30,000	15,000	50%
Police Department	1,074,640	532,343	50%
Fire Department	46,000	21,135	46%
Recycle	15,670	8,937	57%
Swimming Pool	22,000	14,481	66%
Parks	176,500	88,234	50%
Streets	225,500	363,656	161%
Animal Control	32,600	15,057	46%
Special Items	277,350	210,851	76%
Total Expenditures	\$ 2,591,650	\$ 1,618,277	62%

**Revenue Over/ (Under)
Expenditures** \$ - \$ 323,604

Beginning Fund Balance \$ 937,495
Ending Fund Balance \$ 1,261,099

5. Discuss and consider action to accept the Quarterly Financials

City of Palacios
Financial Statement
As o March 31, 2017

Water Fund

Percent of Year Complete 50%

Revenues	Budget	Y-T-D Actual	Percent of Budget
Water & Sewer	\$ 1,615,000	\$ 754,380	47%
Service & Penalty Charges	\$ 47,500	\$ 24,566	52%
Garbage	40,000	22,931	57%
Miscellaneous	19,500	14,353	74%
Total Revenues	\$ 1,722,000	\$ 816,229	47%
Expenditures			
Water Department	\$ 596,100	\$ 312,687	52%
Sewer	303,050	145,344	48%
Special Items	822,850	308,727	38%
Total Expenditures	\$ 1,722,000	\$ 766,757	45%
Revenue Over/ (Under) Expenditures	\$ -	\$ 49,472	
Beginning Fund Balance		\$ 465,460	
Ending Fund Balance		\$ 514,931	

City of Palacios
Financial Statement
As of March 31, 2017

Airport Fund

Percent of Year Complete 50%

Revenues	Budget	Y-T-D Actual	Percent of Budget
Fuel Sales	\$ 20,000	\$ 5,855	29%
Hangar Rent & Tiedowns	6,300	3,050	48%
PISD School Barn Lease	150	-	0%
Golf Assoc Lease	100	-	0%
Fixed Based Operator	-	1,400	0%
T Hangar Lease	6,000	3,000	50%
Farming Lease	1,900	1,800	95%
Grazing Lease	21,900	21,938	100%
Interest Income	-	15	
Misc Receipts	25	-	0%
Insurance Proceeds		6,878	
TxDot Reimbursement	5,000	\$ -	0%
Total Revenues	\$ 61,375	\$ 43,935	72%

Expenditures

Airport	\$ 40,375	\$ 27,523	68%
Special Items	21,000	14,753	70%
Total Expenditures	\$ 61,375	\$ 42,276	69%

Revenue Over/ (Under)

Expenditures \$ - \$ 1,659

Beginning Operating Balance \$ (1,748)

Ending Operating Balance \$ (89)

Beginning Fund Balance Including Fuel Inventory \$ 7,372

Ending Fund Balance Including Fuel Inventory \$ 9,031

City of Palacios
 Financial Statement
 As o March 31, 2017

Equipment Fund

Percent of Year Complete 50%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 207,000	\$ 103,531	50%
Expenditures	\$ 207,000	\$ 75,266	36%
Revenue Over/ (Under) Expenditures	\$ -	\$ 28,264	
Beginning Fund Balance		\$ 11,372	
Ending Fund Balance		\$ 39,637	

City of Palacios
 Financial Statement
 As o March 31, 2017

Hotel/Motel Tax Fund

Percent of Year Complete 50%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 28,100	\$ 13,181	47%
Expenditures	\$ 28,000	\$ 18,885	67%
Revenue Over/ (Under) Expenditures	\$ 100	\$ (5,704)	
Beginning Fund Balance		\$ 71,761	
Ending Fund Balance		\$ 66,056	

City of Palacios
 Financial Statement
 As o March 31, 2017

Economic Development Fund

Percent of Year Complete 50%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 169,300	\$ 92,458	55%
Expenditures	\$ 169,300	\$ 49,469	29%
Revenue Over/ (Under) Expenditures	\$ -	\$ 42,989	
Beginning Fund Balance		\$ 436,766	
Ending Fund Balance		\$ 479,755	

6. Discuss and consider a Special Called meeting for May 16, 2017 6PM to Canvas the Election.



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 April 25, 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 – Councilmember Crocker

PLEDGE OF ALLEGIANCE – Councilmember Dodd

PLEDGE TO TEXAS FLAG – Councilmember Dodd

PLEDGE TO PALACIOS FLAG – Councilmember Dodd

VISITOR FORUM- Rick Klause of 2005 Petersen mentioned issues with speeding on Bayshore continuing. His main concern was his water issues in his home. He is having to purchase a \$48 filter every month and is concerned his new appliances are being ruined. Patricia Loving mentioned the Palacios Community Conversation Invite. Also asked Council to approve final reading on RV Regulations, happy about new playground equipment and is still trying to figure out exactly how the \$700k tax note was being spent. Her balances were not adding up. Chip Woolf doesn't understand why the playground equipment costs so much. Says it is nowhere described who is responsible for it or the City's costs in it.

ADMINISTRATIVE REPORTS

The Police Department's new vehicles were outside to tour.

ITEMS TO BE CONSIDERED

1. Discuss and consider approving Change Order #3 requesting an extension to Friday May 12, 2017 for substantial completion
Councilmember Chavez motioned to approve Change Order #3
Councilmember Dodd seconded
There was no opposition
With no opposition, the motion carried
2. Discuss and consider approving payment of Invoice #28 to RPA, Inc. in the amount of \$2,724.68
Councilmember Crocker motioned to approve payment of Invoice #28
Councilmember McGovern seconded
There was no opposition
With no opposition, the motion carried
3. Discuss and consider approving the final reading of Ordinance 2017-O-3 RV Regulations amending Article 10.02 Recreational Vehicles Outside Parks
Councilmember Tran motioned to approve the final reading of Ordinance 2017-O-3
Councilmember Erdelt seconded
There was no opposition
With no opposition, the motion carried
4. Discuss and consider approving the purchase of playground equipment through Buy Board from Grounds for Play with Sea Wall Commission for \$126,340.36
Councilmember Crocker motioned to approve the purchase of playground equipment
Councilmember Chavez seconded
There was no opposition
With no opposition, the motion carried

6. Discuss and consider a Special Called meeting for May 16, 2017 6PM to Canvas the Election.



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
April 25, 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 – Councilmember Crocker

PLEDGE OF ALLEGIANCE – Councilmember Dodd

PLEDGE TO TEXAS FLAG – Councilmember Dodd

PLEDGE TO PALACIOS FLAG – Councilmember Dodd

VISITOR FORUM- Rick Klause of 2005 Petersen mentioned issues with speeding on Bayshore continuing. His main concern was his water issues in his home. He is having to purchase a \$48 filter every month and is concerned his new appliances are being ruined. Patricia Loving mentioned the Palacios Community Conversation Invite. Also asked Council to approve final reading on RV Regulations, happy about new playground equipment and is still trying to figure out exactly how the \$700k tax note was being spent. Her balances were not adding up. Chip Woolf doesn't understand why the playground equipment costs so much. Says it is nowhere described who is responsible for it or the City's costs in it.

ADMINISTRATIVE REPORTS

The Police Department's new vehicles were outside to tour.

ITEMS TO BE CONSIDERED

1. Discuss and consider approving Change Order #3 requesting an extension to Friday May 12, 2017 for substantial completion
Councilmember Chavez motioned to approve Change Order #3
Councilmember Dodd seconded
There was no opposition
With no opposition, the motion carried
2. Discuss and consider approving payment of Invoice #28 to RPA, Inc. in the amount of \$2,724.68
Councilmember Crocker motioned to approve payment of Invoice #28
Councilmember McGovern seconded
There was no opposition
With no opposition, the motion carried
3. Discuss and consider approving the final reading of Ordinance 2017-O-3 RV Regulations amending Article 10.02 Recreational Vehicles Outside Parks
Councilmember Tran motioned to approve the final reading of Ordinance 2017-O-3
Councilmember Erdelt seconded
There was no opposition
With no opposition, the motion carried
4. Discuss and consider approving the purchase of playground equipment through Buy Board from Grounds for Play with Sea Wall Commission for \$126,340.36
Councilmember Crocker motioned to approve the purchase of playground equipment
Councilmember Chavez seconded
There was no opposition
With no opposition, the motion carried

5. Discuss and consider action to approve the following consent agenda items:
 - a) Minutes of the April 11, 2017 Regular Council Meeting
 - b) Excuse absence of Councilmembers Chavez and Tran from the March 28, 2017 Regular MeetingCouncilmember Erdelt motion to approve Consent Agenda
Councilmember Dodd 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 Crocker motioned to adjourn at 7:33pm.
- Councilmember Dodd 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)

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 May 9, 2017 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00p.m. on May 5, 2017.