

MINUTES OF REGULAR MEETING

August 27, 2019

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Sara Countryman declared a quorum was present, and called the meeting to order at 6:08 p.m.

Present: Sara Countryman Mayor
Jon Bickford City Council Place # 1
John Champagne, Jr. City Council Place # 2
T.J. Wilkerson City Council Place # 3
Rebecca Huss City Council Place # 4

Absent: Tom Cronin City Council Place # 5

Also Present: Richard Tramm City Administrator
Susan Hensley City Secretary
Larry Foerster City Attorney
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.

There were no citizens' comments.

Mayor Countryman thanked Council Members Rebecca Huss and T.J. Wilkerson for the job they did last weekend at the Texas Flag Festival. Mayor Countryman said the Texas State Archives was very impressed with the number of visitors they had to see the documents they brought from the State Archives in Austin. Mayor Countryman said there were over 450 people in attendance at the Spirit of Texas Bank and in town. Mayor Countryman said T.J. Wilkerson's speech can be found on YouTube.

Rebecca Huss said Public Works outdid themselves in terms of the look of the town and the logistics behind the scenes, every one of them went above and beyond. Mayor Countryman thanked Mr. Foerster for his presentation and thanked him for helping the City. Mayor Countryman said it was a collaborative effort for sure and she appreciated the support.

CONSENT AGENDA:

1. Matters related to the approval of minutes of the Regular Meeting held on August 13, 2019.
2. Consideration and possible action to authorize the Police Chief to purchase one insurance replacement patrol vehicle and one new patrol vehicle out of the 2018-2019 Operating Budget.
3. Consideration and possible action regarding street closures on September 1, 2019 from 8:00 a.m. to 8:00 p.m. for the Whitley Vineyards Music Jamboree as submitted by Gina Whitley
4. Consideration and possible action regarding adoption of a Resolution Amending the Authorized Representatives for the City of Montgomery TexPool Account.
5. Consideration and possible action regarding the adoption of a Resolution Authorizing a Certificate of Deposit Account with Third Coast Bank.

Rebecca Huss advised she had a correction to the minutes on page 13, to remove the word "notwithstanding" from the sentence.

John Champagne commented on Item 3 and said he looked at the map and asked if the vendors that will be affected by the street closures were on board with this action. Mr. Tramm said he has not gone through downtown and touched base with the vendors, but said he knew that Ms. Whitley has used this diagram before, so it is something they are familiar with, but if they would like him to make contact he would. John Champagne said based on the map, he asked if they were barricading McCown off completely. Rebecca Huss said she thought they were just barricading the parking lot to keep people from driving into it. Mr. Tramm said they are barricading the northern and southern end of the parking lot, so they are barricading it but if you

are coming from the northern end you can come south into the parking lot. John Champagne asked if College Street was open to McCown from FM 149. Mr. Tramm said that was his understanding. Rebecca Huss and John Champagne said that is not what the map is showing. Rebecca Huss said it is on a Sunday and there is less business on that day. Jon Bickford asked who the Music Jamboree is benefitting. Mayor Countryman said since it is the Whitley Vineyards Jamboree, she would imagine it would be for them or on behalf of them. Jon Bickford asked if they allowed private businesses to close the City to promote themselves and asked if the City was getting something out of this. Mr. Tramm said the City would get sales tax from the sales and said this is like what they did a year and a half ago for their anniversary. Jon Bickford said the Old Montgomery Steakhouse serves breakfast and lunch on Sundays. Rebecca Huss said she did not think this closure extends down that far. Jon Bickford said he did not feel right about dedicating a City block for this without asking how the Old Montgomery Steakhouse feels about this. Mr. Tramm said he could investigate that tomorrow.

John Champagne said based on what he is looking at, McCown is shut down from College to the southern end. Mr. Muckleroy said it was not last year, they only closed what they called the "T", which is where the star is at, just south of the entrance to Larry Jacob's parking lot. Mayor Countryman said she thought this map was a bad rendition of the area that they are asking for. John Champagne said he would be fine with the closure if they don't shut down all of McCown and the Old Montgomery Steakhouse has access to their customers, he does not have a problem. Mr. Tramm said they would make sure to confirm the information with Ms. Whitley.

T.J. Wilkerson moved to accept the Consent Agenda as presented, to incorporate the street closures for the Whitley Vineyards Music Jamboree to be the same as they were last year and adjustment to the minutes. Jon Bickford seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

6. Consideration and possible action on a presentation from Spear Point Engineering LLC regarding a replat and lot variances.

Mr. Darrin Fentress, Senior Project Engineer with Spear Point Engineering LLC, presented the information to City Council. Mr. Fentress said this is regarding property at the southern bend of Baja Road. Mr. Fentress said currently the property is platted as three parcels and they would like to divide that up and get four parcels. Mr. Fentress said the Walker Montgomery Community Development Corporation builds housing for low-income families

and they use youth from the Gulf Coast Trade Center, which gives those young people skills so they can go out and get jobs.

Mr. Fentress said the first variance they are requesting is a flag lot variance. Mr. Fentress said the last lot that has been platted is a very large lot and is not typically what their clients are looking for. Mr. Fentress said their clients are low to medium income families that are looking for their first home.

Mr. Fentress said the second variance they are asking for is the lot frontage because in order to split the lot they would also have to reduce the frontage for just those two lots. Rebecca Huss asked if they had a rendition of how they intend to site the house on the lots. Mr. Fentress said he did not have that information with him. T.J. Wilkerson asked if they would place a home on each lot. Mr. Fentress said that was correct. Mr. Fentress advised the lot frontage variance would be a reduction from 75 feet to 31 feet for both of those lots. Jon Bickford asked if there was a reason why they could not put a cul-de-sac at this location to avoid this variance. Rebecca Huss asked if these will be market value properties. Mr. Fentress said he believed that was right. Mayor Countryman asked what the price range was for these homes. Ms. Donna Glass advised right now they are ranging from \$115,000 to \$125,000. Ms. Glass said they are all three-bedroom, two-bathroom, two-car garage. Ms. Glass said they would also partner with Easter Seals, so when they qualify for a home, they can get up to \$14,500 for down payment assistance.

Rebecca Huss asked how the people that buy the homes are selected because there are not a lot of homes in Montgomery that are in that price range. Ms. Glass said they have a sign at the location and a realtor. Mayor Countryman said this is more of a program and not just homes on the regular market, they must qualify for the homes. Ms. Glass said they have to stay in the low-income range for about 15 years, they use HUD money so if they were to leave that home, it would have to be sold to another low income-qualified buyer because the homes are worth more than what they sell it for. Jon Bickford asked if this is a for-profit effort. Ms. Glass said they are a 501(c)(3). Jon Bickford asked if they are going to be selling the homes for cost. Ms. Glass said yes, they are not making any money on the homes. John Champagne asked if the contractor fee is nonexistent. Ms. Glass said that is correct. Mr.

Fentress said they have two 75-foot lots and then the two larger lots will have street frontage of 31-feet.

John Champagne asked whether they had considered asking for variances on all three lots. Mr. Fentress said they considered it, but because the larger lot is towards the back, it seemed more prudent to leave the two existing 75-foot lots and ask for the variance on this one. Jon Bickford said they would also need to check with the Fire Department to make sure they can access the homes.

T.J. Wilkerson asked Mr. Roznovsky, City Engineer if this would affect the work on Baja. Mr. Roznovsky said no. Mr. Roznovsky said this is not the first time that City Council has seen this information, advising that a Feasibility Study was done on this tract about 18 months ago and said at that time they were proposing a cul-de-sac, which turned out to not be feasible, so they platted it with three lots and now they are trying to divide it. Mr. Roznovsky said the Baja Street Project was already in the works, so the lines are already extended far enough, and it won't change. John Champagne asked for the typical width of an average driveway. Jon Bickford said his was 20 feet wide.

John Champagne said he would go with the consensus on this item. Rebecca Huss said she was amenable to the project and she felt comfortable with it, good project and good price point.

Mr. Foerster said City Council could just direct this project to go to the Planning and Zoning Commission for the replatting process. T. J. Wilkerson said he felt good about the project. John Champagne said he would probably be agreeable to anything the Planning and Zoning Commission determines. Mayor Countryman said the project will now go to the Planning and Zoning Commission. Mr. Tramm advised they would take care of the information.

7. Consideration and possible action on a presentation from Larry Jacobs regarding a proposed hotel/motel type project to be located at 1062 Clepper Street.

Mr. Larry Jacobs presented his project to City Council. Mr. Jacobs advised the property is 2.5 -2.6 acres. Mr. Jacobs said they have depicted three different cottages for the property

and said they will probably end up having cottage style, with some rock in the same size footprint as the three cottages shown. Mr. Jacobs said they will be like a hotel room with a microwave, refrigerator and coffee machine and a washout sink at the counter. Mr. Jacobs said the bathrooms will be nice. Mr. Jacobs said the property is located behind Jim's Hardware and he has shown the number of vendors and shops that are within walking distance of the property, which is what got them going on the project. Mr. Jacobs said there are several wedding venues here and other activities in town, and there is no place for anyone to stay. Mr. Jacobs said this will be a place where people can come that want to participate in the community, go to the shops and drink wine and enjoy the history of Montgomery. Mr. Jacobs said there are pecan trees on the property, and they visualize this being a great open space and they hope to build a low rock wall around it with a wrought iron fence on top, so they can still see the green space and outside. Mr. Jacobs said there would be a security gate and a walk-through gate. Mr. Jacobs said they are working on placement of the cabins so that they can save the trees on the property.

John Champagne asked if there would be 14 units on the property. Mr. Jacobs said that was correct. Mayor Countryman asked if it would be 2 people or 4 people per unit. Mr. Jacobs said some of the cabins will have one bed and a sleeper sofa, and the larger cabins will have two beds, and a couple will have an upstairs loft with a couple of beds. Mr. Jacobs said the average will be four people. Jon Bickford asked if they would be rented by the night. Mr. Jacobs said yes, there will not be an on-site office, no bar or restaurant. Mr. Jacobs said there are roughly 30 wedding venues within 15 miles of the City and those people, other than a few bed and breakfasts, stay busy. Mayor Countryman asked if the City would receive hotel-motel taxes. Mr. Jacobs said the City would receive hotel tax, and said they already have their ID number for their taxes. Mr. Jacobs said he read an article where the City of Conroe cut a deal to receive Air B&B taxes.

Mr. Jacobs said they are showing the retention for the property and they are looking at using pavers where the grass will grow through them. Mr. Jacobs said he would not be asphaltting the lot. Jon Bickford asked how many cars they are expecting per cabin. Mr. Jacobs said one or two. Jon Bickford said it does not look like a lot of parking. Mr. Jacobs said they will have sidewalks from the parking to each cabin and a walking path to get from the groups of

cabins to the pavilions, barbeque pits and possibly a fire pit and hot tub. John Champagne said Gruene, Texas has this type of cabins.

Mr. Jacobs said he would like to get this property rezoned as commercial for financing reasons as much as anything since it is going to be run as a business. John Champagne asked if Mr. Jacobs owned the property. Mr. Jacobs said he has the property under offer. Rebecca Huss asked what it would do if he ended up with a Special Use Permit for the specific purpose. Mr. Jacobs said he would be concerned that his bank might have a problem with that. Rebecca Huss said they have discussed the wide use of things allowed under commercial, and once they zone the property commercial, they lose absolute control over it. Rebecca Huss said this is beautiful and she thinks it is perfect for the location, but pecan shelling and some of the other commercial uses would not be as beautiful and appropriate because you abut up to a residential home. Mr. Jacobs said he would like to have the property zoned commercial. Rebecca Huss said one thing they had talked about was historical commercial as an additional zoning category, and she did not know how complicated that would be to initiate the process. Mr. Jacobs asked if he put a deed restriction in his contract, would that be acceptable. Mr. Foerster asked if he was talking about a deed restriction that would be used for that development. Rebecca Huss asked if the deed restriction would be transferable to the next owner.

Jon Bickford said this property backs up to Buffalo Springs, and if he was the person that just bought the house that backs up to this, knowing that is residential, and two months after he bought his home it got rezoned as commercial, he would be upset. Jon Bickford said they need to consider before they talk about making this happen, things that are around the outside of the property. Jon Bickford said he would not want to go back to his neighborhood and tell everybody guess what we just did, so they need to get some feedback from the public before they do anything. Rebecca Huss said that is part of the process, but also part of the discussion, this would mitigate that to some extent because there is green space, retention and there are plans to keep the trees in place, which means this could be an agreeable idea. Rebecca Huss said as part of this process that is what they are keeping in mind not only how it affects downtown, but also the people behind the location. Jon Bickford said there are homes beside and behind that location and people bought their home based on how things are zoned.

John Champagne asked Mr. Foerster, stating they are kind of restricted as far as how we can legally identify these properties as commercial, industrial and residential. Mr. Foerster said if they wanted to create another zoning district, that would involve reviewing the comprehensive plan, which is the basis they do their zoning. Mr. Foerster said he would suggest that in terms of long term planning for the City, this is a good time to study the concept and determine the best way to approach, through rezoning or keeping the zone and using a Special Use Permit, he was not so sure he is comfortable just having deed restrictions on the property, but that might be an option. Mr. Jacobs said in the deed restrictions they could list all the things that would be objectionable that would not be something you would not want. Mr. Jacobs said he was very sensitive to the concerns expressed by Jon Bickford and said there is a big hedge line around the back of the property. Jon Bickford said he felt that would be up to the people that abut the property to determine whether or not they want to be there or not, but said he did not like the idea of a commercial use being backed by Buffalo Springs, and if they did do that they would have to make sure there are safeguards. John Champagne asked for clarification that this would be closer to an Air B&B type development. Mr. Jacobs said the only difference is an Air B&B charges about 20% to manage, and they think they are going to have enough support locally, so they won't need to do that. John Champagne asked if an Air B&B pays hotel taxes. Mr. Jacobs said an Air B&B has no obligation to pay or collect City taxes. Mayor Countryman asked if Mr. Jacobs had a cottage available on a Saturday night would he put it on an Air B&B site. Mr. Jacobs said probably not.

Mr. Jacobs said if he must go with a Special Use Permit, he would try to make that work, but he would prefer the property to be rezoned commercial. Mr. Jacobs said he has the property under contract for a couple more months. Rebecca Huss said it sounds like there are mixed feelings. Mayor Countryman said there might be some more questions that need to be answered.

Jon Bickford said he feels the property is residential and it should stay residential, if it was meant to be commercial it would have been made commercial. Jon Bickford said the people that bought houses to the east and property behind the site, must believe that residential property is going to be residential and not a hotel property where people come in and out of

every night. Jon Bickford said it is going to degrade the property value for the people next door. John Champagne said there is commercial property 50 feet from that house called Jim's Hardware. Jon Bickford said the location was commercial when he bought his house. Mayor Countryman said she was in Gruene a few weeks ago and she has seen the houses and they do not seem to have lost their value; they seem to be holding onto their value. Jon Bickford said he just feels they need to have public input.

Rebecca Huss said if you look at Clepper Street and what is being built on Clepper that is slowly transitioning to a more commercial low impact area, and she is hoping there won't be any gas stations or fast-food restaurants on that street. Rebecca Huss said Fernland has a pretty big attraction, and the mini-golf course and whatever else goes in over there, you could see more people coming in to transition the three or four other properties across from the Community Center from something other than residential. Mr. Tramm said City Council could still have a public hearing and invite the neighbors as if it is rezoning for the Special Use Permit. John Champagne said he would personally submit that he would like for this to move forward and consider either a Special Use Permit or some limited commercial, but he would like to see this come to fruition without it being commercial. Jon Bickford said they need to find out legally what they can do.

Mayor Countryman asked if the next step is to go to the Planning and Zoning Commission and go through them and have the Public Hearing. Mr. Tramm said if City Council wants to go through rezoning that is what they need to do. Mr. Tramm said if they want to go through the Special Use Permit that is less defined, and they could have a hearing with City Council. Mr. Foerster said he did not see a problem with going through the Planning and Zoning Commission and letting them hold a Public Hearing or two on that information stating that he thought it would be useful to actually send letters to any property owners within 200 feet of the location so they would know about the Public Hearing and learn more about the project. Mr. Foerster said when the public sees the project, they might not have a problem with it, then again, they might feel like Jon Bickford and be concerned about loud noises and too much activity on the property rather than just a place to sleep. Mayor Countryman said there is a City ordinance that covers loud noise.

Rebeca Huss asked if they needed to give specific direction through a motion. Mr. Foerster said City Council could just call for a Public Hearing at the next meeting to get a feel from the community and send notice out to the property owners within the 200 feet to see what kind of response you get, which would move the project along so Mr. Jacobs would not have to wait another 30 days to find out how the community feels. John Champagne said he thought that was prudent and felt they should do that.

Rebecca Huss said they don't have to follow the legal notice restriction because this is a courtesy Public Hearing.

Rebecca Huss moved that City Staff contact all residents within 200 feet within the proposed development prior to the next City Council Meeting so they can have public feedback in a public meeting regarding this issue as presented by Mr. Larry Jacobs at 1062 Clepper Street, Montgomery and request staff follow up on the issue of pursuing this as a Special Use Permit. John Champagne seconded the motion.

Discussion: Mr. Tramm stated the Public Hearing would be held on September 10, 2019, at 6:00 p.m. during the next City Council Meeting. John Champagne asked if it would be a problem to have this on the Planning and Zoning Commission Agenda in the next week or so. Rebecca Huss said she was going to ask that the Planning and Zoning Commission be invited to attend the meeting so they could hear what people have to say. Mr. Tramm said the Planning and Zoning Commission's next meeting will be held on September 23, 2019, so they could post this as a Joint Meeting. Mr. Foerster said if they wanted to have it as a Joint Meeting they could do so, but if the plan is just to get public input and if they see this is going in the right direction, then it could be on the Planning and Zoning Commission on September 23, 2019 to proceed with their normal procedures. Rebecca Huss said the City Secretary needs to post a Notice of Potential Quorum. Mr. Tramm said they will do it that way.

The motion carried unanimously. (4-0)

8. Consideration and possible action on Department Reports.

A. Administrator's Report: Mr. Tramm presented his report to City Council. Mr. Tramm advised there were some items that he wanted to address with City Council. Mr. Tramm said there was some discussion regarding the Board of Adjustment at the last City Council Meeting, and he would like to bring that back with an ordinance resolution to be considered.

Mr. Tramm said they had some updates on the Flag Festival earlier and said he wanted to point out that he spoke to the lady that came out from the Texas State Archives and they had over 150 visitors who came specifically to their location to see the historic documents that they brought to the City. Mr. Tramm said they were floored by that number of people coming out, and they would be happy to come out again in the future to participate.

Mr. Tramm said in the next month he would be working on the Parks Resolution and that he will review with staff and Mr. Muckleroy, who also serves as the Parks Director, to make sure it is properly on track as to the direction they need to be going.

Mr. Tramm said City Council has held two Budget Workshops and tomorrow they should be handing out the updated proposed budgets, and for any of the Council Members that were not able to attend the Workshops, he will be happy to meet with them to discuss the budget. Mr. Tramm said the budget will still have to come back to City Council for approval on September 10, 2019.

Mr. Tramm advised that he would be checking with the City Attorney regarding the Air B&B issue. Rebecca Huss said Mr. Tramm might want to investigate how much it will cost because there are only about four or five Air B&B's in the City right now. Mr. Tramm said now that there are a couple of cities out there that have done the legal groundwork, that would be minimal cost, but he would do a cost analysis.

Mr. Tramm said another thing he is reviewing with staff this month is the Community Center Rental Review Policy. Mr. Tramm said he would discuss this under the Utility Report, but last month there were very few payable rentals for this time, which he will cover under the report.

Mr. Tramm said yesterday he was contacted by the City's Financial Advisor relative to bond activity with the drop of interest rates he feels that it is possible the City could refund it's 2012 bonds for a net savings of \$125,000 and said that might be something the City might be interested in doing. Jon Bickford said he would be very interested. Rebecca Huss asked if they would have to hire a financial advisor or bond advisor and a bond attorney. Mr. Tramm said the Financial Advisor was factoring those costs into the net savings. Rebecca Huss said that was one of the things they learned the last time, was those fees are negotiable, which they never advised the City of that before. Mr. Tramm said it might be worth looking into.

Mr. Tramm said relative to some of the TxDOT discussions, staff and he met with the owner of Shipley's property earlier in the month, which they thought they had found some flexibility on the owner of the property, but then they got a phone message Monday indicating that he was suddenly less flexible. Mr. Tramm said they have a meeting planned with TxDOT this Friday morning to see what they can get related to the dumpster being located on the side and if necessary, he will go back with the Shipley's owner to try and get around what their reservations were.

Mr. Tramm stated that he had a discussion with Mr. Randy Burleigh, relative to TORQ matters today. Mr. Tramm said he relayed his desire, and he thought it was equally with Mr. Burleigh, that he wanted to set up a regular standing process being not just what he has with the staff here, but something that he would participate in. Mr. Tramm said a lot of the detail he is comfortable with discussing and he thinks there is good value from volunteer service with someone who really appreciates looking into some of that detail. Mr. Tramm said perhaps he can get a better understanding of what they are looking for if he is participating. Mr. Tramm said he was not going to get in the middle of all the staff level discussion, but he wanted to be able to communicate with Mr. Burleigh and the TORQ group on a one on one basis.

Mr. Tramm said he has heard discussions with staff that with the Montgomery ISD moving their administration over to the former elementary school building, there may be an opportunity to negotiate with the School District about purchasing some of the

land on the eastern side of the school and to identify a tract down there. Mr. Tramm said he previously understood with the previous City Administrator that was a direction he was moving and he thought he had the support of City Council, but in the recent discussion with him, it sounded like nothing had been approved to go get an appraisal and move forward. Mr. Tramm said he has a drawing of that, and he is waiting on a reply from the Superintendent of the School District that had some preliminary discussion. Mr. Tramm said he emailed the Superintendent yesterday to tell him that he wanted to discuss the matter with him, but he also wanted to make sure that City Council wanted him to continue with the discussion. John Champagne said he remembered it being discussed very favorably. Mayor Countryman said very much so. Rebecca Huss said she was very surprised to hear that it had not moved forward. City Council asked Mr. Tramm to move forward.

Mr. Tramm said the last item he had was the General Land Office had a call from Grant Works today that an additional \$19 million dollars has opened up on drainage work, and he knows the City has some ongoing drainage projects. Mr. Tramm said there is a very tight timeline for application for these funds, and he thought the application deadline was September 19th. Mr. Tramm said being that the City has drainage work that has already been worked through the Engineer, he thinks they might be able to make that deadline. Mr. Tramm asked if City Council wanted him to work on that. City Council concurred that he should work on this.

Mayor Countryman stated that she had seen Mr. Foerster's news piece on the Bonnie and Clyde bridge and read the article in the newspaper and asked if he was in connection with the bridge. Mr. Tramm said he had heard some discussion regarding the bridge from staff, but he has not been in communication with Mr. Foerster on that item. Mr. Foerster said he did have a conversation with Mr. Philip LeFevre last Saturday when he was doing his presentation at the Flag Festival and he was talking like he is really close to getting the bridge acquired and will be able to fund the resources to move the bridge to Montgomery. Mr. Foerster said the bridge is fragile. Rebecca Huss asked if Mr. Foerster has been working to get the bridge to Montgomery. Mr. Foerster said he has not been working on it, Mr. LeFevre has been working on it. Rebecca Huss asked if Mr. Foerster was in the newspaper and on the

news. Mr. Foerster said Channel 13 was doing a feature on several different historic aspects of the City of Conroe, one of which was the feature about Bonnie and Clyde and the fact they confirmed they used to hide out under that bridge and have family reunions with Clyde's cousin Dude Barrow, which is how that came up. John Champagne asked if Mr. LeFevre has private capital to move and refurbish the bridge. Mr. Foerster said that is what Mr. LeFevre told him and said he has not approached him or anyone at the City about it.

- B. Public Works Report: Mr. Mike Muckleroy, Director of Public Works, presented his report to City Council. Mr. Muckleroy advised they had repaired a leaking service line at Caroline and Liberty, flushed air in the main lines from a compressor failure at Water Plant 3, moved the service line at 814 Huffman Street from the Cedar Crest line, activated and de-activated 27 water accounts and completed 14 work orders for miscellaneous water issues.

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Mr. Muckleroy said on the wastewater side they cleared growth around one of the lift stations and set some visibility markers on the manholes on Plez Morgan to prevent them from being hit by the mowers.

Mr. Muckleroy said for drainage they cleared away growth on Clepper Street, installed a culvert on MLK for a homeowner, repaired two potholes and completed a work order for a streetlight install request. Mr. Muckleroy said they repaired the track lighting at the Simonton building, and repaired the steps and building handrails for the back porch at the Crane Cabin. Mr. Muckleroy said they completed 14 work orders for general City Hall maintenance. Mr. Muckleroy advised they completed 28 work orders for maintenance park issues, they reworked the front entrance beds at Fernland in front of the Simonton House and cleared underbrush at Homecoming Park for the installation of the fence. Mr. Muckleroy said the Fernland docents had 607 visitors for the month and they provided 68 tours.

John Champagne asked for the ratio of connects and disconnects on water. Mr. Muckleroy said it is usually even, turning them on and then off, someone moves out and someone moves in. John Champagne said there were 607 visitors and 68 tours

were provided by the docents extrapolate that out, if everybody paid a dollar a piece, that is about \$7,000 and how much does the City get. Mr. Muckleroy said the City is not getting anything off that. John Champagne said that needs to be rectified, we need to charge \$1.00 a head. Mr. Muckleroy said he would speak with Mr. Tramm regarding that information and said they have had some conversations about this in general. Jon Bickford said they need to figure out how they can do that because you have people at the park that are going to have to start handling cash. John Champagne said there are ways to do it because people do it every day. Jon Bickford said the other thing that needs to be addressed is where the donations are going. Mayor Countryman asked when visitors are at the park, do they make an appointment to visit. Mr. Muckleroy said some do and some don't, they can call ahead and request a tour at a certain time. Mr. Muckleroy said the docents are good at walking out and greeting people when they arrive and offering tours.

- C. Police Department Report: Police Chief Anthony Solomon presented his report to City Council. Chief Solomon advised the crime mapping that the Department is doing with Lexus Nexus, which is a corporation that gives citizens a chance to go online to see where crimes are occurring and it will show the names of the streets and an opportunity to make calls to give tips to the Department. Chief Solomon said that lets the Department see where things are happening, and they can better see where the trends are going and put people in those areas. Chief Solomon said this is a free crime mapping system and it will inform the citizens about everything they are doing. Mayor Countryman asked if that program could be tied into the City's website. Chief Solomon said the citizens can access it from the City's website and they will have information on the website about how the citizens will access the information online. Mayor Countryman said this is a free report and if someone was moving to the City, they could access the information. Chief Solomon said yes, they could access the information. John Champagne said it was a digital neighborhood watch. Chief Solomon said the program will show you crimes that have been committed in particular areas, which is a really good tool when you are looking at burglaries and when you have an area that has had a lot of crimes it will show that information. Chief Solomon said this program will also help the Department do their job as well. Rebecca Huss said it will show the City is much safer than another location that

might have more crime. Chief Solomon said it will make citizens aware of what is going on and when that happens, you start getting more calls and tips of suspicious persons. T. J. Wilkerson asked if it would take in the apartments. Chief Solomon said yes it would. Jon Bickford asked if there was any ability to integrate that information with the Ring doorbells so people could provide videos. Chief Solomon said he was not sure about that, but they will check on it.

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Mayor Countryman asked about the City ordinance regarding golf carts and said she has had several calls in the past two weeks of residents getting pulled over in golf carts when crossing SH 105, and said it was her understanding that it is legal to cross SH 105 on a golf cart, you can't go east/west, but you can go north/south. Chief Solomon said there are two ordinances that both say about the same thing, with one that specified which roads you can cross, SH 105 and FM 149, then the other ordinance referred to State Law. Chief Solomon said when you refer to State Law, State Law states you can cross at an intersection, an intersection is described at two curbs meeting on each side, and there are some streets here that do not do that. Chief Solomon said McCown when you cross from there over into the businesses is not considered an intersection, so the officers understand about the curbs and the intersections, but sometimes the citizens are not understanding what they are. Chief Solomon said he thinks the two ordinances are confusing. Mayor Countryman asked if it would be beneficial to put up signs where they can cross with a golf cart. Chief Solomon said intersections are considered when you are crossing FM 149 from one side to the other where the curbs meet each other. Jon Bickford said there is no way to get across SH 105 from this side. Jon Bickford said he did a bunch of research on this information six years ago when they pulled this ordinance together to pass it, what he remembered reading is it said you could cross a State Highway or an FM Highway at a 90-degree angle, he did not remember it saying an intersection. Jon Bickford said he remembered the ordinance saying you could not ride parallel to FM 149 or SH 105. Jon Bickford said there is no way to get to an intersection if you are on the north side of SH 105 unless you go around the Park and go down Houston Street, then you can cross SH 105 at Houston Street and then go over to Worsham Street and that is it. Jon Bickford said they must fix that problem. Chief Solomon said the ordinance clearly states we are going to follow State Law and State Law says

they must cross at an intersection. Chief Solomon said those intersections can also be dangerous because some of them only have stop signs and are not controlled by a red light like they have at FM 149 and SH 105. John Champagne said the whole area is dangerous to cross. Rebecca Huss said there is no north/south crossing for golf carts. Rebecca Huss asked if they can pass an ordinance that conflicts with State Law regarding golf carts. Chief Solomon said no because the ordinance said you would go by State Law so you can't rescind that ordinance. John Champagne said there should not be any golf carts crossing SH 105. Jon Bickford said they were supposed to have a plan for people on the north side of SH 105 to be able to get to Kroger.

Chief Solomon said TxDOT has increased the signage at Liberty and Martin Luther King Jr., and they think that it is doing some good, but they are going to have to look at what happens since the signage has been there. Rebecca Huss asked if they could do the cuts in the road like when you approach a toll booth, they have the warning cuts in the road. Chief Solomon said that is one of the things that TxDOT is going to do, but not until September or October due to budget constraints. Chief Solomon said he would follow up with TxDOT.

- D. Court Department Report: Mrs. Kimberly Duckett, Court Administrator, presented her report to City Council. Mrs. Duckett advised the citations for July were 203 and the July collections were \$35,339.40. Mrs. Duckett said the warrant officer cleared about 57 warrants for the month of July for a total collection of \$3,630. Mrs. Duckett said they had about nine arrests for warrants by the night officers. Mrs. Duckett said if they have active warrants, they can pay right there on the road, go to jail or come in the next morning to schedule their court date. Jon Bickford asked how they can pay on the road. Mrs. Duckett said they go online to TrafficPayment.com and they pay their warrant.
- E. Utility/Development Report: Mr. Tramm presented the report to City Council. Mr. Tramm advised there were 19 new water accounts and 8 accounts closed. Mr. Tramm said when you have a number that is twice as much as the number of accounts closed, you are showing an increase in the number of people coming into the City. Mr. Tramm said he is still waiting to speak to the Auditor on the 120+ days in arrears.

Rebecca Huss asked if Mr. Tramm has made any progress in stopping the growth of the arrears. Mr. Tramm said there are primarily two categories for the arrears. Mr. Tramm said occasionally someone is late with a payment, but there are some customers that become very late and they are put on a six month or longer payment plan to catch up on their account. Mr. Tramm said for others, the way the utilities run they have been waiting until the end of the following month to check on customers that might have moved out, stating they would no longer be waiting for that much time to check. Mr. Tramm said when the customer moves out, they might think they are skipping out on their last month's bill and they forget they have a deposit and the deposit might cover the cost. Mr. Tramm said if the customer has moved out and six weeks or more have gone by, the City is adding fees to an account where the people are already gone. Mr. Tramm said if the City was checking up on them immediately after disconnects on a Tuesday and they do not hear from them by Thursday or Friday, we should be looking at why we have not heard back from them. Mr. Tramm said they can determine that they can close the account if there is no sign of anyone there, they do not have to let it go 45 days before looking into it and then finding out they have not been there. Mr. Tramm said he will be getting with the Utility Clerk and they will work it into a policy that they will be following, which should take care of the activity on the 60-90-day arrears.

Rebecca Huss said the 120+ days arrears only go through September 1, 2018 and asked if they have a years' worth of other arrears. Mr. Tramm said he did not specifically know the answer to that question, but he would get that information.

Mr. Tramm commented on the rentals of the Community Building stating there were 23 bookings for the month, with two rentals to paying customers, and 21 rentals to nonprofit entities that did not pay for the rental. Mr. Tramm said that staff had previously made recommendations to the previous City Administrator and he is asking staff to review that information and get back to him and then he will report back to City Council. Mr. Tramm said he felt they needed to look at the fact the City has some costs to providing the facility to nonprofits, and we just need to make sure the City's costs are covered at a minimum and they make sure there are equal

opportunities for some of the other people that might want to rent the Community Center, which the City might make money on.

Mr. Tramm said the July water use for Memory Park, with less rain, has increased for water being used for irrigation and not for filling the pond. Mr. Muckleroy confirmed that information.

- F. Water Report: Mr. Michael Williams, with Gulf Utility Service, Inc., presented his report to City Council. Mr. Williams stated all the district alerts were due to power failures and power glitches. Mr. Williams said they have not had any type of mechanical failures that caused service interruption during this time frame. Mr. Williams said the daily effluent flow for the month of June through July was 4,464,000 gallons, with the daily peak flow occurring on July 3, 2019, at 229,000 gallons and the average flow was 148,800 gallons. Mr. Williams said all the effluent samples were in compliance for July, with a total of 4.85 inches of rain. Mr. Williams advised the rain gauge was not working for most of July and since they are having more and more issues with the gauge, they are looking at a new one that will send out alerts when something happens. Jon Bickford asked what type of alerts they would receive. Mr. Williams said it would advise when the batteries are getting low or if there is a communication failure.

Mr. Williams advised they sourced a total of 12,276,000 gallons, with a flushing and leak amount of 865,500 gallons and they sold a total of 9,218,000 million gallons, which brings the City to an 82% accountability. Mr. Williams said they have been searching the City between Gulf and Public Works to try and find a leak, but they have not come up with anything, they have checked the flow at the sewer plant and they have not seen any spikes there. Mayor Countryman said this is the second month in a row. Mr. Williams said that is correct, last month it was 89%. Jon Bickford said if they are losing this much water it should show up somewhere. Mr. Williams said it should for that much water because they are missing about two million gallons. Mayor Countryman asked if that could be people taking it out of the meters. Mr. Williams said it would take a lot because those container trucks only hold about 5,000 – 6,000 gallons.

John Champagne asked what the plan was to find the missing water. Mr. Williams said when they are at the facilities every day, they keep their eyes out for anything that might be happening while they are not there. Mr. Williams said if there is evidence that the GST is overflowing, they are losing water in the plants, they keep their eye out while they are going around the City. Mr. Williams said Public Works has gone out and checked the ditches and they have found nothing to substantiate losing this much water. Rebecca Huss said the loss of two million gallons of water is \$5/gallon and asked how much it would cost to have a company come out with listening equipment to locate the leak. Mr. Muckleroy said the cost was by the mile and the last time they used them it was about \$5,000 for about five miles.

John Champagne asked Mr. Tramm what he has done in the past for this type of problem. Mr. Tramm said what he has found to be the best observation is by putting people out looking for the items. Mr. Tramm said with a previous system where they were losing 25-30% a month, it took about six months to find, but there was a dead-end line on abandoned property that had leaked so much that it turned a low lying property into a lake that was slowly overflowing into a drainage ditch and nobody noticed that until a couple people put the facts together. Mr. Tramm said his first thought would be to have some of the Public Works staff be a little more vigilant in some of the areas with visual observation, but if that does not work, bring in a company to track down leaks. Mr. Tramm said if some or one of these lines is broken, a low-lying area in a ditch in the woods someone might not see it. John Champagne said if this water business was owned by a private entity and he was losing \$10,000 per month, he can promise you they would find that leak. John Champagne said every time he hears something like this, he does not hear the urgency because it is not bleeding out of somebody's personal pocket, but it is, it is bleeding out of everyone's pocket. John Champagne said it was totally unacceptable for him to think for six months we can't find where this leak is because if he said the \$10,000 was going to come out of the salaries of everyone responsible, you would see all hands-on deck. John Champagne said the leak needs to be found.

Rebecca Huss asked if the water production meter could be off on Water Well #3. Mr. Williams said no, they have recently tested it and there is no problem. Rebecca

Huss said it jumped up in June and July, obviously, usage is up. Mr. Williams said he has even gone back since it has been calibrated to compare GPM's to run times and all the factors are running in line.

Mr. Tramm said one thing he will ask in the billing office is to take a close look at any high-volume accounts and check to make sure no one is missing from the list because the issue could be someone that is not being billed. Rebecca Huss said it could be individually because if you look at 2018, they are only selling 200,000 gallons more and we have added 50 accounts since that time, and they have not had an increase in usage that is a possible gap. Rebecca Huss said what if the billing is not all adding up. Mr. Tramm said he can look at contacting one or more outside companies and he might be able to get them to look for the leak, if they find the leak then they pay them. Mr. Tramm said one of the best places to look for the leak is where you have larger waterlines that are somewhere out of the way, especially somewhere near where activity has been taking place. Mayor Countryman said they have the apartments and they have a lot of woods around them. Mr. Tramm said there are locations down SH 105 where there are lines out of the way and noted there are a lot of areas in the City that meet that definition.

John Champagne asked about accountability percentages, as a rule, what is your goal for accountability and what is an acceptable percentage. Mr. Williams said his goal for accountability is 95% and up, the acceptable percentage is 92% and up. Mr. Williams said the current level is not acceptable, which is why they are trying to find the cause of the leak. John Champagne asked Mr. Williams what his two percentages were based on. Mr. Williams said it was based on the average across all their water systems and in the industry a 5% loss is average, so anywhere between 92% and up is acceptable.

Rebecca Huss said the City's largest water user just got a new meter and asked what the chances are that there is something wrong with the meter because they are using about one million gallons per month. Mr. Williams said he has discussed checking the commercial users because when those meters are off, they are a large percentage.

Mr. Williams said they are doing well on their permits at 47.7% on the Jasper and 58% on the Catahoula permits. Mr. Tramm asked if Mr. Williams was monitoring that we are in line with Lone Star because they are planning changes on the Gulf Coast side but not the Catahoula side, and asked if Mr. Williams was aware of the changes of the regulations to Groundwater District. Mr. Williams said he was not fully on with the Lone Star. Mr. Tramm said he would get with him after the meeting to make sure that is being properly tracked.

Mr. Williams advised this month the City had a total of 4.464 million gallons of water treated, which is at 48% return to the Wastewater Treatment Plant from water sold, with 4.85 inches of rain. Rebecca Huss said they can't tell that is true because you don't know if the water you are losing is still in the system or not. Mr. Williams said they are still averaging the same amount, not the exact gallons. Rebecca Huss said if you are missing three million gallons of water you can't average. Mr. Williams said they are going to work on the missing water.

- G. Engineer's Report: Mr. Chris Roznovsky, City Engineer, presented his report to City Council. Mr. Roznovsky said the Baja Project is nearing completion with getting the agreement signed by next week. Mr. Roznovsky said they talked to the contractor and he is ready to move his crews on site. Mr. Roznovsky said the agreement is for 60 days for completion, and once the agreement is signed, they will issue the Notice to Proceed. Mr. Roznovsky said ideally, they issue the Notice to Proceed within the next two weeks and they can get going, they could have everything done by November 30th to meet the grant requirements.

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Mr. Roznovsky said regarding the Phase II Project, they will receive bids next Wednesday and they will have bids ready for the September 10, 2019 meeting. Mr. Roznovsky said they have the Atkins Creek Contracts here tonight for execution and they will have a pre-construction meeting next week.

Mr. Roznovsky said Lift Station No. 1 Relocation contracts are ready to be signed and they had a preconstruction meeting on August 14, 2019, and they have started their submittal process. Mr. Roznovsky said once the contracts have been signed and

issue the Notice to Proceed that starts the 30-day clock to get Lift Station No. 1 moved out of the way so Chick-Fil-A and everything else can get going.

Rebecca Huss asked about Item D-Water Distribution System Analysis and Master Plan – CP No. 3 – Downtown and SH-105 Waterline Replacement, which states they were advised they must also contact the Texas Historical Commission and asked who advised that we must contact them. Mr. Roznovsky said the Water Development Board advised that as a requirement. Rebecca Huss asked what makes them say that we must do that because as far as she knows, that building is not historical, and she would rather not pretend that it is if they decide to make changes. Mr. Roznovsky said he asked part of their environmental historical review when we sent in the preliminary plans, their comments were “since the City is in such proximity to the building in the wall, even though we are not on the property”. Rebecca Huss asked what gives them the idea that it is historic and what is their criteria for making us do this extra work. Mr. Roznovsky said he did not know; he will have to ask Mrs. Vu who has been corresponding with them. Rebecca Huss asked to have that information confirmed because it is her understanding this is not within the context of Montgomery and it adds a lot of extra money, and if they are working in the area of other projects she would really rather not have to keep running back and forth for permission to do something to a building. Mr. Roznovsky said they are replacing an existing water line that is already there, so they are not changing anything. Rebecca Huss said if someone runs into the wall and knocks it down, she would like to put it up with the skills that we have here in town instead of having to go to El Paso to a mason that is approved by the Texas Historical Commission, so she would like to establish that sovereignty soon without undue influence by the Texas Historical Commission. Mr. Roznovsky said he would follow up and see where that came from and the criteria.

Mr. Roznovsky advised regarding the 18-inch Phase II construction is underway, and they held a kickoff meeting for the GLO Projects on August 7, 2019.

Jon Bickford asked about the Baja Road rehab project being temporary on hold for alternate funding sources and asked what happened. Mr. Roznovsky said that Item

A- the Baja Road Project water and drainage improvements are waiting on the CDBG Project to finish so they don't have to dig next to a new road. Mr. Roznovsky said the second part is the GLO actually has funds to help offset the City's share of that cost so using round numbers, FEMA gave \$27,000 to the City for the project, the project cost \$75,000, so if they use the GLO they could get another \$50,000 covered with the GLO funds. Jon Bickford said in the past if there was money the City spent, then they could not go back to a GLO or somebody like that and ask to be reimbursed for what we spent. Mr. Roznovsky said that was correct. Jon Bickford asked if we were in that same situation. Mr. Roznovsky said the difference is the project has been approved by the GLO, so the minimum time is five months just to get the environmental report. Mr. Roznovsky said what they wanted to do was clear out the underbrush, but they can't do that until the environmental is done. Mr. Roznovsky said they can relook at that and instead of using GLO money on Baja Road, they could use City funds to pay for the \$50,000 and get Baja Road completed and then use the GLO funds for McGinnis or something like that. Jon Bickford asked that the City investigate getting funds from the capital budget either out of the streets and roads fund for this year in the current budget because this project has been pushed back. Mr. Tramm said he would check into the information.

John Champagne asked about the plan reviews in the report and said it seems like they are being turned around timely. Mr. Roznovsky said they are getting them done as quickly as possible. Mr. Roznovsky said Chick-Fil-A submitted their plans in paper copy to the City instead of Jones and Carter, so once they got that corrected, they got it reviewed. Mr. Roznovsky said every other developer sends them an electronic copy of their plans and that never happened, so Chick-Fil-A contacted them, and they got the paperwork processed quickly. Mr. Roznovsky said regarding the town hall meeting on Baja Street, once they have the contract signed with the surety, they will be working on scheduling that meeting.

Mr. Roznovsky said at the previous City Council Meeting they discussed with the new legislature there are stricter timelines on City reviews and no response equals approval of plats. Mr. Roznovsky said they are working with Mr. Rick Hanna and the permit clerk to utilize a central location so all plans will go in through the permit

clerk, then it will be logged and disbursed and collect the comments and send it back, so they know that everyone is getting their comments done and on time. Mr. Roznovsky said they are working on an electronic system that will log in the information and will not let permits be issued until all the approvals are in and processed. Mr. Roznovsky said related to the legislature, they are working on an update to the design manual to make sure that all the requirements are specifically listed and now you can't make any requirements unless it is specifically tied to a specific ordinance.

Mr. Roznovsky said according to TxDOT they have started their study that should be completed in January when they should have a proposed scope of work to address Atkins Creek as a whole. Mr. Roznovsky said the turn lane northbound on SH 105, they returned their comments to TxDOT on August 6, 2019, and they confirmed they had received them.

- H. Financial Report and Quarterly Investment Report: Mr. Tramm presented the reports to City Council. Mr. Tramm said he wanted to draw City Council's attention to some items on page 33 of the report, which are the water and sewer funds. Mr. Tramm said the information makes it look like the City brought in no water or sewer revenue for the month, which is not accurate. Mr. Tramm said last month there was an account that was erroneously billed approximately \$127,000 extra, and now because the meter rolled backward, it had the appearance to the metering system of being 9,999,999 gallons on the meter, so that went out with the billing and the amount got booked. Mr. Tramm said staff noticed that after the month. Rebecca Huss asked if we are booking the revenue of nine million gallons of water even if they don't pay it, we show it as revenue. Mr. Tramm said he was told today that was bookkeeping, so he has some questions. Rebecca Huss said she understands how accrual accounting works, but that seems odd. Mr. Tramm said these figures reflect that the credit remains to account for that, and it canceled out the income that we had for this month because the amount that one account was overbilled was very close to the amount of the total system was billed for the month. Rebecca Huss said this basically calls into question, our entire accumulated reserves because there could be mistakes in the system for years that accrual accounting has allowed if we have not caught it, they

could be small but could add up. John Champagne asked if the audits would not have caught that. Rebecca Huss said she did not think they audited us bill by bill, she would hope so, but she is not sure. Mr. Tramm said auditors do not do every water account, they do a sampling of water accounts. Mr. Tramm said he thought it was unlikely, over the long-term, the same would be true, but he will need to find an answer to the matter. Rebecca Huss said it might be a couple thousand here and there, but the net profits do not necessarily add up to our bank balance, and the collectibles that we are writing off you would think would deal with that or be a part of that problem. Mr. Tramm said he felt the longer-term collectibles it was more likely charges for accounts that were people that left, and the billing went on for a long time. Rebecca Huss said she felt like the \$42,000 was real money that people owed the City.

Rebecca Huss said her only thought since it is budget season, regarding the general fund, is that we now have about four months of reserves as of a couple of years ago they were inching toward about six months. Rebecca Huss said she had a question about whether they want to drive in a wedge to accumulate a few more months of reserves. Rebecca Huss said as the City's spending has grown, the reserve cushion has shrunk. John Champagne said he did not recall any line item to divert money to reserves. Rebecca Huss said there has not been any setup.

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

9. Consideration and possible action to approve a Montgomery Economic Development Corporation expenditure of \$15,393 for participation in the Texas Target Communities design project.

Mr. Dave McCorquodale, Assistant to the City Administrator, presented the information to City Council. Mr. McCorquodale said he had presented this information to the Montgomery Economic Development Corporation (MEDC) and as City Council knows, they must approve any expenditures over \$10,000. Mr. McCorquodale said this is the Texas Target Communities Program, which dovetails with the organization that we are getting our Comprehensive Plan from. Mr. McCorquodale said they applied to ask for downtown design work as well as some related tourism, marketing, and housing type ideas.

Mr. McCorquodale said the group that they use are design students in their fourth year as landscape architecture students from A&M. Mr. McCorquodale said the goal of this program would be to provide the City with a basket of design ideas that the City can select the ones they like and take to a design firm, thereby saving the City money to short circuit the project about \$50,000 for about \$15,000 worth of student work. Mr. McCorquodale said the next step in the design project will be the design development.

Jon Bickford asked if the idea is to do some grand revitalization of the downtown area. Mr. McCorquodale said the MEDC has allocated in their current fiscal budget about \$80,000 partially for the implementation of the downtown streetscape, with \$20,000 in one line item and \$60,000 in another, with the idea to enhance the downtown area from a asphalt patchwork to something that would match, such as pavers or sidewalk amenities, benches, etc. Jon Bickford asked how far \$80,000 would get them. Mr. McCorquodale said \$80,000 would get them about $\frac{1}{4}$ of the way through the design process. Jon Bickford said they have had a lot of feedback from people asking why we are doing this because if we spend \$15,000 for design then another \$68,000 - \$70,000 to take the ideas to prepare a design and asked if they are talking about a half-million dollars. Jon Bickford said if he is going to spend \$100,000 on this design effort, he is expecting the project itself is going to be in the hundreds of thousands of dollars and asked if we are even dreaming of having the money to do that anytime soon. Mr. McCorquodale said the key is to phase in the work, but if you went full-on and did every item that you wanted to do, yes you are talking in the hundreds of thousands of dollars, which he did not think was realistic for the City.

Rebecca Huss said the MEDC has talked at the last two meetings about using its accumulated reserves to implement this project in the least negatively impactful way downtown. Rebecca Huss said obviously if you have a construction project that goes on for 10 years that will kill the small businesses. Rebecca Huss said they could work with City Council to identify the projects that City Council wants to go forward with and using the money it has been saving all this time to get it done. Jon Bickford said he always thought it was a good idea to save that money because it is to be used for an investment when other companies come and they need it, and obviously this could be one place to spend it. Jon Bickford said it seems like there is a ton of street work to do and said he can't imagine the

City doing this for a couple of years even. Rebecca Huss said it depends on the cycle because their projected timeline was to be done by December and then moving forward with specific projects to go through the design phase.

John Champagne asked who from this City is directing this group and asked if it was Mr. McCorquodale. Mr. McCorquodale said he would be when the project design work begins. John Champagne asked if Mr. McCorquodale has been directing them in a specific direction. John Champagne said in his mind, Mr. McCorquodale should be directing them exactly where he believes the City wants to go. Mr. McCorquodale said the list was largely his list regarding the project. Mr. McCorquodale advised his responsibilities and position falls under the general fund under administration. John Champagne said MEDC is going to fund this project, and at that point, they release total control to Mr. McCorquodale and that group. Mr. McCorquodale said MEDC is spending the dollars, but they don't affect the outcome of the design. John Champagne said he wants to know where to go to know what is going on and said in his mind, no one on City staff is better equipped to do this project other than Mr. McCorquodale. Mr. McCorquodale said this was one of the specific things he was assigned when he was brought on staff. John Champagne said the bottom-line Mr. McCorquodale believes there is value here. Mr. McCorquodale said he does, having been through the course because he has been one of the students in these types of groups. Mr. McCorquodale advised the students don't get paid for their work, but the graduated assistants get paid. John Champagne said he kept hearing the program came at no cost. Mr. McCorquodale said the Comprehensive Plan is at no cost.

John Champagne asked Mr. McCorquodale what he would do if the City hired him to do this project. Mr. McCorquodale said he has done a little bit of the concept work for things downtown, but ultimately it is very akin to bringing on a City Engineer, they are not going to do all the design and CAD work for the entire project, there is a team that does that work, so he would manage the overall process and work on the visual aspect of it and keep the team moving. Mayor Countryman asked if he was saying the City is getting a lot of value for the \$15,000 versus if they did it in a different direction. Mr. McCorquodale said the addition of the ground and him and the rate that the City is paying is a good value. Rebecca Huss said that Mr. Peacock mentioned they are going to use the survey for preferences that people participated in during the last public meeting about the Comprehensive Plan, and the

students will receive that information and incorporate that in their design so they won't get different modern futuristic buildings. Jon Bickford asked if they were planning any buildings for the City of Montgomery. Rebecca Huss said she was talking about the styles, and if they are looking at downtown revitalization they are going to have styles that could potentially include new buildings where they have parking lots or a new park, or benches, so they will include some visual representation of things that should go places.

Jon Bickford said he was still struggling with what is the plan for the next step and who is planning the next step and the next step after that because the next step is they are going to drop \$100,000 or some amount of money on a detailed design on what they are going to do downtown. Jon Bickford said then somebody is going to say they need \$500,000 or \$1,000,000 to revitalize downtown, and he is going to say not before they get the roads and the infrastructure done, where is this going and why is this coming up. Rebecca Huss said she thought this would have to go in reverse and say is this the sort of project that would have to be done between MEDC and City Council, where City Council says yes let's go with these projects and then take it to the engineering work. Jon Bickford said it would depend on how much those projects cost before you are able to say these are the ones you want and where is that money going to come from. John Champagne said Shannan Reid laid for Main Street FM 149 a pretty specific project, sidewalks, planters, and other things and asked what happened to that project. Mr. McCorquodale said part of that was it came to the City, but the issue of working with TxDOT is they promised a whole bunch of stuff in the front end and were terrible on the communication side, and the City said we did not get the input they wanted. John Champagne asked if it was with the City or the business owners. Mayor Countryman said she thought it was both. Mr. McCorquodale said City Council ultimately sided with the business owners, so part of the meeting they are having on Friday with TxDOT is regarding where their timeline is for FM 149 rehabilitation. Mr. McCorquodale said some of this funding ultimately comes from TxDOT, specifically FM 149 improvements. John Champagne said when this happens, and we present it to the citizens, are 8-10 business owners going to stop the project. John Champagne said the business owners were upset about the sidewalks and where their people were going to park. Rebecca Huss said they had double sidewalks, because they had sidewalks and TxDOT was going to put extra sidewalks in, so it was an inefficient design. Mr. McCorquodale said part of the process is they have invited the downtown business owners to participate. John Champagne

said that is eight people and arguably there are 1,500 people here in the City. Mr. McCorquodale said part of his focus in the process was to give the people an opportunity to participate.

Rebecca Huss said part of the problem was TxDOT did not care about the viability of downtown or the idiocy of the duplicative nature of the double sidewalks, all they cared about was their off the shelf plans. Rebecca Huss said TxDOT did not care what City Council's priorities were, so we have something that fits with our Comprehensive Plan with things that citizens and business owners have identified as their priorities, they can go to TxDOT and work together with a plan, which is what they identified as their priority when they passed the resolution. Rebecca Huss said she hoped this will create something they can work together with TxDOT to find a project an outcome that works for a beautiful sustainable community. John Champagne said he had a problem spending \$15,000 and he does not know what he is spending it on and secondly, he has a lot of respect for Mr. McCorquodale and thinks he knows what he is doing. John Champagne said if this is passed, he is looking at anybody here or on MEDC, he is looking at Mr. McCorquodale. Mr. McCorquodale said that was fair and that is what he is asking of City Council to approve it and to hold him accountable for the project.

Rebecca Huss moved to approve Montgomery Economic Development Corporation's expenditure of \$15,393 for participation in the Texas Target Communities design project. T.J. Wilkerson seconded the motion.

Discussion: Jon Bickford said he was struggling whether it is \$5,000, \$15,000 or \$50,000, because he feels they are on a path that he does not know what the end is and he thinks the end is a very expensive next step, and we are going to walk ourselves into this thing and he does not know how it gets into the overall financial plan for the City. Jon Bickford said it is concerning to him, he does not think it is bad, he thinks the timing might be off for the rest of the funding for what the grander plan is. Jon Bickford said he does not know how they are going to pay for any of this stuff, and they take everyone's valuable time and say let's get this first phase done, and the second phase, and then go out for bid and get a \$500,000 or \$2 million dollar bid, and they just used up a bunch of time. Jon Bickford said they don't have a plan yet or dollars set aside and a budget, and when they get done, they don't want to overshoot that amount and they should build-up to it. Jon Bickford said before they go to

the architect, they must advise them what their budget is before you start telling them where the bushes are going to be, and the lumber is going to be. Rebecca Huss said they must have a Pinterest Board first. Jon Bickford said that is where his head is at and he is more than struggling with it.

The Mayor called for the vote, as follows:

Rebecca Huss – Voted Aye

Jon Bickford – Voted Nay

T.J. Wilkerson – Voted Aye

John Champagne – Voted Nay

Mayor Countryman broke the tie vote and Voted Aye. The motion carried with a 3-2 vote.

Mr. Tramm advised that Mr. Jacobs, regarding Item 7 will be unavailable for the meeting on September 10, 2019 and asked to reschedule the Public Hearing to be held on either September 3, 2019 or September 24, 2019. Jon Bickford said September 3, 2019 would be too soon. Rebecca Huss asked the City Attorney if it was okay to make a motion to reschedule the meeting. Mr. Foerster said he did not have a problem revising the motion under Agenda Item 7 and given the information received from the City Administrator, you are going to change that meeting from September 10, 2019 to September 24, 2019.

Rebecca Huss stated that upon the information on Item 7 she moved to reschedule the Public Hearing regarding the Special Use Permit for the property at 1062 Clepper to be held on September 24, 2019, at 6:00 p.m. at City Hall, 101 Old Plantersville Road, Montgomery. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

10. Consideration and possible action regarding donation of Right-of-Way on College Street as submitted by owner Troy and Lisa Walker.

Mr. Tramm presented the information to City Council, stating that this deals with a portion of College Street that is paved and most of the staff thought this was a City road and has been maintained as a City Road. Mr. Tramm said it is paved and the City has done crack sealing on it, so they are looking to turn it over to the City.

Jon Bickford asked where the City would stop the road. Mr. Tramm said they would stop where the road turns into dirt. Jon Bickford asked to confirm that they are not going to have

to add pavement. Mr. Tramm said no, they are talking about taking on the portion that they are already maintaining. Mr. Tramm said he wanted to make sure that he had the support of City Council to move forward on this project.

City Council concurred they were in favor of moving forward with this item.

11. Consideration and possible action regarding acquiring Huffman Street as a City Street as requested by owner Charlie Stowe.

Mr. Tramm said this was similar to the other item, other than the City has not done any work on this location and this is a longer stretch of road, going about a half-mile, which is not paved. Mr. Tramm said his reservation is if the City takes this road on, the City is going to be putting a lot of money into it with the paving. Rebecca Huss said there might be 14 inches of a base on the road, but it is not wide enough to have two cars pass comfortably without someone being half in the ditch, and it is even worse than Worsham Street. Mr. Tramm said the owner approached the City about the road and the difference with this is the City has not done any maintenance on this road. Mr. Tramm said his recommendation and thought is if they want the City to take over the road, they need to bring the road up to City standards first. Jon Bickford asked if there was some economic benefit to the City taking over this road. Mr. Tramm said he really did not see that benefit; he believes they use this as a back route to the Cowboy Church and he knows that in the past there have been some developers looking into the area. John Champagne said they can let them pave it then the City will take it. Rebecca Huss said that is the way it is with any developer who is doing something for their own benefit. Jon Bickford said he did not see what is in this for the citizens or the City.

Council concurred that they did not want to proceed with this project.

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.

12. 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 551.071 – Consultation with City Attorney regarding pending claims and contracts.

Mayor Countryman adjourned into Closed Executive Session at 8:45 p.m.

13. Reconvene into Open Session

Mayor Countryman reconvened the Meeting at 9:14 p.m.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

14. Consideration and possible action regarding item(s) listed under Executive Session.

Jon Bickford moved to accept Exhibit “C” as presented by the City Attorney. John Champagne seconded the motion.

Discussion: Mr. Foerster advised for verification that Exhibit “C” is part of a proposal regarding the public parking lot owned by Tom Cronin, owner of the Cozy Grape.

The motion carried with 3-Ayes and 1-Nay by Rebecca Huss. (3-1)

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

Rebecca Huss moved to adjourn the meeting at 9:15 p.m. John Champagne seconded the motion, the motion carried unanimously. (4-0)

Submitted by: *Susan Hensley* Date Approved: 09/10/19
Susan Hensley, City Secretary

Susan Hensley
Mayor Sara Countryman

