

**CITY OF PALACIOS, TEXAS  
REGULAR CITY COUNCIL MEETING**

**MINUTES**

**October 12, 2023**

**REGULAR CITY COUNCIL MEETING**

A regular City Council meeting was held by the City Council of the City of Palacios on October 12, 2023, at 6:00 p.m., in Council Chambers located at 311 Henderson, Palacios, Texas 77465.

**CALL TO ORDER**

*Mayor Jim Gardner called the regular City Council meeting to order at 6:00PM.*

**CERTIFICATION OF A QUORUM**

*Mayor Jim Gardner certified a quorum was present.*

**ATTENDANCE ROLL CALL**

*Mayor, Jim Gardner, Present  
Councilmember Place 6, Donna Schulman, Present  
Councilmember Place 5, Jason Hink, Present  
Councilmember, Place 4, Margie Wier, Absent  
Councilmember Place 3, Chip Woolf, Present  
Councilmember, Place 2, Sharon Trainor, Present  
Councilmember Place 1, Larry Glenn, Present*

**CITY STAFF IN ATTENDANCE:**

*Anne Marie Odefey, City Attorney  
Tobie Bias, Palacios Police Chief  
Aleigha Galvan, City Secretary  
Captain Steven Johnson, Palacios Police Department  
Ryan Adams, Public Works Director  
Manuel Guevara, Public Works Supervisor*

**ANNOUNCEMENTS:**

- Mayor's Announcements ~ *Mayor updated the public and Councilmembers about work being done in the City by Frontier, new water meters,*
- Council Members Announcements ~ *none*

**CITIZEN COMMUNICATION FORUM:**

- *Harlan Stanley, with Wananavu Outfitters, spoke about his frustration with the City and the process of his building project located at 1104 Rorem.*

**PROCLAMATION**

- **Domestic Violence Awareness Month** *Mayor Gardner read the proclamation and presented it to a representative of the Crisis Center of Bay City.*

**DISCUSSION ACTION ITEMS**

**1. Minutes**

- a. Discuss and approve minutes from the Regular Council meeting of September 28, 2023.
- b. Ratify the minutes of Regular Council meeting minutes of August 4, 2022. *Presented by Mayor Gardner. Councilmember Schulman made a motion to approve the minutes of September 28, 2023, and August 4, 2022. Councilmember Glenn seconded the motion. Motion passed, with Councilmember Schulman voting "present" and councilmember Wier being absent.*

2. **Resolution No. 2023-R-29 Seawall Commission Compensation** A resolution of the City of Palacios in support of increasing daily and monthly compensation for the Matagorda County – Palacios Seawall Commissioners. *Presented by Mayor Gardner. Councilmember Glenn made a motion to approve Resolution No. 2023-R-29. Councilmember Schulman seconded the motion. Motion passed unanimously.*
3. **Outrigger Pavilion Agreement** Discuss and approve an agreement with the Outrigger to approve the usage of the City of Palacios Pavilion for an additional year. *Presented by Mayor Gardner. Councilmember Glenn made a motion to approve the agreement with the Outrigger. Councilmember Hink seconded the motion. Motion passed unanimously.*
4. **Council Meeting Cancellations Due to 2023 Holidays** Discuss and approve cancellation of the City Council meetings of November 23<sup>rd</sup> and December 28<sup>th</sup> due to Thanksgiving and Christmas holidays. *Presented by Mayor Gardner. City Attorney, Anne Marie Odefey, notified Council the Charter only requires one meeting per month. Councilmember Glenn made a motion to approve the cancellations of the meetings of November 23<sup>rd</sup>, and December 28, 2023. Councilmember Schulman seconded the motion. Motion passed unanimously.*
5. **First Reading Ordinance No. 2023-O-23 TIRZ** An ordinance of the city Council of the City of Palacios, Texas, designating a contiguous geographic area within the city as a reinvestment zone pursuant to chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number One, City of Palacios; describing the boundaries of the zone; creating a board of directors for the zone; establishing a tax increment fund for the zone; containing findings related to the creation of the zone; providing a date for the termination of the zone; providing that the zone take effect immediately upon passage of the ordinance; providing a severability clause; and providing an effective date. *Presented by City Attorney, Anne Marie Odefey, Stuart Lynn, and D.C. Dunham with SAL Holdings. Lynn made a presentation to Council on the idea of what he envisions to include a new golf course, and a new subdivision nearby. Lynn ensured the Council there would be no expense to the city at all, no upfront cost, no carry cost, and that it's a low-risk high reward. Lynn gave examples of other small cities that have similar golf courses, and the rewards it brought to those cities. Odefey explained to the Council what the City of Bay City has done in the past and the multiple TIRZ they have created. Lynn explained to the Council that the questions that they must answer for the first reading would be to determine the zone, the percentage, and the timeline. Council must also choose how many members will serve on the TIRZ board that is made up of all the taxing entities for the County of Matagorda. Councilmember Schulman stated she was not opposed to the TIRZ and thought it would jumpstart development and tax revenue for the City. Trainor asked when the property would be annexed into the City. Odefey explained that would come later. Council asked questions about how the new development would affect their water and sewer systems. Councilmember Woolf voiced his concerns over the source of water for the area. Councilmember Glenn asked who would be responsible for the new roads, water, and sewer. Odefey explained it would all fall on the developer. Councilmember Woolf argued about wanting more information on the project before committing to the zone, percentage, and amount of time. He also wanted more financial information, stating it didn't give him enough information to make an informed decision. Dunham assured Council a preliminary finance plan would be completed, and explained they wouldn't be able to do that until Council selected the zone, percent, and time frame. Schulman and Woolf agreed upon not choosing a percentage until they reviewed a finance report. Lynn proposed to Council they vote 80% for 30 years for the map attached to their backup provided by SAL Holdings. Councilmember Hink made a motion to approve the first reading of the TIRZ Ordinance No. 2023-O-23 with the map provided as the zone, 80%, for 30 years, with Nine (9) board members, with the City and ETJ for 24 months to get the final plan. Councilmember Glenn seconded the motion. City Secretary polled the votes showing 5/1. Councilmembers Glenn, Woolf, Hink, Schulman, and Mayor Gardner voting, "Yea"; Councilmember Trainor voting, "Nay"; and Councilmember Wier being absent. Motion passed.*

**ADJOURNMENT**

Meeting Adjourned by Mayor Gardner at 8:06 PM.

  
Jim Gardner, MAYOR



ATTEST:

  
Aleigha Galvan, CITY SECRETARY