

MINUTES OF PUBLIC HEARING and REGULAR MEETING

August 9, 2016

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Kirk Jones declared a quorum was present, and called the meeting to order at 6:00 p.m.

Present: Kirk Jones Mayor
 Jon Bickford City Council Position # 1
 John Champagne, Jr. City Council Position # 2
 Rebecca Huss City Council Position # 4
 Dave McCorquodale City Council Position # 5

Absent: 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

Mayor Jones recognized Ethan Reid, who was present at the meeting. Mr. Reid advised that he was with Scout Troop 491, and present for a communication merit badge.

PUBLIC HEARINGS:

Convene into Public Hearing:

1. Public Hearing for the purpose of hearing public comments regarding the proposed 2016-2017 City of Montgomery FY Operating Budget.

Mayor Jones convened the Public Hearing at 6:04 p.m.

Mr. Yates presented an over view of the Proposed 2016-2017 City of Montgomery FY Operating Budget.

Mr. Yates advised reviewed the proposed Budget as follows:

<u>Summary of all Funds</u>	<u>Balance</u>
Projected Balance	\$ 1,080,000
All Funds	\$ 1,414,000
Revenue Total	\$ 2,951,000
Expense Total	\$ 2,894,000

<u>General Fund</u>	<u>Balance</u>
Taxes and Franchise Fees	\$ 2,066,612
Total Revenue	\$ 2,151,142
Expenses (with a \$40,000 transfer in)	\$ 2,972,570
General Fund Net Income	\$ 19,472

<u>Summary of the Utility Fund:</u>	<u>Balance</u>
Charges for services	\$ 960,000
GRP	\$ 125,300
Income	\$1,009,560
Expenses	\$ 947,750
Net Gain	\$ 18,510

Summary of Debt Service Fund:

Mr. Yates said that the City is considering borrowing \$2.6 million dollars from the Texas Water Development Board in early 2017.

Expenses	\$ 546,000
Revenue	\$ 605,000
Net Gain	\$ 158,941

Mr. Yates advised that there would be a surplus because there is an increase in appraised valuation from \$125 million to \$168 million.

Mr. Yates stated that this year they are adding a full time public works employee, and a part-time administrative employee. Mr. Yates said that they are planning on adopting the same .4155 tax rate that they have had six years in a row. Mr. Yates said that the debt service portion of the tax rate is proposed to remain at .2112 per \$100 property valuation.

No citizens made comments during the Public Hearing.

Mayor Jones closed the Public Hearing at 6:09 p.m.

Reconvene into Regular Session

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.

Mr. Washington advised that he would speak with Mr. Yates regarding Wade Street. Mr. Yates said that a report on Wade Street will be placed on the August 23, 2016 City Council Meeting.

CONSENT AGENDA:

2. Matters related to the approval of minutes for the Regular Meeting held on July 26, 2016.
3. Authorize street closures for the Wine and Music Festival to be held on Saturday, September 17, 2016 beginning on Friday, September 16, 2016 for the following streets: College, McCown, Maiden, Caroline, and John A. Butler.

Dave McCorquodale asked whether the street closures would be the same streets that they have closed in the past. Mr. Yates advised that they would be the same streets.

Rebecca Huss stated that the Antiques Festival this year had a notable improvement in the relationship with various merchants and landowners, so whatever the HMBA did was

something she hoped could be replicated. Rebecca Huss said that closing streets and parking was a big deal for some of the businesses that don't benefit from the Wine and Music Festival. Rebecca Huss said hopefully they can figure out what worked for the Antiques Festival and then apply it to this Festival. Mr. Yates said that he would suggest that information.

Dave McCorquodale moved to approve the consent agenda items as presented. John Champagne seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

4. Consideration and possible action to accept the 2016 Effective and Rollback Tax Rates.

Mr. Yates presented the report from the Montgomery County Tax Assessor/Collector and said that City Council just needed to accept the rates.

Rebecca Huss moved to acknowledge and accept the 2016 Effective and Rollback Tax rates from the County Tax Assessor/Collector. Jon Bickford seconded the motion, the motion carried unanimously. (4-0)

5. Consideration and possible action to Vote on a Proposed Tax Rate for 2016. If the proposed rate exceeds the lower of the effective or rollback rate, schedule public hearings, dates, times and locations.

Mr. Yates stated that this was the proposed rate, and was not the final adoption of the rate. Mr. Yates said that the Tax Assessor has to publish a legal notice with the information on the proposed tax rate. Mr. Yates said that the recommendation is for City Council to accept the proposed rate of .4155 per \$100 valuation.

John Champagne moved to take a vote on and set the Proposed Tax Rate for 2016 at .4155 per \$100 valuation. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

6. Consideration and possible action to authorize Jones & Carter, Inc. to prepare detailed cost estimates, construction drawings, technical specifications, and bid documents for repair and mitigation of damages sustained upon the Buffalo Crossings Bridge during recent flood events; as needed to facilitate application for advance funding from FEMA.

Mr. Fleming said that the level of damage at the bridge pretty much speaks for itself, and the Mitigation Specialist was impressed with what he saw at the site. The Mitigation Specialist had some good advice and was encouraging about the City's chances not only for replacement, but some mitigating actions at the site.

Mr. Fleming advised that as they had talked about previously, they have been looking at what it would take to receive advanced funding from FEMA. Mr. Fleming said that the Project Coordinator, who is assigned to the City of Montgomery, has been very encouraging and given some great advice.

Mr. Fleming said that in order to complete the information for advance funding from FEMA they have to provide detailed cost estimates and have an idea of what the City proposes to do. They will need to provide engineered drawings, full technical specifications, bid documents, proposals and contract documents. Mr. Fleming said that in order to facilitate that procedure, they are asking for a blanket authorization for them to move forward as needed with FEMA. Mr. Fleming said that it does not imply any immediate financial obligation on anyone's behalf, it just allows them to move forward with cost estimates and engineered drawings, etc.

Rebecca Huss said that, in theory, FEMA could deny the funds, and the City will have paid for all the engineering work up front. Rebecca Huss said that if FEMA is not giving the City 75 percent of the cost, they probably won't go forward with that, so there has got to be some cost to advancing that the City would bear a risk. Mr. Fleming said that was a fair statement, but based on the conversations that he has had with FEMA he does not have any real trepidations where that is concerned. Jon Bickford asked to confirm that the City does not really have a lot of options. Mr. Fleming said that was correct. Rebecca Huss said that she was not saying not to do this, but she was wondering if there was an upper

limit on the cost of doing this, should the City end up bearing all the cost, so they will know what they are approving on a blanket basis. Rebecca Huss said that the construction drawings have a cost. Mr. Fleming said that was correct. Jon Bickford asked if those costs would be in the reimbursement pool. Mr. Fleming said that they would.

Dave McCorquodale said that the solution has changed based on the funding. Mr. Fleming said that was correct. Dave McCorquodale asked how much was the disparity between the FEMA funding cost, and the City's cost without FEMA funding. Mr. Fleming said that they have not prepared the detail cost estimates yet, but the best he could say was that the difference would be substantial. Mr. Fleming said that it would be a true mitigating action to rehabilitate the side slopes and bridge abutments and to provide a permanent long-term fix.

Dave McCorquodale asked if the City was interested in fixing the bridge in a permanent long-term way, was there a huge gap between getting a Band-Aid on the problem or fixing it. Dave McCorquodale said that if a true fix is where they are looking, is there a great deal of difference between them. Mr. Fleming said that it would be a very large number. Mr. Yates said that they had gotten a statement from the FEMA representative who basically said whatever the engineer submitted, would be what they would approve.

Rebecca Huss asked how Mr. Fleming would go about doing construction drawings if they do not even know if they are doing the sheet piling or gabion rock structures. Mr. Fleming said that he has already had one gabion basket contractor come out and look at the site, and he will have sheet piling contractors out in the next week to 10 days. The onus will be on the contractor to provide a proposal on what they would do. If they are the chosen solution, they will be the ones to produce engineering drawings, specifications, bid documents, etc. for their portion of the work. Mr. Fleming said that he envisions the City's portion of the work will be to provide drawings, specifications and bid documents for the repair of the paving approaches, guard rails and associated structures and whatever drainage solution has to be incorporated.

Jon Bickford asked what Mr. Fleming's plan was, from the City's exposure standpoint, and whether he had a best guess estimate plus or minus 20% percent. Jon Bickford also

asked if they would be keeping City Council informed, possibly ever other meeting, on the status of the project.

Mr. Fleming said that right now they are in a strictly conceptual phase. Jon Bickford said that they still have to pay for the City Engineer's time. Mr. Fleming said that he felt that \$50,000 would get them well into the engineering design. Mr. Shackleford said that he was going to break up the cost into a few more increments, with cost estimates on 2 or 3 different options (gabion baskets and sheet piling), including drainage structures on the 4 corners of the bridge, taking it from conceptual to less conceptual, but still not preliminary engineering.

Jon Bickford asked for an estimate for their cost, to the extent that they can estimate, from the time they start to the time that FEMA says you have all you need. Mr. Shackleford said that his thinking was from today through coming back to City Council with cost estimates for different options, for a cost of no more than \$20,000. Then once City Council knows which option they are choosing, based on the estimated costs, it will be easier to advise what the cost will be for designing that plan. Mr. Shackleford said that by that time they would have talked to FEMA, the different contractors and then maybe they will be able to come back to City Council with more of a definitive answer. Jon Bickford said that City Council could receive monthly progress reports in the interim, or whatever seems reasonable to the City Engineers. Mayor Jones said that they could make other monetary decisions later.

Jon Bickford moved to authorize Jones & Carter, Inc. to prepare detailed cost estimates, construction drawings, technical specifications, and bid documents for repair and mitigation of damages sustained upon the Buffalo Crossings Bridge during recent flood events; as needed to facilitate application for advance funding from FEMA. John Champagne seconded the motion.

Discussion: Rebecca Huss asked about the competition or conflict of interest, when you have a design team working on one side, and the City Engineers are doing the evaluation and the construction approval on the other side. Mr. Shackleford said that if, for example, based on the authorization of City Council tonight, he and Mr. Fleming would be involved

in working with whatever design team is in house. Mr. Shackleford presented the organization chart for Jones and Carter to give City Council some idea, because he and Mr. Fleming have not spent a lot of time talking about the depth of their organization.

Mr. Shackleford advised that Jones and Carter has nine practices that are classified as different divisions or groups within the company. One group does water and wastewater, another does hydrology and hydraulics, another does private land development, etc. Mr. Shackleford advised that he and Mr. Fleming are in the municipal district section, with 550 people in the company.

Mr. Shackleford stated that in their group located in The Woodlands office, there are eight licensed professional engineers and six engineers in training. Mr. Shackleford said that he and Mr. Fleming work for the City in the vein of plan reviews, and making certain that third party engineers and developers submit documents that are in compliance with the City's ordinances, rules and regulations. Mr. Shackleford said that they do not really design things on the City's behalf. For the authorization tonight, they would be involved in making certain that whatever is being designed meets the City's requirements. The plans would either be done elsewhere within their division, or in another practice, such as their hydrology and hydraulics division. They would need to do some modeling and plans.

Mr. Shackleford said that regarding the conflict of interest, they would still be representing the City's interest to insure that whatever drawings are prepared, whether third party or within Jones and Carter, meets the City's requirements. Mr. Shackleford said that once the plans are done and the bids are received and there is a contractor on the ground, they will typically be inspecting, on behalf of the City, and watching to insure that the work that is being done is in compliance with the drawings. If there is an error found on the engineering side, then Mr. Shackleford said they would bring it to the attention of the City and advise how they would fix the error, where it would be no new cost to the City. If it was the contractor's error, then they will get the contractor to rectify what they did wrong to insure that the City is getting the product that they paid for. Jon Bickford asked if he would be right in calling it an independent validation and verification function. Mr. Shackleford said that they do a pretty effective job of keeping the two separate.

Mr. Shackleford asked if that information answered Rebecca Huss' question regarding conflict of interest. Rebecca Huss said that it did answer her question, and thanked Mr. Shackleford.

Mayor Jones asked, in general, if anyone else had concerns about a conflict of interest. Rebecca Huss said, she thinks the overall the reason that they asked Jones and Carter to work for the City was mostly because they trust them, and she feels that is something that will continue. Mayor Jones said that if Council votes yes on this item that means that they are accepting this matter.

The motion carried unanimously. (4-0)

Mr. Fleming and Mr. Shackleford thanked City Council for their trust.

7. Consideration and possible action regarding installation of a reclaimed water system used for chlorine bleach feed and wash-down purposes.

Mr. Yates stated that this item is to create a recycling device at the sewer plant so that water used to inject effluent discharge with bleach can be recycled saving approximately 184,000 gallons of fresh water use per month. Mr. Yates advised that the effluent water, just before being discharged into Steward Creek, is treated with a bleach mixture to take any remaining bacteria out of the effluent, then the water is detained long enough for the bleach to evaporate before being safely discharged into the Creek.

Mr. Yates said they would use about 184,375 gallons of fresh water to form the bleach mixture at \$6.84 per the recent Jones and Carter water study, for an annual cost of \$10,089. Mr. Yates said that before they would make this change, they would have it reviewed by Mr. Fleming before doing the work.

Mr. Yates said that the cost of the re-plumbing work would be approximately \$28,000, but the payback of the investment, including the annual operating expense is 4.55 years, but once Kroger comes in, the payback will go down to 2.7 years.

Mr. Yates said that he was asking City Council to approve the project with the funds to come from the General Fund balance. Mayor Jones asked if this would require a budget amendment. Mr. Yates advised that it would require a budget amendment.

Dave McCorquodale asked if this was a best practice in other wastewater treatment plants, and as a general gauge how many other facilities take advantage of something like this. Mr. Williams, with Gulf Utility, said that most facilities do this procedure and the process is very common.

Dave McCorquodale asked about the filter screen and whether it would require more work for the operators. Mr. Williams said that daily they will visually inspect the screen and clean it accordingly so they do not burn up the pump. Mr. Muckleroy said that the contractor has advised that what they are putting in will need to be cleaned every two weeks. Mr. Williams said that they quoted a large enough size filter to handle the two week periods.

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

8. Consideration and possible action regarding modification of garbage poly cart pickup charge due to fuel increase by Waste Management.

Mr. Yates said that the adjustment was actually for a cost of living increase, which is provided for in their contract that is based upon the CPI as provided from the Department of Labor. Mr. Yates said that the cost is \$.31cents per month for the pick-up charge for the poly cart, and he is recommending passing the cost through to the customers. Mr. Yates said that he was asking the City Council to authorize the City Attorney to prepare the ordinance to increase the cost.

John Champagne moved to authorize the City Attorney to prepare a rate increase ordinance in the amount of \$.31 cents per each poly cart collected by Waste Management and paid by the City. Jon Bickford seconded the motion.

Discussion: Dave McCorquodale asked about review of contracts and whether this was one that they needed to look at because he did not recall the last time that it had been reviewed. Rebecca Huss said that she believed Ken Knight did RFP's when he was at the City, so it was about a year and a half ago. Mr. Yates said that he would not recommend doing any changes. Rebecca Huss said that they did not have an enthusiastic response for competition.

Mayor Jones asked if the \$.31 cent increase was weekly or monthly. Mr. Yates advised that it was monthly, and said the price for garbage pickup will go from \$17.61 to \$17.92.

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.

Dave McCorquodale advised that recently he had joined a Watershed Protection Program for the West Fork of the San Jacinto River. Dave McCorquodale said that he joined as a personal interest of his.

Dave McCorquodale said that he noticed on the agenda for their last meeting he was listed as the representative for the City of Montgomery. He does not necessarily want to represent the City in any official capacity, but wanted to make it known that he was on the Steering Committee for the Watershed Protection Plan, and if anyone had any objections or any thoughts of direction on it, he was willing to listen.

Jon Bickford said that he thought it would be great to hear back. Jon Bickford said that what they have here is making its way into Lake Conroe and he thought it would be great to get on the matter early and learn as much as they can moving forward. Mayor Jones asked if Jon Bickford was asking to have Dave McCorquodale represent the City. Jon Bickford said that he would not ask him to do that since he was already volunteering his time to the City now on City Council. Jon Bickford said that from the City standpoint his participation would be great and he would be happy for him to bring information back to the City. Dave McCorquodale said that he did not think they were looking for any official representation from the City, and he would not be going to them and saying that the City would be agreeable to do certain things, he would bring information back to the City. Rebecca Huss said that basically Dave McCorquodale was continuing to serve the community. City Council thanked Dave McCorquodale for serving on the Committee.

Jon Bickford asked if anyone else would be interested in meeting on a non-weekday to have one more run through the proposed budget for 2016-2017, he would like to have an opportunity to do so. Mr. Yates said that he would be glad to meet with Jon Bickford to go over the budget. Rebecca Huss and John Champagne said that they would be interested in meeting again. Rebecca Huss asked whether they could post something that would work for another meeting. Mayor Jones said that there is a request for another Workshop Meeting to review the proposed budget. Mr. Yates asked if Saturday, August 13, 2016, in the morning would be okay for everyone and said that the agenda would be posted. Jon Bickford said that he would provide breakfast. Mayor Jones advised that he would be unable to attend the Workshop Meeting on Saturday.

ADJOURNMENT

Jon Bickford moved to adjourn the meeting at 6:47 p.m. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

Submitted by:


Susan Hensley, City Secretary

Date Approved: _____

08/23/16



Mayor Kirk Jones

