MINUTES OF REGULAR MEETING

March 22, 2016

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Kirk Jones declared a quorum was present, and called the meeting to order at 6:02 p.m.

Present:	Kirk Jones	Mayor
	John Champagne	City Council Position # 2
	Rebecca Huss	City Council Position # 4
	Dave McCorquodale	City Council Position # 5
Absent:	Jon Bickford	City Council Position # 1
	T.J. Wilkerson	City Council Position # 3
Also Present:	Jack Yates	City Administrator
	Larry Foerster	City Attorney

INVOCATION

John Champagne gave the invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must be recognized by the Mayor. Council may not discuss or take any action on an item, but may place the issue on a future agenda. The number of speakers along with the time allowed per speaker may be limited.

There were no comments made.

CONSENT AGENDA:

1. Matters related to the approval of minutes for the Regular Meeting held on March 8, 2016.

   Dave McCorquodale moved to approve the minutes as presented. Rebecca Huss seconded the motion, the motion carried unanimously. (3-0)

CONSIDERATION AND POSSIBLE ACTION:

2. Consideration and possible action on department reports.

   A. Administrator's Report – Mr. Yates presented his report to City Council. Mr. Yates advised that he had worked with the contractor and staff regarding the Automatic Meter Reading System installation and billing process. Rebecca Huss asked if InCode was going to start working with Badger Meters. Mr. Yates said that they had and they would be doing a test run in a couple of days. Mr. Yates advised that he had attended Public Funds Investment Act Training.

   Mr. Yates advised that he had been contacted during the month by Michele Martin to ask that City Council set up a hearing date regarding zoning use request for a tattoo parlor that is in the zoning ordinance. Mr. Yates stated that she only does eyebrows, but it would still be a tattoo parlor under the Zoning Ordinance and require a Special Use Permit. The Special Use Permit would require a review by the Planning and Zoning Commission and then final approval by the City Council. Mr. Yates said that he was asking City Council to set a Public Hearing date for May 10, 2016. Mr. Yates said that the reason the date is so far away is because there are publication requirements and review by the Planning and Zoning Commission. Mr. Yates said that he did not want her to have to wait two more weeks because he forgot to put it on the Agenda. Mayor Jones stated that without an action item to set the Public Hearing, he asked the City Attorney if Council would be able to set the Public Hearing. Mr. Foerster said that since it is not listed as an action item, City Council cannot take action. Mr. Yates stated that it would be on the next Agenda. Rebecca Huss asked whether City Council

could place the item on the Agenda for the meeting next week. Mr. Yates said that he could add the item to the Workshop Agenda.

Dave McCorquodale asked the City Attorney whether the other cities that he works with have certain types of businesses that have to come to City Council for approval of a Special Use Permit. Dave McCorquodale said that he often wondered about the arbitrariness of the businesses that wind up on their Special Use Permit, and whether it was an undue burden on what uses they pick as needing them. Mr. Foerster said that Montgomery is the only one that has a special provision in zoning requiring a Special Use Permit. Mr. Foerster said that the City of Willis is zoned and he can't recall that Willis has ever had an occasion where a business had to come to City Council. Mr. Foerster said that it might be good for him to review our ordinance compared with the City of Willis and see if we need to make some changes to the Zoning Ordinance to accommodate those businesses.

Rebecca Huss said that she did not necessarily think that they are in a rush to relax all the rules of the Zoning Ordinance. Rebecca Huss said that while it is arbitrary it is what they want the town to look like as well. Mayor Jones said that part of where this action comes from is the addendum of permitted uses in the Subdivision Ordinance, where someone in the past tried to list all the possible businesses that could appear and listed the ones that were okay, and then there were ones that were okay with City Council approval. Mayor Jones said that some types of businesses do not even appear on the list and they approve it with a Special Use Permit. Mayor Jones said that it can be cumbersome in some ways, but like Rebecca Huss stated, it does protect the City. Dave McCorquodale said that his question was to the point of the legality of saying this type of commerce is okay in the City and whether the City would have a tough time justifying that action. Mr. Foerster said that you always want to avoid a situation where you are targeting certain businesses that you do not want in the community, or you want to limit their activity. Mr. Foerster said that in his experience he has never had that issue come up. Mr. Foerster gave the example that a lady has a specialty that does tattoo eyebrows, and asked how specific do you want to be on the Special Use Permit, such as allowing eyebrows but not allowing other tattoos. Mr. Foerster said that in those type of cases you would probably have to do it on a case-by-case basis.

Mr. Foerster said that you try to do the best you can and be fair not weighing one way or the other on the businesses, as long as they comply with all the other City rules and regulations.

Mr. Foerster said that he would go back and look at the information and said that it might be something that the City Council revisits in a workshop sometime, because there might be a few other zoning regulations that they need to review. Mr. Foerster said that the City is growing so rapidly, for example, they have issues with antennas and cell towers going up along with other things that are cropping up that the City did not think about several years ago. Mr. Foerster said that with the growth of the City, maybe it is time to revisit the zoning as a City Council and look at the list of approved businesses. Mr. Foerster said that it was hard for any attorney to second guess what could come up that they were not expecting. Dave McCorquodale thanked the City Attorney.

B. Public Works Report – Mr. Mike Muckleroy presented his report to City Council. Mr. Muckleroy stated in response to the question regarding InCode. Mr. Muckleroy said he had spoken today with Jessica at Accurate Meters, who advised him that they had finished their end of the information and sent it to InCode. Mr. Muckleroy said that they were now waiting for InCode to finish their part. Rebecca Huss said that she thought they were waiting on InCode two weeks ago. Mr. Muckleroy said that they were waiting for InCode to get the information to Accurate Meters so that they could complete their part. Rebecca Huss said that since that did happen they are now one step further, and now they are waiting for InCode on another step. Mr. Muckleroy said that was correct.

Mr. Muckleroy advised that he had assisted Gulf with locating all the blow off valves. John Champagne asked what a blow off valve was. Mr. Muckleroy advised that a blow off valve is a device at the end of a dead end waterline to allow them to flush the line.

Mr. Muckleroy said that they had three water leaks and zero sewer stop ups during the month. Mr. Muckleroy said that they had replaced all the 14 watt and 26 watt CFL

lamp bulbs at the parks and Community Center with lower consumption 10.5 watt LED bulbs, which are now all the same color and look nicer.

Mr. Muckleroy advised that the Community Center lighting project was completed and they did an excellent job. Mayor Jones asked Mr. Muckleroy to advise City Council on some of the things that they found during the project. Mr. Muckleroy said that the biggest scare was when he went over one day to check on the progress and one of the electricians asked him to walk over to a trash can that contained the old wiring that they had removed from the ceiling and he told him to stand over the top of the garbage and see what he smelled. Mr. Muckleroy advised that it smelled like a burnt building and you could smell the burnt electrical smell. Mr. Muckleroy said that a lot of the conduit was basically welded onto the inside of the conduit when they were trying to pull the wire out and the conduit and everything came out with the wire, wires snapped in half; it was in very bad shape. Mr. Muckleroy said that the wiring had been completely redone with all LED lights inside.

John Champagne said the walkways in Fernland Park had washed out again. Mr. Muckleroy said that he was aware of the washout. John Champagne asked whether they had something in progress in terms of replacing cedar trees in Cedar Brake Park. Mr. Muckleroy said they don't have anything in place right now and he knew that the Mayor had mentioned something about planting some trees in the Park. John Champagne said that the reason he is bringing it up is because they have lost a lot of trees and he felt that it would be prudent to start putting trees back in the Park so that 50 years from now they will still have cedar trees in Cedar Brake Park. Mayor Jones said that he has been trying to convince some of the Boy Scouts that have come looking for Eagle Scout projects to make replacing the trees part of their project. Mayor Jones said if they ever get into a Tree Preservation Ordinance, where it would not be practical to replant trees on their property, they could plant at Cedar Brake Park or another City Park, or right of way. John Champagne said that they might want to identify exactly where they want to put those replacement trees. Rebecca Huss said that another option is a nonprofit group called TreesforHouston.org who have done some fruit trees for some organizations that are trying to repopulate trees. Mayor Jones said that they have probably lost about 30 trees in the last five years to drought and tornadoes. John

Champagne said that in winter or fall might be a good time to plant the trees. Mr. Muckleroy said that they will definitely look at that matter.

Mr. Yates said that he would like to point out that Mr. Muckleroy has received his Certified Water Professional Certificate, which takes several years and many classes and hard work. Mr. Yates said that the certificate was equivalent to an Associates college degree, which is really a step up for the City and for Mr. Muckleroy. City Council extended their congratulations to Mr. Muckleroy. Mayor Jones asked if Mr. Muckleroy got to put any letters after his name. Mr. Muckleroy said that he sure did "CWP". Rebecca Huss commented that Mr. Muckleroy had told her that it took him eight years to accomplish this level, and expressed that she thought his accomplishment was pretty impressive.

Mayor Jones stated that Mr. Yates also received a certificate of completion for Public Funds Investment Act Training. City Council complimented Mr. Yates for receiving his certificate.

C. Police Department Report – In the absence of Chief Napolitano, Lieutenant Joe Belmares presented his report to City Council.

Rebecca Huss asked about the spreadsheet with the detailed call information. Lt. Belmares advised that the spreadsheet is related to all the information that he receives from the Sheriff's Office. Since the Sheriff's Office changed their system, they still have not come back online so that Lt. Belmares can obtain all that information. Rebecca Huss asked whether they were not providing that information for themselves. Lt. Belmares said that the Sheriff's Office did not have it set up where they could send it to him at this time. Lt Belmares said that he used to receive the information automatically by email. Lt. Belmares advised that he had talked to them two weeks ago and they were still working out the kinks so that the outer agencies can receive the information. Lt. Belmares said that when he does finally receive the information he will have to backlog all the data and then he will have the actual final stats for City Council for the year 2015, then he will pick up again for the stats for 2016. Lt. Belmares said that as soon as he receives the information he will put it into place. Lt.

Belmares said that they were producing approximately 50 reports per month in the department, additionally he is not able to get all the information on the warnings that they have issued so they are lacking that information from the report.

Mayor Jones noted there were some officer's that had received training. Lt. Belmares advised that Officer Bauer had received on-line training in Missing and Child Exploitation, Officer Bracht attended an Intermediate Accident Reconstruction Course, Officers Bracht and Carswell attended the Definitive Field Training Officer and Program Administrator's Course, and Sergeant Lehn and he had attended Sex Offender Registration Training. Lt. Belmares advised that sex offenders used to register with the County, but the County has pushed it off to the cities.

D. Court Department Report – In the absence of Ms. Rebecca Lehn, Court Administrator, Mr. Yates presented the report to City Council. Mr. Yates said that this month there were 351 cased filed with the total deposit to the City of $35,743, which is down. The Court collected $10,976 in warrants, which is up considerably from the last several months. Mr. Yates advised that the total collected for the month was $67,466, which is one of their larger month's collections.

Mayor Jones asked what they attributed the increase in warrant fees collected. Mr. Yates said that it was due to the addition of the warrant officer in Court. Mr. Yates said that they were expecting the Deputy Court Clerk Krystal Gonzales back on March 28, 2016.

E. Utility/Development Report – Mrs. Ashley Slaughter, Utility Billing Clerk, presented her report to City Council. Mrs. Slaughter advised that they had 34 permits that was average, four bookings for the Community Building that totaled $665.

John Champagne asked about the fire stations and whether they reported their water usage on a monthly basis. Mrs. Slaughter said that they reported directly to Mr. Muckleroy. John Champagne asked if the fire department was metering their usage. Mr. Muckleroy said that it depended on the truck because some have the meters on them and some do not. Mr. Muckleroy said that the trucks that do not have meters are

giving the best estimate that they can. John Champagne said that they were having some training exercises on Clepper Street and they were throwing water all over the City and they have tankers that fill up, and said that it was pretty interesting, but it was a lot of water. Mr. Muckleroy said that the fire department is reporting to the City. Mayor Jones said that Mr. Muckleroy might check, because they used to have a meter that they would hook to the fire truck when they filled anything up. Mr. Muckleroy said that they might be doing that, but the trucks that he is not real sure about are the ones out of Plantersville area that come in to Emma's Way and do it there because he has seen them there training. Mr. Fleming said that they also have the ability to fill tanks from Rampy Lake and they used to fill up at Heritage Pond.

Mayor Jones said that another note, which will go to accounting, the general fund is paying the utility fund for City water. John Champagne said that he liked that.

F. Water Report - Mr. Mike Williams presented his report to City Council. Mr. Williams advised that there was a typo on page 3 of the report and said that the dates should read January 20, 2016 - February 17, 2016. Mr. Williams said that they experienced over average accountability of 106% percent, which might be due to the new meters in town. Mr. Williams said that he thought that percentage would come down below 100% percent.

Mayor Jones asked what group was doing the smoke testing. Mr. Williams advised it was Mr. Muckleroy's group.

Mr. Williams said that they fixed the main break last month and since its repair, the flow to the sewer plant has reduced dramatically and they are at about one million gallons, which brings their percentage of permitted flow to 10% percent. Rebecca Huss asked Mr. Williams how long he thought the line was broken. Mr. Williams said that it was very hard to tell but looking at page 12 of the report, that shows water sold versus water treated, all the numbers were pretty consistent up until June.

John Champagne said that on page 12 it shows the unbilled water is negligible. Mr. Williams said that comes with the 106% percent accountable, so they accounted for 85,000 gallons more than they pumped, which could possibly be related to the meter reads when they are changing out the meters, or the time of the reading. John Champagne asked to confirm that they only treat a percentage of the water sold. Mr. Williams said that was correct because some is sent down to the sewer plant compared to what is used.

G. Engineer's Report – Mr. Glynn Fleming, Associate Engineer, presented his report to City Council. Mr. Fleming said that the Kroger project continues to make progress on their site and they are finishing up the grading of the 52-acres, and preparing to move forward with utility construction. Rebecca Huss asked if there were issues with the matching grade of the road that the Texas Capital Fund is putting in with the rest of the land. Mr. Fleming said they have been through several plan revisions with their design engineer. Rebecca Huss said that it did not make sense to have a road that is only suitable for one parcel if there are small revisions that could be made during the construction process. Mr. Fleming stated that he agreed and it was duly noted. Mr. Fleming said that it had been called out on the drawings, and just based on topography, there is going to be a noticeable change at the end of that road, which will be in the 45% percent range that is pretty typical. Mr. Fleming advised that he was continuing to work with the design engineer LJA. Mr. Fleming said that as soon as they have a final set of drawings on the public side of the project, which expects to come back next month sometime to request authorization to advertise for bids on the project.

Mr. Fleming said that Pizza Shack has wrapped up their site plans, which are now approved. Mr. Fleming said that the design engineer has advised that they are still working through some issues with their building plans, but hopefully they are close to wrapping those up. Rebecca Huss said that the newspaper had said that they were able to adjust the location of their building to save the pecan trees, and asked if that was true. Mr. Fleming advised that was always part of their site plan because Mr. Simmons was pretty adamant that he wanted to incorporate those trees into the plan. Mr. Fleming said that he thought that they were trying to save some money on some of the architectural finishes, and he was expecting to receive notification that the building

plans have been finalized and then you will see progress at the site. Mr. Fleming said that he will probably be back in April to request authorization to advertise for bids for the utility expansion project.

Mr. Fleming said that the Capital Project for the GST Backfill project plans have been completed and submitted to the State for review on March 11, 2016, with a 30-45 day review period expected.

Mr. Fleming advised that the 12-inch waterline across Town Creek Bridge is currently advertised for bids, and there has been an alternate item added to the bid document, requesting permanent replacement of the slope paving on the northern abutment. Mr. Fleming said that he expected to open the bids on March 31, 2016, with the bid results and recommendation to City Council on April 12, 2016. Mayor Jones asked whether they had resolved the City's relationship with Mr. Bowen with regard to this project. Mr. Fleming said that at the last meeting that they had with Mr. Bowen, where he was present, the directive was that the City was going to move forward with advertising the project for bids. Mr. Fleming said that he did commit to supplying Mr. Bowen with the bid results once they were received.

Mayor Jones asked the City Attorney whether he was having any conversations with the Bowen group. Mr. Foerster said that he had received a phone call a week ago from Mr. Bowen's attorney, Steve Weisinger, and he had called him back and left a message. Mr. Foerster said he did not know why Mr. Weisinger had called him, and Mr. Weisinger never did call back. Mr. Foerster said that he had prepared a memorandum of the conversation of the meeting that they had with Mr. Shackleford, Mr. Fleming, himself, Mr. Bowen and Mr. Weisinger. Mr. Foerster said that once the City got the bids back they would report that information to Mr. Bowen, but the City planned on moving forward. Mr. Foerster said that a copy of the memorandum stating the narrative of what had occurred during the meeting was sent to Mr. Weisinger to make sure that he agreed with the narrative of what had transpired at the meeting, but he never got a reply back from Mr. Weisinger so he assumed that he was satisfied that the narrative was accurate.

Rebecca Huss said that there were really two issues, one being the pipe installation under the bridge, and the slope failure on both sides because it was not constructed as designed. Mr. Foerster said that they did discuss that matter with Mr. Bowen, and his position was he thought that it had been constructed properly and that there were City inspectors out there looking at the stages of construction.

Mr. Fleming said that they had added an alternate bid item requesting replacement of the slope paving. Mr. Fleming said that the eastern side is what has already failed. Mr. Fleming said that he was out at the site recently and the western side is starting to exhibit similar signs, and he saw some scouring around the slope paving, and down by the bulk head is starting to heave up and trying to lift up over the bulkhead, which is similar to what occurred on the eastern side. Mr. Fleming said that an alternate bid will give them an estimate of what that will cost.

Rebecca Huss said that if someone presents you with drawings and says this is what was built, the City would presumably accept that, which this was obviously not the case. Rebecca Huss said to the City Attorney that is what they needed to think about because it is going to cost more money now to fix the other side of the bridge, which they were not anticipating but required to do for safety purposes. Mr. Foerster said at this point Mr. Bowen has not declined to do repairs, he just wants more information and he says that he thought the project was all done well. Rebecca Huss said that knowing him it will be another 3-4 years before a decision gets made. Mr. Foerster said that we are going to comply with our agreement with Mr. Bowen, and having done that, if there is no other response from Mr. Bowen the City will bill him. Mr. Fleming said that there is also a secondary issue which involves performances required by the development agreement of which completion of the waterline is directly tied to that agreement.

Mr. Fleming advised that on March 7, 2016 he met with representatives of the developer for Heritage Place Medical Center, L Squared Engineering, Entergy and the City Administrator to discuss different options for improving Houston Street, and they are working with Entergy regarding relocating or eliminating utility poles along the eastern right of way.

Mr. Fleming said that they had met with representatives from John W. Cox, Partners, L Squared Engineering, and the City Administrator to discuss the potential for a revised land plan and possibly a development district for the Montgomery Forest development. Mr. Fleming said that they are looking at a revised land plan that would reduce the number of lots, and either reduce or eliminate the smaller townhome size lots. Mr. Fleming said that developer is still working on some issues with the current landowner, and is working on negotiating an extension to their contract. Mr. Fleming stated that if the developer is successful in extending the contract, then they have stated that they would like to come back to City Council to revise their land plan and lot counts.

Mr. Fleming advised that they had met with representatives from Eckermann Engineering, Inc. to discuss potential 15-acre development of a tract located on the southwest corner of SH-105 and Buffalo Springs Drive. Mr. Fleming said that it was their understanding that the developer intends to construct McCoy's Building Supply lumber yard with future build out to include a motel and two restaurant pads. Mr. Fleming said that they have submitted their request for service to the City, which is under a standalone Agenda item. Rebecca Huss asked whether this tract abuts the City's sewage plant. Mr. Fleming said that it did not, it was located on the opposite side of Buffalo Springs.

Rebecca Huss advised Mr. Yates that McCoy's sends a lot of lumber out to job sites and said that the tax should come to the City, but said that a lot of times the sales tax information is not set up properly. Rebecca Huss said that they needed to stay on top of the sales tax, because it would be easy for them to have the sales tax sent elsewhere instead of to the City. Mr. Yates said that he thought it was worth a conversation with McCoy's staff prior to them opening.

Dave McCorquodale asked about the abandonment of Mason Street and said that the last time that had come before City Council, he thought that City Council was not interested. Mayor Jones said that the way it was presented to City Council was not very palatable, but stated that if there is a different scenario and he would like City Council to take a look at the information. Mr. Yates said that they could discuss the

matter in Executive Session at the next City Council Meeting. Rebecca Huss said that potentially linking different sides of the City would push people down to Clepper or Caroline Streets, and that is something for them to consider before they completely fence the area off. Mayor Jones said that maybe they would allow pedestrian traffic. Rebecca Huss said that it could be during festivals, or things like that. Mayor Jones said that they have a historic marker on their home, which he would hate to hide and if anything else, they could ask them to move the marker. Mr. Fleming said that there had been no real expenditure of time on Mason Street.

Mr. Fleming concluded by stating that on March 14, 2016 they had conducted the annual inspections of Water Plants 2 and 3 and they will deliver the resulting inspection reports in advance of the May City Council Meetings.

H. Financial Report – Mrs. Cathy Branco presented her report to City Council. Mrs. Branco advised that the City has $2,201,602 in available funds and of those funds, excluding debt service, MEDC and special accounts. The City has $1,535,500 that it actually current usable spendable funds. Mrs. Branco stated that the water and sewer fund is still showing a deficit of $13,000. Mrs. Branco said that there has been a lot of rain, and the budget should pick up in the summer months. Mrs. Branco said that the next debt service payment was due September 1, 2016, and with the transfers in from the utility fund and MEDC, that payment is already covered even if the City did not collect another dime in tax.

T.J. Wilkerson arrived at the meeting at 6:40 p.m.

Rebecca Huss moved to accept the Departmental Reports as presented. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

3. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION SUPPORTING THE MONTGOMERY COUNTY THOROUGHFARE PLAN. *(Item tabled on 02/23/16 and 03/08/16)*

Montgomery County Judge Craig Doyal was present to discuss the County Thoroughfare Plan. Judge Doyal advised that he had also brought a copy of the H-GAC's presentation that they

had presented to the Montgomery County Commissioner's Court. Judge Doyal said that he wanted to answer any questions that City Council might have versus just giving a presentation.

Judge Doyal said that the original Plan was in 1979, then it was updated in 1985 and 2012, so this will be the fourth update of the Plan. Judge Doyal advised that the Plan is a living document that they continue to look at over time. Judge Doyal said that Montgomery County is estimated to be at one million people by 2035, and today they are just over 500,000. Judge Doyal said that it was imperative that they plan for future growth.

Rebecca Huss asked how they incorporated local controls and public feedback, because obviously The Woodlands has been very vocal about being on the receiving end of some of the road planning without having local say. Judge Doyal said that the roads The Woodlands is questioning are not within The Woodlands Township. Judge Doyal advised that H-GAC did the South Montgomery County Transportation Mobility Plan and they incorporated the information from the Mobility Plan into this Thoroughfare Plan. Judge Doyal said that a lot of the projects that they see on the Plan have been there for decades, including the ones that The Woodlands is opposing. There is a lot of traffic and congestion in The Woodlands, and as they continue to grow Judge Doyal said that he feels it is a mistake to start closing down those corridors. Judge Doyal said that as they grow there is always going to be an alternate route in and out of all areas of Montgomery County. Judge Doyal said that everyone always wants to protect the area that they live in, which he appreciates, but his job is to look out for all of Montgomery County. Judge Doyal said that he is afraid if they start restricting some of the roadways they are going to limit themselves.

Judge Doyal said that the Montgomery County that he grew up in is very different today, and there will always be changes and the challenge is whether they can get ahead of the changes so that they work for them. Judge Doyal said that he has said for a long time that the growth that they are seeing is either going to happen for us or to us depending on how we prepare for it. Judge Doyal said that dealing with a traffic issue after the fact is extremely difficult. Judge Doyal talked about the difficulty with FM1488 where they had to go in after the fact and buy right of way and it caused a lot of headache and heartache with individuals that owned the property. Judge Doyal said that without the expansion of FM1488 that entire area would have been a gridlock today.

Judge Doyal said that he knew that the City had talked to Commissioners Riley and Meador about a doing a Mobility Plan for Montgomery and said that they could incorporate that Mobility Plan into the County Thoroughfare Plan so that the impact to the residents in the future is minimized.

Rebecca Huss asked what would happen if the City has a Mobility Plan that does not match the H-GAC Plan. Judge Doyal said that the Thoroughfare Plan is a living document that has been through four different renditions and as they grow they need to be looking at revising on shorter intervals before the see more and more growth occur. Judge Doyal said that the City's Mobility Plan could be integrated into the County Thoroughfare Plan.

Rebecca Huss said that some of the roads are being built before there is development. They would not have the ability to ask the developer to partner or pay for the road and how would they deal with that. Judge Doyal said that the County has never built a road, the developer goes in and builds the road to County specifications, and then the County accepts the roads for maintenance. Judge Doyal said that they have never gone in and built a road in the middle of nowhere. Rebecca Huss asked whether Lone Star Parkway did not count. Judge Doyal asked whether Lone Star Parkway was built by Commissioner Meador or the developer. Rebecca Huss said that she thought it was Commission Meador. Mayor Jones said that it was built by the developer. John Champagne said that it was built by Mr. LeFevre, the developer.

Mayor Jones said that most likely the major thoroughfares that show up on the County Thoroughfare Map are outside the City limits. Dave McCorquodale commented that the City is roughly four square miles that is an identifiable historic town as opposed to a collection of rural residences. When he looks at the H-GAC Thoroughfare Classification Plan, if Walden Road is a major collector, a thoroughfare is a bigger road than a collector and within the City's four square miles it looks like there are three major thoroughfares. Dave McCorquodale said that a thoroughfare is two classifications higher than what Walden Road is classified.

County Judge Doyal said that the concerns of City Council could be addressed in the City's Mobility Plan. Dave McCorquodale said that if he is understanding correctly, the Mobility Plan will provide guidance on the local level, then he was a lot less nervous about the County

Thoroughfare Plan. County Judge Doyal said that he would encourage the City to do their Mobility Plan.

Judge Doyal said that there were a lot of lines on the Thoroughfare Map that have been there for 30 years and have never been developed and may never develop, but if it does, at least you will have an alternative or opportunity to discuss with the developer and make sure that you reserve those corridors for future possibilities. Mayor Jones said that there were two roads that would complete the loop to the south and the one that cuts from FM2854 over to 149 and beyond that would help relieve traffic through town, which he feels would be a benefit. Rebecca Huss stated that she felt it would depend on what the construction standards were because the current Lone Star Parkway has some very narrow lanes that are not appropriate for heavy traffic. Mayor Jones stated that roadway was built by the developer and is going to be redone by Commissioner Meador to meet higher standards and then he wants to give the road to the City.

Dave McCorquodale said that the City is a very small part of a very large County with a lot of issues that need to be addressed. His reason for wanting to address some of these issues was because it is not that he is opposed to any of it but knowing that there is an opportunity to work with the County on some of the roads that impact the City.

Judge Doyal stated that when they worked on the Fish Creek Thoroughfare there were people that thought he was the devil, but those very same people offered to have coffees for him when he ran for County Judge because they realized that the project did not destroy their livelihood it actually made things better. Dave McCorquodale said that he thought that the Plan was done with the sole goal of transportation in mind, and when he sits on Council his main goal is the benefit of the residents and trying to balance that is his main objective.

John Champagne said that part of his anxiety, from his point of view, is that the City signing over whatever opportunities or whatever the desire was to do this was forfeiting our ability to have some input, and what he is hearing it is not that. Judge Doyal said that the Plan is proposed and none of it is in stone, but they want to preserve corridors that run north, south, east and west, but as areas are developed they can make adjustments, which is where the City's Mobility

Plan would benefit the City and he would encourage the City to also include the ETJ in their Mobility Plan to avoid problems in the future.

Rebecca Huss asked if there could be some different wording included in the Resolution and if they would be able to put their thoughts out there. Rebecca Huss said that she would like to see some language that requires ongoing consultation prior to engineering and construction of roads within the boundaries to ensure that they conform to our esthetic and economic interests. Rebecca Huss also stated that since the City is undertaking their own detailed Montgomery Traffic Plan that might provide more specific direction for the transportation infrastructure that should not be supplanted by the information that is on the H-GAC Thoroughfare Plan. Rebecca Huss said that maybe instead of supporting the passing of the County Thoroughfare Plan we will include it when considering mutually beneficial and locally desired infrastructure expansions. Rebecca Huss said that they do not disagree with growth and roads, but the idea that local impact has to be considered in a way that would not necessarily be from some big downtown office, who would not understand some of the local problems. Mayor Jones said that he was pretty sure that the County would not build a road in or near our City limits without talking to the City.

John Champagne asked whether the Resolution was a standard form given to all the municipalities. Judge Doyal advised that the Resolution was actually written by the City of Shenandoah and made into the template for the municipalities.

Mayor Jones asked if the person accepting the Resolution would accept a differently worded Resolution. Judge Doyal said that they do not need the Resolution at all they would just like to have everyone's support in realizing that they are trying to plan for the future, which is all this really is a Plan. Judge Doyal said that was why they held meetings and invited everyone to come because they want that kind of input so that they can know the issues and road concerns. Mayor Jones asked whether this Plan would be in place whether or not the City approves the Resolution. Judge Doyal advised that the Plan was adopted by Commissioner's Court, they are just hoping that the City will support the Plan. Judge Doyal again strongly encouraged the City to adopt their own Mobility Plan and incorporate that Plan into the County Thoroughfare Plan.

Dave McCorquodale asked Rebecca Huss to state her requirements for the Resolution for clarification. Rebecca Huss said that she would like it to say that "they require ongoing consultation prior to engineering and construction within the boundaries of Montgomery to ensure that these roads conform to the City's esthetic and economic interests, and we are undertaking our own detailed transportation survey and we expect this information to provide more detailed direction on meeting our goals of transportation." Rebecca Huss said that it was more of a local issue and that "we will include the information provided by the H-GAC Plan in our decision making when it is mutually beneficial and locally desired."

John Champagne said that they could adopt a Resolution supporting the Montgomery County Thoroughfare Plan that works in concert with the local Mobility Plan. Rebecca Huss said that she would like to see more wording about the expectations like a six lane highway running though our town. Dave McCorquodale said that the developer is going to be constructing the roadway, so when they come to City Council with their final plat that is the point where City Council can say how they feel about the roads.

Dave McCorquodale said that he liked the idea of adding that language about identifying the areas in our Mobility Study that dove tail with the County's Plan. John Champagne said that to a large degree, his anxiety has been relieved. Dave McCorquodale said that he felt the same way. John Champagne said that if they have a local Mobility Plan that is in concert with and says that the Resolution supporting the Montgomery County Thoroughfare Plan is in line with what our expectations are in meeting our local Mobility Plan and asked if that pretty much covered Rebecca Huss' concerns. Rebecca Huss said that it covered most of it, but the idea of the specifying language that "local control, local aesthetic concerns are important in addition to the greater good of the County. John Champagne asked if Rebecca Huss wanted to say that Montgomery's Mobility Plan usurps the County's desire to do what they need to do. Rebecca Huss said that she felt that it was important especially given a lot of the discussion that has been going on about this for quite a while, to be specific that we understand the value of mobility and acquired right of way before it becomes expensive, but we need local control. John Champagne said that they do, the developer can't do anything unless City Council approves it. Rebecca Huss said unless it becomes a Farm to Market Road ("FM"), then they have no say about the road. Judge Doyal said that if it is a State road or FM road the County does not even have a say.

Mayor Jones asked the City Attorney if he had any comments. Mr. Foerster stated that in response to Rebecca Huss' questions and concerns, the Resolution in the final recital states "NOW THEREFORE BE IT RESOLVED, that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan" and said that if City Council wanted to they could add a phrase to that stating NOW THEREFORE BE IT RESOLVED, that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan that coincides with local municipalities' mobility plans.

John Champagne moved to adopt the Resolution with the addition of the City Attorney's recommended wording to include NOW THEREFORE BE IT RESOLVED that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan that coincides with local municipalities' mobility plans. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

County Judge Doyal thanked City Council and invited them to come to Commissioner's Court. Judge Doyal said that he promised they were trying to make Montgomery County a better place each and every day. Judge Doyal said that he grew up here and his children went to school in Montgomery, he has a granddaughter here and he wants Montgomery to be a great place to live, raise your family and conduct business. City Council thanked Judge Doyal for attending the meeting.

4. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION OF THE CITY OF MONTGOMERY, TEXAS AFFIRMING ITS ANNUAL REVIEW OF THE POLICY FOR INVESTMENT OF MUNICIPAL FUNDS AND THE INVESTMENT STRATEGIES CONTAINED THEREIN HAS BEEN CONDUCTED AS REQUIRED BY SECTION 2256.005(e) OF THE TEXAS GOVERNMENT CODE.

Mr. Yates advised this is a standard policy that follows state law and has been reviewed by the City Attorney, City Auditor and the City Investment Officers. Mr. Yates stated that the policy should be renewed every year. Mr. Yates stated that it is required that the changes have to be marked to show what changes were made to the previous policy.

Rebecca Huss stated on page one of the policy there are two names listed instead of just one, Mark Burton, and said that if both of them are the designated officers it should be corrected to state "officers" in plural versus "officer" and there needs to be some discussion as to their relationship to each other. Rebecca Huss asked whether the Investment Officers did things with each other as co-signors or can everything be done by one of them. Mr. Yates said that it can be done by either one of the people listed as the Investment Officer. Rebecca Huss said that was not stated in the policy.

Rebecca Huss also noted that in that same paragraph "shall be and is designated" should be "shall be and are designated." Rebecca Huss stated that either way the policy should specify that the Investment Officers can act on their own as opposed to jointly. Mayor Jones stated that it states that they are "individually designated." Rebecca Huss said that if you have a co-CEO of a company, their rules have to be spelled out how they relate to each other and their responsibilities.

Rebecca Huss noted that in the section that details the disclosure of business representatives (Section 4(J) (1) (2) states that the investment officer owns 10% percent or more of the voting stock of the company, and said that she thought that was a really high hurdle. Mr. Yates advised that 10% percent is required by State law. Mr. Yates advised that he would not recommend changing that percentage because this is a State recommended policy.

Rebecca Huss moved to adopt the Resolution OF THE CITY OF MONTGOMERY, TEXAS AFFIRMING ITS ANNUAL REVIEW OF THE POLICY FOR INVESTMENT OF MUNICIPAL FUNDS AND THE INVESTMENT STRATEGIES CONTAINED THEREIN HAS BEEN CONDUCTED AS REQUIRED BY SECTION 2256.005(e) OF THE TEXAS GOVERNMENT CODE, as discussed and amended. John Champagne seconded the motion, the motion carried unanimously. (4-0)

5. Consideration and possible action regarding adoption of the following Ordinance:
AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS, AMENDING THE CITY CODE OF ORDINANCES, CHAPTER 2 (ADMINISTRATION), ARTICLE V (PUBLIC RECORDS), SECTION 2-162 (DEFINITIONS) BY CHANGING THE DEFINITION

"RECORDS CONTROL SCHEDULE" TO THE "RECORDS RETENTION SCHEDULES" AS ISSUED BY THE TEXAS STATE LIBRARY AND ARCHIVES; AND DELETING SECTION 2-168(3) (DUTIES OF RECORDS MANAGEMENT OFFICER) AND ADOPTING A NEW SECTION 2-168(3) PROVIDING FOR RECORDS RETENTION SCHEDULES ISSUED BY THE TEXAS STATE LIBRARY AND ARCHIVES COMMISSION; PROVIDING FINDINGS OF FACT; PROVIDING REPEALER AND SEVERABILITY CLAUSES; PROVIDING AN EFFECTIVE DATE UPON PASSAGE; AND PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE.

Mr. Yates advised that the City Secretary, Susan Hensley and the City Attorney, Larry Foerster, have proposed this Ordinance, which essentially adopts the Texas State Library standards for retention and will maintain the State standards of compliance rather than the City having its' own rules for records retention.

Rebecca Huss said that this would presumably protect the City with providing information that has accidentally been destroyed in the wrong period of time, etc. Ms. Hensley advised that every time the State Library updates their records retention schedule, the City will not be required to take any action in the Code, it will follow the State Library's action.

John Champagne moved to adopt the Ordinance as presented. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

6. Report regarding water and sewer tap fees charged by the City of Montgomery.

Mr. Yates advised that there was no specific ordinance to pass, and would only be a discussion item.

Mr. Yates said that the current tap fees are $550 for a water tap and $550 for a sewer tap. The new Gulf Utility agreement calls for $550 for the water tap and the sewer is based on the actual time taken to install the tap, which averages around $950 per sewer tap. Mr. Yates said that they have discussed this matter with Gulf Utility and they are proposing a $1,300 standard sewer tap fee.

Mr. Yates said that as a minimum, the fee needs to be increased for a water tap to at least $550 plus the actual cost of a meter, which is $185. For a sewer tap the fee needs to be increased to $1,300. Rebecca Huss said that what Gulf Utility is asking is significantly higher that what the other municipalities are asking. Mr. Yates said that is what the City is getting charged by Gulf and they have done three or four taps this year and $1,300 has been the average for the bills for each of those taps.

John Champagne asked whether Gulf Utility was in line with others regarding their charges. Mr. Yates said that he was not sure how they do their taps. Mr. Foerster said that most of the time cities have their own department install the meters.

Mr. Yates said that his recommendation would be to go to $550 for the water tap, plus $500 as a capacity fee and the cost of the meter. Mr. Yates also recommended $1,300 for the sewer tap fee with the same sort of capacity fee as the water tap. Dave McCorquodale said that it would total $2,850 would be the fee for a residential water and sewer tap. Mr. Yates advised that was correct. Mayor Jones said he thought that was expensive.

Dave McCorquodale said that he thought that what Mr. Yates is saying that they either address the cost on the front end or we will be in a situation like we are now with the upside down water/sewer rates. Mr. Yates said that everything that is additional would have to go to a water/sewer rate fee. Mr. Yates said that the capacity fee would be part of the cost for new connections to the system. Rebecca Huss asked whether that would account for people with existing connections that want to have an irrigation meter. Mr. Yates said that the current fee for sewer tap is $550, but they need to increase the sewer fee to $1,850 just to stay even with the cost.

John Champagne asked how many taps are being installed per month. Mr. Muckleroy said that they are not doing very many. Mr. Muckleroy said that in the new developments the taps are installed by the developer. John Champagne asked how much it costs the City for the developer to install the taps. Mr. Muckleroy said that it does not physically cost the City anything. John Champagne asked what it cost the homeowner. Mr. Muckleroy said that right now the homeowner is paying $550 for each sewer tap. Mr. Muckleroy said that currently the City does not have a set price from Gulf on the sewer tap. Mr. Muckleroy said that the homeowner pays $550 but Gulf charges on a job-by-job basis. Mr. Williams, advised that they

go to the site and then submit a quote for the job. Mr. Muckleroy said that it all depends on the condition of the property where the tap is being installed, which is why they want to get a set price like they have with the water tap. John Champagne asked what the down side would be to ask the individual to pay the cost for their individual tap. Mr. Muckleroy said that without a set tap fee it will delay the process because when they come in now they pay a set amount for the tap fee, but if it is not a set fee they would have to come in and request the tap, then a quote would have to be prepared. John Champagne said that now we are going to inflate the price on average to cover any eventuality in cost for taps. Mr. Muckleroy said that the sewer tap would be the same principal that they used for the water tap fee.

Rebecca Huss said that if the fee is being charged to perform services by a subcontractor, the City has to recoup that fee directly from the person receiving the benefit rather than spreading the cost to all the existing account holders. John Champagne asked whether the developer could install the tap and then the City inspect it. Mr. Fleming said that the only way for the City to maintain absolute control of the water/sewer system is to maintain control of system.

Mayor Jones asked to confirm the proposed residential tap for a brand new residence. Mr. Yates advised that it would be $1,850 for a sewer tap, and for a water tap is $1,050 plus $185 for the meter. Rebecca Huss said that City is currently losing money on taps. Mr. Yates said that was correct.

John Champagne asked whether the Gulf Utility was charging competitive fees and in line with the market. Mr. Fleming said that he did not feel the fees were exorbitant by any means compared to the other municipalities shown on the supporting information. Mayor Jones said that the prices across the board were all about the same. Mr. Fleming said that there is not much deviation in the price with any of the municipalities. John Champagne said that cost is never something that is looked at, it is just absorbed and passed along. John Champagne said that they were talking about at least a 30% percent increase. John Champagne asked why the City did not look at the cost instead of just saying it is comparable with everyone else, and asked whether they could lower the cost for providing a tap. John Champagne said that he understood the City was losing money, but was there a way to be more efficient and cost effective when installing taps. Mr. Fleming said that his question to John Champagne would be whether he would want to look at this on a case-by-case basis. John Champagne said that what he was saying that we are assuming because all these tap fees listed are because these

other cities did their homework. Mr. Yates said he has looked at whether the City was doing the taps efficiently and effectively, which is the standard that he used not what the other cities are charging. John Champagne asked what the average time for installation of a tap, because everything has an average. Mr. Muckleroy advised that a short tap was an average of 3-4 hours, and a long tap 6-8 hours. John Champagne said that was a considerable amount of time. Mr. Muckleroy said that he did not feel that the price was outrageous at all, and said that he thought the price the other cities are charging is extremely low, which is partly because they are doing the installation in house and absorbing a lot of the cost.

Rebecca Huss said that the other cities do not have a capacity surcharge on the information. Mr. Yates said that Ms. Carol Raica had called the cities and asked them about their capacity charges, but they did not have any. Mr. Yates said that the City of Tomball charges an impact fee beyond the tap fee shown. Mayor Jones said that he thought the City was not going to do impact fees. Mr. Yates said that the City Engineer is preparing a study of the information.

Mayor Jones confirmed that the bottom line was that if he built a new house the water and sewer tap fees would be $2,985. Mr. Yates said that was correct, that includes the cost plus $500 each for capacity costs for the water and sewer tap. Mr. Yates said that if you do not charge the new customers the capacity fee for the excess capacity for the wells and the sewer treatment system all the customers will have to pay it, and in his mind the new customers were creating the capacity issues and should pay it. John Champagne asked how many of these taps are done per year. Mr. Yates said that the report provided by the City Engineers stated how many taps would be required for the subdivisions, which included about 300 houses to be built in the City of Montgomery within the next two to three years. John Champagne said that would be approximately 100 per year. Mr. Yates said that they would advise them that the reason they are charging the fee is due to the increased demand on the wells.

Mr. Foerster asked if there would be another fee that might be included for the new utility extension areas, which is the pro rata extension rate that the City is charging any new commercial or residential that connects onto an extended line. Rebecca Huss said that would be more taking advantage of the infrastructure as opposed to Lake Creek, where they are responsible for everything until it hits the public line.

John Champagne asked whether Mr. Muckleroy needed three people to install the taps. John Champagne said that if Mr. Muckleroy had $300,000 base line could he personally go into business and make a living installing taps with whatever equipment he needed, with just himself and hiring one more person. Mr. Muckleroy advised that doing it with two people could be done, but would be very tough. Mr. Muckleroy said that it was very standard to have two or more people on a crew. John Champagne said that he was saying that he wanted them to start thinking outside the box rather than "everyone does it this way." John Champagne said that his only problem, while he knows that everyone has done research investigation, but it sounds like to him that what is being said is "this is the way we have always done it, this is the way we do it, and this is what it costs." John Champagne said that it is so easy to pass the cost along, but in his business he has to find ways to reduce the cost, because he has people that will not take the "pass along." In government they have to take the "pass along" because we are the only game in town. Mr. Muckleroy said that a two man crew for construction or water/sewer maintenance is tough, which he has done it with one other person. Rebecca Huss said that when they were at her house installing the tap they had one person in the pit, and one making sure that they did not go through the water pipe or rip out the unmarked phone line and another person was manning the backhoe. Rebecca Huss said that while they were all doing that she was crimping the hose, so they could have used another person.

T.J. Wilkerson asked if he were building a new house on at a new location on 1-49 would he have to pay a deposit plus the $2,850. Mr. Yates said that was correct. T.J. Wilkerson said that would be $500 plus the $2,850. Mr. Yates said that the deposit is $150- $200. Mr. Muckleroy said that the deposit for residential service is $150. Mayor Jones asked how much a 4-inch commercial tap would be. Mr. Yates said that it would be the same fee, because the 4-inch is a standard size sewer tap.

John Champagne said that he was not here to tell the staff how to do their business, but he wanted to say that, if in fact, the City sets up a compensation situation, whereas the staff were compensated at the end of the year with a year-end bonus based on the amount of money they saved and maintained efficiency, sometimes I wonder if we would be a little more conscientious when raising prices. John Champagne said that he was not questioning staffs expertise, it is just so easy for government to say this is what it costs. Mayor Jones asked if the water operator was the only one that could install the taps. Mr. Muckleroy said that the

City has a contract with Gulf Utility, and stated that he and his crew can install the short taps, but not the long taps since they do not have the equipment. John Champagne asked staff to remember that cost effects everything and has a ripple effect within the organization and staff knows what he means. Mayor Jones asked what a 4-inch commercial water tap cost. Mr. Muckleroy said that the 4-inch lines are done on a case-by-case basis that does not have a set price. Mr. Yates said that there would also be the $500 capacity fee added to that cost. Rebecca Huss said that capacity might be different if it has more than one single family equivalent then the capacity number should be different. Mr. Fleming said that the Code of Ordinances reads the tap fee is the cost plus either 200% or 500% percent, so in the case of a commercial connection that is being discussed it would most like be on a time and materials basis with administrative costs added, but capacity recovery fees would be a separate discussion all together. Mr. Fleming said that there was a very specific calculation to determine that fee, which will be included in the studies.

Dave McCorquodale said that as long as the City was not looking at double dipping, and as long as they were paying for their increased capacity one time, then to him he defers to staff to determine what it takes to get the job done. Dave McCorquodale said that he did not believe that they were double dipping and he is not suggesting that either, but feels that they need a clear and readily available explanation that would be helpful when people question why they are paying the fees they are paying. Mr. Fleming said that they were actively working on eliminating that problem and to have the procedure set in stone as much as possible to make it fair and equitable for everyone involved.

John Champagne asked whether they needed a public hearing regarding this increase. Mr. Yates said that they did not, they will just bring an Ordinance to City Council for adoption.

7. <u>Consideration and possible action regarding authorization to proceed with Utility and Economic Feasibility for McCoy's Building Supply.</u>

Mr. Fleming said that they had received an application for service from McCoy's. Dave McCorquodale asked if the studies laid out the cost to the developer in terms of capacity. Fleming said that currently they do not have a set system in place for looking at a commercial account and saying your capacity costs for water plant and sanitary sewer but they are actively working to correct that. Mr. Fleming stated that in the utility feasibility they would be

guaranteeing that the City had capacity to serve the client. Mr. Fleming said that water was not an issue with servicing McCoy's, but sewer was another issue because there is not a gravity sewer line to serve them, so they will have to run a gravity line. Mr. Fleming also stated that the economic study will include information on how their business will affect the City's sales tax revenue. Mr. Fleming said that McCoy's said that they would like to break ground in July and open by spring 2017.

After discussion, John Champagne moved to authorize the City Engineer to proceed with Utility and Economic Feasibility for McCoy's Building Supply. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

EXECUTIVE SESSION:

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property),551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas. (No current items at this time.)

COUNCIL INQUIRY:

Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or decision shall be limited to a proposal to place on the agenda of a future meeting.

ADJOURNMENT

Rebecca Huss moved to adjourn the meeting at 8:12 p.m. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

Submitted by: _____ Date Approved: 04/12/16
Susan Hensley, City Secretary

Kirk Jones
Mayor Kirk Jones