



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
 July 23, 2019**

Notice is hereby given of a Regular Council Meeting of the Palacios City Council to be held July 23, 2019, beginning at 7:00 p.m. in the Council Chambers of City Hall, 311 Henderson Avenue, Palacios, TX, for the purpose of considering the following items:

BUDGET WORKSHOP 6:30 PM

REGULAR COUNCIL MEETING 7:00 PM

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. City Manager's Report for June 2019
2. Pavilion Report for June 2019
3. Update on Downtown Revitalization Project
4. Update on 2018-2019 Fiscal Year Audit
5. Public notices for the CDBG-DR Grant (Hurricane Harvey eligible water system and eligible street improvements) have been posted for the 30 day comment period at City Hall and on our website.

ITEMS TO BE CONSIDERED

1. Discuss and consider accepting the Quarterly Financial Statement as of June 30, 2019.
2. Discuss and consider accepting the Quarterly Investment Report as of June 30, 2019.
3. Discuss and consider approving Ordinance 2019-O-5 which amends the City of Palacios Budget for 2018-2019.
4. Discuss and consider action to approve the following consent agenda items:
 Minutes of the July 9, 2019 Regular Council Meeting
 Approve the absence of Councilmember Dodd from the July 9, 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 July 23, 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 July 19, 2019.

Clissa Mills

Clissa Mills, City Secretary

posted 3pm
7-19-19



City Manager's
MONTHLY REPORT
June 2019

HURICANE HARVEY

- Closing out FEMA damage projects
- Grantworks surveying the community for Harvey CDBG-DR project applications for the City.
- Working with GrantWorks to complete application and submit to GLO for Harvey CDBG-DR funds.

ADMINISTRATION

- Contractor 95% complete on the IKE CDBG-DR grant to rehabilitate Lift Stations.
- Working with GLO to submit application to fund the match for generators through CDBG-DR Program.
- TxDOT Aviation Department for Palacios Airport Improvements Grant to repair Runway 13-31, taxiways, and terminal apron; Engineer is working with TXDOT Aviation to submit and advertise for bids.
- Closing out H-GAC Recycle Center Expansion Project Grant; received additional \$15,000 in grant funding.
- Opened bids and awarded bid for the sidewalk project utilizing the Downtown Revitalization Grant from Texas Department of Agriculture; construction to begin by the end of July.
- Ordered generator for City Hall utilizing the Rebuild Texas Grant funds.

PUBLIC WORKS

- Work Orders Completed: 6 water leaks, 14 animal calls, 3 sewer stoppage calls, 15 miscellaneous work orders, 96 completed work orders; cleaned ditches, resetting culverts and cleaning out existing culverts; repaired potholes.
- Completed the installation of a six-inch water line to service Humphrey from 10th to 11th streets.
- Mowed RR Park and other city properties, water plants, and 14 lift stations.
- Completed the demo at the Luther Hotel.
- Scheduled the demo of the building on 1st and Welch; owner providing the roll-offs and dumping fees.

AIRPORT

- Mowed and sprayed around buildings, runways, and hangers
- Met with Engineers to discuss final design and project implementation schedule for Ramp Grant project.

POLICE

- Calls for Service 445
- Citations 111 Warnings 68 issued, and 12 arrests
- Cases Assigned 37, Cases Closed 27
- Traffic accidents 2

FIRE

- Fire Department continues to search for additional grants for new Fire Station.
- Fire Department held a ground-breaking for new Fire Station.
- Contractor to begin site work and bring in fill for the Fire Station site.

BUILDING PERMITS AND CODE ENFORCEMENT

- Permits - New construction 0 , Remodel 10 , Electrical 5, Plumbing 5, Mechanical 6, Roofing 4, Leveling 1, Demo 3, Driveway 3, MEP's , Misc. permits, Plan Reviews, & Consultations , and Inspections 34
- Code Enforcement – Contacts 10 , Letters 12, door hangers 2 and worked with PD on 2 abandoned vehicles.

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	YES	\$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	NOT PAID	\$900.00
EVERYDAY HEROES NATIONAL GUARD	24-Aug-19	SATURDAY	\$250.00	NOT PAID	\$550.00
INDIVIDUAL	9-27 & 9-28-19	FRI/SAT	\$500.00	YES	\$800.00
INDIVIDUAL	19-Oct-19	FRI	\$250.00	NOT PAID	\$650.00
PALACIOS VOLUNTEER FIRE DEPARTMENT	11-Jan-20	SATURDAY	\$250.00	NOT PAID	\$550.00
MATAGORDA BIRDFEST	28-Mar-20	SATURDAY	\$250.00	NOT PAID	\$550.00

TOTALS \$10,150.00

TOTALS \$17,650.00

**PUBLIC NOTICE
CITY OF PALACIOS
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
HURRICANE HARVEY DISASTER RECOVERY PROGRAM**

The City of Palacios will submit a CDBG-DR application for \$113,733 for eligible water system improvements with citywide benefit in Palacios related to Hurricane Harvey declared disaster events to the General Land Office (GLO) CDBG-DR Hurricane Harvey Disaster Recovery Program. Applications will be available for review on and after July 15th, 2019 at the City Hall at 311 Henderson, Palacios, Texas, 77465 during regular business hours for at least thirty days.

**AVISO PUBLICO
LA CIUDAD DE PALACIOS
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DE TEXAS
HURRICANE HARVEY DISASTER RECOVERY PROGRAM**

La ciudad de Palacios presentará una solicitud CDBG-DR por \$113,733 para actividades elegibles de mejoramientos a los sistemas de agua en con beneficios para toda la ciudad relacionadas con eventos de desastre declarados del Huracán Harvey a la Oficina General de Tierras (GLO) CDBG-DR Programa de Recuperación de Desastres del Huracán Harvey. Las solicitudes estarán disponibles para revisión después del 15 de julio, 2019 en el Palacio Municipal localizado en 311 Henderson, Palacios, Texas, 77465 durante el horario normal de oficina por un periodo mínimo de treinta días.

**PUBLIC NOTICE
CITY OF PALACIOS
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
HURRICANE HARVEY DISASTER RECOVERY PROGRAM**

The City of Palacios will submit a CDBG-DR application for \$1,301,127 for eligible street improvements in Northeast Palacios related to Hurricane Harvey declared disaster events to the General Land Office (GLO) CDBG-DR Hurricane Harvey Disaster Recovery Program. Applications will be available for review on and after July 15th, 2019 at the City Hall at 311 Henderson, Palacios, Texas, 77465 during regular business hours for at least thirty days.

**AVISO PUBLICO
LA CIUDAD DE PALACIOS
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) DE TEXAS
HURRICANE HARVEY DISASTER RECOVERY PROGRAM**

La ciudad de Palacios presentará una solicitud CDBG-DR por \$1,301,127 para actividades elegibles de mejoramientos a las carreteras y calles en el noreste de la Ciudad relacionadas rcon eventos de desastre declarados del Huracán Harvey a la Oficina General de Tierras (GLO) CDBG-DR Programa de Recuperación de Desastres del Huracán Harvey. Las solicitudes estarán disponibles para revisión después del 15 de Julio, 2019 en el Palacio Municipal localizado en 311 Henderson, Palacios, Texas, 77465 durante el horario normal de oficina por un periodo mínimo de treinta días.

City of Palacios
Financial Statement
As of June 30, 2019

General Fund

Percent of Year Complete 75%

Revenues	Budget	Y-T-D Actual	Percent of Budget
Property taxes	\$ 1,545,000	\$ 1,499,401	97%
Licenses & Permits	45,000	45,402	101%
Other Local Taxes	678,500	473,086	70%
Fines & Court Costs	95,000	40,709	43%
Miscellaneous	26,000	21,004	81%
Fund to Fund Transfers	150,600	112,950	75%
Leases & Contributions	165,485	115,006	69%
Recycling Revenues	12,800	6,663	52%
Park Reservation Fees	4,000	2,710	68%
Community Improv / Weedlots	631,873	595,521	94%
Total Revenues	\$ 3,354,258	\$ 2,912,453	87%

Expenditures

Council	\$ 27,650	\$ 19,246	70%
Elections	300	-	0%
Administration	593,050	424,394	72%
Legal	8,000	7,920	99%
Corporation Court	99,400	72,314	73%
Library	30,000	22,500	75%
Police Department	1,095,200	813,448	74%
Fire Department	45,000	13,287	30%
Recycle	204,965	204,571	100%
Swimming Pool	14,750	14,693	100%
Parks	132,600	98,685	74%
Streets	183,900	16,221	9%
Animal Control	28,400	24,635	87%
Special Items			
Recycling Grant	217,880	204,205	94%
Police Grant Proceeds	10,000	2,824	28%
Grant Revenue	105,500	90,500	86%
Weed Lots/Demolitions	500	-	0%
Capital Lease Proceeds	297,993	297,993	100%
Total Expenditures	\$ 3,095,088	\$ 2,327,437	75%

Revenue Over/ (Under)

Expenditures	\$ 259,170	\$ 585,016
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City of Palacios
 Financial Statement
 As of June 30, 2019

Water Fund

Percent of Year Complete 75%

Revenues	Budget	Y-T-D Actual	Percent of Budget
Water & Sewer	\$ 1,632,000	\$ 1,109,170	68%
Service & Penalty Charges	\$ 52,500	\$ 36,562	70%
Garbage	-	33,623	0%
Miscellaneous	4,500	5,575	124%
Total Revenues	\$ 1,689,000	\$ 1,184,930	70%
Expenditures			
Water Department	\$ 631,500	\$ 457,694	72%
Sewer	273,050	187,352	69%
Special Items	784,750	129,305	16%
Total Expenditures	\$ 1,689,300	\$ 774,351	46%
Revenue Over/ (Under) Expenditures	\$ (300)	\$ 410,579	

City of Palacios
Financial Statement
As of June 30, 2019

Airport Fund

Percent of Year Complete 75%

	Budget	Y-T-D Actual	Percent of Budget
Revenues			
Fuel Sales	\$ 20,000	\$ 8,647	43%
Hangar Rent & Tiedowns	6,300	4,515	72%
PISD School Barn Lease	150	-	0%
Golf Assoc Lease	100	-	0%
T Hangar Lease	6,000	4,500	75%
Farming Lease	1,900	1,800	95%
Grazing Lease	21,900	21,938	100%
Interest Income	-	8	0%
Misc Receipts	-	-	0%
TxDot Reimbursement	134,000	\$ 12,129	9%
Total Revenues	\$ 190,350	\$ 53,535	28%
Expenditures			
Airport	\$ 60,675	\$ 43,765	72%
Special Items	18,000	14,064	78%
Total Expenditures	\$ 78,675	\$ 57,829	74%
Revenue Over/ (Under) Expenditures	\$ 111,675	\$ (4,294)	

City of Palacios
 Financial Statement
 As of June 30, 2019

Equipment Fund

Percent of Year Complete 75%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 155,000	\$ 115,567	75%
Expenditures	\$ 155,000	\$ 91,325	59%
Revenue Over/ (Under) Expenditures	\$ -	\$ 24,243	

City of Palacios
Financial Statement
As of June 30, 2019

Hotel/Motel Tax Fund

Percent of Year Complete 75%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 31,100	\$ 32,687	105%
Expenditures	\$ 31,000	\$ 17,750	57%
Revenue Over/ (Under) Expenditures	\$ 100	\$ 14,937	

City of Palacios
Financial Statement
As of June 30, 2019

Economic Development Fund

Percent of Year Complete 75%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 176,500	\$ 134,889	76%
Expenditures	\$ 481,500	\$ 422,137	88%
Revenue Over/ (Under) Expenditures	\$ (305,000)	\$ (287,248)	

City of Palacios
Financial Statement
As of June 30, 2019

Pavilion Fund

Percent of Year Complete 75%

	Budget	Y-T-D Actual	Percent of Budget
Revenues	\$ 30,500	\$ 13,503	44%
Expenditures	\$ 26,000	\$ 7,012	27%
Revenue Over/ (Under) Expenditures	\$ 4,500	\$ 6,491	

CITY OF PALACIOS, TEXAS
QUARTERLY INVESTMENT REPORT
FOR THE QUARTER ENDED JUNE 30, 2019

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

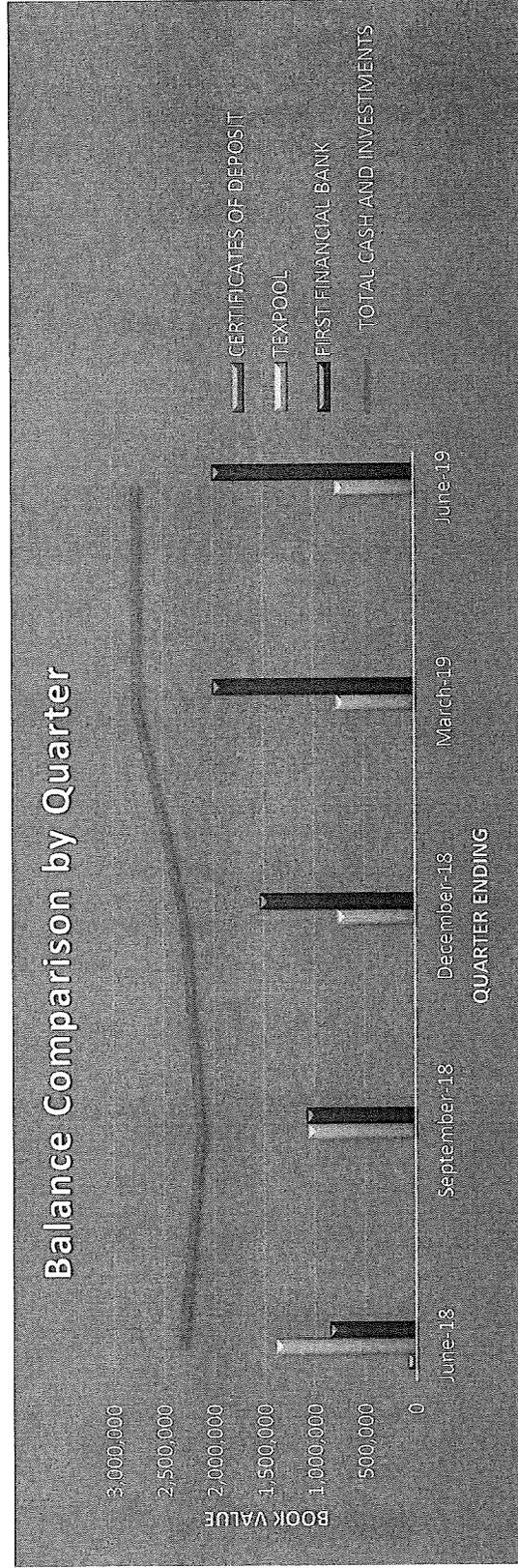
Investment Officer: Hammy McDonald
Hammy McDonald, City Treasurer

Date: 7/3/2019

CITY OF PALACIOS, TEXAS
Quarterly Investment Report
As of June 30, 2019

Balance Comparison by Quarter

INVESTMENT BALANCES BY TYPE	Book Value 6/30/2018	Book Value 9/30/2018	Book Value 12/31/2018	Book Value 3/31/2019	Book Value 6/30/2019
CERTIFICATES OF DEPOSIT	\$ 86,853	\$ -	\$ -	\$ -	\$ -
TEXPOOL	\$ 1,387,379	\$ 1,062,903	\$ 768,201	\$ 772,758	\$ 777,401
FIRST FINANCIAL BANK	\$ 852,261	\$ 1,077,938	\$ 1,539,101	\$ 2,008,522	\$ 2,000,387
TOTAL CASH AND INVESTMENTS	\$ 2,326,493	\$ 2,140,841	\$ 2,307,302	\$ 2,781,280	\$ 2,777,789



ORDINANCE NO 2019-O-5

AN ORDINANCE OF THE CITY OF PALACIOS, TEXAS REVISING BUDGETED LINE ITEMS WHICH SHALL SUPERSEDE ALL PREVIOUSLY ADOPTED ORDINANCES AND AMENDMENTS

WHEREAS, the City Council has determined that there is a need to adjust certain line items in the 2018-2019 budget due to changed circumstances; and

WHEREAS, the budget requires amendment to reallocate funds due to unforeseen changes in revenue and expenditures; NOW THEREFORE:

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

SECTION 1. That the appropriation for the fiscal year beginning October 1, 2018, and ending September 30, 2019, of the different departments and purposes of the City of Palacios is amended to read as follows as to the listed line items:

WATER FUND		INCREASE	DECREASE
REVENUES			
Interest Income	02 04700	\$900.00	
Insurance Reimbursement	02 04730	\$600.00	
EXPENSES			
Water Department			
Water Samples & Testing	02-22-05230		\$2,000.00
Statements Print/Mail Service	02-22-05303		\$1,000.00
Travel-Training-Dues	02-22-05310		\$1,000.00
Other – Capital Outlay	02-22-05530	\$20,000.00	
Sewer Department			
Chemicals	02-23-05070		\$5,000.00
Stationary Equipment	02-23-05120		\$1,000.00
Contractual Services	02-23-05300		\$2,500.00
Travel-Training-Dues	02-23-05310		\$1,000.00
Health Insurance	02-23-05710		\$5,000.00

SECTION 2. That the budget amendments above be made in accordance with the Budget of the City Manager as revised by the City Council, and in accordance with the provisions in the State of Texas and adopted by the City Council, which Budget is made a part of this ordinance by reference thereto and shall be considered in connection with the expenditure of the above appropriations.

SECTION 3. If any provisions, section, exception, subsection, 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 4. 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 5. That this Ordinance shall take effect and be in full force and effect from and after that date of its passage and publication as required by the laws of the State of Texas.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Palacios, Texas upon one reading this 23rd day of July, 2019.

CITY OF PALACIOS, TEXAS

Glen Smith, Mayor

ATTEST:

CLISSA MILLS, City Secretary

APPROVED AS TO FORM:

RANDALL B. STRONG, City Attorney

Department Budget Line Item Transfer

Date of Request: 07/23/19
Requested by: Tammy McDonald
Department: Multiple

Transfer to Line Item				
Line item Description	Account Number	Current FY 19 Budget	Amount Increased	New Line Item Budget
INTEREST INCOME	02 04700	\$2,000.00	\$900.00	\$2,900.00
INSURANCE REIMBURSEMENT	02 04730	\$200.00	\$600.00	\$800.00
				\$0.00
				\$0.00
REVENUE TOTAL			\$1,500.00	Total REV Incre:
OTHER - CAPITAL OUTLAY	02 22-05530	\$54,850.00	\$20,000.00	\$74,850.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
EXPENSES TOTAL			\$20,000.00	TOTAL EXP INCI
				-18,500.00 Total REV Increase

Transfer from Line Item				
Line item Description	Account Number	Current FY 19 Budget	Amount Decreased	New Line Item Budget
WATER SAMPLES & TESTING	02 22-05230	\$4,000.00	\$2,000.00	\$2,000.00
STATEMENT PRINT/MAIL SERVICE	02 22-05303	\$15,000.00	\$1,000.00	\$14,000.00
TRAVEL-TRAINING-DUES	02 22-05310	\$4,000.00	\$1,000.00	\$3,000.00
CHEMICALS	02 23-05070	\$15,000.00	\$5,000.00	\$10,000.00
STATIONARY EQUIP MAIN	02 23-05120	\$20,000.00	\$1,000.00	\$19,000.00
CONTRACTUAL SERVICES	02 23-05300	\$10,000.00	\$2,500.00	\$7,500.00
TRAVEL-TRAINING-DUES	02 23-05310	\$3,000.00	\$1,000.00	\$2,000.00
HEALTH INSURANCE	02 23-05710	\$15,000.00	\$5,000.00	\$10,000.00
				\$0.00
				\$0.00
				\$0.00
				\$18,500.00 Total EXP Decrease

Net transfers 0.00 NO TRANSFERS NEEDED

Justification for line item transfer: (Net transfers = 0.00)

Additional monies needed for Well
See attached Justification

Approved by: _____ Date _____
City Manager

Entered in system: _____ Date _____
Finance Department

BUDGET ADJUSTMENT JUSTIFICATION FORM

1. We have collected more money in Interest Income (02 04700) than budgeted so we are increasing the budget by \$900.00 for a total budget of \$2,900.00.
2. We have collected more money in Insurance Reimbursements (02 04730) than budgeted so we are increasing the budget by \$600.00 for a total budget of \$800.00.
3. The budget was \$54,850.00 for Other – Capital Outlay in Water Department (02 22-05530). Due to an additional fix needed for Water Well#6 the budget will be over. We are increasing the budget by \$20,000.00 for a total budget of \$74,850.00.
4. The budget for Water Samples & Testing in the Water Department (02 22-05230) was \$4,000.00. We are lowering the budget by \$2,000.00 in order to cover part of the expenses to the Well for a total budget of \$2,000.00.
5. The budget for Statement Print/Mail Service in the Water Department (02 22-05303) was \$15,000.00. We are lowering the budget by \$1,000.00 in order to cover part of the expenses to the Well for a total budget of \$14,000.00.
6. The budget for Travel-Training-Dues in the Water Department (02 22-05310) was \$4,000.00. We are lowering the budget by \$1,000.00 in order to cover part of the expenses for the Well for a total budget of \$3,000.00.
7. The budget for Chemicals in the Sewer Department (02 23-05070) was \$15,000.00. We are lowering the budget by \$5,000.00 in order to cover part of the expenses for the Well for a total budget of \$10,000.00.
8. The budget for Stationary Equipment in the Sewer Department (02 23-05120) was \$20,000.00. We are lowering the budget by \$1,000.00 in order to cover part of the expenses for the Well for a total budget of \$19,000.00.
9. The budget for Contractual Services in the Sewer Department (02 23-05300) was \$10,000.00. We are lowering the budget by \$2,500.00 in order to cover part of the expenses for the Well for a total budget of \$7,500.00.
10. The budget for Travel-Training-Dues in Sewer Department (02 23-05310) was \$3,000.00. We are lowering the budget by \$1,000.00 in order to cover part of the expenses for the Well for a total budget of \$2,000.00.
11. The budget for Health Insurance in Sewer Department (02 23-05710) was \$15,000.00. We are lowering the budget by \$5,000.00 in order to cover part of the expenses for the Well for a total budget of \$10,000.00.



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 STEPHEN MCGOVERN – Councilmember Place 6

**CITY OF PALACIOS
 CITY COUNCIL REGULAR MEETING MINUTES
 July 9, 2019**

REGULAR COUNCIL MEETING 7PM

CALL TO ORDER – Mayor Glen Smith at 7:00 pm
INVOCATION – Councilmember Crocker
PLEDGE OF ALLEGIANCE – Councilmember Tran
PLEDGE TO TEXAS FLAG – Councilmember Tran
PLEDGE TO PALACIOS FLAG – Councilmember Tran

VISITOR / CITIZEN FORUM

1. Rick Klauss discussed dirty water at his residence, debris in front of his home, street repairs, and stop signs.
2. Troy Lewis thanked the City for helping the Lions Club with the July 4th celebration.
3. Ana Jimenez requested for the ditch in front of her house located at 510 Perryman to be cleaned out because of standing water when it rains.

ADMINISTRATIVE REPORTS

1. Chamber of Commerce event Poker in Palacios is Saturday, July 13th at 11am
2. Update on Downtown Revitalization Project
3. Update on 2018-2019 Fiscal Year Audit

ITEMS TO BE CONSIDERED

1. Discuss and consider action to approve the following consent agenda items:
 Minutes of the June 25, 2019 Regular Council Meeting
 Approve the absence of Councilmember McGovern from the June 25, 2019 regular council meeting
 Councilmember Crocker motioned to approve the minutes of the June 25, 2019 Regular Council Meeting and the absence of Councilmember McGovern from the June 25, 2019 regular council meeting
 Councilmember Lewis seconded
 There was no opposition

With no opposition, the motion carried

EXECUTIVE SESSION

In accordance with Chapter 551, Government Code, (Open Meetings Law) the Council
May go into Executive (closed) session in order to:

Consult with its attorney (551.071)

Discuss Real Estate transaction (551.072)

Deliberation regarding prospective gifts or donation (551.073)

Discuss personnel matters (551.074)

Deliberation regarding security devices (551.076)

Discuss economic development negotiations (551.087)

ADJOURN

Councilmember McGovern motioned to adjourn the meeting at 7:25 pm

Councilmember Tran seconded

There was no opposition

With no opposition, the motion carried

Glen Smith, Mayor

Clissa Mills, City Secretary