

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

MINUTES

September 22, 2022

REGULAR CITY COUNCIL MEETING

A REGULAR City Council meeting was held by the City Council of the City of Palacios on September 22, 2022, at 6:00 p.m., in the Council Chamber, 311 Henderson, Palacios, Texas 77465.

CALL TO ORDER

Mayor Gardner called the REGULAR City Council meeting to order at 6:01PM.

CERTIFICATION OF A QUORUM

Mayor Gardner certified a quorum was present.

ATTENDANCE ROLL CALL

*Mayor, Jim Gardner, Present
Councilmember Place 6, Michael Dotson, Present
Councilmember Place 5, Raylynn Samora, Present
Councilmember, Place 4, Troy Lewis, Present
Councilmember Place 3, Chip Woolf, Present
Councilmember, Place 2, Sharon Trainor, Present
Councilmember Place 1, Larry Glenn, Present*

CITY STAFF IN ATTENDANCE:

*Cynthia Raleigh, City Manager
Tammy McDonald, HR/ Finance
Tobie Bias, Police Chief
Aleigha Galvan, Executive Assistant
Ryan Adams, Code Compliance and Developmental Services
Christy Adams, Public Works Assistant
Judge Susan Thompson, Municipal Court Judge
Manuel Guevara, Sewer and Streets Superintendent
Reese Knable, Public Works*

INVOCATION & PLEDGES

Mayor Gardner recognized Councilmember Dotson, who led the Council, Staff, and Citizens in prayer and pledges to the U.S., Texas, and Palacios Flags.

ANNOUNCEMENTS:

- i. Mayor's Announcements ~ Mayor Garner reminded everyone of upcoming events to be held within the next few weeks in the city; Potluck in the Park, PEDC Strategic Planning Workshop, National Night Out, Annual Fall Clean Up, Airport Stakeholders Meeting, Pedal Palacios, Trunk or Treat, and the All-American City Plaque Presentation.*
- ii. Council Member's Announcements ~ Councilman Larry Glenn position #1 stated he would like to see the bills posted in the Palacios Beacon. He also addressed Police Chief Bias directly and issued a personal apology for not attending the active shooter training that was held earlier in the week.*
 - a. Chief Bias gave a description of the active shooter course that was given.*
 - b. Councilmember Dotson agreed with Councilmember Glenn and stated that he would also like to see the bills for the city to be posted in the Palacios Beacon.*
 - c. Councilmember Glenn stated he would like to see repairs done to the Palacios Pavilion.*

PROCLAMATION:

- i. Mayor Jim Gardner recognized World Teacher's Day on October 5th, 2022. There was no one in the audience to accept this proclamation at the time it was presented.*

CITIZEN COMMUNICATION FORUM: ~ Public Comments

- i. D.C. Dunham ~ with SAL Holdings LLC. passed out material for Council to view regarding the 380 agreement update of phase two of the Pelican Place Subdivision. Dunham states there are a total of six families currently living in the subdivision, and 3 houses under construction (see attachment A).*
- ii. Councilmember Sharon Trainor ~ introduced herself as living at 500 Welch, and thanked Ryan for getting the house on Morton cleaned up. She stated she learned that there was an ordinance regarding grass in the street when a yard has been mowed. She also wanted to bring attention to a lot the city owns which needs to be cleaned up.*
- iii. Cynthia Garrett ~ Mrs. Garrett spoke about her support for the need of a golf cart ordinance for the city. She stated she has seen 4 carts in town within 24 hours. She urged Council to view Matagorda County's ordinance. She thanked the forces to be that made a "safe place to meet" in the police department parking lot. She thanked the city for honoring the teachers, stating she was one for many years.*

CONSENT AGENDA ITEMS~

1. **Minutes ~ September 8, 2022,** ~ Regular City Council Meeting
2. 2023 STEP Grant Ratification ~ Grant recently awarded to the City of Palacios for the Palacios Police Department allowing overtime compensation for officers who perform certain duties while on patrol.
3. **RESOLUTION NO. 2022-R-19 - CDBG-Mit-Mod Grant Administration** ~ to award administration services for the CDBG-Mit-Mod.
5. **PEDC Bylaws** ~ Consider and take action on adoption of PEDC Bylaws. *Items 1,2,3, and 5 were placed together in one vote. APPROVED BY MOTION. MOTION: WOOLF. SECONDED: LEWIS. YEA: TRAINOR, WOOLF, LEWIS, SAMORA, DOTSON, MAYOR. NAY: GLENN.*

Items 4 and 6 were moved to Discussion and Action Items per Tammy McDonald and City Council.

REPORTS AND DISCUSSION:

7. **Financial Update** ~ August Financial Report ~ *Report given by Tammy McDonald. Councilmember Woolf asked questions and asked to discuss them at a later date with McDonald. City Manager Raleigh stated the process will be much easier in the next year.*
8. **Beachside Annexation Update** ~ Status of Beachside Phase 4. ~ *City Attorney Anne Marie Odefey discusses the annexation and states it may not move forward until there are enough Planning and Zoning members on the board.*
9. **American Rescue Plan Grant Update** ~ Update regarding use of funds. ~ *City Treasurer, Tammy McDonald discusses the amount of the grant, and what the funds have been spent on and what they will be designated for in the future. Representatives from Grantworks, Kelle Odom and Ashton Crow, were present to introduce themselves and explain the ways Grantworks helps the city find new grants and help keep us in compliance with the requirements of each grant applied for. Councilmember Woolf inquires if the entirety of the money has been spent thus far. McDonald explains it has not all been spent, but it has been committed. Councilmember Trainor requests some of the funds be used to replace fire hydrants before they are painted. Councilmember Samora requests a "wish list" be made to ensure the money is being spent on things the citizens of Palacios want.*

DISCUSSION AND ACTION ITEMS:

4. **RESOLUTION NO. 2022-R-20 - CDBG-Mit-Mod Grant Engineering** ~ to award engineering services for the CDBG -Mit-Mod Grant. *Tammy McDonald explains the different choices for engineering services to be made, and their backgrounds. Councilmember Glenn asked questions about the different companies, and asked City Manager Raleigh if she knew the work the companies have done in the past. City Manager Raleigh informed Glenn of work Hewitt Zollars has done at the Palacios Airport, and*

Urban Engineers is currently working on a sewer and drainage project for the city. Glenn makes a recommendation for Urban Engineering and asks for more information on other companies listed for future projects. Mr. Gregory Wine with Hewitt Zollars speaks about his company. GLENN RESENDS HIS RECOMMENDATION AND MOTIONS FOR HEWITT ZOLLARS TO RECEIVE THE PROJECT. COUNCILMEMBER TRAINOR SECONDED. APPROVED BY MOTION. PASSED UNANIMOUSLY.

6. **Ratify Kirby Maintenance & JZJ Utilities Agreements** ~ Ratify agreements. Councilmember Glenn asks questions about the length of the agreements. City Manager Raleigh informs Glenn she wishes to give her public works team time to obtain necessary licenses for duties assigned, and the agreements will only be for six months' time. *APPROVED BY MOTION. MOTION: LEWIS. SECONDED: DOTSON. PASSED UNANIMOUSLY.*
10. **MOU Animal Care Services** ~ Misfits and Creatures ~ Agreement between Misfits and Creatures Animal Rescue to maintain the animal shelter, the animals, arrange care for sick or injured animals and maintain an adoption program. *Chief Tobie Bias speaks about the Pet Portrait program and invites Carissa Spradlin to speak about her organization. Councilmember Dotson asked about the money spent on renovations to the city pound. Chief Bias gives details on the renovations which include new air conditioning, doors, walls, and sealing of cracks and holes. PASSED BY MOTION. MOTION: GLENN. SECONDED: SAMORA. PASSED UNANIMOUSLY.*
11. **RESOLUTION NO. 2022-R-21** ~ Ratify Pelican Place Retention Pond ~ Consider and take action on adoption of Resolution Ratifying Prior Action of Council. *City Attorney Anne Marie Odefey explains this is a revised resolution from January 2022. Councilmember Glenn expresses his concerns regarding the functionality of the retention pond and whether it will serve its purpose. Glenn addressed D.C. Dunham who represents SAL Holdings L.L.C. and inquires if the builder plans to place a fence around the retention pond. Glenn stated his concerns for the safety of children and small pets who may wonder into the pond if it were full. Dunham speaks about Pelican Place and explains that SAL would maintain the pond for the next five years. After the five years the pond would become the responsibility of the city. Councilmember Samora asked questions about maintenance and city manpower. Councilmember Trainor asked about the depth of the pond. PASSED BY MOTION. MOTION: WOOLF. SECONDED: DOTSON. PASSED UNANIMOUSLY.*
12. **ORDINANCE NO. 2022-O-16 ~ Substandard Buildings** ~ Consider and take action on adoption of Substandard Building Ordinance, amending code sections as stated in said Ordinance and adopting penalties for violation of said Ordinance. *City Attorney Anne Marie Odefey goes over the amended ordinance. Mayor points out typo. MOTION: DOTSON. SECONDED: LEWIS. FIRST READING PASSED UNANIMOUSLY. VOTE CONFIRMED BY ROLL CALL.*
13. **Auditor Agreement** ~ Consider and take action on hiring an independent auditor to perform the FY 2021-22 Annual Audit. *City Manager Cynthia Raleigh discusses HMU and how she found the group. City Attorney Odefey discusses their work for the City of Bay City. Council discusses the differences between auditors. Councilmember Lewis expresses his respect for Raleigh and Woolf's recommendation to use HMU. PASSED BY MOTION. MOTION: WOOLF. SECONDED: DOTSON. PASSED UNANIMOUSLY*
14. **ORDINANCE NO. 2022-O-17** ~ Discuss and consider approval of first and only reading of Ordinance 2022-O-17 for final budget adjustments for fiscal year 2021-2022. *First and final reading. Treasurer Tammy McDonald discusses budget adjustments. Councilmember*

Wolf comments the amounts are significantly less than last year. MOTION: LEWIS. SECONDED: SAMORA. FIRST AND FINAL READING PASSED UNANIMOUSLY. VOTE CONFIRMED BY ROLL CALL.

15. **WATER METER REPLACEMENT ~ Aqua Metric** ~ Discuss and consider approval of purchasing replacement water meters for the entire city. *City Manager Cynthia Raleigh explains in great detail the reason for new meters for the city. Councilmember Trainor asks about timeframe to replace new meters in the future. Councilmember Dotson asked about pressure checking the current meters. Mayor Gardner asked that it be made clear for everyone that there was not a warranty on the meters the city has currently. Raleigh discusses the different types of meters available, price, and performance. Councilmember Glenn asked if there has been a study done on our current meters. Councilmembers Glenn and Dotson voiced concerns for maintaining new meters. Raleigh suggests the two companies attend Council so questions may be asked directly. Dotson suggests tabling. Raleigh asks to schedule a workshop in the future, and schedule flow testing. Council agrees to install new meters with Aquametric. PASSED BY MOTION. MOTION: GLENN. SECONDED: DOTSON. PASSED UNANIMOUSLY.*

CLOSED/ EXECUTIVE SESSION:

Council went into Executive Session at 8:45PM

RECONVENE TO OPEN / REGULAR SESSION

Council reconvened to open session at 9:22PM

- i. Pursuant to Texas Government Code §551.074, to discuss hires, dismissals, resignations, and other personnel matters. Council voted to assign Katie Plunkett as Associate Municipal Judge for the City of Palacios. PASSED BY MOTION. MOTION: DOTSON. SECONDED: SAMORA. PASSED UNANIMOUSLY.*
- ii. Pursuant to Texas Government Code §551.072, to discuss surplus property listing and sales agreement.*
 - a. Council approved to renew contract with Texas Coastal Properties. PASSED BY MOTION. MOTION: DOTSON. SECONDED: TRAINOR. PASSED UNANIMOUSLY.*
 - b. Council voted to sell property on Duson Ave. approx.. .97 acres. PASSED BY MOTION. MOTION: DOTSON. SECONDED: SAMORA. YEA: TRAINOR, WOLF, LEWIS, SAMORA, DOTSON, MAYOR. NAY: GLENN*

ADJOURNMENT

Meeting Adjourned by Mayor Gardner at 9:27PM.



Jim Gardner, MAYOR

ATTEST:

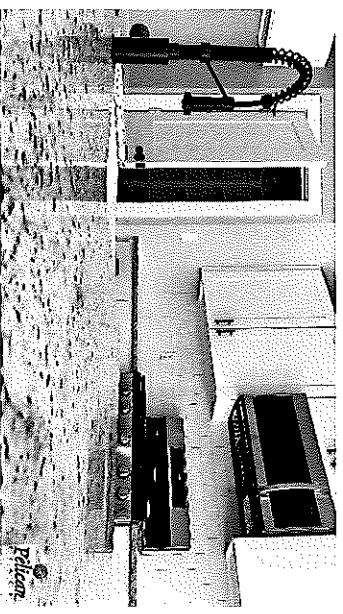
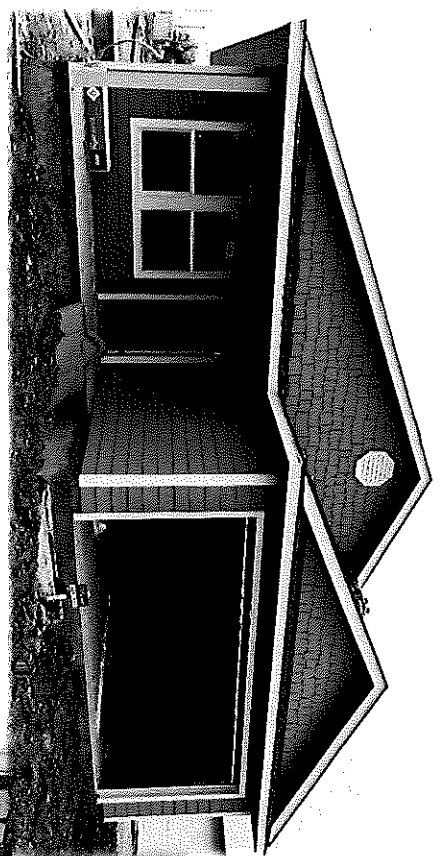
Cynthia Raleigh, MBA, CPM City Manager

Attachment "A"

Pelican Place Subdivision Update

Flycatcher Dr, Palacios, TX

September 22, 2022



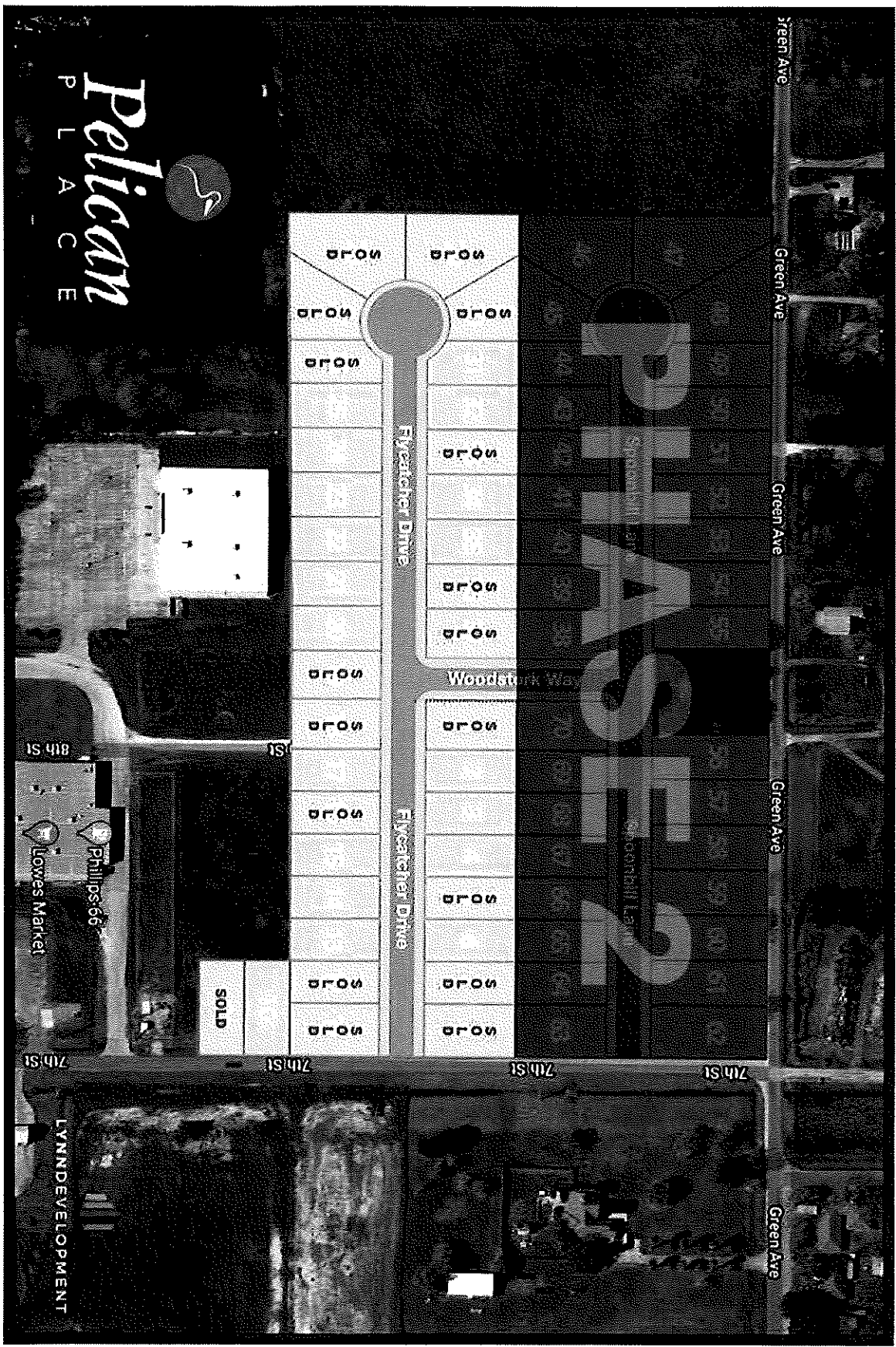
LYNNCROUP

SAL Holdings LLC

1221 Avenue F
Bay City, TX 77414
979.245.8900

We think BIG to work BIG to give BIG!

Pelican PLAC E



380 Agreement Report

Developer Investments:	Total	Actual Phase 1 & 2	Estimated		
			Phase 1	Phase 2	Phase 3 & 4
Site Work	1LS \$ 75,000	\$ 74,304	\$ 18,750	\$ 18,750	\$ 37,500
Roads	2400 FT \$ 425,000	\$ 353,595	\$ 106,250	\$ 106,250	\$ 212,500
Detention/Drainage	1LS \$ 55,000	\$ 41,480	\$ 13,750	\$ 13,750	\$ 27,500
6" Water	2000 FT \$ 80,000	\$ 90,434	\$ 20,000	\$ 20,000	\$ 40,000
8" Sewer	2000 FT \$ 160,000	\$ 67,056	\$ 40,000	\$ 40,000	\$ 80,000
12" Sewer Offsite	2450 FT \$ 196,000	\$ 329,097	\$ 196,000		
Electrical	1LS \$ 75,000	\$ 49,989	\$ 18,750	\$ 18,750	\$ 37,500
Gas	\$ -				
Entrance/Fencing	1LS \$ 25,000	\$ 33,709	\$ 25,000		
Surveying	1LS \$ 73,400	\$ 43,587	\$ 73,400		
Engineering	1LS \$ 75,000	\$ 24,058	\$ 75,000		
Contingency	\$ 27,500		\$ 12,500	\$ 12,500	\$ 2,500
Reimbursable Total Cost	\$ 1,266,900	\$ 1,107,308	\$ 599,400	\$ 230,000	\$ 437,500

Note: Actual 15" Sewer Offsite

PEDDC Reimbursement		(\$235,050)			
* Land Costs	19 AC \$165,000.00	\$165,000.00	\$165,000.00	\$0.00	\$0.00
* Taxes	1LS \$20,000.00	\$5,502.37	\$5,000.00	\$5,000.00	\$10,000.00
Grand Total	\$1,451,900.00	\$1,042,760.83	\$769,400.00	\$235,000.00	\$447,500.00

* = Non-reimbursible

Matagorda County Appraisal District
Value as of January 1 of the year

Year	2020	2021	2022	Projected
19.399 acres	100,490	100,490		
Retention Pond			4,000	-
Phase 1			946,060	3,702,027
Phase 2			66,000	66,000
	100,490	100,490	1,016,060	3,768,027
City of Palacios tax rate	0.85351	0.81126	0.81126	0.81126
	\$857.69	\$815.24	\$8,242.89	\$30,568.50
<i>As of January 1, 2022 there were only 4 houses started.</i>				
Due SAL Holdings LLC in 2023		75%	6,182.17	22,926.37