



GLEN SMITH – Mayor
 JOHNNY TRAN – Councilmember Place 1
 DONNA HARVEY SCHULMAN – Councilmember Place 2
 MARY CROCKER – Councilmember Place 3
 TROY LEWIS – Councilmember Place 4
 WAYNE DODD – Councilmember Place 5
 STEPHEN MCGOVERN – Councilmember Place 6

**CITY OF PALACIOS
 CITY COUNCIL REGULAR MEETING AGENDA
 October 22, 2019**

Notice is hereby given of a Regular Council Meeting of the Palacios City Council to be held immediately following a Public Hearing at 7pm on October 22, 2019, in the Council Chambers of City Hall, 311 Henderson Avenue, Palacios, TX, for the purpose of considering the following items:

PUBLIC HEARING 7PM

A Public Hearing to receive comments regarding the re-adoption *of* the Guidelines and Criteria for Granting Tax Abatements in the City of Palacios in an Enterprise or Reinvestment Zone.

REGULAR COUNCIL MEETING

CALL TO ORDER

INVOCATION – Councilmember Lewis

PLEDGE OF ALLEGIANCE – Councilmember McGovern

PLEDGE TO TEXAS FLAG – Councilmember McGovern

PLEDGE TO PALACIOS FLAG – Councilmember McGovern

VISITOR / CITIZEN FORUM

ADMINISTRATIVE REPORTS

1. Update on Downtown Revitalization Project
2. Pedal Palacios is Saturday, October 26, 2019
3. Harvest Moon Dinner and Dance is Saturday, November 2, 2019 at 6pm at the Recreation Center
4. HGAC dinner meeting Thursday, November 7, 2019
5. City Manager's Report – September 2019
6. Pavilion Quarterly Rental Report

ITEMS TO BE CONSIDERED

1. Discuss and consider action to appoint Carol Ferdinand to a position on the Planning Commission

2. Discuss and consider action to appoint Carol Ferdinand to a position on the Zoning Board of Adjustments.
3. Discuss and consider action to approve the City of Palacios Quarterly Investment Report as of September 30, 2019
4. Discuss and consider action to approve the City of Palacios Quarterly Financial Statement as of September 30, 2019
5. Discuss and consider adopting Resolution 2019-R-20 to re-adopt the Guidelines and Criteria for Granting Tax Abatements in the City of Palacios in an Enterprise or Reinvestment Zone
6. Discuss and consider approving the continued receipt by the City of Palacios of its share of bingo prize fee funds
7. Discuss and acknowledge the appointment of Tammy McDonald as a Deputy Clerk of the Palacios Municipal Court by City Manager, David Kocurek to assist with reports and delinquent fines collections (Section 5.03b of the Palacios Code of Ordinances)
8. Discuss and consider action to approve the following consent agenda items:
Minutes of the October 8, 2019 Regular Council Meeting
Approve the absence of Councilmember Tran and Councilmember Lewis from the October 8, 2019 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)

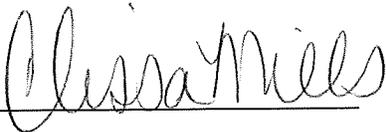
Discuss economic development negotiations (551.087)

ADJOURN

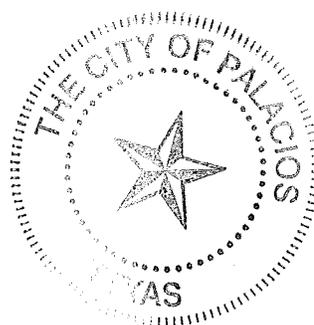
In compliance with the Americans with Disabilities Act, the City of Palacios will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact City Hall, at 361.972.3605.

CERTIFICATION

I certify that a copy of the October 22, 2019 agenda of items to be considered by the City Council was posted on the City Hall bulletin board by 5:00 p.m. on October 18, 2019.



Clissa Mills, City Secretary



City Manager's
MONTHLY REPORT
September 2019

HURICANE HARVEY

- GrantWorks submitted application for drainage and street improvements to GLO for Harvey CDBG-DR funds.

ADMINISTRATION

- Contractor 40% complete on the IKE CDBG-DR grant for improvements to the WWTP.
- TxDOT Aviation Department for Palacios Airport Improvements Grant to repair Runway 13-31, taxiways, and terminal apron; TxDOT Aviation division is rebidding the project in November.
- Working with H-GAC to submit a grant for the Recycle Center.
- Construction is 90% complete on the sidewalk project utilizing the Downtown Revitalization Grant from Texas Department of Agriculture.
- Generator for City Hall has been delivered utilizing the Rebuild Texas Grant funds.

PUBLIC WORKS

- Work Orders Completed: 8 water leaks, 21 animal calls, 0 sewer stoppage calls, 28 miscellaneous work orders, 78 completed work orders; cleaned ditches, resetting culverts and cleaning out existing culverts; repaired potholes.
- Mowed RR Park and other city properties, water plants, and 14 lift stations.
- Demo of the building is complete on 1st and Welch.

AIRPORT

- Mowed and sprayed around buildings, runways, and hangers
- Submitted documents for 50/50 Ramp Grant up to \$40,000 for Maintenance projects at the Airport.

POLICE

- Calls for Service 643
- Citations 154 Warnings 109 issued, and 23 arrests
- Cases Assigned 9, Cases Closed 35
- Traffic accidents 1

FIRE

- Contractor has completed erecting the building and started build-out on the inside for the Fire Station.

BUILDING PERMITS AND CODE ENFORCEMENT

- Permits - New construction 1, Remodel 5, Electrical 10, Plumbing 3, Mechanical 3, Gas 0, Roofing 0, Leveling 0, Demo 0, Driveway 0, Misc. permits 3, Plan Reviews, & Consultations, and Inspections 51.
- Code Enforcement – Contacts 4, Letters 18, door hangers 1 and working 2 complaints and dilapidated homes for future demolition.

PAVILION RENTALS FISCAL YEAR 2019

NAME	DATE	DAY OF WEEK	DEPOSIT	DEPOSIT REFUND	RENTAL FEE
PALACIOS VOLUNTEER FIRE DEPARTMENT	2-Oct-18	TUESDAY	\$100.00	Yes	\$150.00
TRULL FOUNDATIONS	17-Oct-18	WEDNESDAY	\$100.00	Yes	\$150.00
INDIVIDUAL	8-Nov-18	THURSDAY	\$100.00	YES	\$150.00
INDIVIDUAL	11-23 & 11-24-2018	FRI/SAT	\$250.00	YES	\$800.00
INDIVIDUAL	1-Dec-18	SAT	\$500.00	YES	\$650.00
TX WATER RESOURCES	6-Dec-18	THURSDAY	\$250.00	YES	\$200.00
CHAMBER MIXER	13-Dec-18	THURSDAY	\$100.00	YES	\$200.00
INDIVIDUAL	12-14 & 12-15-2018	FRI/SAT	\$500.00	YES	\$800.00
INDIVIDUAL	31-Dec-18	MONDAY	\$500.00	YES	\$350.00
INDIVIDUAL	11-Jan-19	FRIDAY	\$100.00	YES	\$150.00
PALACIOS VOLUNTEER FIRE DEPARTMENT	12-Jan-19	SATURDAY	\$250.00	YES	\$550.00
INDIVIDUAL	19-Jan-19	SATURDAY	\$500.00	YES	\$650.00
INDIVIDUAL	26-Jan-19	SATURDAY	\$100.00	YES	\$150.00
MATAGORDA BIRDFEST	16-Feb-19	SATURDAY	\$250.00	APPLY TO NEXT YR	\$550.00
PALACIOS DENTAL	22-Feb-19	FRIDAY	\$500.00	YES	\$650.00
INDIVIDUAL	13-Apr-19	SATURDAY	\$250.00	YES	\$650.00
MATAGORDAY BAY FOUNDATION	17-Apr-19	WEDNESDAY	\$100.00	YES	\$150.00
LABELLE DAY BY THE BAY	4-26 & 4-27-2019	FRI/SAT	\$500.00	YES	\$700.00
INDIVIDUAL	9-May-19	THURSDAY	\$100.00	YES	\$150.00
ALAPHA CLUB	20-May-19	MONDAY	\$250.00	YES	\$200.00
INDIVIDUAL	1-Jun-19	FRI/SAT	\$500.00	YES	\$800.00
INDIVIDUAL	7-Jun-19	FRIDAY	\$500.00	YES	\$650.00
INDIVIDUAL	8-Jun-19	SATURDAY	\$500.00	YES	\$650.00
INDIVIDUAL	6-Jul-19	SATURDAY	\$250.00	YES	\$650.00
INDIVIDUAL	7-19 & 7-20-2019	FRI/SAT	\$250.00	APPLY TO NEXT YR	\$800.00
INDIVIDUAL	21-Jul-19	SUNDAY	\$250.00	YES	\$500.00
INDIVIDUAL	27-Jul-19	SATURDAY	\$500.00	YES	\$650.00
MATAGORDA COUNTY 4H CLUB	30-Jul-19	TUESDAY	\$100.00	YES	\$300.00
INDIVIDUAL	10-Aug-19	SATURDAY	\$250.00	YES	\$650.00
PALACIOS YACHT CLUB	8-17 & 8-18-19	SAT/SUN	\$250.00	YES/CANCELLED	
EVERYDAY HEROES NATIONAL GUARD	24-Aug-19	SATURDAY	\$250.00	YES	\$550.00
PALACIOS WELLNESS COUNCIL	9-Sep-19	MONDAY	\$250.00	YES	\$150.00
INDIVIDUAL	9-27 & 9-28-19	FRI/SAT	\$500.00	YES	\$800.00
INDIVIDUAL	5-Oct-19	SAT	\$500.00	YES	\$650.00
PCMC	17-Oct-19	THURSDAY	\$250.00		\$150.00
INDIVIDUAL	19-Oct-19	FRI	\$250.00		\$150.00
CITY OF PALACIOS	13-Dec-19	FRI	\$250.00		\$150.00
PALACIOS VOLUNTEER FIRE DEPARTMENT	11-Jan-20	SATURDAY	\$250.00		\$550.00
MATAGORDA BIRDFEST	28-Mar-20	SATURDAY	\$250.00		\$550.00
PIRATE FESTIVAL	2-May-20	SATURDAY	\$500.00		\$650.00
INDIVIDUAL	15-May-20	FRI	\$500.00		\$650.00
INDIVIDUAL	17-19 JULY 2020	FRI SAT SUN	250 FROM LAST YEAR		\$1,400.00
INDIVIDUAL	10-Oct-20	SAT	\$500.00		\$650.00
TOTALS			\$11,150.00		\$17,700.00

APPLICATION FOR PALACIOS CITY COUNCIL COMMITTEES

The City Council of Palacios invites local citizens to volunteer their service to the various committees of the City Council—standing committees and/or various ad hoc committees that the Council may appoint from time to time for a specific purpose. The participation of citizens in their city government will make for a stronger, better-informed and progressive city.

Please check the committee(s) on which you would like to serve.

All committees are appointed by the City Council.

Airport Committee _____ Parks & Recreation Committee _____
Planning Commission Zoning Board of Adjustments
Streets & Drainage Committee _____ PEDC- Other _____

Areas in which you are interested and/or may have expertise, for City Council to consider in making appointments to either committee listed above or to special ad hoc committees: _____

Name: (Please print) Carol Ferdinand

Permanent Residence Address: 307 4th St., Palacios, TX 77465

Mailing Address: P.O. Box 235, Palacios, TX 77465

Are You a Registered Voter of Palacios? Yes

Occupation: Security Officer

Phone: Home _____ Office _____ Cell 985-232-5880

Comments, including why you would like to serve on a committee:

I would like to be more involved in the community.

Please return form to City Secretary, Palacios City Hall, P.O. Box 845, Palacios, TX 77465
Or fax form to 972-6555

APPLICANT SIGNATURE Carol P. Ferdinand

Received By Clissa Mills Date 10/7/19

RESOLUTION NO. 2019-R-20

A RESOLUTION RE-ADOPTING GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN REINVESTMENT ZONES CREATED IN THE CITY OF PALACIOS, TEXAS

On this the 22nd day of October, 2019, the City Council of the City of Palacios, Texas met and among other proceedings the following Resolution was passed by City Council members:

WHEREAS, the future economic viability of the City of Palacios depends on the City's ability to attract new investment through the location of new industry, retail and jobs and the expansion and modernization of existing businesses; and

WHEREAS, the creation and retention of job opportunities that result from new economic development is among the highest civic priorities; and

WHEREAS, the City of Palacios must become and remain competitive with other localities across the state and nation in the expansion of its existing business base and in the attraction of new commercial and industrial investment; and

WHEREAS, any tax incentives offered by the City of Palacios should be limited to those new and existing companies that create new wealth within the City; and

WHEREAS, tax incentives offered by the City of Palacios should attempt to minimize any adverse affect on the competitive position of existing companies in the City of Palacios; and

WHEREAS, to assure a common, coordinated effort to promote the economic development of the City of Palacios and Matagorda County, tax abatement guidelines and criteria should be coordinated between affected cities and the County; and

WHEREAS, effective September 1, 1987, Texas law requires counties and municipalities, which elect to establish and participate in tax abatement programs, to establish guidelines and criteria governing the designation of Enterprise and Reinvestment Zones and the tax abatement program prior to granting any future tax abatement; and

WHEREAS, The City of Palacios previously adopted and amended guidelines and criteria of Matagorda County Resolution Vol. 18, Page 635-643, on October 22, 1990 to become eligible to participate in tax abatement and has amended and re-adopted guidelines and criteria governing the establishment of tax abatement agreements since then; and

WHEREAS, State law provides that guidelines and criteria governing the establishment of tax abatement agreements are effective for a two (2) year period from the date adopted. Therefore, the City of Palacios' tax abatement program lapsed on March 28, 2017; and

WHEREAS, the City Council recognizes the importance of maintaining superior public education within the City and the fiscal integrity of the school district located in the City; and

WHEREAS, these guidelines and criteria shall not be construed as implying or suggesting that the City of Palacios is under an obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis;

NOW, THEREFORE be it resolved that the City of Palacios hereby adopts the attached "Guidelines and Criteria" for granting tax abatement in Enterprise and/or Reinvestment Zones created within the City of Palacios, Texas, which will expire October 22, 2021.

Passed during City Council meeting, this the 22nd day of October, 2019.

Attest:

Clissa Mills
City Secretary
City of Palacios, Texas

Glen Smith
Mayor
City of Palacios, Texas

**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN
THE CITY OF PALACIOS IN AN ENTERPRISE OR REINVESTMENT ZONE**

**Section 1
DEFINITIONS**

- (a) “Abatement” means the full or partial exemption from ad valorem taxes of certain new improvements of real and / or personal property in a reinvestment or enterprise zone designated for economic development purposes.
- (b) “Aquaculture/Agriculture Facility” means buildings, structures and major earth structure improvements, including fixed machinery and equipment, the primary purpose of which is the hatching, incubator, nursing, maturing and/or processing to marketable size aquatic culture in commercially marketable quantities or the processing, refining, packaging, and distribution of food and/or fiber products in commercially marketable quantities.
- (c) “Agreement” means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement.
- (d) “Base Year Value” means the assessed value of eligible property of January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- (e) “Deferred Maintenance,” means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- (f) “Economic Life” means the number of years a property improvement is expected to be in service in a facility. Provided, however, that in no circumstance shall the number of years exceed the depreciation allowance specified in the United States Internal Revenue Code.
- (g) “Eligible Jurisdiction” means City of Palacios, or any Independent School District, which is located in the City of Palacios, that levies ad valorem taxes upon and provides services to property located within a proposed or existing reinvestment zone.
- (h) “Enterprise Zone” means a specific geographic area, a census block group that has a poverty level of 20 percent or greater as identified by the 2010 U.S. Census and is recognized as such by the Texas Office of the Comptroller. Designation of an area as an Enterprise Zone under the Texas Enterprise Zone Act (Chapter 2303, Government Code) constitutes designation of the area as a Reinvestment Zone under Chapter 312, Subchapter C, Section 312.401 of the Government Code.
- (i) “Expansion” means the addition of building, structures, fixed machinery, equipment and personal property for purpose of increasing production capacity.
- (j) “Facility” means property improvements completed or in the process of construction which together comprise an integral whole.

- (j) “Manufacturing Facility” means buildings, structures, fixed machinery, equipment and personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (k) “Modernization” means the upgrading of existing facilities which increased the productive input or output, updates the technology or substantially lowers the unit cost of the operation, Modernization may result from the construction, alternation, or installation of buildings, structures, fixed machinery, equipment and personal property. It shall not be for the purposes of reconditioning, refurbishing or repairing.
- (l) “New Facility” means a property previously undeveloped, which is placed in service, by means other than or in conjunction with expansions or modernization.
- (m) “Other Basic Industry” means building and structures including fixed machinery, equipment and personal property not elsewhere described, used or to be used for the production of products or services, from which a majority of revenues generated by activity at the facility are derived from outside the City of Palacios.
- (n) “Regional Distribution Facility” means buildings and structures including fixed machinery, equipment, and personal property used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility, from which a majority of revenues generated activity at the facility are derived from outside the City of Palacios.
- (o) “Regional Entertainment/Tourism Facility” means buildings and structures, including fixed machinery, equipment, and personal property used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from the outside the City of Palacios.
- (p) “Regional Service Facility” means buildings and structures, including fixed machinery, equipment, and personal property used or to be used to provide a service, from which a majority of revenues generated by activity at the facility are derived from outside the City of Palacios.
- (q) “Reinvestment Zone-City Designated” means any area of the City of Palacios that has been designated a Reinvestment Zone or Enterprise Zone for tax abatement purposes and that is not within the tax jurisdiction of any incorporated municipality. It is the intent of the City of Palacios to designate such zones in a case-by-case basis.
- (r) “Reinvestment Zone-Taxing Entity Designated” means any area of the City of Palacios which lies within the tax jurisdiction of another taxing entity and has been designated a Reinvestment Zone by that taxing entity for tax abatement purposes. It is the intent of the City of Palacios to provide tax abatement within designated Reinvestment Zones as long as the taxing entity-granted tax abatement is in concert with the tax abatement guidelines contained herein.

- (s) “Research Facility” means buildings and structures, including fixed machinery, equipment, and personal property used or to be used primarily for research and experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (t) “New Machinery and Equipment and/ or Personal Property” means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure or permanently resides in the reinvestment or enterprise zone.
- (u) “Commercial Office Facility” means office buildings rented to non-retail users. These buildings may be designed as garden, mid-rise or high-rise structures.
- (v) “Retail Facility” means space provided for the conducting and management of business, storing and selling of goods directly to the consumer.
- (w) “Residential” means residential buildings, including single family and multifamily housing.
- (x) “Vehicles, vessels, or aircraft” means any new commercial use vehicles (commercial trucking and similar vehicles based in Palacios, Texas and rendered on Matagorda County Appraisal District Rolls), new commercial use vessels (commercial seafood ships, boats, or similar craft that lists Palacios, Texas as its home port and base of operations and is rendered on Matagorda County Appraisal District Rolls), or new commercial aircraft (any commercial aircraft, aircraft production, parts production facilities or any other aviation-related facility that lists Palacios, Texas as its base of operations and is rendered on Matagorda County Appraisal District Rolls).

Section 2
ABATEMENT AUTHORIZED

- (a) Authorized Tax Abatement Categories. The following categories may be eligible for abatement:

- Manufacturing facility,
- Residential housing,
- Research facility,
- Aquaculture/agriculture facility,
- Regional distribution facility,
- Regional service facility,
- Regional entertainment/tourism facility,
- Commercial office facility,
- Retail facility,
- Commercial use vehicles, vessels, or aircraft
- Other basic industry.

- (b) Authorized Date. A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction, provided, that such facility meets the Tax Abatement 2019-October 22

criteria granting tax abatement in reinvestment zones created in the City of Palacios pursuant to the guidelines and criteria adopt by the City Council and will be considered on a case-by-case basis.

- (c) **Creation of New Value.** Abatement may only be granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement by the City of Palacios and the property owner and/or lessee, subject to such limitations as the City Council may require.
- (d) **New and Existing Facilities.** Abatement may be granted to new facilities and improvements to existing facilities for purposes of modernization and expansion if they create new jobs and increase tax base as required by this policy, or if they are needed to retain existing jobs, except in the case of residential or retail tax abatement where jobs and other listed criteria are not a condition for abatement.
- (e) **Eligible Property.** Abatement may be extended to the value of buildings, structures, fixed machinery, equipment, personal property, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility. The economic life of the property, improvements and personal property must exceed the life of the abatement agreement.
- (f) **Ineligible Property.** The following classes of property shall be fully taxable and ineligible for abatement:
 - Land,
 - Inventories,
 - Supplies,
 - Deferred maintenance investments,
 - Property that is associated with any activity that is illegal under federal, state or local law.
- (g) **Leased Facilities.** If an authorized facility eligible for tax abatement is leased, the agreement shall be executed with both the lessor and the lessee.
- (h) **Value and Term of Abatement.** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement. The value and term of abatement on new eligible property shall be determined in accordance with the following: the objective and premium criteria listed in Section 2(k) will be used to determine whether it is in the best interest of the City of Palacios to provide tax abatement to a particular applicant. The total value of the tax abatement provided would depend upon the degree to which the specific project furthers the goals and objectives of the City of Palacios, and the relative impact of the project. Tax abatement will be subject to the following guidelines, with the exception of residential uses which follow separate criteria as outlined in Section 12:

- (1) As a general rule, no tax abatement will be granted in amount that exceeds the estimated costs to the City of Palacios for support of the project. To determine these costs, a fiscal model analysis will be used.
- (2) When an applicant project meets the eligibility criteria specified in the economic qualification Section 2(k) and achieve a score of *at least 50 points* that project may be granted tax abatement on *real property*. The length of time and the percentage of tax abatement will be determined according to the scoring scale found in SECTION 3: POINT CRITERIA.
- (3) When an applicant project meets the eligibility criteria specified in the economic qualification Section 2(k) and achieve a score of *at least 350 points* that project may be granted tax abatement on both *real and personal property*. The length of time and the percentage of tax abatement will be determined according to the scoring scale found in SECTION 3: POINT CRITERIA.
- (4) In some special instances, projects that meet the economic qualification for tax abatement may be considered for premium points for tax abatement even if they cannot meet the *100 point* score. These special instances include:
 - (a) Projects which contribute significantly to specific economic development goals but that may be small in scale.
 - (b) Small scale development, redevelopment or expansion projects in the City that make a significant impact on the area.
 - (c) Retention of existing industry where companies are making a significant investment in new machinery and equipment in effort to update their current technology which does not result in significant new construction to exiting facility, but where the new machinery and equipment will assist in maintaining or improving their competitive advantage in the market place, thus retaining current employment levels and/or adding employees while maintaining existing tax to the City.
- (i) Tax abatement formulas appropriate to the nature and scale of these projects may be negotiated if the *percentage and term* guidelines do not adequately meet the objectives of the project.
- (j) The duration of an abatement agreement shall not exceed 10 years or one-half (1/2) the economic life of the eligible property, whichever is less. Further, under no circumstances shall the value of the abatement exceed 100 percent (100%) of the eligible property in a single year.
- (k) Economic Qualification. In order to be eligible to receive tax abatement, the planned expansion or modernization of an existing enterprise or the planned new facility must meet the following qualifications:
 - (1) Be reasonably expected to increase the appraised value of the property in the amount of not less than seventy-five-thousand dollars (**\$75,000**) after construction is

completed or three (3) years from the commencement of construction, whichever is less.

- (2) Be expected to prevent the loss of employment or create employment for not less than one (1) person associated with the production of goods, and services at the authorized facility on a full-time, permanent basis in the City of Palacios. Two (2) or more part-time, permanent employees totaling an average of not less than 40 hours per week may be considered as one full-time, permanent employee.
 - (3) Companies seeking to qualify for tax abatement on the basis of job retention shall document that without the creation of an reinvestment zone and/or receiving tax abatement, the company will either reduce employment or cease operations.
 - (4) Not be expected to solely and primarily have the effect of transferring employment from one part of the City of Palacios to another.
 - (5) Companies must take every effort to use local resources (employees, materials, services, etc.).
- (l) Taxability. From the execution of the abatement agreement to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section 2 (f), above, shall be fully taxable.
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable.
 - (3) The additional value of new eligible property shall be taxable in accordance with terms of the tax abatement agreement.
 - (4) The additional value of new eligible property shall be taxable at the end of the abatement period.
- (m) Conflict of Interest. Property that is in reinvestment zone and that is owned or leased by a member of the governing body of the City of Palacios shall be excluded from property tax abatement.

Section 3 POINT CRITERIA

The following is an objective scoring scale designed to evaluate a number of specific components common to all applicants. Applicants are assigned points based upon comparable economic impact.

- (a) How many *new* jobs will be created? (Assign 50 points for the first job minimum requirement and 10 points per job for all additional ones.)

- (b) How many *existing* jobs will be retained? (Assign 50 points for the first job minimum requirement and 10 points per job for all additional ones.)
- (c) How much *new* local annual payroll will be created? (Assign 10 points per **\$25,000** of payroll.)
- (d) How much of existing payroll will be retained? (Assign 10 points per **\$25,000** of payroll.)
- (e) How much real property tax base valuation will be added? (Assign 10 points per **\$25,000** in real property up to \$1,000,000 in valuation and 1/2 point per \$250,000 above \$1,000,000.)
- (f) How much personal property tax base valuation will be added? (Assign 10 points per **\$25,000** in personal property up to \$1,000,000 in valuation and 1/2 point per \$250,000 above \$1,000,000.)

Points	REAL PROPERTY Percentage Per Year	PERSONAL PROPERTY Percentage per Year
50-149	75%-50%-35%-25%-10%	
150-199	75%-50%-50%-25%-10%	
200-249	75%-50%-50%-50%-10%	
250-299	75%-50%-50%-50%-50%	
300-349	75%-65%-50%-50%-50%	
350-399	75%-65%-65%-50%-50%	50%-35%-25%-15%-10%
400-449	75%-65%-65%-65%-50%	50%-50%-25%-15%-10%
450-499	75%-65%-65%-65%-65%	50%-50%-50%-15%-10%
501-599	75%-75%-75%-65%-65%	50%-50%-50%-50%-10%
550-600	75%-75%-75%-75%-75%	50%-50%-50%-50%-50%

Special tax abatement formulas may be negotiated for projects meeting the standard for tax abatement that achieve a point score that exceeds 600 points and more. Projects *may be* granted tax abatement on both real and personal property of up to 100% for a period of years.

In addition to the objective criteria for which specific points values can be assigned/subtracted, several additional considerations must be evaluated to obtain premium/penalty points of up to ten (10) points per items listed below. The applicant is asked to respond in written narrative format to the items listed below:

- (1) Is the project applicant a local company?
- (2) What types and values of public improvements, if any, will be made by the applicant?
- (3) Will the occupants of the project be owners or lessees? If lessee, is occupancy commitment (signed lease) already existing?

- (4) What positive impact will the project have on other taxing entities (Palacios Independent School District in particular)?
- (5) Are the new jobs to be created likely to be filled by the City of Palacios' labor pool?
- (6) Will the project substantially increase business opportunities for existing local suppliers and contracts? Please give specific examples.
- (7) Will the project compete with existing businesses to the detriment of the local economy?
- (8) Does the project pose any negative environmental, operational, and/or visual or other impacts (i.e., pollution, noise, traffic congestion, etc.)?

Section 4 APPLICATION

- (a) Any present or potential property owner of taxable property in City of Palacios may request the creation of a reinvestment zone and tax abatement by filing a written request with the Palacios City Manager. Nothing within these guidelines shall be construed to suggest that the City of Palacios or any taxing authority in the City of Palacios is under obligation to provide any abatement to any applicant even if certain criteria are met. The City and any other taxing authority reserve the right to reject any application.
- (b) The Applicant should complete the following forms:
 - (1) Application for Tax Abatement
 - (2) Fiscal Impact Model Worksheet, along with documentation of figures.
 - (3) Tax Abatement Objective Worksheet with documentation.
 - (4) Narrative form for premium points.
 - (5) Signed Site Inspection Certificate by City Inspector.
 - (6) Signed Affidavit by Matagorda County Tax Office that all taxes on property in question are paid and current.
- (c) These forms shall be accompanied by the following:
 - (1) A general written description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken.
 - (2) A descriptive list of the improvements that will be a part of the facility.
 - (3) A map and legal property description.
 - (4) A time schedule for undertaking and completing the planned improvements.
 - (5) Such financial and other information as deemed appropriate by the City Council for purposes of evaluating the application.
- (d) Upon receipt of a completed application, the City Manager shall notify, in writing, the presiding officer of the governing body of each affected taxing authority or entity. Before acting upon the application, the City Council shall, through public hearing, afford the applicant, designated representatives of any affected taxing authority or entity, and the

general public opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be clearly identified on a City Council agenda to be posted in accordance with the Texas Property Redevelopment and Tax Abatement Act and the Texas Open Meeting Act.

- (e) After receipt of an application for tax abatement, the City Council may require a feasibility study setting out the impact of the proposed reinvestment zone and tax abatement, and the expense of the study shall be the sole responsibility of the entity requesting the proposed abatement. The feasibility study shall include, but not be limited to, an estimate of the economic effect of the abatement of taxes and the cost/benefit to the City and other affected jurisdictions.
- (f) A request for tax abatement shall not be granted if the City Council finds that the request for abatement was filed after the commencement of construction, alternation, or installation of improvements related to proposed expansion, modernization or new facility authorized as eligible under these guidelines.
- (g) Variance. Request for variance from provisions of these guidelines may be made in written form to the City Manager or a designated City representative provided, however, that the term and value of abatement described in Section 2(h), above, are not subject to variance. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request for variance requires a three-fourth (3/4) vote of the City Council.

Section 5 PUBLIC HEARING

- (a) Should any affected jurisdiction be able to show cause in the public hearing why the grant of abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity or the provision of services, that showing shall be reason for the City to deny any designation of an Enterprise or Reinvestment Zone, the granting of abatement, or both.
- (b) Neither an Enterprise or Reinvestment Zone nor an abatement agreement shall be authorized if it's determined that:
 - (1) There would be a substantial adverse effect on the provision of government services or tax base,
 - (2) The applicant has insufficient financial capacity,
 - (3) Planned or potential use of the property would constitute a hazard to public safety, health or morals, or
 - (4) Planned or potential use of the property violates other codes or laws.

Section 6 AGREEMENT

- (a) After the approval, the City shall formally pass a resolution and execute an agreement with the owner of the facility and/or lessee, which shall include the following:
 - (1) Estimated value to be abated and the base year value;
 - (2) Percent of value to be abated each year as provided for in Section 3, above;
 - (3) The commencement and termination dates of the abatement;
 - (4) The proposed use of the facility, nature of the construction time schedule for construction and commencement of operations map, property description, and improvements as listed in the application under Sections 4(b) and 4(c), above;
 - (5) Contractual obligations in the event of default, violation of terms and conditions, delinquent taxes, recapture, administration and assignment as provided for in Sections 2(a), 2(g), 2(h) and Sections 3, 7, 8 and 9 or other provisions that may be required for uniformity or by state law, and
 - (6) Amount of investment in, and average number of jobs associated with, the facility during the abatement period.
- (b) Such agreement shall normally be executed within 60 days after the applicant has forwarded all necessary information and documentation for evaluation of the application to the City.

**Section 7
RECAPTURE**

- (a) In the event that the facility is completed and begins producing goods and/or services, but subsequently discontinues such production for any reason excepting fire, explosion or other casualty or natural disaster for a period of one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for the calendar year shall be paid to the City within sixty (60) days from the date of termination.
- (b) Should the City determine that the company or individual is in default according to the terms and conditions of the abatement agreement, the City shall notify the company or individual, in writing, at the address stated in the agreement, and if such non-compliance is not resolved within sixty (60) days from the date of such notice, then the agreement shall be terminated.
- (c) In the event that the company or individual:
 - (1) Allows its ad valorem taxes owed the City or affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or
 - (2) Violates any of the terms and conditions of the abatement agreement and fails to resolve such violations within sixty (60) days from the date of written notice of such violations, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

Section 8

ADMINISTRATION

- (a) The company must submit to the City or to the Palacios Economic Development Corporation, if so designated by the City, a copy of its quarterly report to the state during each year of the tax abatement. These reports will show the employment counts reported in the Company's Quarterly Report. The reports will be reviewed to see that the company is meeting/has met the conditions of the tax abatement agreement. If the company is deemed not in compliance with the agreement, the City Council may cancel or modify the agreement.
- (b) The agreement will be registered with both the Texas Department of Commerce and State Comptroller. This report must contain a general description of the reinvestment zone as well as information about the specific agreement - the name of parties involved, the project, the portion of the property to be exempt, and duration of the agreement.
- (c) The Chief Appraiser of the Matagorda County Appraisal District shall, as a normal consequence of his duties, annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement, including the number of new or retained employees associated with the facility. Once the value has been established, the Chief Appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.
- (d) The agreement shall stipulate that employees and/or designated representatives of the City will have access to the abatement property during the term of the abatement agreement to inspect the facility to determine if the company or individual is in compliance with the terms and conditions of the abatement agreement. All inspections will be made only after notification of not less than twenty-four (24) hours and will only be conducted in such manner as not to unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual present and in accordance with the company's safety standards.
- (e) Upon completion of construction, the City Manager or his representative shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the City Council and City Attorney. It is the responsibility of the property owner to annually certify to the governing body that the project is in compliance with the reinvestment zone creation agreement and tax abatement agreement.
- (f) All proprietary information required by the City for purposes of monitoring compliance by a company with the terms and conditions of an abatement agreement shall be considered confidential.
- (g) City of Palacios shall cancel the entire agreement if the property owner fails to comply with terms of the written agreement.

Section 9
ASSIGNMENT

- (a) Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the City Council subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the City of Palacios.
- (b) The expiration date of the new contractual agreement shall not exceed the termination date of the abatement agreement with the original owner and/or lessee.
- (c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to the City of Palacios or any affected taxing jurisdiction for outstanding taxes or other obligations.
- (d) Approval of a transferred and assigned agreement shall not be unreasonably withheld.

Section 10
SERVERABILITY AND LIMITATION

- (a) In the event that any section, clause, sentence, paragraph or any part of these Guidelines and Criteria shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid such invalidity shall not affect, impair, or invalidate the remainder of these Guidelines and Criteria.
- (b) The City Council of the City of Palacios shall take no action that imposes an economic or financial hardship upon any other taxing authority or entity in the City of Palacios. Further, the City Council of the City of Palacios shall not designate a reinvestment zone or enterprise zone or enter into an abatement agreement which composes penalty provisions, as provided in Section 312.206 and Section 312.402 of the Tax Code, upon any other taxing unit in the City of Palacios for failing to enter into an abatement agreement.

Section 11
SUNSET PROVISION

- (a) The “Guidelines and Criteria” are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the City of Palacios City Council to determine whether the goals of the abatement program have been achieved. Based upon that review, the “Guidelines and Criteria” may be modified, renewed or eliminated.
- (b) This policy is mutual exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention as agreed by the affected jurisdictions.

- (c) Prior to the date for review, as defined above, the “Guidelines and Criteria” may be modified by a two-thirds vote of the City Council, as provided for in the Texas Property Redevelopment and Tax Abatement Act.

Section 12 RESIDENTIAL TAX ABATEMENT

The following is an outline of recommended steps for review and consideration of applications for tax abatement in the City of Palacios based on the requirements contained in the Property Redevelopment and Tax Abatement Act (Tax Code, Chapter 312) and the “Guidelines and Criteria for the Granting of Tax Abatement in the City of Palacios,” adopted by the City Council on August 5, 1996 and re-adopted and amended on July 3, 2006, re-adopted and amended on July 9, 2013, re-adopted and amended on March 28, 2017, and re-adopted October 22, 2019.

(a) **Receipt of Application**

Upon Receipt of an application for tax abatement, the original and two (2) copies should be dated. The original should be placed in a central file in the City Clerk’s office.

One copy should be delivered to the City Tax Appraisal District Office and one copy should be provided to the local economic development organization (e.g., Palacios Economic Development Corporation [PEDC]).

(b) **Analysis of Application**

Prior to approving the resolution providing for a tax abatement agreement, the City Council shall request the following information:

The City Manager or the PEDC will determine if the facility is eligible under Section 2(a) of the Guidelines and Criteria, if the application was submitted prior to the commencement of construction or installation of equipment as provided in Section 2(b), and will review the description of improvements to determine if the value of the improvements exceeds the \$75,000 minimum requirement.

The Matagorda County Tax Office will determine if the applicant is delinquent in payment of taxes to the City or other affected taxing jurisdictions.

The City Attorney shall determine whether the application is in compliance with the adopted Guidelines and Criteria. If a variance from the Guidelines and Criteria is requested, the City Attorney shall determine if the request is consistent with the requirements provided in Section 3(f) of the Guidelines and Criteria.

(c) **Consideration of the Resolution to Grant Tax Abatement**

At a regularly scheduled meeting of the City Council, the Council members shall consider the application for tax abatement.

Following a public hearing on the request for tax abatement, the Council members approve one resolution unless they find one of the following reasons for denying the tax abatement:

- (a) The application is not consistent with the adopted Guidelines and Criteria;
- (b) There would be a substantial adverse effect on the provision of government services or tax base;
- (c) Planned or potential use of the property would constitute a hazard to public safety, health, or morals;
- (d) Planned or potential use of the property violates the Zoning Ordinance or other codes or laws, or
- (e) Action by the City Council would impose a penalty under Chapter 312 of the Texas Tax Code on another taxing jurisdiction.

(d) **Execution of an Abatement Agreement Contract**

Following approval of the resolution, the City Attorney shall prepare an abatement agreement contract that, at a minimum lists:

- (a) The kind, number, and location of all proposed improvements;
- (b) Provides access to and authorizes inspection of the property by City employees to ensure that the improvements are made according to the terms and conditions of the abatement agreement;
- (c) Limits the use of property consistent with the general purpose of encouraging development or redevelopment of the zone during the period of the agreement, and
- (d) Provides for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements as provided for in the agreement and keeps current on all taxes due to taxing entities.

(e) **Annual Determination of Taxable Value**

At the inception of the tax abatement agreement, the Matagorda County Central Appraisal District shall determine the base value of the facility. The base value of the facility is defined as the appraised value of the January 1st prior to the execution of the agreement, plus the value of any improvement made between January 1st and the date of the agreement.

Annually, the Matagorda County Central Appraisal District shall determine the taxable value of the facility based on the Guidelines and Criteria and report such value to all affected taxing jurisdictions.

Annually, the City or the PEDC, if so designated by the City, shall determine whether the company has made the improvements described in the application for abatement and has complied with the minimum investment and present such information to the City Manager with a recommendation on whether to continue or to terminate the agreement for non-compliance.

(f) **Recapture in the Event of Non-compliance**

If a residence is not in compliance with the abatement agreement or the owner becomes delinquent in payment of any taxes, the City Attorney shall provide notice to the owner of the determination of non-compliance and establish a deadline for resolution of the compliance issues as provided in Section 7(b) of the Guidelines and Criteria. If the compliance issues are not resolved, the City Attorney shall provide the owner and the Matagorda County Central Appraisal District notice of termination of the abatement

agreement. The Matagorda County Central Appraisal District shall recapture all taxes previously abated by virtue of the agreement as provided in Section 7(c)(2) of the Guidelines and Criteria.

(g) **Amount of Tax Abatement**

The tax abatement must adhere to the following schedule:

- Year 1 – 75% abatement
- Year 2 – 50% abatement
- Year 3 – 35% abatement
- Year 4 – 25% abatement
- Year 5 – 15% abatement



Texas Lottery Commission



Commissioners:

J. Winston Krause, Chairman

Mark A. Franz • Robert Rivera • Erik C. Saenz

Michael P. Farrell
Director

September 27, 2019

The Honorable Randall B. "Randy" Strong
City of Palacios
311 Henderson
Palacios, TX 77465-0845

Dear Mr./Ms. Strong:

This is the final notice I am sending regarding the requirements and deadlines imposed by the 86th Legislature's House Bill (HB) 914.

This letter is being sent to the provided point of contact and to offices in the county and municipalities that currently receive a share of the prize fees collected on charitable bingo activity that occurs in its jurisdiction.

The most immediate matter for your attention is that your local government will only continue to receive a share of the bingo prize fees collected after Jan. 1, 2020 if it meets the requirements set forth in HB 914 that require your governing body to:

- (1) approve the continued receipt of the share of bingo prize fee funds by a majority vote; and**
- (2) notify the TLC of that decision no later than Nov. 1, 2019; and**
- (3) notify each licensed authorized organization conducting bingo within the county's or municipality's jurisdiction, as applicable, of the continued imposition of the fee.**

Additionally, under the language of the bill, the **only** way a city/municipality can be certain their share of prize fees will go to charities instead of the county in which the city is located is for the city to take two votes: first, a vote **before Nov. 1** to continue receiving the prize fees; then, **after Nov. 1, a second vote to discontinue receiving the prize fees.**

Similarly, under the language of the bill, the **only** way a county can be certain their share of prize fees will go to charities instead of the city/municipality in said county where bingo is conducted is for the county to take two votes: first, a vote **before Nov. 1** to continue receiving the prize fees; then, **after Nov. 1, a second vote to discontinue receiving the prize fees.**

The bill author for HB 914, Representative Senfronia Thompson, provided the Commission with a letter of legislative intent regarding provisions related to the allocation of bingo prize fees to local governments and licensed bingo charities. Enclosed is a copy of this letter for your review.



Capitol Office:
Room 38.6
P.O. Box 2910
Austin, Texas 78768
phone (512) 463-0720

TEXAS HOUSE OF REPRESENTATIVES

Senfronia Thompson

District Office:
10527 Homestead
Houston, Texas 77016
phone (713) 633-3390
fax (713) 633-7830

September 19, 2019

Winston Krause
Chairman
Texas Lottery Commission
611 East 6th Street
Austin, Texas 78701

Dear Chairman Krause:

It has come to my attention that House Bill 914 (86R) contains an unintended ambiguity regarding the allocation to local governments and bingo charities of prize fees collected by the charities from bingo players.

The purpose in passing H.B. 914 was to keep with the spirit of our Texas Constitution in requiring "all proceeds from the games are spent in Texas for charitable purposes of the organization." House Bill 914 provides an opportunity for the charities to obtain additional proceeds from their bingo operations by allowing cities and counties that previously received a portion of the fees to opt not to impose the fees going forward. If a local government opts not to impose the fee, the charities would be required to deposit the money into their general funds to be used solely for charitable purposes.

The ambiguity involves situations in which a bingo hall is located in a county that previously received a portion of the prize fees and also in a city that previously received a portion of the fees. The Legislature's intention was to have the share previously received by a local government that opted out to go to the charity, such that if before November 1st the county opted in and the city opted out, the city's share would go to the charities. It was not the Legislature's intent, in that scenario, for the city's share to go to the county, which would deprive the charity of money it generates through its bingo operations. This intent can be seen by the fact that the statute clearly provides that if either local government opts out on or after November 1st, the money from a local government that opts out goes to the charity and not the other local government. The Legislature did not intend a different allocation of these prize fees depending on whether the vote took place before or after October 31st and there would be no conceivable policy reason to do so.





GLEN SMITH – Mayor
 JOHNNY TRAN – Councilmember Place 1
 DONNA HARVEY SCHULMAN – Councilmember Place 2
 MARY CROCKER – Councilmember Place 3
 TROY LEWIS – Councilmember Place 4
 WAYNE DODD – Councilmember Place 5
 STEPHEN MCGOVERN – Councilmember Place 6

**CITY OF PALACIOS
 CITY COUNCIL REGULAR MEETING MINUTES
 October 8, 2019**

REGULAR COUNCIL MEETING 7PM

CALL TO ORDER – Mayor Glen Smith at 7:00 pm

INVOCATION – Councilmember Crocker

PLEDGE OF ALLEGIANCE – Councilmember Dodd

PLEDGE TO TEXAS FLAG – Councilmember Dodd

PLEDGE TO PALACIOS FLAG – Councilmember Dodd

VISITOR / CITIZEN FORUM

1. Patricia Loving was pleased to see goals for the City but would also like to see a plan of action.
2. Jennifer Chau announced the Second Annual Dog Mayor of Palacios, a fundraiser for Lucky Strykes Rescue
3. Chip Woolf congratulated the Council on the goals for the City stating that it is a great start but the goals need to be more specific

PROCLAMATION – October 2019 – “Domestic Violence Awareness Month”

ADMINISTRATIVE REPORTS

1. Update on Downtown Revitalization Project – David Kocurek updated Council on the project stating that it should be complete by the end of October
2. Palacios Regatta is October 19-20, 2019
3. Pedal Palacios is Saturday, October 26, 2019
4. Harvest Moon Dinner and Dance is Saturday, November 2, 2019 at 6pm at the Recreation Center
5. HGAC dinner meeting Thursday, November 7, 2019
6. City of Palacios Fall Clean Up was Saturday, September 28, 2019
7. Chief Miles to present new vehicles for the Palacios Police Department – Chief Miles presented 2 new vehicles for the police department

ITEMS TO BE CONSIDERED

1. Discuss and consider action to approve the second reading of ORDINANCE 2019-O-9 amending section A2.04.004 of Appendix "A" Article A2.04 "Impoundment" of the Code of Ordinances of the City of Palacios, Texas to change the charges for the impoundment of unlicensed animals; containing a savings clause; repealing inconsistent ordinances; and providing for the effective date thereof.
Councilmember McGovern motioned to approve the second reading of Ordinance 2019-O-9
Councilmember Dodd seconded
There was no opposition
With no opposition, the motion carried
2. Discuss and consider accepting an Annual Financial Audit Proposal for the year ending September 30, 2019 for the City of Palacios.
Councilmember Schulman motioned to accept the Audit Proposal submitted by Baker Stogner for the year ending September 30, 2019
Councilmember McGovern seconded
There was no opposition
With no opposition, the motion carried
3. Discuss and consider action to approve Ordinance 2019-O-10 to revise the Budget Adjustments for the year ending September 30, 2019 for the City of Palacios
Councilmember Dodd motioned to approve Ordinance 2019-O-10
Councilmember Crocker seconded
There was no opposition
With no opposition, the motion carried
4. Discuss and consider accepting the City of Palacios Goals for fiscal year 2019-2020
There was no motion
5. Discuss and consider the designation of Councilmember McGovern as the City of Palacios Representative to the General Assembly of the HGAC and Councilmember Dodd as the Official Alternate for the year 2020
Mayor Glen Smith motioned to designate Councilmember McGovern as the City of Palacios Representative to the General Assembly of the HGAC and Councilmember Dodd as the Official Alternate for the year 2020
Councilmember Crocker seconded
There was no opposition
With no opposition, the motion carried
6. Discuss and consider approving an Interlocal Agreement with Matagorda County to accept \$35,000 to assist in adding additional parking at the Palacios Pavilion.
Councilmember McGovern motioned to approve an Interlocal Agreement with Matagorda County to accept \$35,000 to assist in adding additional parking at the Palacios Pavilion
Councilmember Dodd seconded
AYE votes – 4
NAY votes – 1
Absent votes – 2
The motion carried
7. Discuss and consider action to approve the following consent agenda items:
Minutes of the September 24, 2019 Regular Council Meeting
Councilmember Schulman motioned to approve the consent agenda items
Councilmember Dodd seconded
There was no opposition
With no opposition, the motion carried

EXECUTIVE SESSION – There was no 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)

ADJOURN

Councilmember McGovern motioned to adjourn the meeting at 7:40 pm

Councilmember Dodd seconded

There was no opposition

With no opposition, the motion carried

Glen Smith, Mayor

Clissa Mills, City Secretary