

MINUTES OF REGULAR MEETING

March 12, 2019

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Pro Tem T.J. Wilkerson declared a quorum was present, and called the meeting to order at 6:02 p.m.

Present:

John Champagne, Jr. City Council Place # 2

T.J. Wilkerson City Council Place # 3

Tom Cronin City Council Place # 5

Absent:

Sara Countryman Mayor

Jon Bickford City Council Place # 1

Rebecca Huss City Council Place # 4

Also Present:

Jack Yates City Administrator

Larry Foerster City Attorney

Susan Hensley City Secretary

Chris Roznovsky City Engineer

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.

Mrs. Cheryl Fox thanked John Champagne for a very nice invocation. Mrs. Fox said she applauded City Council for the work being done in the City. Mrs. Fox said that she was a little bit upset about the fact that the City is trying to be able to get two positions for the City of Montgomery filled simultaneously, one because the City Administrator, Jack Yates, is retiring and the other is the Chief of Police. Mrs. Fox said she thought that Mr. Yates' job takes priority over the Chief of Police at this point because obviously the City Administrator should be able to get along well with the incoming Chief.

Mrs. Fox said she has lived all her life in Montgomery County, and she has always found that most law enforcement agencies that she is aware of hire within rather than going out because it takes tax payers dollars to get people up to speed and if you already had somebody there, that would be the logical thing to do. Mrs. Fox said she heard that Lt. Belmares was not in the running for our Chief of Police at this point, and he has been the Interim Chief for the last two times when they have had to get new Chiefs. Mrs. Fox said she was personally and as a voting person, she would like to see some continuity and longevity to it. Mrs. Fox said she thought she had spoken to at least two of you about this and she said she knew they had received a text that she had sent previously to Mr. Yates. Mrs. Fox said she wished City Council would reconsider that 1) make sure that we have a City Administrator in place prior to the Chief and 2) consider why we would not be taking someone from within the City versus going outside, especially since they have two people with law enforcement credentials and they have recommended; to her knowledge, Lt. Belmares, but City Council chose not to take him into consideration. Mrs. Fox said she was kind of distressed about that, but she was sure that City Council was doing what was very best for the City. Mrs. Fox said she certainly hoped there were no issues other than what was best for the City.

John Champagne confirmed with Mr. Yates whether it was public notice that Lt. Belmares is not in the running for this position. Mr. Yates said no, it was not.

CONSENT AGENDA:

1. Matters related to the approval of minutes of the Regular Meeting held on February 26, 2019 and Special Meeting held on March 2, 2019.
2. Consideration and possible action regarding Certificate of Acceptance of the Buffalo Springs Drive Waterline Bridge Crossing project.

Tom Cronin said he would rather split the two items up because wanted to make sure that he had a better understanding of Item 2.

Tom Cronin moved to accept the minutes as presented. John Champagne seconded the motion, the motion carried unanimously. (3-0)

Mr. Yates advised Agenda Item 2 was regarding the waterline that was laid after the Buffalo Springs Bridge was constructed that connects two 12-inch lines, one line is on Buffalo Springs north of the Bridge and the other line is on Buffalo Springs south of the Bridge. Mr. Yates said the cost of the project was \$90,000 and was paid solely by the City and was not a FEMA project. Mr. Yates said it took three weeks for the job to be completed, and with all the final processes, the total time involved was one to two months for it to be finalized. Mr. Yates said that is to accept the improvement and one year warranty.

Tom Cronin said he was fine with the information, and asked Mr. Roznovsky if Jones and Carter was good with the project. Mr. Roznovsky said yes, stating they had put their seal on the project that it was substantially complete. Mr. Roznovsky said the project was substantially complete in November, but to address all the punch list items to their satisfaction it took until now to get everything completed. Mr. Roznovsky said this is a one year warranty period that would be effective today, so there will be a one year warranty inspection around this time next year and then anything that has happened since then will have to be addressed prior to releasing them of their obligations.

John Champagne asked if there were any outstanding payments required. Mr. Roznovsky said no. John Champagne asked if the one-year warranty was part of the Certificate of Acceptance. Mr. Roznovsky said that was correct.

John Champagne made a motion to accept the Buffalo Springs Drive Waterline Project and the Certificate of Acceptance. Tom Cronin seconded the motion, the motion carried unanimously. (3-0)

CONSIDERATION AND POSSIBLE ACTION:

3. **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 stated this is required by legislation to be adopted every year. Mr. Yates said these are the instructions to our investment bankers on how to invest and what securities and what collateral to acquire for the City's investments.

John Champagne asked if the restrictions for these investments are handled by the State. Mr. Yates said yes. John Champagne said preservation of capital, liquidity and yield. Mr. Yates said that is correct. Mr. Yates said the only other thing the policy states is what the City can invest in, which is government securities and that the City has to have collateral for every penny. Mr. Yates said this is the same policy the City has had for several years. Mr. Yates said the City did not adopt the policy last year, so they might get a mention in the annual audit.

Tom Cronin moved to adopt the Resolution regarding affirming the City of Montgomery's annual review of the Policy for Investment of Municipal Bonds and the Investment Strategies contained therein. John Champagne seconded the motion, the motion carried unanimously. (3-0)

4. Consideration and possible action regarding a Utility and Economic Feasibility Study for 1983 Land Investments, LLC. (The Woods at Town Creek Development - Dev. No. 1815).

Mr. Roznovsky reviewed the Utility and Economic Feasibility Study advising this is a 68-acre development located behind Napa Auto Parts, with 44 acres of the property being located in the City limits and the remainder in the City's ETJ. Mr. Roznovsky said annexation would be required to serve the tract. Mr. Roznovsky said the portion of the property in the City is zoned R1-Single Family Residential, and the proposed land use is all single family residential, so the new portion would need to be zoned R1.

Mr. Roznovsky said what is being proposed is all single family use, between 200-220 homes depending on the land plan option that is on 50-foot lots, so it would require a variance from the 75-foot lot requirement the City has for the 9,000 square foot lots. Mr. Roznovsky said on the City's Future Land Use Plan this area was designated as a high density residential, which means less than 9,000 square foot lots, so it was already intended or at least considered that this would be higher density than the 75-foot lot minimum. Mr. Roznovsky said, based on the developer's estimates, the approximate sales price for each home is \$220,000 and would be constructed in multiple phases over a five year period.

Mr. Roznovsky said the water use would be about 53,000 gallons per day, based on the historical use in the City for similar homes. Mr. Roznovsky said there is an existing waterline on SH 105 that would be extended through to the tract and would be required to be stubbed out to the north so it could be closed off to Lone Star Parkway to create a loop in the future. Mr. Roznovsky advised on the sanitary sewer side, they would have 42,000 gallons a day in sanitary sewer based on averages and there is capacity in the plant to serve the tract, which is the same with the water.

Mr. Roznovsky said the big item regarding the sanitary sewer is how to physically serve the tract, and said there are couple of tributaries in Town Creek that run through it, so they went through a handful of options and what they feel is the best is to relocate Lift Station #5 that sits right off of SH 105 by Napa so the entire tract can be served by the new location, and it will serve a much larger area that extends south of SH 105 and north to Lone Star Parkway. Mr. Roznovsky said the benefit of this is they are not adding another Lift Station to the area that the City would have to maintain. Mr. Roznovsky said they would require the developer to stub out the Lift Station so it can be extended in the future.

Mr. Roznovsky said some things to note regarding relocating the Lift Station is that this tract would not consume the entire capacity of the relocated Lift Station. Mr. Roznovsky said there was only about 30 percent of the capacity of the Lift Station required to serve this tract of land, and that would come into play later on. Mr. Roznovsky said it will likely be advantageous and appropriate to consider some type of cost sharing agreement with the developer, specifically regarding this item, since there is a savings from not having to do the repairs and it serves such a large area, not just this development.

John Champagne asked about the variance on the lots and said our restriction is 75 feet. Mr. Roznovsky said the City's restriction is 9,000 square foot lots, which are 75 feet by 120 feet. John Champagne asked if the variance would allow them to go to 55 feet. Mr. Roznovsky said it would be 50-foot wide lots.

Mr. Roznovsky said the drainage has nothing out of the ordinary, stating that there was a lot of flood plain on the tract and noted the land plan has a good amount of detention. Mr. Roznovsky said one thing to be considered further, working with the developer, is it might be advantageous to consider a more regional detention in the area because this directly flows down by the Sewer Plant and by the propane tanks, where they have the reoccurring issues when it rains and water goes onto the road.

Mr. Roznovsky said based on the number of homes, they are looking at 2,000 trips per day for traffic coming in and out. Mr. Roznovsky said the land plan shows only one way in and one way out being proposed, which needs to be considered and as part of that, they would recommend the City require a full impact analysis be completed prior to proceeding, which would likely be required anyway because they will be tying into TxDOT's highway.

Mr. Roznovsky said the other portion in Appendix A, is how the Mayor Thoroughfare Plan interacts with this tract. Mr. Roznovsky said there is a proposed north/south thoroughfare, which a 100-foot right-of-way is going through this tract and along its boundary. Mr. Roznovsky said there are a couple different options shown in Appendix A and the Land Plan. Mr. Roznovsky said the pros and cons are listed, and Option 1 has been identified and puts the new thoroughfare where Westway Drive is today, so it would be enlarging and improving Westway Drive and extending it out throughout the property. Mr. Roznovsky said the disadvantage of this is the proximity to Old Plantersville Road and the existing light, also in TxDOT's five to ten year plan; they propose a raised median that extends past Westway Drive to create a turn lane into Old Plantersville Road, which would be in conflict.

Mr. Roznovsky said the second option would be relocating to line up with the west entrance of the Cowboy Church, so this would impact a handful more property owners as it goes across the development, but it does help with the spacing of the intersection and it gets away from the raised median. Mr. Roznovsky said to note that until this gets constructed, everything is still going in and out of Westway Drive, and if TxDOT constructs the raised median in the next five to ten years, that will be a right in and right out only for all 220 homes based on the land plan. Mr. Roznovsky said there is still work to be done, but the developer is open to options on how to relocate that to make the most sense between TxDOT and the City.

T.J. Wilkerson asked about the drainage mentioned that might have an issue by the propane tanks and Town Creek. Mr. Roznovsky said the water drains into a tributary of Town Creek and they are proposing detention and land plan that would offset their impact. Mr. Roznovsky said we know that there are issues today with Town Creek, so the idea is whether they do some enlargement or provide some regional detention facilities to help not only offset what they have, but improve the situation downstream.

Mr. Roznovsky reviewed the cost section; the developer is responsible for everything on site, designing it, having improved and constructing and they also will be responsible for paying water and waste water impact fees, which total \$700,770 based on the number of connections they are proposing. Mr. Roznovsky said that was all subject to change based on the final land plan and what the impact fee rates are at the time, but as of today, that is what they would be. Mr. Roznovsky said the project could potentially be in phases, and recommended they phase out the escrow agreement based on as they define the phases of development, as long as they keep a positive balance. John Champagne asked if all this information has been discussed with the developer. Mr. Roznovsky said that was correct.

Mr. Roznovsky said the estimated total cost to the developer, not including his onsite costs, which includes Lift Station #5 relocation, escrow amount assuming they construct the project all at once and they would be out there approximately eight months, water and wastewater impact fees totaling \$1.65 million dollars, which does not include any type of cost sharing for Lift Station #5 or any other phasing out of escrow agreements or anything else that can be done.

Mr. Roznovsky said the last section is the taxable value of the property, so based on their estimates, roughly \$37 million in taxable value at full development, which would generate approximately \$140,000 per year based on the current tax rate in operations and maintenance and debt service tax.

John Champagne asked Mr. Yates if he had any issues with this Study. Mr. Yates said no, it has all been discussed with the developer and there is still the entire development process that has to be completed. John Champagne asked Mr. Yates if he felt the Study was valid. Mr. Yates said yes he did.

John Champagne moved to accept the Utility and Feasibility Study as presented for The Woods of Town Creek Development. Tom Cronin seconded the motion, the motion carried unanimously. (3-0)

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.

5. Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, in accordance with the authority contained in the following:
 - a) Section 551.087 (deliberation regarding economic development negotiations)

Mayor Pro Tem Wilkerson adjourned into Closed Executive Session at 6:25 p.m.

6. Reconvene into Open Session.

Mayor Pro Tem Wilkerson reconvened into Open Session at 7:00 p.m.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

7. Consideration and possible action(s) if necessary on matter(s) deliberated in Closed Executive Session.

There was no action taken.

COUNCIL INQUIRY:

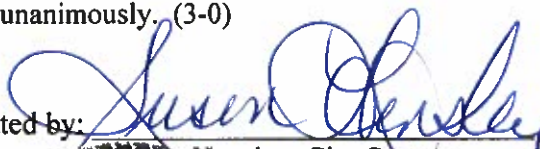
Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or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

There were no comments made.

ADJOURNMENT

John Champagne moved to adjourn the meeting at 7:00 p.m. Tom Cronin seconded the motion, the motion carried unanimously. (3-0)

Submitted by:


Susan Hensley, City Secretary

Date Approved:


03/26/19

Mayor Sara Countryman

