

**CITY OF PALACIOS
CITY COUNCIL MEETING**

AGENDA

THURSDAY, JULY 28, 2022

6:00PM

BUDGET WORKSHOP / REGULAR MEETING

**City of Palacios Council Chambers
311 Henderson
Palacios, Texas 77465**

Notice of Budget Workshop and Regular City Council Meeting

Public Notice is hereby given that the City Council will meet in a meeting on Thursday July 28, 2022, beginning at 6:00PM at the City of Palacios City Hall, 311 Henderson Street.

NOTICE:

The board may, for its convenience or the convenience of City staff or persons in attendance, modify the order in which the board considers items on the agenda.

PUBLIC HEARING

1. **NOTICE IS HEREBY GIVEN** that the City of Palacios will hold a public hearing to receive citizen's comments regarding the Texas Parks and Wildlife Parks Grant for Small Communities. With this grant, the City proposes to build an ADA Park so that all can be included in having fun at our parks.
2. **Call to Order:**
 - a. Quorum Call.
 - b. Invocation.
 - c. Pledge of Allegiance to the United States Flag.
 - d. Pledge of Allegiance to the Texas Flag.
 - e. Pledge of Allegiance to the Palacios Flag.
 - f. Welcome Citizens.
2. **Announcements:** *With respect to items not listed on this agenda, Council Members may announce community events, may announce community recognitions, may request specific factual information or a recitation of existing policy from staff, or may request placement of items on the Board agenda for discussion or action at a following meeting.*
 - a. Mayor's Announcements

- b. Council Member's Announcements
 - c. City Manager's Announcements
3. **Citizen Communication:** *At this time, the public is invited to address the City Council and speak on any matter not specifically listed for public hearing elsewhere in this Agenda. Please note Council Members may not deliberate on topics not included on this agenda. Presentation shall be no longer than three (3) minutes.*
4. **Budget Workshop:** *Second review of the proposed budget, goals, and capital plan for the 2022 – 2023 Fiscal Year for the City of Palacios, Texas.*
5. **Reports and Discussion Items:** *Items in this section are not expected to require action by city council and are generally for information only. However, all items listed in this section may become Action Items on request of any Council Member, and Council Members may act on any item listed in this section without further notice.*
- a. **City Manager's Report** ~ Cynthia Raleigh
Presentation by the City Manager regarding City-wide updates and recognitions.
 - i. Recognition: Palacios Junior and Senior League Baseball teams.
 - b. **Website** ~ Preview the New City of Palacios Website. David Holubec, City Secretary
6. **Action Items:** *Board Members will discuss and take any action deemed necessary on items listed in this section, including the adoption of a resolution or Ordinance.*
- a. **RESOLUTION #2022-R-21** ~ Bureau of Reclamation WaterSMART Grant. Cynthia Raleigh, City Manager
 - b. **RESOLUTION #2022-R-22** ~ Texas Parks and Wildlife local park grant program for small communities. Cynthia Raleigh, City Manager
 - c. **ORDINANCE #2022-O-10** ~ **SECOND / FINAL READING** ~ Processing fee for electronic payments at the City of Palacios, Texas. Cynthia Raleigh, City Manager
 - d. **City Council Regular Meeting Minutes – July 14, 2022,** ~ David Holubec, City Secretary
 - e. **City Council Budget Meeting Minutes – July 21, 2022,** ~ David Holubec, City Secretary

Adjournment.

AGENDA NOTICES

1. A quorum of the City Council will be present at 311 Henderson, Palacios, Texas ("City Council Chambers"), and the city intends to have a quorum present at that location. The Presiding officer of the meeting will be present at City Council chambers, and that location will be open to the public. Other board members and city council members may participate in this meeting by video conference, so long as their face is visible, and their voice audible to members of the public in attendance at City Council Chambers while that member is speaking.

2. Regardless of the agenda heading under which any item is listed, any subject mentioned in any word or phrase of any item listed on this agenda may be deliberated by board members, and such words or phrases are hereby added as additional subjects to be considered. Resolutions, ordinances, and other actions concerning any word, phrase, or other subject of this meeting also include the regulation of animals, construction, signs, unsafe buildings, floodplains, land development, nuisances, mowing, sanitation, food establishments, manufactured house, itinerant vendors, outdoor sales, water conservation practices, Any descriptions of property or amounts stated herein are descriptive and not restrictive, and property and amounts may be changed in the motions, actions, or documents without further public notice.
3. In addition to the items listed under "Public Hearings," every item on this agenda shall be considered a public hearing.
4. Any item on this agenda may be discussed in executive session if authorized by Texas law regardless of whether it is listed under "Executive Sessions" of this agenda, regardless of any past or current practice of board members. Executive sessions herein are closed meetings, may include consideration of any item otherwise listed on the agenda, plus any subject specified in the executive session notice, and may include items under Texas Government Code Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.084, and/or 551.087. Executive sessions the board. This agenda has been reviewed and approved by the PEDC Attorney, and the presence of any subject in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for the governmental body indicating that said subject may be legally discussed in a closed meeting.
5. **Certification of Posting:** This is to certify that the above notice of a Council Meeting was posted on the front bulletin board of the City Hall of the City of Palacios, Texas, on **Monday, July 25, 2022, before 6:00 PM**. If you have any questions concerning the above items, please contact City Manager Cynthia Raleigh at (361) 972-3605. This Notice was posted under the Texas Open Meeting Act (TEX.REV.CIV.STAT.ANN. Chapter 551) and recent guidelines from the Texas Attorney General.

David Holubec, City Secretary

This facility is accessible in accordance with the Americans with Disabilities Act. Accessible parking spaces are available. If you require special assistance or have a request for sign interpretative services or other services, please call 361-972-3605 at least 24 hours before the meeting.

Mayor Gardner Airport Committee Liaison Emergency Management	Councilmember Lewis – Place 4 Housing Authority Liaison
Councilmember Glenn – Place 1 Planning and Zoning Committee Liaison	Councilmember Samora – Place 5 Parks and Recreation Liaison Emergency Management Liaison
Councilmember Trainor – Place 2 Zoning Board of Adjustments Liaison	Councilmember Dotson – Place 6 Pavilion Committee Liaison
Mayor Pro Tem Woolf – Place 3	

CITY COUNCIL MEMORANDUM

City Council Meeting: July 28, 2022
Department: Finance/HR Manager
Subject: Bureau of Reclamation WaterSMART Grant Authorized Signatories

BACKGROUND

The City of Palacios is asking to apply for the Bureau of Reclamation WaterSMART Grant in order to start changing all meters in the City and purchase the SCADA system.

GOALS

The goal of the grant is to provide a way to control water loss in the city with new meters that will automatically and immediately notify the office of any unusual water usage and provide for the SCADA system which will also monitor water loss. At this time, we have no timely way to monitor water loss.

FISCAL IMPACT

The fiscal impact for the City of Palacios is less water loss which means less loss of revenue in our water system. This is a 50/50 match grant. However, the 50% match to the city will be covered by the work employees do replacing the old meters with the new meters and \$50,000.00 which will be budgeted for in the 23-24 Budget as this is a 2 year grant.

RECOMMENDATION

Staff recommends that the city authorize the Mayor to execute all contractual documents; the Mayor, City Manager and City Treasurer to authorize all Purchase Vouchers and Request for Payments; and the Mayor to execute environmental reviews and related environmental documents.

ATTACHMENT

See attached Resolution 2022-R-21 Authorizing Signatories for the Bureau of Reclamation WaterSMART Grant.

**RESOLUTION 2022-R-21
AUTHORIZING SIGNATORIES**

A RESOLUTION BY THE CITY COUNCIL OF CITY OF PALACIOS DESIGNATING AUTHORIZED SIGNATORIES FOR CONTRACTUAL DOCUMENTS AND DOCUMENTS FOR REQUESTING FUNDS PERTAINING TO THE BUREAU OF RECLAMATION WATERSMART GRANT FUNDING NO R23AS00008.

WHEREAS, The City of Palacios City Council hereby authorizes submission of a grant application through the Bureau of Reclamation for a WaterSMART grant under funding No.R23AS00008; and

WHEREAS, it is necessary to appoint persons to execute contractual documents, environmental review documents, and documents requesting grant funds from the Bureau of Reclamation, and;

WHEREAS, all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

NOW, THEREFORE, The City of Palacios directs and designates the following to act in all matters in connection with this grant:

- The Mayor shall serve as the Chief Executive Officer and Authorized Representative to execute contractual documents and review and execute environmental review documents between the Bureau of Reclamation and the City of Palacios; and
- The City Council, City Manager and Finance/HR Manager have reviewed the application and support the application being submitted; and
- The Mayor, City Manager, Finance/HR Manager, Grant Administrator are authorized to execute the Request for Payment Form documents and/or other forms required for requesting funds to reimburse project costs; and
- The City of Palacios will work with the Bureau of Reclamation to meet all established deadlines for entering into a grant or cooperative agreement.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF PALACIOS, TEXAS,
on _____, 2022.

APPROVED:

Jim Gardner, Mayor

ATTEST:

David Holubec, City Secretary

CITY COUNCIL MEMORANDUM

City Council Meeting: July 28, 2022
Department: Finance/HR Manager
Subject: Texas Parks and Wildlife Playground Grant Authorized Signatories

BACKGROUND

The City of Palacios is asking to apply for the Texas Parks and Wildlife Parks Grant in order to build an ADA compliant playground.

GOALS

The goal of the grant is to provide an all-inclusive playground system which will make all children welcome. At this time, we have no ADA compliant playground.

FISCAL IMPACT

The fiscal impact for the City of Palacios is this is a 50/50 match grant. However, the 50% match to the city will be covered by the work employees do and equipment used building the playground and making it beautiful and useful for our community. There will be no extra monetary out of pocket for the City.

RECOMMENDATION

Staff recommends that the city authorize the Mayor to execute all contractual documents; the Mayor, City Manager and City Treasurer to authorize all Purchase Vouchers and Request for Payments; and the Mayor to execute environmental reviews and related environmental documents.

ATTACHMENT

See attached Resolution 2022-R-22 Authorizing Signatories for the Texas Parks and Wildlife Parks Grant for Small Communities.

**RESOLUTION 2022-R-22
AUTHORIZING SIGNATORIES**

A RESOLUTION BY THE CITY COUNCIL OF CITY OF PALACIOS DESIGNATING AUTHORIZED SIGNATORIES FOR CONTRACTUAL DOCUMENTS AND DOCUMENTS FOR REQUESTING FUNDS PERTAINING TO THE TEXAS PARKS AND WILDLIFE LOCAL PARK GRANT PROGRAM FOR SMALL COMMUNITIES

WHEREAS, The City of Palacios City Council hereby authorizes submission of a grant application through the Texas Parks and Wildlife Local Park Grant Program for Small Communities; and

WHEREAS, it is necessary to appoint persons to execute contractual documents, environmental review documents, and documents requesting grant funds from the Texas Parks and Wildlife, and;

WHEREAS, all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

NOW, THEREFORE, The City of Palacios directs and designates the following to act in all matters in connection with this grant:

- The Mayor shall serve as the Chief Executive Officer and Authorized Representative to execute contractual documents and review and execute environmental review documents between Texas Parks and Wildlife and the City of Palacios; and
- The City Council, City Manager and Finance/HR Manager support the application being submitted; and
- The Mayor, City Manager, Finance/HR Manager, Grant Administrator are authorized to execute the Request for Payment Form documents and/or other forms required for requesting funds to reimburse project costs; and
- The City of Palacios will work with Texas Parks and Wildlife to meet all established deadlines for entering into a grant.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF PALACIOS, TEXAS,
on _____, 2022.

APPROVED:

Jim Gardner, Mayor

ATTEST:

David Holubec, City Secretary

ORDINANCE NO. 2022-O-10

AN ORDINANCE AMENDING APPENDIX "A" ARTICLE A1.05.003 "CREDIT & DEBIT CARD PROCESSING FEES," OF THE CODE OF ORDINANCES OF THE CITY OF PALACIOS, TEXAS TO CHANGE THE PERCENTAGE RATE FOR CREDIT AND DEBIT CARD PROCESSING FEES AS PROVIDED IN SECTION 1.05.003; CONTAINING A SAVINGS CLAUSE; REPEALING INCONSISTENT ORDINANCES; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

WHEREAS the City Administration has previously determined that the credit/debit card processing fees by the City of Palacios for the payment for all permit fees, utility bills, municipal court fines, municipal court costs, and other payments to the City, should be added so that the City can recover a percentage of the costs it incurs for the credit/debit card processing fees; and

WHEREAS the City incurs costs for the credit/debit card processing fees, and needs to assess a charge for such; and

WHEREAS, this adjustment will reduce the current processing fee from 05.00%; and

WHEREAS the adjustment will be 03.5.00% and will take effect on July 15, 2022; NOW THEREFORE,

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

SECTION 1: That **Section A1.05.003 "Credit and Debit Card Processing fees."** of Appendix "A" of the Code of Ordinances of the City of Palacios, Texas is hereby amended to read as follows:

Article A1.05.003 Credit Card & Debit Card Processing Fees
Division 3. Rates and Charges

Sec. 1.05.003 Credit and Debit Card processing fees

Processing Fee: A 03.5.00% shall be added to the amount of such payment.

SECTION 2: If any provisions, sections, exceptions, subsections, 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 3: 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 4: This ordinance shall become effective after its approval and adoption upon second and final reading.

FIRST READING APPROVED AND PASSED on this 14th day of July 2022.

SECOND AND FINAL READING APPROVED AND PASSED on _____ day of _____ 2022.

CITY OF PALACIOS, TEXAS

JIM GARDNER, Mayor

ATTEST:

DAVID HOLUBEC, City Secretary

APPROVED AS TO FORM:

ANNE MARIE ODEFY
City Attorney

CITY OF PALACIOS, TEXAS
REGULAR CITY COUNCIL MEETING

MINUTES

JULY 14, 2022

REGULAR CITY COUNCIL MEETING

A Regular City Council meeting was held by the City Council of the City of Palacios on July 14, 2022, at 6:00 p.m., in the Council Chamber, 311 Henderson, Palacios, Texas 77465.

CALL TO ORDER

Mayor Gardner called the Regular meeting to order at 6:00PM.

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*

Staff in Attendance:

*Cynthia Raleigh, City Manager
Tammy McDonald, City Finance Manager
Ryan Adams, Code Compliance
Christi Adams, Public Works
Darrell Robbins, Public Works Director
David Holubec, City Secretary*

INVOCATION & PLEDGES

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

VISITOR / CITIZEN FORUM

- a. Dominic John – Concerns over the stalled construction of an RV park near the intersection of Gray St. and Craymer Ave.*
- b. Mark Rusk – a member of the Chamber of Commerce Board of Directors, thanked the City for their help with the recent Poker in Palacios fundraiser.*
- c. Joe Monk – Discussed the City’s planned talks in executive session on the appointment of PEDC directors that didn’t qualify for the private session since the appointees are not City employees.*

PROCLAMATION

- 1. Designation of July as Park and Recreation Month. Proclamation was presented to Council members Lewis and Samora.*

PRESENTATION ITEMS

2. *Tax Increment Reinvestment Zones (TIRZ) Presentation was presented by DC Dunham, Planning & Zoning Committee Chairperson. These Zone designations may attract potential developers to the City.*
3. *Grant Update was shared by Finance Manager, Tammy McDonald. (Report is attached to these minutes).*
4. *City Manager, Cynthia Raleigh updated the Council on the Palacios Swimming Pool / YMCA agreement and current progress with the pool opening. Pool will open on July 16th. Admission fees are waived for the summer.*
5. *City Manager's Report, Recognition, and Announcements. Cynthia Raleigh, City Manager*
 - *Street signage update*
 - *New backhoe on July 9th*
 - *Water pipe leak under bridge*
 - *Police Department Electric Ticket Writers*
 - *Active Shooter training*
 - *Code Compliance – driving the City documenting compliance issues*
 - *Upcoming budget meetings*
 - *HWY 35 fence issue near the curve*

CONSENT AGENDA ITEMS ~ OLD BUSINESS

6. *Ratify Pool Agreement with YMCA. Approved by motion. Motion: Glenn/Lewis. Unanimous.*
7. *MINUTES – June 23, 2022 – Regular City Council Meeting. Approved by motion. Motion: Dotson/Trainor. Approved by vote. Larry Glenn abstained.*
8. *MINUTES – June 16, 2022 – Budget Workshop Meeting. Approved by motion. Motion: Dotson/Lewis. Unanimous.*

DISCUSSION AND ACTION ITEMS

9. ***Municipal Operations Consultants, Inc.*** ~ *This item was postponed by Council.*
10. ***Street Assessment Project*** ~ *This assessment will rate our streets. American Rescue Funds will be used for the assessment. Approved by motion. Motion: Glenn/Dotson. Unanimous.*
11. ***ORDINANCE #2022-O-09*** ~ *This was the first reading of the Ordinance to amend current solid waste rates. City's current rate is causing the City to operate at a loss in some instances. First reading was approved by motion. Motion: Dotson/Glenn. Unanimous. Votes were polled by City Secretary, David Holubec.*
12. ***ORDINANCE #2022-O-10*** ~ *This was the first reading of the Ordinance setting the processing fee for electronic payments at the City of Palacios, Texas. Percentage will be 3.5%. First reading was approved by motion. Motion: Lewis/Samora. Unanimous. Votes were polled by City Secretary, David Holubec.*
13. ***Lease Agreement with Friends of Elder Citizen's, Inc., 705 Commerce St.*** ~ *This item was postponed by Council.*
14. ***Lease Agreement with Simple Simon's Pizza, 309 Henderson Ave.*** ~ *This item was postponed by Council.*

15. **Lease Agreement with Subway Restaurant, 307 Henderson Ave.** ~ This item was postponed by Council.

16. **Community Development Block Grant** ~ Tammy McDonald, Finance Manager presented the need to procure administrative and engineering services for the Community Development Block Grant. Approved by motion. Motion: Glenn/Dotson. Unanimous.

17. **RFP and RFQ for the Texas Community Development Block Grant Program** ~ Finance Manager, Tammy McDonald requested Council approval on the City of Palacios' authorization to issue requests for proposals for administrative services (RFP) and requests for qualifications (RFQ) for the Texas Community Development Block Grant Program funds administered by the Texas Department of Agriculture. Approved by motion. Motion: Lewis/Glenn. Unanimous.

CLOSED / EXECUTIVE SESSION

18. Texas Government Code, § 551.072, deliberate the purchase, exchange, lease, or value of real property if deliberation in open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

19. Texas Government Code, § 551.071, consultation with attorney on matter involving pending or contemplated litigation or other matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. CITATION Cause #22-F-0245; Joseph Monk and Mark Rusk v. James L. Gardner as Mayor and City of Palacios, Contestees.

20. Texas Government Code, § 551.087, deliberation regarding Economic Development Negotiations.

21. Texas Government Code, § 551.074, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; PEDC Board of Directors; Cynthia Raleigh, City Manager; Tobie Bias, Police Chief; David Holubec, City Secretary; Tammy McDonald, Finance Manager; and Robert Garrett, Municipal Court Judge.

RECONVENE TO OPEN / REGULAR SESSION

22. Council returned from closed session at 9:03PM. Council members voted by ballot on their choices for PECD board of directors. Sandra Catlett, DC Dunham, Katie Hutto and Dannielle Krouse won the votes. Council Waived their attorney/client privilege for the meeting for City Attorney, Anne Marie Odefey to address Joe Monk and Mark Rusk, in attendance to voluntarily dismiss the litigation against the City since his statement to the Palacios Beacon indicating he did not have an issue with the results of the election.

ADJOURNMENT

Adjourned by Mayor Gardner at 9:23PM.

Jim Gardner, MAYOR

ATTEST:

David Holubec, CITY SECRETARY

CITY OF PALACIOS, TEXAS
REGULAR CITY COUNCIL MEETING

MINUTES

JULY 21, 2022

SPECIAL BUDGET CITY COUNCIL MEETING

A SPECIAL City Council meeting was held by the City Council of the City of Palacios on July 21, 2022, at 6:00 p.m., in the Council Chamber, 311 Henderson, Palacios, Texas 77465.

CALL TO ORDER

Mayor Gardner called the Regular meeting to order at 6:00PM.

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, Excused
Councilmember, Place 4, Troy Lewis, Present
Councilmember Place 3, Chip Woolf, Present
Councilmember, Place 2, Sharon Trainor, Present
Councilmember Place 1, Larry Glenn, Excused*

Staff in Attendance:

*Cynthia Raleigh, City Manager
Tammy McDonald, City Finance Manager
Tobie Bias, Police Chief
Ryan Adams, Code Compliance
Christi Adams, Public Works
Darrell Robbins, Public Works Director
Peggy Georgi, Recycling Center Manager
David Holubec, City Secretary*

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.

VISITOR / CITIZEN FORUM

NONE

DISCUSSION AND ACTION ITEMS

- 1. First review of the 2022-2023 Fiscal Year budget was presented by City Manager, Cindy Raleigh.*

ADJOURNMENT

Adjourned by Mayor Gardner at 7:20PM.

Jim Gardner, MAYOR

ATTEST:

David Holubec, CITY SECRETARY