



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
 November 12, 2019**

Notice is hereby given of a Regular Council Meeting of the Palacios City Council to be held at 7pm on November 12, 2019, in the Council Chambers of City Hall, 311 Henderson Avenue, Palacios, TX, for the purpose of considering the following items:

REGULAR COUNCIL MEETING

CALL TO ORDER

INVOCATION – Councilmember Crocker

PLEDGE OF ALLEGIANCE – Councilmember Schulman

PLEDGE TO TEXAS FLAG – Councilmember Schulman

PLEDGE TO PALACIOS FLAG – Councilmember Schulman

VISITOR / CITIZEN FORUM

PROCLAMATION – Proclaim January 2020 as School Board Recognition Month

ADMINISTRATIVE REPORTS

1. Update on Downtown Revitalization Project
2. Thanksgiving Lunch at City Hall November 14th at Noon
3. Seaside Holiday is Saturday December 7th, 2019
4. Christmas Party Friday December 13th at 6pm at the Pavilion
5. Update on Fire Station – Mike Hooper

ITEMS TO BE CONSIDERED

1. Discuss and consider award of hospital equipment contract for base bid and alternate for contract CEF #7218250 to Imaging Associates in the amount of \$98,000.00
2. Discuss and consider accepting the bid of Matagorda County Hospital District for the purchase of property owned by the City of Palacios located at 312 Main Street, Palacios, Texas
3. Discuss and consider award of construction contract for base bid and alternate for contract 7218351 Water Improvements Grant to Mercer Construction in the amount of \$268,482.00
4. Discuss and consider action to approve Resolution 2019-R-17 to dissolve the City of Palacios Bingo Tax Fee paid to the City of Palacios

5. Discuss and consider action to approve Resolution 2019-R-21 nominating John Connor to serve on the Matagorda County Appraisal District's Board of Directors for the 2020/2021 term.
6. Discuss and consider approving a Chapter 380 Economic Development agreement between the City of Palacios and SAL Holdings, LLC
7. Discuss and consider approving the use of Govdeals.com for the City of Palacios online auctions for surplus property such as vehicles, furniture, etc
8. Discuss and consider cancelling the November 26, 2019 Regular Council Meeting.
9. Discuss and consider cancelling the December 24, 2019 Regular Council Meeting.
10. Discuss and consider action to approve the following consent agenda items:
 Minutes of the October 22, 2019 Regular Council Meeting
 Approve the absence of Mayor Glen Smith from the October 22, 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)
 1. Discuss City Manager's Compensation
 2. Municipal Court Associate Judge
- Deliberation regarding security devices (551.076)
- Discuss economic development negotiations (551.087)

Council to Re-Convvene in Open session for Official Action:

ACTION ON EXECUTIVE SESSION:

1. Discuss and make a recommendation regarding City Manager's Compensation
2. Appointment of Associate Municipal Judge for a 2 year term.

ADJOURN

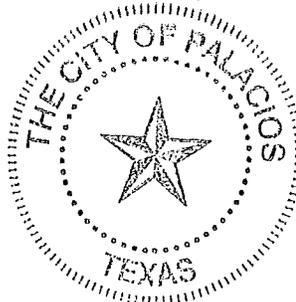
In compliance with the Americans with Disabilities Act, the City of Palacios will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact City Hall, at 361.972.3605.

CERTIFICATION

I certify that a copy of the November 12, 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 November 8, 2019.

Clissa Mills

Clissa Mills, City Secretary



WHEREAS, the mission of the public schools is to meet the diverse educational needs of all children and to empower them to become competent, productive contributors to a democratic society and an ever-changing world; and

WHEREAS, local school board members are committed to children and believe that all children can be successful learners and that the best education is tailored to the individual needs of the child; and

WHEREAS, local school board members work closely with parents, educational professionals, and other community members to create the educational vision we want for our students; and

WHEREAS, local school board members are responsible for ensuring the structure that provides a solid foundation for our school system; and

WHEREAS, local school board members are strong advocates for public education and are responsible for communicating the needs of the school district to the public and the public's expectations to the district;

NOW, THEREFORE, I, Mayor Glen Smith, do hereby declare my appreciation to the members of the Palacios School Board and proclaim the month of January 2020, as

SCHOOL BOARD RECOGNITION MONTH in Palacios, Texas. I urge all citizens to join me in recognizing the dedication and hard work of local school board members and in working with them to mold an education system that meets the needs of both today's and tomorrow's children.

IN OFFICIAL RECOGNITION WHEREOF, I hereby affix my signature this

12th day of November, 2019.

Glen Smith, MAYOR

ATTEST:

CLISSA MILLS, CITY SECRETARY

cmills@cityofpalacios.org

From: Missy Carugati <missy.carugati@grantworks.net>
Sent: Friday, November 8, 2019 2:05 PM
To: CMills@cityofpalacios.org; dkocurek@cityofpalacios.org; tMcDonald@cityofpalacios.org
Subject: 7218250 Bid tab and recommendation
Attachments: Bid Tab 2 Palacios CEF 7218078.b.pdf

Hello All-

I have reviewed the incoming bids for the Community Enhancement Fund and found Imaging Associates to be the lowest bidder as well as qualified for the project.

In order to get this item on the **Nov. 12** agenda, we are submitting the information to you today.

City of Palacios- Please add item to **Discuss and consider award of hospital equipment contract for CEF #7218250.**

subsequent meeting minutes showing award should include the following:

- Contract Number (7218250)
- Awarded Contractor (Imaging Associates, if awarded)
- Contract Amount (\$98,000.00, if base bid and alternate awarded)

Thank you, please let me know if you have any questions.

--

Missy Carugati | Community Development Project Manager | (512) 420-0303 x 315 | missy.carugati@grantworks.net

GrantWorks, Inc. | 2201 Northland Drive, Austin TX 78756 | www.grantworks.net



Bid Tabulation

City Palacios

CEF Contract # 7218078

Bid Date 11/4/2019

Base Bid	Description	Quantity	Imaging Associates	Siemens
1	Ultrasound Unit	1	\$87,500.00	\$99,500.00
			-	
			-	
Base Bid total			\$87,500.00	\$99,500.00
Alternate	3D/4D Imaging package			\$3,259.00
				\$10,799.00
				\$24,500.00
TOTAL Alternate			\$10,500.00	\$38,558.00
Total			\$98,000.00	\$138,058.00



MATAGORDA REGIONAL
MEDICAL CENTER
Your Health. Your Hospital.

October 28, 2019

Clissa Mills, City Secretary
PO Box 845
Palacios, Texas 77465

Re: Public Notice Sale of City Property

Dear Ms. Mills,

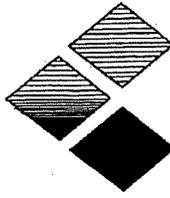
Please accept this letter as Matagorda County Hospital District's (MCHD) bid offering of **Forty Thousand and One Dollar and no/100 (\$40,001.00)** for the purchase of City-owned property located at 312 Main (POT Block 29, Lots 7-9, Parcel ID 42097), Palacios, Texas 77465.

MCHD has worked to improve the Sanford Building on Main Street and completely renovated Dr. Kelly Rynchek's former Dental Office Building to provide an excellent environment for Palacios Women, Infant and Children needing WIC participant services. We sincerely appreciate the sidewalk repair and the City's effort to grow and beautify Main Street Palacios.

The proposed property would allow MCHD space for future growth and development. Enclosed is a deposit of Two Thousand Dollars and 05/100 (\$2,000.05), 5% of our offer. Thank you for your consideration of this purchase.

Sincerely,

J. Warren Robicheaux, CEO
Matagorda County Hospital District



URBAN

engineering

November 8, 2019

RE: U.E. Job No: E21788.00
City of Palacios 2018 Water Improvements
TxCDBG Contract No. 7218351
Recommendation of Award.

Mr. David Kocurek, City Manager
City of Palacios
311 Henderson
Palacios, Texas 77465

Dear David:

Public bids were opened on November 6, 2019 for the City of Palacios 2018 Water Improvements TxCDBG Contract No. 7218351 project. The following bids were received:

	<u>Total Base Bid</u>	<u>Total Alternate No. 1</u>	<u>Total Base Bid and Alternate No. 1</u>	<u>Calendar Days for Substantial Completion</u>
Mercer Construction Company	\$207,730.00	\$60,752.00	\$268,482.00	150
Lester Contracting, Inc.	\$210,936.00	\$59,087.00	\$270,023.00	180
JTM Construction, LLC	\$233,452.00	\$65,581.00	\$299,033.00	90
Rhoades Land Leveling & Excavation	\$304,710.00	\$70,870.00	\$375,580.00	270
Coast to Coast Construction, Inc.	\$317,412.00	\$93,078.00	\$410,490.00	120

After reviewing the bids, I recommend that the project be awarded to the low bidder, Mercer Construction Company, in the amount of \$268,482.00 for the Base Bid (\$207,730.00) and Alternate No. 1 (\$60,752.00). A bid tabulation is attached showing the unit prices and totals for the five bids received.

If you have any questions, please do not hesitate to contact our office.

Sincerely,



Matt A. Glaze, P.E.
Project Engineer

MAG/bjh

Attachment

cc: Missy Carugati
Community Development Project Manager
GrantWorks, Inc.

**BID TABULATION
CITY OF PALACIOS
2018 WATER IMPROVEMENTS
TXCDBG CONTRACT NO. 7218351**

BID DATE: NOVEMBER 6, 2019

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	MERCER CONSTRUCTION COMPANY		LESTER CONTRACTING, INC.		JTM CONSTRUCTION, LLC		RHOADES LAND LEVELING & EXCAVATION		COAST TO COAST CONSTRUCTION, INC.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
BASE BID GENERAL													
1.	Mobilization, Insurance and Bonds (Maximum 5% of Base Bid)	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 11,500.00	\$ 11,500.00	\$ 18,000.00	\$ 18,000.00	\$ 15,000.00	\$ 15,000.00
2.	Barriercading & Traffic Control (Furnish, Install, Maintain & Remove Signs & Warning Devices) (Includes Flagmen & Traffic Handling)	1	LS	\$ 500.00	\$ 500.00	\$ 3,500.00	\$ 3,500.00	\$ 2,000.00	\$ 2,000.00	\$ 18,000.00	\$ 18,000.00	\$ 2,000.00	\$ 2,000.00
3.	Storm Water Pollution Prevention Plan (Prepare, Implement and Maintain Storm Water Plan and Controls)	1	LS	\$ 850.00	\$ 850.00	\$ 1,500.00	\$ 1,500.00	\$ 3,000.00	\$ 3,000.00	\$ 15,000.00	\$ 15,000.00	\$ 2,000.00	\$ 2,000.00
4.	Construction Staking	1	LS	\$ 500.00	\$ 500.00	\$ 4,500.00	\$ 4,500.00	\$ 2,000.00	\$ 2,000.00	\$ 6,600.00	\$ 6,600.00	\$ 1,000.00	\$ 1,000.00
SUBTOTAL GENERAL					\$ 11,850.00	\$ 19,500.00	\$ 19,500.00	\$ 18,500.00	\$ 18,500.00	\$ 57,600.00	\$ 57,600.00	\$ 20,000.00	\$ 20,000.00
5TH STREET WATER SYSTEM IMPROVEMENTS													
5.	Waterline (4") (PVC) (Non-Paved Areas)	35	LF	\$ 30.00	\$ 1,050.00	\$ 24.50	\$ 857.50	\$ 21.00	\$ 735.00	\$ 25.00	\$ 875.00	\$ 30.00	\$ 1,050.00
6.	Waterline (4") (PVC) (Asphalt Paved Areas)	27	LF	\$ 65.00	\$ 1,755.00	\$ 34.50	\$ 931.50	\$ 97.00	\$ 2,619.00	\$ 62.00	\$ 1,674.00	\$ 42.00	\$ 1,134.00
7.	Waterline (6") (PVC) (Non-Paved Areas)	23	LF	\$ 32.00	\$ 736.00	\$ 27.00	\$ 621.00	\$ 23.00	\$ 529.00	\$ 25.00	\$ 575.00	\$ 40.00	\$ 920.00
8.	Waterline (6") (PVC) (Asphalt Paved Areas)	12	LF	\$ 67.00	\$ 804.00	\$ 49.75	\$ 597.00	\$ 102.00	\$ 1,224.00	\$ 62.00	\$ 744.00	\$ 52.00	\$ 624.00
9.	Waterline (6") (PVC) (Non-Paved Areas)	1,015	LF	\$ 45.00	\$ 35,625.00	\$ 26.00	\$ 26,390.00	\$ 28.00	\$ 28,420.00	\$ 29.00	\$ 29,435.00	\$ 40.00	\$ 40,600.00
10.	Waterline (6") (PVC) (Gravel Areas)	362	LF	\$ 45.00	\$ 16,290.00	\$ 30.00	\$ 10,860.00	\$ 79.00	\$ 28,595.00	\$ 44.00	\$ 15,928.00	\$ 42.00	\$ 15,204.00
11.	Waterline (6") (PVC) (Asphalt Paved Areas)	190	LF	\$ 70.00	\$ 13,300.00	\$ 37.50	\$ 7,125.00	\$ 103.00	\$ 19,570.00	\$ 67.00	\$ 12,730.00	\$ 52.00	\$ 9,880.00
12.	Waterline (6") (PVC) (Concrete Paved Areas)	16	LF	\$ 125.00	\$ 2,000.00	\$ 51.50	\$ 824.00	\$ 129.00	\$ 2,064.00	\$ 80.00	\$ 1,280.00	\$ 82.00	\$ 1,312.00
13.	Fitting (Cross) (8" x 6")	2	EA	\$ 450.00	\$ 900.00	\$ 200.00	\$ 400.00	\$ 388.00	\$ 776.00	\$ 700.00	\$ 1,400.00	\$ 400.00	\$ 800.00
14.	Fitting (Band) (4" 80 Deg)	8	EA	\$ 185.00	\$ 1,480.00	\$ 70.00	\$ 560.00	\$ 182.00	\$ 1,456.00	\$ 350.00	\$ 2,800.00	\$ 200.00	\$ 1,600.00
15.	Fitting (Band) (6" 45 Deg)	6	EA	\$ 285.00	\$ 1,710.00	\$ 370.00	\$ 2,220.00	\$ 261.00	\$ 1,566.00	\$ 600.00	\$ 3,600.00	\$ 480.00	\$ 2,880.00
16.	Fitting (Band) (6" 90 Deg)	2	EA	\$ 300.00	\$ 600.00	\$ 370.00	\$ 740.00	\$ 278.00	\$ 556.00	\$ 750.00	\$ 1,500.00	\$ 600.00	\$ 1,200.00
17.	Fitting (Reducer) (6" x 4")	4	EA	\$ 150.00	\$ 600.00	\$ 290.00	\$ 1,160.00	\$ 185.00	\$ 740.00	\$ 750.00	\$ 3,000.00	\$ 400.00	\$ 1,600.00
18.	Fitting (Tee) (8" x 6")	2	EA	\$ 350.00	\$ 700.00	\$ 550.00	\$ 1,100.00	\$ 393.00	\$ 786.00	\$ 650.00	\$ 2,600.00	\$ 800.00	\$ 3,200.00
19.	Fitting (Plug) (8")	4	EA	\$ 225.00	\$ 900.00	\$ 270.00	\$ 1,080.00	\$ 190.00	\$ 760.00	\$ 500.00	\$ 2,000.00	\$ 300.00	\$ 1,200.00
20.	Fitting (Plug) (4")	4	EA	\$ 175.00	\$ 700.00	\$ 215.00	\$ 860.00	\$ 135.00	\$ 540.00	\$ 500.00	\$ 2,000.00	\$ 300.00	\$ 1,200.00
21.	Fitting Gate Valve (6")	6	EA	\$ 710.00	\$ 4,260.00	\$ 1,150.00	\$ 6,900.00	\$ 914.00	\$ 5,484.00	\$ 1,650.00	\$ 9,900.00	\$ 2,000.00	\$ 12,000.00
22.	Fitting Gate Valve (8")	2	EA	\$ 1,065.00	\$ 2,130.00	\$ 3,120.00	\$ 6,240.00	\$ 1,310.00	\$ 2,620.00	\$ 4,000.00	\$ 8,000.00	\$ 4,000.00	\$ 8,000.00
23.	Fire Hydrant (All Depths)	2	EA	\$ 2,150.00	\$ 4,300.00	\$ 3,620.00	\$ 7,240.00	\$ 2,708.00	\$ 5,416.00	\$ 4,000.00	\$ 8,000.00	\$ 4,000.00	\$ 8,000.00
24.	Install Water Service (3/4" Short Side)	1	EA	\$ 565.00	\$ 565.00	\$ 750.00	\$ 750.00	\$ 675.00	\$ 675.00	\$ 950.00	\$ 950.00	\$ 500.00	\$ 500.00
25.	Relocate Existing Water Meter	1	EA	\$ 250.00	\$ 250.00	\$ 450.00	\$ 450.00	\$ 100.00	\$ 100.00	\$ 900.00	\$ 900.00	\$ 500.00	\$ 500.00
26.	Locate & Connect to Existing Water Line (4" Wet)	4	EA	\$ 850.00	\$ 3,400.00	\$ 1,395.00	\$ 5,580.00	\$ 762.00	\$ 3,048.00	\$ 1,800.00	\$ 7,200.00	\$ 1,800.00	\$ 7,200.00
27.	Locate & Connect to Existing Water Line (6" Wet)	4	EA	\$ 1,200.00	\$ 4,800.00	\$ 1,550.00	\$ 6,200.00	\$ 900.00	\$ 3,600.00	\$ 2,000.00	\$ 8,000.00	\$ 2,400.00	\$ 9,600.00
27a.	Remove Existing Fire Hydrant	2	EA	\$ 150.00	\$ 300.00	\$ 1,200.00	\$ 2,400.00	\$ 300.00	\$ 600.00	\$ 600.00	\$ 1,200.00	\$ 500.00	\$ 1,000.00

BID TABULATION
CITY OF PALACIOS
2018 WATER IMPROVEMENTS
TXCDBG CONTRACT NO. 7218351

BID DATE: NOVEMBER 6, 2019

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	MERCER CONSTRUCTION COMPANY			LESTER CONTRACTING, INC.			JTM CONSTRUCTION, LLC			RHOADES LAND LEVELING & EXCAVATION			COAST TO COAST CONSTRUCTION, INC.		
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	
27b.	Remove Existing Valve	7	EA	\$ 200.00	\$ 1,400.00	\$ 400.00	\$ 2,800.00	\$ 300.00	\$ 2,100.00	\$ 500.00	\$ 3,500.00	\$ 700.00	\$ 4,900.00					
SUBTOTAL 5TH STREET WATER SYSTEM IMPROVEMENTS					\$ 1,400.00	\$ 93,246.00	\$ 114,468.00	\$ 125,891.00	\$ 130,764.00									
LUCAS STREET WATER SYSTEM IMPROVEMENTS																		
28.	Waterline (1.5") (PVC) (Non-Paved Areas)	75	LF	\$ 15.00	\$ 1,125.00	\$ 16.00	\$ 1,200.00	\$ 18.00	\$ 1,425.00	\$ 15.00	\$ 1,125.00	\$ 30.00	\$ 2,250.00					
29.	Waterline (1.5") (PVC) (Asphalt Paved Areas)	10	LF	\$ 45.00	\$ 450.00	\$ 21.00	\$ 210.00	\$ 95.00	\$ 950.00	\$ 50.00	\$ 500.00	\$ 40.00	\$ 400.00					
30.	Waterline (2") (PVC) (Asphalt Paved Areas)	10	LF	\$ 16.00	\$ 160.00	\$ 58.00	\$ 580.00	\$ 24.00	\$ 240.00	\$ 25.00	\$ 250.00	\$ 42.00	\$ 420.00					
31.	Waterline (6") (PVC) (Non-Paved Areas)	828	LF	\$ 32.00	\$ 26,496.00	\$ 25.00	\$ 20,700.00	\$ 75.00	\$ 19,872.00	\$ 26.00	\$ 20,700.00	\$ 40.00	\$ 33,120.00					
32.	Waterline (6") (PVC) (Gravel Areas)	157	LF	\$ 42.00	\$ 6,594.00	\$ 30.00	\$ 4,356.00	\$ 99.00	\$ 11,775.00	\$ 40.00	\$ 6,280.00	\$ 52.00	\$ 7,540.00					
33.	Waterline (6") (PVC) (Asphalt Paved Areas)	145	LF	\$ 67.00	\$ 9,715.00	\$ 50.00	\$ 7,250.00	\$ 124.00	\$ 14,355.00	\$ 72.00	\$ 10,440.00	\$ 120.00	\$ 17,400.00					
34.	Waterline (6") (PVC) (Concrete Paved Areas)	16	LF	\$ 125.00	\$ 2,000.00	\$ 80.00	\$ 1,280.00	\$ 28.00	\$ 448.00	\$ 29.00	\$ 464.00	\$ 40.00	\$ 640.00					
35.	Waterline (8") (PVC) (Non-Paved Areas)	12	LF	\$ 35.00	\$ 420.00	\$ 45.00	\$ 540.00	\$ 103.00	\$ 1,236.00	\$ 67.00	\$ 804.00	\$ 52.00	\$ 624.00					
36.	Waterline (8") (PVC) (Asphalt Paved Areas)	12	LF	\$ 70.00	\$ 840.00	\$ 99.00	\$ 1,188.00	\$ 220.00	\$ 2,640.00	\$ 600.00	\$ 7,200.00	\$ 600.00	\$ 7,200.00					
37.	Fitting (Bend) (6") (90 Deg)	3	EA	\$ 300.00	\$ 900.00	\$ 370.00	\$ 1,110.00	\$ 279.00	\$ 837.00	\$ 389.00	\$ 1,167.00	\$ 200.00	\$ 600.00					
38.	Fitting (Bend) (6") (90 Deg)	4	EA	\$ 450.00	\$ 1,800.00	\$ 700.00	\$ 2,800.00	\$ 310.00	\$ 1,240.00	\$ 310.00	\$ 1,240.00	\$ 200.00	\$ 800.00					
39.	Fitting (Cross) (8" x 6")	1	EA	\$ 35.00	\$ 35.00	\$ 80.00	\$ 80.00	\$ 250.00	\$ 250.00	\$ 150.00	\$ 150.00	\$ 200.00	\$ 200.00					
40.	Fitting (Lap) (2")	1	EA	\$ 50.00	\$ 50.00	\$ 420.00	\$ 420.00	\$ 280.00	\$ 280.00	\$ 840.00	\$ 840.00	\$ 500.00	\$ 500.00					
41.	Fitting (Lap) (6" x 6")	3	EA	\$ 425.00	\$ 1,275.00	\$ 490.00	\$ 1,470.00	\$ 190.00	\$ 570.00	\$ 380.00	\$ 1,140.00	\$ 1,000.00	\$ 3,000.00					
42.	Fitting (Plug) (6")	2	EA	\$ 225.00	\$ 450.00	\$ 270.00	\$ 540.00	\$ 158.00	\$ 316.00	\$ 310.00	\$ 620.00	\$ 400.00	\$ 800.00					
43.	Fitting (Plug) (6")	2	EA	\$ 400.00	\$ 800.00	\$ 535.00	\$ 1,070.00	\$ 452.00	\$ 904.00	\$ 800.00	\$ 1,600.00	\$ 1,400.00	\$ 2,800.00					
44.	Fitting Gate Valve (2")	4	EA	\$ 710.00	\$ 2,840.00	\$ 1,560.00	\$ 6,240.00	\$ 906.00	\$ 3,624.00	\$ 452.00	\$ 1,808.00	\$ 2,000.00	\$ 8,000.00					
45.	Fitting Gate Valve (6")	1	EA	\$ 1,065.00	\$ 1,065.00	\$ 1,560.00	\$ 1,560.00	\$ 1,264.00	\$ 1,264.00	\$ 2,400.00	\$ 2,400.00	\$ 2,200.00	\$ 2,200.00					
46.	Fitting Gate Valve (6")	2	EA	\$ 2,130.00	\$ 4,260.00	\$ 3,120.00	\$ 6,240.00	\$ 2,709.00	\$ 5,418.00	\$ 4,000.00	\$ 8,000.00	\$ 4,000.00	\$ 8,000.00					
47.	Fitting Gate Valve (8")	1	EA	\$ 1,210.00	\$ 1,210.00	\$ 1,445.00	\$ 1,445.00	\$ 1,075.00	\$ 1,075.00	\$ 1,200.00	\$ 1,200.00	\$ 2,400.00	\$ 2,400.00					
48.	Install Water Service (3/4") (Long Side)	15	EA	\$ 565.00	\$ 8,475.00	\$ 750.00	\$ 11,250.00	\$ 875.00	\$ 13,125.00	\$ 300.00	\$ 4,500.00	\$ 900.00	\$ 13,500.00					
49.	Install Water Service (3/4") (Short Side)	3	EA	\$ 250.00	\$ 750.00	\$ 450.00	\$ 1,350.00	\$ 100.00	\$ 300.00	\$ 300.00	\$ 900.00	\$ 2,700.00	\$ 8,100.00					
50.	Relocate Existing Water Meter																	
51.	Locate & Connect to Existing Water Line (6") (Wet)	2	EA	\$ 1,050.00	\$ 2,100.00	\$ 2,400.00	\$ 4,800.00	\$ 668.00	\$ 1,336.00	\$ 2,000.00	\$ 4,000.00	\$ 3,000.00	\$ 6,000.00					
52.	Locate & Connect to Existing Water Line (8") (Wet)	2	EA	\$ 1,200.00	\$ 2,400.00	\$ 1,500.00	\$ 3,000.00	\$ 900.00	\$ 1,800.00	\$ 2,000.00	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00					
53.	Remove Existing Fire Hydrant	3	EA	\$ 150.00	\$ 450.00	\$ 400.00	\$ 1,200.00	\$ 300.00	\$ 900.00	\$ 600.00	\$ 1,800.00	\$ 700.00	\$ 2,100.00					
53a.	Remove Existing Valve	4	EA	\$ 200.00	\$ 800.00	\$ 400.00	\$ 1,600.00	\$ 300.00	\$ 1,200.00	\$ 500.00	\$ 2,000.00	\$ 500.00	\$ 2,000.00					
53b.	Remove Existing Valve																	
SUBTOTAL LUCAS STREET WATER SYSTEM IMPROVEMENTS					\$ 95,425.00	\$ 98,190.00	\$ 100,464.00	\$ 121,219.00	\$ 166,648.00									
TOTAL BASE BID					\$ 207,730.00	\$ 210,936.00	\$ 233,452.00	\$ 304,710.00	\$ 317,412.00									

**BID TABULATION
CITY OF PALACIOS
2018 WATER IMPROVEMENTS
TXCDBG CONTRACT NO. 7218351**

BID DATE: NOVEMBER 6, 2019

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	MERCER CONSTRUCTION COMPANY		LESTER CONTRACTING, INC.		JTM CONSTRUCTION, LLC		RHOADES LAND LEVELING & EXCAVATION		COAST TO COAST CONSTRUCTION, INC.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
ALTERNATE NO. 1 - LUCAS STREET WATER SYSTEM IMPROVEMENTS													
A1.	Waterline (6") (PVC) (Non-Paved Areas)	642	LF	\$ 32.00	\$ 20,544.00	\$ 25.00	\$ 16,050.00	\$ 24.00	\$ 15,408.00	\$ 25.00	\$ 16,050.00	\$ 40.00	\$ 25,680.00
A2.	Waterline (6") (PVC) (Gravel Areas)	89	LF	\$ 42.00	\$ 3,738.00	\$ 28.00	\$ 2,492.00	\$ 78.00	\$ 6,942.00	\$ 40.00	\$ 3,560.00	\$ 42.00	\$ 3,738.00
A3.	Waterline (6") (PVC) (Asphalt Paved Areas)	155	LF	\$ 67.00	\$ 10,385.00	\$ 30.00	\$ 4,650.00	\$ 102.00	\$ 15,810.00	\$ 62.00	\$ 9,610.00	\$ 52.00	\$ 8,060.00
A4.	Fitting (Te) (6" x 6")	2	EA	\$ 425.00	\$ 850.00	\$ 490.00	\$ 980.00	\$ 634.00	\$ 1,268.00	\$ 1,200.00	\$ 2,400.00	\$ 500.00	\$ 1,000.00
A5.	Fitting (Te) (6" x 6") (Cut In)	1	EA	\$ 1,500.00	\$ 1,500.00	\$ 1,370.00	\$ 1,370.00	\$ 933.00	\$ 933.00	\$ 1,650.00	\$ 1,650.00	\$ 2,000.00	\$ 2,000.00
A6.	Fitting Gate Valve (6")	4	EA	\$ 710.00	\$ 2,840.00	\$ 1,150.00	\$ 4,600.00	\$ 1,412.00	\$ 5,648.00	\$ 2,000.00	\$ 8,000.00	\$ 2,000.00	\$ 8,000.00
A7.	Fire Hydrant (All Depths)	2	EA	\$ 1,200.00	\$ 2,400.00	\$ 3,620.00	\$ 7,240.00	\$ 2,790.00	\$ 5,580.00	\$ 4,000.00	\$ 8,000.00	\$ 4,000.00	\$ 8,000.00
A8.	Install Water Service (3/4") (Long Side)	9	EA	\$ 1,210.00	\$ 10,890.00	\$ 1,445.00	\$ 13,005.00	\$ 1,107.00	\$ 9,963.00	\$ 1,500.00	\$ 13,500.00	\$ 1,800.00	\$ 16,200.00
A10.	Install Water Service (3/4") (Short Side)	7	EA	\$ 565.00	\$ 3,955.00	\$ 750.00	\$ 5,250.00	\$ 695.00	\$ 4,865.00	\$ 950.00	\$ 6,650.00	\$ 500.00	\$ 3,500.00
A11.	Relocate Existing Water Water	1	EA	\$ 250.00	\$ 250.00	\$ 450.00	\$ 450.00	\$ 103.00	\$ 103.00	\$ 600.00	\$ 600.00	\$ 700.00	\$ 700.00
A12.	Remove Existing Fire Hydrant	2	EA	\$ 150.00	\$ 300.00	\$ 600.00	\$ 1,200.00	\$ 309.00	\$ 618.00	\$ 600.00	\$ 1,200.00	\$ 700.00	\$ 1,400.00
TOTAL ALTERNATE NO. 1 - LUCAS STREET WATER SYSTEM IMPROVEMENTS					\$ 60,752.00		\$ 59,087.00		\$ 85,981.00		\$ 70,870.00		\$ 93,078.00
TOTAL BASE BID + ALTERNATE NO. 1					\$ 268,482.00		\$ 270,023.00		\$ 299,033.00		\$ 375,580.00		\$ 410,490.00
CALENDAR DAYS - SUBSTANTIAL COMPLETION					150		180		90		270		120

RESOLUTION NO. 2019-R-17

**A RESOLUTION TO DISSOLVE THE CITY OF PALACIOS BINGO TAX FEE
PAID TO THE CITY OF PALACIOS**

WHEREAS, the City of Palacios receives a bingo fee (normally less than \$100.00 a year) from 3 organizations who hold bingo during their fundraisers:

WHEREAS, HB 914 will go in effect as of January 1, 2020 stating that if the City of Palacios wants to continue to receive this bingo fee we need a majority vote;

WHEREAS, the City of Palacios believes that the community would be better served by dissolving the bingo fee and allowing the 3 organizations to keep the bingo fee in order to help the community.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALACIOS, TEXAS:

SECTION 1: That the City Council of the City of Palacios does hereby dissolve the City of Palacios bingo fee that the City of Palacios receives from the State of Texas; and

SECTION 2: That the City Council of the City of Palacios agrees to no longer ask the organizations to pay this tax to the State of Texas or to the City of Palacios.

SECTION 3: That this resolution shall become effective from and after the date of its passage.

PASSED, APPROVED, and ADOPTED on this the 12th day of November, 2019.

CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

ATTEST:

CLISSA MILLS, City Secretary

RESOLUTION NO. 2019-R-21

**A RESOLUTION OF THE CITY OF PALACIOS, TEXAS,
CASTING AN OFFICIAL BALLOT IN THE MATAGORDA
COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS
ELECTION.**

WHEREAS, SB 621. Section 6.039 (g) requires that each taxing unit entitled to vote, cast their vote by resolution and to submit to the Chief Appraiser of the Matagorda County Appraisal District by December 15, 2019; and

WHEREAS, the City of Palacios has 92 votes to cast on our Official Ballot as issued by the Chief Appraiser; **NOW, THEREFORE**,

THE CITY COUNCIL OF THE CITY OF PALACIOS nominates **JOHN CONNOR** for election of the Board of Directors for Matagorda County Appraisal District for the 2020-2021 Election.

PASSED, APPROVED AND ADOPTED on this 12th day of November, 2019.

CITY OF PALACIOS, TEXAS

GLEN SMITH, Mayor

Attest:

CLISSA MILLS, City Secretary

Matagorda County Appraisal District

2225 Avenue G
Bay City, Texas 77414
979-244-2031

October 29, 2019

Mayor Glen Smith & City of Palacios City Council
City of Palacios
311 Henderson
Palacios TX 77465

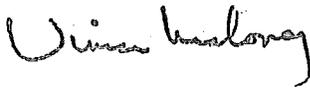
RE: Official Ballot for voting on the 2020/2021 Matagorda County Appraisal District Board of Directors

Enclosed is the official ballot to vote on the 2020/2021 Board of Directors for the Matagorda County Appraisal District. This is an agenda item for the governing body and will need a resolution from the governing body attached to complete the ballot. Each ballot has the number of votes to be cast by the voting entity.

The voting entity's ballot and resolution must be received by the Chief Appraiser before December 15, 2019. You may email to mcad@co.matagorda.tx.us or you can mail to Vince Maloney, Chief Appraiser, Matagorda County Appraisal District, 2225 Avenue G, Bay City, Texas 77414.

If you have any questions, please do not hesitate to call 979-244-2031.

Sincerely,



Vince Maloney
Chief Appraiser

OFFICIAL BALLOT

Matagorda County Appraisal District Board of Directors Election For Term 2020-2021

Issued to: City of Palacios
Number of Votes: 92

List of Candidates:

David Cobb	Votes Received	_____
John Connor	Votes Received	_____
Joe Enoch	Votes Received	_____
Jay Kennedy	Votes Received	_____
Tony Kucera Jr	Votes Received	_____
Stephen Zapalac	Votes Received	_____

Date: _____

Mayor Glen Smith
City of Palacios

S.B. 621 Section 6.039(g) Requires the above action to be taken by resolution, therefore; please Attach a copy of the resolution to this ballot and return to: Vince Maloney, Chief Appraiser, Matagorda County Appraisal District, 2225 Avenue G, Bay City, Texas 77414.

Ballots & Resolutions should be received by the appraisal district before December 15, 2019.

CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN

**THE CITY OF PALACIOS, TEXAS
A Home-Rule Municipality and SAL HOLDINGS, LLC**

**STATE OF TEXAS §
 §
COUNTY OF MATAGORDA §**

This Chapter 380 Economic Development Agreement (the "Agreement") is made and entered into by and between the City of Palacios, Texas, a home-rule municipality (the "City"), and SAL Holdings LLC (the "Developer"), hereinafter collectively referred to as the "Parties" and sometimes individually referred to as a "Party."

RECITALS

WHEREAS, the purpose of this Agreement is to encourage residential growth and major economic development in the City through the planning, development, and construction of a residential subdivision of new single-family housing which will attract new residents to the City thereby stimulating new commercial development to the City which attracts new and retains primary employment within the City;

WHEREAS, the City desires to offer incentives to the Developer that will enable the Developer to develop the Property as a Residential Subdivision Development in conformity to the City of Palacios Subdivision Ordinance;

WHEREAS, the City believes that a new subdivision development will contribute to the economic development of the City by generating sales taxes, ad valorem taxes, and employment, which will help stimulate the overall local economy.

WHEREAS, the City also recognizes the positive economic impact the Project will have on the City through the creation of new single-family housing, the attraction of new residents to the City, and the reduction of unemployment through the creation of new jobs that may be associated with the Project, and the retention and growth of the ad valorem tax revenue generated by the Project;

WHEREAS, consistent with Chapter 380 of the Texas Local Government Code, and Article III, Section 52-a of the Texas Constitution, the City may establish and provide for the administration of a program for the making of loans or grants of public money and providing personnel and services to promote state or local economic development and to stimulate business and commercial activity in the municipality;

WHEREAS, consistent with Chapter 380 of the Texas Local Government Code, and Article III, Section 52-a of the Texas Constitution and other applicable law, the City hereby establishes an economic development program whereby the City agrees to make a grant of a rebate of Ad Valorem Property Taxes;

WHEREAS, the City hereby concludes that this Agreement promotes economic development in the City and, as such, meets the requirements under the law for an economic development program for which a grant of public money is allowed, and, further, is in the best interest of the City and the surrounding community;

WHEREAS, Developer will agree to put in all the needed public infrastructure; i.e. water, sewer, roads, gas, electric and drainage needed to construct a residential subdivision;

WHEREAS, Developer will provide all the development and financing to construct the residential subdivision;

WHEREAS, Developer has agreed to satisfy and comply with the terms and conditions of this Agreement in exchange for and as consideration for economic development incentives from the City in the form of a rebate of Ad Valorem Property Taxes paid to the City in the Residential Development area;

WHEREAS, the City and the Developer each agree that the provisions of this Agreement substantially advance a legitimate interest of the City by expanding the tax base of the City, creating new housing units with accompanying installed infrastructure, increasing employment, and stimulating local economic development;

WHEREAS, the City has determined that it is duly authorized by its City Charter and the Constitution and laws of the State of Texas to enter into this Agreement, and Developer has determined that it is duly authorized by its general partner to enter into this Agreement, and each have further determined that the terms, provisions, and conditions hereof are mutually fair and advantageous to each;

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations enforceable against the Parties; and

WHEREAS, the recitals as set forth above are declared true and correct and are hereby incorporated as part of this Agreement.

NOW THEREFORE, for and in consideration of the mutual benefits and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the City and the Developer agree as follows:

ARTICLE I.
Authority

1.1 The City's execution of this Agreement is authorized by Chapter 380 and Section 272.001(b)(4) of the Texas Local Government Code and constitutes a valid and binding obligation

of the City. The Developer's execution and performance of this Agreement constitutes a valid and binding obligation of the Developer. The City's performance of its obligations under this Agreement in making its decision to commit substantial resources and money to develop the Property and Developer acknowledges that City is acting in reliance upon Developer's full and complete performance of its obligations under this Agreement in making its decision to commit substantial resources.

ARTICLE II. Definitions

As used in this Agreement, the following words or phrases shall have the following meanings:

2.1 **"Act of Default or Default"** means failure to timely, fully, and completely comply with one or more requirements obligations, duties, terms, conditions or warranties, as stated in this Agreement. City may accept substantial compliance in lieu of full compliance by waiving such act of Default.

2.2 **"City of Palacios"** means the governing municipal corporation and the area that is within the city limits of the City of Palacios, Matagorda County, Texas.

2.3 **"Code"** means the City of Palacios Code of Ordinances in effect as of the Effective Date of this Agreement. "Developer" means an owner of a property that is willing to develop into residential lots in the City limits of Palacios.

2.4 **"Developer"** means an owner of a property that is willing to develop into residential housing within the City limits of Palacios.

2.5 **"Development"** means Developer's planned development of a tract of land larger than 19 acres into a residential subdivision, particularly described in Exhibit "A" attached hereto.

2.6 **"Effective Date"** means the date this Agreement is executed by the last Party to execute this Agreement.

2.7 **"Force Majeure"** means severe weather such as tornadoes or flooding, wars, riots and the unavailability of necessary and essential equipment and supplies from all sources.

2.8 **"Insolvent"** means failure to timely pay debts in the ordinary course of business or failure to pay all debts as they become due or insolvent within the meaning of the federal bankruptcy law.

2.9 **"Program"** means the economic development program established by the City, as authorized by Chapter 380 of the Texas Local Government Code to promote local economic development and stimulate business and commercial activity within the City.

2.10 **"Project"** means Developer's planned development of a residential housing development of a residential subdivision for single-family housing.

2.11 **"Property"** means a tract of land larger than 19 acres within the City limits of the City of Palacios attached as **Exhibit "A."**

2.12 **"Value of capital improvements"** means the value of improvements to the real property determined by verified receipts of construction provided by Developer to City as provided herein.

**ARTICLE III.
Term**

3.1 This Agreement will become enforceable upon the Effective Date and will terminate on the first to occur of: (a) on the expiration of twenty-four (24) months following the effective date of this Agreement; or (b) upon termination as otherwise provided for herein.

**ARTICLE IV.
Developer's Performance Criteria/Development Standards**

4.1 In consideration of the City's agreements hereunder, the Developer agrees that the following performance requirements shall be met:

4.2 **Development Plan.** Developer agrees to develop and submit a plan for a three-phase subdivision that will reach completion at 71 homes. Each phase will be considered a milestone and can be regarded as a conclusion to the subdivision if the housing market development cannot support further the introductions of new units.

Developer Investments:		Total	Phase 1	Phase 2	Phase 3 &4
Site Work	1 LS	\$75,000.00	\$18,750.00	\$18,750.00	\$37,500.00
Roads	2400 FT	\$425,000.00	\$106,250.00	\$106,250.00	\$212,500.00
Detention/Drainage	1 LS	\$55,000.00	\$13,750.00	\$13,750.00	\$27,500.00
6" Water	2000 FT	\$80,000.00	\$20,000.00	\$20,000.00	\$40,000.00
8" Sewer	2000 FT	\$160,000.00	\$40,000.00	\$40,000.00	\$80,000.00
12" Sewer Offsite	2450 FT	\$196,000.00	\$196,000.00		
Electrical	1 LS	\$75,000.00	\$18,750.00	\$18,750.00	\$37,500.00
Gas		\$0.00			
Entrance/Fencing	1 LS	\$25,000.00	\$25,000.00		
Surveying	1 LS	\$73,400.00	\$73,400.00		
Engineering	1 LS	\$75,000.00	\$75,000.00		
Contingency		\$27,500.00	\$12,500.00	\$12,500.00	\$2,500.00
Reimbursable Total Cost		\$1,266,900.00	\$599,400.00	\$230,000.00	\$437,500.00
* Land Costs	19 AC	\$165,000.00	\$165,000.00	\$0.00	\$0.00
* Taxes	1 LS	\$20,000.00	\$5,000.00	\$5,000.00	\$10,000.00
Grand Total		\$1,451,900.00	\$769,400.00	\$235,000.00	\$447,500.00

* = Non-reimbursable

4.3 Capital Improvement Investment. Developer covenants, warrants, and agrees that it shall construct a residential housing development on the Property, subject to the approval of the plat of said subdivision by the City pursuant to the Code. At a minimum, the first Sixteen (16) houses shall consist of Moderately Priced Housing. The Developer anticipates an investment for the total project as outlined in Article IV no less than One Million Dollars (\$1,000,000). This will include the purchase of the land, a minimum of Four Hundred Thousand (\$400,000) in engineering and infrastructure costs and 5 new homes to be completed 24 months from the approval of subdivision construction plans. Developer shall supply the City written proof of the costs associated with the capital improvements on or before this date as further provided in this Agreement.

4.4 Construction of Housing Units. Developer covenants, warrants, and agrees that it shall construct Moderately Priced Housing on the Property, at a minimum, of the first Five (5) homes constructed in Phase I, in accordance with this Agreement. Construction of new homes shall be built to a size of no less than 1,200 square feet.

4.5 Annual Reports. Developer shall deliver to City the reports contained in Section 8.1 by September 30, 2020 and by September 30th of each subsequent year of the Agreement.

4.6 Additional Information. Upon written request by City, Developer shall promptly provide additional information necessary to determine whether Developer is compliant with the terms of this Agreement. All information required by this Agreement shall be submitted to the Mayor at the address specified for giving notice in this Agreement.

4.7 Privacy. All information provided by Developer to City under the required reporting section shall be deemed confidential and shall not be provided to any person outside City government and shall not be subject to public inspection in accordance with the Texas Public Information Act pursuant to section 552.110 of the Texas Government Code. In the event a request is made for such information, City shall give notice to Developer who may at its own cost and expense. If Developer fails to object to the disclosure, the City shall disclose the information unless required to withhold the same by the Attorney General of Texas.

4.8 Failure to Comply. Failure by Developer to timely and fully comply and to continuously comply with any performance requirement and time of performance throughout the Term of this Agreement shall be an Act of Default.

4.9 Payment The payment of all indebtedness and obligations incurred by Developer in connection with the development and construction of the Project shall be solely the obligations of Developer. City shall not be obligated to pay any indebtedness or obligations of the Developer.

4.10 The developer is obligated to make timely payment of Developer-owned real property, personal property, and sales taxes during the Term of this Agreement.

ARTICLE V.
City's Performance Criteria

5.1 In consideration of the Developer's agreements hereunder, the City agrees that the following performance requirements shall be met:

5.2 Chapter 380 Grant. The City agrees to reimburse the Developer for all of the related infrastructure costs as listed in 4.2 excluding the cost of land, subject to the further conditions contained in Article VI. This provision shall be subject to Developer's proof that it has invested at least such sum of money to install housing and improvements that shall equal or exceed the value of \$1,000,000.

5.3 Extension/Modification of Utilities. The location and sufficiency of the City's utilities on or near the Property is unknown. If necessary, the Developer covenants warrants and agrees to extend the City's utilities to the Property and associated costs will be included in the project.

5.4 Failure to Comply. Failure by City to timely and fully comply with any performance requirement shall be an Act of Default.

ARTICLE VI
Developer's Performance Criteria

6.1 Developer makes the following covenants and warranties to the City and agrees to timely and fully perform the following obligations and duties. Any false or substantially misleading statement contained herein or failure to timely and fully perform as required in this Agreement shall be an Act of Default by Developer. Failure to comply with anyone's covenant or warranty shall constitute an Act of Default by Developer.

6.1.1 Developer is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the Term of this Agreement.

6.1.2 The execution of this Agreement has been duly authorized by Developer's authorized representative or officer and the individual signing this Agreement is actually empowered to execute such Agreement and bind the limited partnership, said authorization, signing and binding effect is not in contravention of any law, rule or regulation or of the provisions of Developer's governing documents, by-laws, or of any other agreement or instrument to which Developer is a party or by which it may be bound by such authority to be evidenced by resolution of the limited partnership attached hereto at the time of execution.

6.1.3 No litigation or governmental proceeding is pending or to the knowledge of Developer or Developer's officers threatened against or affecting Developer that may result in any material adverse change in Developer's business, properties or operation. No consent approval or authorization of or registration or declaration within any governmental authority is required in connection with the execution of this Agreement or the transactions contemplated hereby.

6.1.4 There are no bankruptcy proceedings or other proceedings currently pending or contemplated, and Developer has not been informed of any potential involuntary bankruptcy proceedings.

6.1.5 To its current actual knowledge, Developer has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in Palacios, Texas and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.

6.1.6 The incentive herein granted shall be utilized solely for the purpose of offsetting the cost of the Project as described herein.

6.1.7 Developer shall timely and fully comply with all the terms and conditions of this Agreement.

6.1.9 Developer certifies that its business or any branch, division, or department of the business, does not and will not knowingly during the term of this Agreement employ any undocumented workers as defined by the Tex. Gov't. Code Sec. 2264.001(4) (A-B).

ARTICLE VII.
Suspensions/Termination

7.1 The City, under the following circumstances, and at its sole discretion, may suspend its obligations under this Agreement or terminate this Agreement and all future obligations shall automatically cease upon any one of the following events which are an Act of Default:

7.1.1 The appointment of a receiver of Developer, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) thereafter.

7.1.2 The adjudication of Developer as bankrupt.

7.1.3 The filing by Developer of a petition or an answer seeking bankruptcy receivership, reorganization, or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

7.1.4 Failure of the Developer to continue housing construction for 5 years in the development once incurred eligible costs have been reimbursed.

ARTICLE VIII.
Reporting and Monitoring

8.1 Developer agrees to the following reporting and monitoring provisions and failure to fully and timely comply with any one requirement shall constitute an Act of Default:

8.1.1 A detailed account of the capital improvements for the prior twelve (12) months;

8.1.2 Detailed account of the anticipated capital improvements for the following twelve

(12) months; and

8.1.3 An Annual certification of full compliance with all requirements of this Agreement, including certification that all reports required by this Agreement have been submitted for the year certified.

8.2 The City shall, upon reasonable prior written notice to Developer and during normal business hours, but in any event not more than two (2) times per calendar year, have the right to audit and inspect Developer's records and books and all other relevant records related to each of the capital improvements required by this Agreement, but the confidentiality of such records and information shall be maintained by City, unless disclosure of such records and information shall be required by a court order a lawfully issued subpoena, or at the direction of the Office of the Texas Attorney General.

ARTICLE IX.
Developer's Liability

9.1 Should Developer fail to timely, fully and completely comply with any one or more of the requirements, obligations, duties, term, conditions or warranties of this Agreement such failure shall be an Act of Default by Developer and if not cured and corrected within thirty (30) days after written notice from the City to do so the City may invoke their respective reversion clauses in the terms and conditions of Article V. Should Developer fail to timely, fully and completely comply with any one or more of the requirements, obligations, duties, term, conditions or warranties of this Agreement such failure shall be an Act of Default by Developer and if not cured and corrected within thirty (30) days after written notice from the City to do so the Developer repay the full amount of the Chapter 380 Grant the Developer received from the City in conjunction with the execution of this Agreement not later than one hundred twenty (120) days after the date the Developer received a written demand from the City to cease tax reimbursement payments to the developer as outlined herein

9.2 In the event of unforeseeable third-party delay or Force Majeure and upon a reasonable showing by Developer that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal or abatement of such delays by using its diligent, good faith efforts, the City may consent to and excuse any such delays which consent and excuse shall not be unreasonably withheld.

9.3 Any delay for any amount of time by the City in providing notice of Default to Developer shall in no event be deemed or constitute a waiver of such Default by City of any of its rights and remedies available in law or in equity.

9.4 Any waiver granted by City to Developer of an Act of Default shall not be deemed or constitute a waiver of any other existing or future Act of Default by Developer or of a subsequent Act of Default of the same act or event by Developer.

9.5 The Developer is required to submit for any new Ad Valorem Tax reimbursements on or before July 1st of each calendar year.

ARTICLE X.

City's Liability Limitations

10.1 Payment to the developer within 90 days after submission of yearly ad valorem payments within each Calendar year by September 1st. Developer shall be entitled to receive a reimbursement each year for seventy five percent (75%) of the City's Ad Valorem taxes collected on the "Property"; excluding any and all interest, penalties and legal fees; until such time as developer has been one hundred percent (100%) reimbursed for the approved reimbursable development costs or 25 years from the Effective Date; whichever comes sooner.

10.2 The expenses to be reimbursed shall be actual out of pocket expenses of the Developer and shall draw no interest. For the purposes of this section, lift stations and all force mains from the lift station to the wastewater treatment plant shall be considered offsite development even if located on land owned by the Developer. For the purposes of this section, additional water wells, elevated storage, ground storage, booster pumps, and water treatment capacity expansion shall be considered offsite development even if located on land owned by the Developer. The reimbursement to Developer for offsite development shall apply to Phase I and all future Phases of the Lands developed by Developer on the Lands described in Exhibit "A" attached hereto and made a part hereof for any and all purposes.

10.3 The Developer further agrees to reimburse City for any outside legal fees and associated professional fees that are incurred on this project including but not limited to those of the City Attorney not to exceed \$20,000. All fees and expenses incurred by the City pursuant to this sub-paragraph shall be paid by Developer and these fees and expenses shall become a part of the amounts to be reimbursed to Developer as per this Development Agreement.

10.4 In order to provide for cost controls and to avoid an unlimited reimbursement to Developer, Developer agrees to bid all off-site work to at least three bidders. Developer agrees to a maximum listed schedule of values in 4.2 unless prior agreement of both parties.

ARTICLE XI.

Miscellaneous Provisions

11.1 Complete Agreement/Amendment. This Agreement represents a complete agreement of the Parties and supersedes all prior written and oral matter related to this Agreement. This Agreement may be canceled, changed, modified or amended in whole or in part only by written agreement by and between the Parties.

11.2 Assignment. This Agreement is not assignable. However, the Parties agree that Developer can assign this Agreement to an entity managed or controlled by the Developer. If such an assignment is made, the Developer agrees to prepare and execute the necessary paperwork to affect such an assignment.

11.3 Good Faith and Fair Dealing. The Parties agree to perform their respective duties in the Agreement in good faith. In addition, the Parties agree to work with each other fairly in allocating the costs associated with the extension and modification of the City's utilities. The Parties further agree that the standards applicable to other similar developments within the City shall apply.

11.4 Mutual Assistance. The City and the Developer each agree to do all things reasonably necessary or appropriate to work out the terms and provisions of this Agreement and to aid and assist the other in carrying out such terms and provisions in order to put the other in the same economic condition contemplated by this Agreement, regardless of any changes in public policy, the law or taxes or assessments attributable to the Property.

11.5 Permitting. The City agrees to cooperate with the Developer to expeditiously process permits, including processing zoning applications, subdivision applications, development applications (public and commercial), and building permit applications required for the Project to the greatest extent allowed by law.

11.6 Representations and Warranties. The City represents and warrants to the Developer that this Agreement is within its authority, and that each is duly authorized and empowered to enter into this Agreement unless otherwise ordered by a court of competent jurisdiction. The Developer represents and warrants to the City that it has the requisite authority to enter into this agreement.

11.7 Attorney's Fees. If any legal action or proceeding is commenced between the City and the Developer to enforce the provisions of this Agreement or to recover damages for its breach the prevailing party in the legal action will be entitled to recover its reasonable attorney's fees and expense incurred by reason of such action to the extent allowed by law.

11.8 Binding Effect. This Agreement will be binding on and inure to the benefit of the Parties and their respective successors and assigns.

11.9 Notice. Any notice ("Notice") given under this Agreement must be in writing, and may be given: (i) by depositing the Notice in the United States Mail postage paid certified and addressed to the party to be notified with return receipt requested; (ii) by personal delivery of the Notice to the party or an agent of the party or (iii) by confirmed facsimile, provided that a copy of the Notice is also given in one of the manners specified in (i) or (ii). Notice deposited in the mail in the manner specified will be effective two (2) days after deposit. Notice given in any other manner will be effective only when received by the party to be notified. For the purposes of Notice, the addresses of the parties will, until changed as provided below be as follows:

Developer: SAL Holdings, LLC
1221 Avenue F
Bay City, TX 77414

City: City of Palacios
Mayor's Office
311 Henderson
Palacios, Texas 77465

Copy to: Randall D. Strong, City Attorney
407 W. Baker Road, Suite T
Baytown, Texas 77521

Either Party may designate a different address at any time by giving Notice to the other Party.

11.10 Interpretation. In the event of any dispute regarding the interpretation of this Agreement, this Agreement will be interpreted fairly and reasonably and neither more strongly for or against any party based on draftsmanship.

11.11 Relationship of the Parties. This Agreement will not be construed as establishing a partnership or joint venture, joint enterprise, express or implied agency, or employer-employee relationship between the Parties. Neither the City or the City's past, present, or future officers, elected officials, employees or agents, assume any responsibility or liability to any third party in connection with the development and construction of the Project or the design, construction, or operation of any portion of the Project.

11.12 Applicable Law. This Agreement is made and will be construed and interpreted, under the laws of the State of Texas and venue will lie in a state district court in Matagorda County, Texas.

11.13 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and it is also the intention of the parties that, in lieu of each provision that is found to be illegal, invalid or unenforceable a provision be added to this Agreement which is legally valid or enforceable and is as similar in terms as possible to the provision found to be illegal invalid or unenforceable.

11.14 Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the paragraphs.

11.15 No Third-Party Beneficiaries. This Agreement is not intended to confer any rights privileges or causes of action upon any third party.

11.16 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument. A facsimile or electronic signature will be deemed to be an original signature for all purposes.

11.17 Force majeure. In the event either Party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such Party, to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such force

majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure," as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, drought, arrests, restraint of government, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply resulting in an inability to provide water necessary for operation of the water and wastewater systems hereunder, if any, and any other inability of any Party, whether similar to those enumerated or otherwise, which are not within the control of the Party claiming such inability, which such Party could not have avoided by the exercise of due diligence and care.

11.18 Indemnity. Developer shall indemnify, defend and hold harmless the City from and against any and all liabilities (including, without limitation the City's strict liability), claims, demands, costs (including, without limitation, reasonable attorneys' fees), expenses, damages, losses and causes of action of whatever nature that arise out of the City's execution or enforcement of this Agreement.

11.19 Immunity. Nothing in this Agreement shall constitute a waiver by the City of its governmental or sovereign immunity. Nothing in this Agreement shall be construed as express or implied consent by the City to being sued.

11.20 Modification; Exhibits. This Agreement shall be subject to change or modification only with the mutual written consent of the City and Developer. All Exhibit(s) attached to this Agreement are hereby incorporated by reference for all purposes as if fully set forth in their entirety herein.

11.21 Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes. Exhibit A – Meets and Bounds.

11.22 Effective Date and Durations. The Development Agreement shall become effective after it has been approved by City and signed by all parties ("the Effective Date"). This Development Agreement shall remain in effect until the earlier of the Completion of the Reimbursement or the expiration of (25) years after the Effective Date, unless otherwise extended as allowed by State Statute or unless earlier terminated as provided for herein. This Development Agreement may be terminated only by mutual consent of the parties. The parties further acknowledge the instant Development Agreement may be further extended by mutual agreement of the parties and in accordance with applicable state and local law.

11.23 Amendment. This Development Agreement may be amended by mutual consent of the parties so long as the amendment meets the requirements of the law.

11.24 Further Assurances. Each of the parties hereto agrees to do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, and assurances as shall be reasonably requested by the other party in order to carry out the intent of this Development Agreement and give effect thereto. Without limiting the specific rights and obligations

Set forth in the Development Agreement, the parties hereby declare their intention to cooperate with each other in effecting the terms of this Development Agreement, and to coordinate the performance of their respective obligations under the terms of this Development Agreement. To the extent any terms or provisions of the Development Agreement conflict with the Development conditions or other rules and regulations which may otherwise govern the Development, the terms and conditions of this Development Agreement shall prevail.

11.25 Notices. Any notices or reports required by this Development Agreement shall be sent to the following unless notified differently in writing:

For the City: David Kocurek, City Manager
City of Palacios
P. O. Box 845
Palacios, Texas 77465-0845

With a copy to: Randall D. Strong, City Attorney
407 W. Baker Road, Suite T
Baytown, Texas 77521

For the Developer: Mr. Stuart Lynn
SAL Holdings LLC
1221 Avenue F
Bay City, Texas 77414

With a copy to: Michael Ferdinand, PEDC Executive Director
420 Main Street
Palacios, Texas 77465

SIGNATURE PAGE

THE CITY OF PALACIOS, TEXAS

BY: _____

NAME: GLEN SMITH

TITLE: MAYOR

DATE: _____

ATTEST:

CLISSA MILLS, CITY SECRETARY

SAL HOLDINGS, LLC

BY: _____

NAME: _____

TITLE: _____

DATE: _____

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF MATAGORDA

Before me, the undersigned notary public, on this day personally appeared Stuart Lynn, in his official capacity as Member for SAL HOLDINGS, LLC who is known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed that instrument for the purposes and consideration therein expressed in the capacity therein stated.

Given under my bond and seal of office on this ____ day of _____, 2019.

Notary Public, State of Texas

EXHIBIT A

19.835 ACRES

THE STATE OF TEXAS}

THE COUNTY OF MATAGORDA}

BEING a 19.835 acre tract of land situated in the L. Goodwin Survey, Abstract 162, Matagorda County, Texas, and being that same tract of land known as Lot Thirteen (13) and a portion of Lots Fourteen (14), Fifteen (15), One (1) and Two (2) of the J. C. Carrington Subdivision of the Southwest One-Quarter of Section Nine (9), of the Texas Rice Development Company Subdivision according to the established map and plat of said addition of record in Volume 18, Page 425 of the Deed Records of said County, and further being that same tract of land described as 17.982 acres as conveyed by Billie Hayes Spector, et al to Harold Hunt, et ux according to instrument recorded in Volume 480, Page 452 of the Official Records of said County and the remainder of that certain tract of land conveyed by Kathryn Johnson Hayes, et al to Harold Hunt, et ux according to instrument recorded in Volume 230, Page 504 of the Official Records of said County, said 19.835 acre tract of land being more fully described by metes and bounds as follows:

BEGINNING at a 5/8 inch diameter steel rebar found marking the common corner of said 17.982 acre tract and that certain tract of land described as 2.00 acres as conveyed by Dorothy Yvonne Smith, et al to Harvey Wayne Smith according to instrument recorded in Volume 510, Page 145 of the Official Records of said County, in the south right-of-way line of Green Ave. (40' R.O.W.), for the northwest corner of the tract herein described;

THENCE, South 90 deg. 00' 00" East, along the common line of said Green Ave. and the north line of said 17.982 acre tract, a distance of 614.68 feet to a 5/8 inch diameter steel rebar found marking a common corner of said 17.982 acre tract and that certain tract of land described as 0.43 acre as conveyed by Jimmy Hayes to John G. Murdock, et ux according to instrument recorded in Volume 26, Page 243 of the Official Records of said County;

THENCE, South 00 deg. 01' 46" West, along a common line of said 0.43 acre tract, a distance of 155.47 feet to a 5/8 inch diameter steel rebar found marking a common corner of said 0.43 acre tract and said 17.982 acre tract, for an interior corner of the tract herein described;

THENCE, South 89 deg. 49' 07" East, along a common line of said 0.43 acre tract, a distance of 120.31 feet to a 5/8 inch diameter steel rebar found marking a common corner of said 0.43 acre tract and said 17.982 acre tract, for an interior corner of the tract herein described;

THENCE, North 00 deg. 00' 59" West, along a common line of said 0.43 acre tract, a distance of 155.96 feet to a 5/8 inch diameter steel rebar found marking a common corner of said 0.43 acre tract and said 17.982 acre tract, in the aforesaid south line of Green Ave.;

THENCE, South 89 deg. 51' 31" East, along the common line of said Green Ave. and the north line of said 17.982 acre tract, a distance of 460.01 feet to a 5/8 inch diameter steel rebar found at the intersection of the south line of said Green Ave. and the west right-of-way line of 7th Street (40' R.O.W.), for the northeast corner of the tract herein described;

THENCE, South 00 deg. 03' 11" West, along the west line of said 7th Street, a distance of 838.44 feet to a 5/8 inch diameter steel rebar found marking the common corner of the remainder of said Hunt tract and that certain tract of land described as 3.63 acres as conveyed by Harold Hunt, et ux to the City State Bank of Palacios according to instrument recorded in Volume 604, Page 46 of the Official Records of said County, for the southeast corner of the tract herein described;

*Exhibit "1" to Warranty Deed
Grantors: Harold and Norma Hunt
Grantee: Family Trust of Marshall O. Carpenter, Inc.*

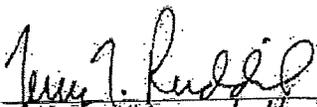
THENCE, North 89 deg. 58' 22" West, along the common line of said 3.63 acre tract, a distance of 583.01 feet to a 5/8 inch diameter steel rebar found marking the common corner of said 3.63 acre tract and the remainder of said Hunt tract, in the east line of that certain tract of land described as 0.89 acre as conveyed by Ila Jean McDonald Lackey, et al to Sherry Valton McDonald according to instrument recorded in Volume 469, Page 600 of the Official Records of said County;

THENCE, North 00 deg. 03' 57" East, along the common line of said 0.89 acre tract, a distance of 199.01 feet to a 5/8 inch diameter steel rebar found marking the common corner of said 17.982 acre tract, the remainder of said Hunt tract, and said 0.89 acre tract, for an interior corner of the tract herein described;

THENCE, South 89 deg. 26' 23" West, along the common line of said 0.89 acre tract, at 65.88 feet pass a 5/8 inch diameter steel rebar found marking the common corner of said 0.89 acre tract and that certain tract of land described as 2.23 acres as conveyed by Leo Nevarez, et al to Linda Nevarez Escobedo according to instrument recorded in Volume 643, Page 219 of the Deed Records of said County, and continuing along the common line of said 2.23 acre tract, at approximately 281.88 feet pass the common corner of said 2.23 acre tract and that certain tract of land conveyed by Fred Harr, et ux to Isidro C. Perez, et ux according to instrument recorded in Volume 91, page 175 of the Official Records of said County, at approximately 545 feet pass the northeast corner of that certain tract of land described as 1 acre as conveyed by Floyd H. Holloway, et ux to Raymundo R. Garcia according to instrument recorded in Volume 639, Page 953 of the Deed Records of said County, and continuing for an overall distance of 612.15 feet to a 5/8 inch diameter steel rebar found marking the common corner of said 17.982 acre tract, said 1 acre tract, said 2.00 acre tract and that certain tract of land described as 2.23 acres as conveyed by Robert E. Brewer, et ux to William J. Hooper, et ux according to instrument recorded in Volume 177, Page 645 of the Official Records of said County, for the southwest corner of the tract herein described;

THENCE, North 00 deg. 04' 16" East, along the common line of said 2.00 acre tract, a distance of 646.17 feet to the POINT OF BEGINNING, CONTAINING within these meets and bounds a 19.835 acre tract of land, more or less.

The foregoing fieldnote description is based on an actual survey made on the ground under my supervision in May, 2006, and is true and correct to the best of my knowledge and belief.


Terry T. Ruddick
Registered Professional Land Surveyor
Texas No. 4943



FILED

06 JUN 19 09:29


COUNTY CLERK
MATAGORDA COUNTY, TEXAS

STATE OF TEXAS COUNTY OF MATAGORDA
I hereby certify that this instrument was FILED in the Public
Records on the date and at the time specified hereon by me,
and was duly RECORDED in the OFFICIAL RECORDS of
Matagorda County, Texas on

JUN 19 2006



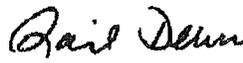

COUNTY CLERK, Matagorda County, Texas

Exhibit "1" to Warranty Deed
Grantors: Harold and Norma Hunt
Grantee: Family Trust of Marshall O. Carpenter, Inc.

tmcdonald@cityofpalacios.org

From: Benjamin Van Buskirk <bvanbuskirk@govdeals.com>
Sent: Friday, November 08, 2019 2:43 PM
To: tmcdonald@cityofpalacios.org
Subject: RE: GovDeals contract follow up
Attachments: GovDeals-BuyBoard 2017.pdf; GovDeals-BuyBoard 19-20 Renewal.pdf

Tammy,
Attached is our BuyBoard RFP submission (the terms of our contract), and our most recent award renewal letter. The pricing schedule is on page 31 of the RFP, and the City of Palacios is signed up under option A1 = the Buyer pays a 12.5% fee for the auction, the City pays no fee (and we do not have any other fees, so there are no fees/charges associated with the City). Please don't hesitate to let me know of any questions and/or if you need anything else!

Thanks so much and hope you have a great rest of the day and weekend!

Benjamin Van Buskirk
Texas-Louisiana Representative | GovDeals.com
bvanbuskirk@govdeals.com | (512) 560-6240

From: Benjamin Van Buskirk
Sent: Wednesday, November 6, 2019 1:26 PM
To: tmcdonald@cityofpalacios.org
Subject: RE: GovDeals follow up

Tammy,
Thanks so much for submitting the sign-up for the City and a quick minute on the phone! Below is the notice we send out for new Clients—please don't hesitate to let us know how we can help!

Greetings from the GovDeals team, the solution that your government has chosen to sell surplus online!

We want to introduce our Client Account Manager who will explain your role as our point of contact and discuss training options.

Your Client Account Manager's (CAM) name is: Kristan Roetker, kroetker@govdeals.com, Cell: 5126633752

Please contact Kristan Roetker by calling or emailing to begin your GovDeals experience. In your call or email, please let them know what types of surplus you have ready to sell.

Kindest regards,
Sales Support, GovDeals, Inc.

Thank you,

Benjamin Van Buskirk
Texas-Louisiana Representative | GovDeals.com
bvanbuskirk@govdeals.com | (512) 560-6240



P.O. Box 400
Austin, TX 78767-0400
800.695.2919 | 512.467.0222 | Fax: 800.211.5454
buyboard.com

July 23, 2019

Sent via Email to: accounting@govdeals.com

Beth Davis
GovDeals, Inc. (self-reporting vendor)
100 Capitol Commerce Blvd.
Montgomery AL 36117

Re: Auction Services
BuyBoard Contract 541-17

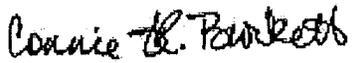
The Local Government Purchasing Cooperative d/b/a BuyBoard® (Cooperative) awarded your company a contract under **Auction Services, Contract 541-17**, for which the current term is set to expire August 31, 2019. At this time, we are renewing your contract through **August 31, 2020**. This will be the final renewal of this contract.

All discounts, terms, and conditions of your contract will remain the same. If you agree with the renewal, there is nothing you need to do. However, if you do not agree to this renewal, you must notify me immediately via email at connie.burkett@tasb.org.

Reminder: All purchase orders must be processed through the BuyBoard. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a Cooperative member. Accepting orders directly from a member entity without Cooperative authorization is a violation of the terms of your contract. We request your assistance in immediately forwarding any orders received directly from member entities. Purchase orders may be sent to us either by fax (800-211-5454) or by email (info@buyboard.com). If by chance an order sent directly to you has been unintentionally processed, please forward it to the Cooperative and note it as **RECORD ONLY** to prevent duplication.

If you have questions or comments concerning this renewal, please contact me as soon as possible at connie.burkett@tasb.org. We appreciate your interest and participation in The Local Government Purchasing Cooperative.

Sincerely,


Connie W Burkett, CTSBO
Contract Administrator



The Local Government Purchasing Cooperative is endorsed by the Texas Association of School Boards,
Texas Municipal League, Texas Association of Counties, and the Texas Association of School Administrators.



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 22, 2019**

PUBLIC HEARING 7PM

A public hearing was opened at 7pm by Mayor Pro Tem Johnny Tran 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.

Chip Woolf suggested that we need a general policy to evaluate all incentives.

Bonnie Benson said that she is not in favor of tax abatements and that the application needs to be streamlined.

Councilmember Schulman asked if there should be a cap on tax abatements.

Mayor Pro Tem Johnny Tran closed the public hearing at 7:25pm.

REGULAR COUNCIL MEETING 7PM

CALL TO ORDER – Mayor Pro Tem Johnny Tran at 7:25 pm

INVOCATION – Councilmember Lewis

PLEDGE OF ALLEGIANCE – Councilmember McGovern

PLEDGE TO TEXAS FLAG – Councilmember McGovern

PLEDGE TO PALACIOS FLAG – Councilmember McGovern

VISITOR / CITIZEN FORUM

1. Chip Woolf discussed his lack of understanding the Pavilion Quarterly Report. He also discussed the Quarterly Financial Reports.

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
Councilmember Crocker motioned to appoint Carol Ferdinand to a position on the Planning Commission
Councilmember Lewis seconded
There was no opposition
With no opposition the motion carried
2. Discuss and consider action to appoint Carol Ferdinand to a position on the Zoning Board of Adjustments.
Councilmember McGovern motioned to appoint Carol Ferdinand to a position on the Zoning Board of Adjustments
Mayor Pro Tem Johnny Tran seconded
There was no opposition
With no opposition the motion carried
3. Discuss and consider action to approve the City of Palacios Quarterly Investment Report as of September 30, 2019
Councilmember McGovern motion to approve the City of Palacios Quarterly Investment Report as of September 30, 2019
Councilmember Dodd seconded
There was no opposition
With no opposition the motion carried
4. Discuss and consider action to approve the City of Palacios Quarterly Financial Statement as of September 30, 2019
Mayor Pro Tem Johnny Tran motioned to approve the City of Palacios Quarterly Financial Statement as of September 30, 2019
Councilmember McGovern seconded
There was no opposition
With no opposition the motion carried
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
Councilmember McGovern motioned to adopt Resolution 2019-R-20
Councilmember Schulman seconded
There was no opposition
With no opposition the motion carried
6. Discuss and consider approving the continued receipt by the City of Palacios of its share of bingo prize fee funds
Mayor Pro Tem Johnny Tran motioned to approve the continued receipt by the City of Palacios of its share of bingo prize fee funds
Councilmember Crocker seconded
There was no opposition
With no opposition the motion carried
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)
Councilmember McGovern motioned to acknowledge the appointment of Tammy McDonald as a Deput Clerk of the Palacios Municipal Court by City Manager, David Kocurek to assist with reports and delinquent fines collections

Councilmember Dodd seconded

There was no opposition

With no opposition the motion carried

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
 Councilmember Lew motioned to approve the consent agenda items
 Councilmember McGovern 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 Lewis motioned to adjourn the meeting at 8 pm

Councilmember Dodd seconded

There was no opposition

With no opposition, the motion carried

Glen Smith, Mayor

Clissa Mills, City Secretary