

NOTICE OF PUBLIC HEARING and REGULAR MEETING

February 14, 2017

MONTGOMERY CITY COUNCIL

STATE OF TEXAS

AGENDA

COUNTY OF MONTGOMERY

CITY OF MONTGOMERY

NOTICE IS HEREBY GIVEN that a Public Hearing and Regular Meeting of the Montgomery City Council will be held on Tuesday, February 14, 2017 at 6:00 p.m. at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas for the purpose of considering the following:

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE TO FLAGS

PUBLIC HEARING:

Convene into Public Hearing:

1. For the purpose of giving all interested persons the right to appear and be heard on the proposed annexation by the City of Montgomery, Texas of the following described land: All that certain 14.5003 acre tract of land, more or less, situated in the John H. Corner Survey, Abstract No. 8, Montgomery County, Texas.

Reconvene into Regular Session:

VISITOR/CITIZENS FORUM:

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

CONSENT AGENDA:

2. Matters related to the approval of minutes for the Regular Meeting held on January 24, 2017.
3. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION APPOINTING THE MONTGOMERY COUNTY EMERGENCY COMMUNICATION DISTRICT AS ADDRESSING AUTHORITY.

CONSIDERATION AND POSSIBLE ACTION:

4. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION OF THE CITY OF MONTGOMERY, TEXAS, SELECTING ADMINISTRATIVE AND ENGINEERING SERVICE PROVIDERS FOR A 2017-2018 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RELIEF PROJECT.
5. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION OF CITY OF MONTGOMERY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR BRIDGE REPAIRS AND AUTHORIZING THE CITY ADMINISTRATOR TO ACT AS THE CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.
6. Consideration and possible action regarding amending the 2016-2017 City Operating Budget, and if necessary, schedule a public hearing to be held regarding a Budget Amendment.
7. Consideration and possible action for the approval of the Certificate of Acceptance, including fiscal guarantee, of water, sanitary sewer, drainage and paving improvements to Terra Vista, Section One Subdivision.
8. Consideration and possible action for the approval of the Certificate of Acceptance, including fiscal guarantee, of water, and sanitary sewer to Waterstone, Section Two, Subdivision.
9. Consideration and possible action for the approval of the Certificate of Acceptance of lift station to Waterstone, Section Two, and Terra Vista Subdivisions.
10. Consideration and possible action regarding authorizing a Utility and Economic Feasibility Study for the southwest corner of FM 2854 and SH 105 regarding The Shoppes at Montgomery.
11. Consideration and possible action regarding a letter of authorization to LDC Gas Company for implementation of a temporary surcharge to recover relocation costs due to relocation of Lone Star Bend Street, subject to the Railroad Commission approval of the surcharge.

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. Convene into Closed Executive Session as authorized by the Texas Open Meetings Act, Sections 551.071 (consultation with attorney), and 551.074 (personnel matters regarding Employment Agreement renewal with the City Administrator).
13. Convene into Open Session.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

14. Consideration and possible action resulting from the item(s) listed under Executive Session.

COUNCIL INQUIRY:

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

ADJOURNMENT




Susan Hensley, City Secretary

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 10th day of February 2017 at 2:30 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary's office at 936-597-6434 for further information or for special accommodations.

Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: public hearing notice with map attached
Date Prepared: February 4, 2017	

Subject

Public hearing regarding annexation of KENROCK FOURTEEN, LLC 14.503 acre tract of land

Discussion

The public hearing is for the public to comment. Council should say little or nothing.

Reccomendation

Listen to the any public comment and consider

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: February 4, 2017

NOTICE OF PUBLIC HEARING

The City of Montgomery City Council will hold a Public Hearing at 6:00 p.m. on the 14th day of February, 2017 at the City of Montgomery City Hall, 101 Old Plantersville Road, in Montgomery, Texas in the City Council Chambers for the purpose of giving all interested persons the right to appear and be heard on the proposed annexation by the City of Montgomery, Texas of the following described land: All that certain 14.5003 acre tract of land, more or less, situated in the John H. Corner Survey, Abstract No. 8, Montgomery County, Texas.

/s/ Susan Hensley, City Secretary
City of Montgomery, Texas

MINUTES OF REGULAR MEETING**January 24, 2017****MONTGOMERY CITY COUNCIL****CALL TO ORDER**

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

Present: Kirk Jones Mayor
 John Champagne, Jr. City Council Place # 2
 T.J. Wilkerson City Council Place # 3
 Rebecca Huss City Council Place # 4
 Dave McCorquodale City Council Place # 5

Absent: Jon Bickford City Council Place # 1

Also Present: Jack Yates City Administrator
 Larry Foerster City Attorney

INVOCATION

John Champagne gave the invocation.

PLEDGE OF ALLEGIANCE TO FLAGS**VISITOR/CITIZENS FORUM:**

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

Mayor Jones recognized some members of a Boy Scout Troop that were present, and asked them to introduce themselves.

Mr. Barry Arnette from Troop 772 and Mr. Cate Sampler from Troop 772 introduced themselves.

There were no other comments made.

CONSENT AGENDA:

1. Matters related to the approval of minutes for the public hearing and regular meeting held on January 10, 2017.
2. Consideration and possible action regarding adoption of the following Resolution:
A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS SEEKING DESIGNATION AS A MANAGEMENT AGENCY FOR WASTEWATER COLLECTION AND TREATMENT WITHIN ITS CITY LIMITS IN ACCORDANCE WITH THE FEDERAL WATER POLLUTION CONTROL ACT; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE UPON PASSAGE.
3. Consideration and possible action regarding adoption of the following Ordinance:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENTERGY SERVICE AREA CITIES IN MATTERS CONCERNING ENTERGY TEXAS, INC. AT THE PUBLIC UTILITIES COMMISSION OF TEXAS AND THE FEDERAL ENERGY REGULATORY COMMISSION IN 2017.
4. Consideration and possible action regarding adoption of the following Ordinance:
AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS, PROVIDING FOR THE HOLDING OF A GENERAL ELECTION TO BE HELD ON MAY 6, 2017, FOR THE PURPOSE OF ELECTING THREE (3) CITY COUNCIL MEMBERS, PLACES I, 3 AND 5; APPROVING ELECTION SERVICE AGREEMENTS WITH MONTGOMERY COUNTY, TEXAS; AND PROVIDING DETAILS RELATING TO THE HOLDING OF SUCH ELECTION.
5. Consideration and possible action regarding adoption of the Election Services Agreement by and between the City of Montgomery and Montgomery County, Texas.
6. Consideration and possible action regarding adoption of the Joint Election Agreement and Montgomery County Elections

7. Consideration and possible action authorizing the execution of construction contracts with Big State Excavation, Inc. for construction of Water and Sanitary Sewer to serve Pizza Shack.

Dave McCorquodale moved to approve the Consent Agenda items (1-7) as presented. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

8. Consideration and possible action on Department Reports.

A. Administrator's Report - Mr. Jack Yates, City Administrator presented his report to City Council. Mr. Yates advised that he wanted to report on two items that were not included on his written report.

Mr. Yates advised that he was in the process of trying to find out when Kroger's is going to open. Mr. Yates said that he had emailed the corporate office of Kroger in Cincinnati, Ohio, which he thought would be the ultimate place to find out that information. Mr. Yates said that as soon as he finds something out, he will advise City Council.

Mr. Yates said that something else, which he would like to discuss with City Council, is the situation at the mobile home park at the end of Old Plantersville Road. Mr. Yates said that the situation is there are old lines that run into the mobile home park, with City meters at each of the mobile homes. Mr. Yates said the lines that lead up to the mobile home park and between the meters and the homes are defacto public lines. Mr. Yates said that he is proposing that he will work with the City Attorney, City Engineer and the Mobile Home owner to set a Master Meter right off of the City line that runs down Old Plantersville Road, and the lines inside the Mobile Home Park are the owner's responsibility, which is how it has always been.

Rebecca Huss said that the Mobile Home Park is platted as a single private property, multi-family residence, so it would be just like how they have treated the apartment buildings in the City. They would have a large meter at the curb, and the property owner would own everything on the inside. Rebecca Huss said that it was her understanding that the lines were not installed by the City, nor have they been maintained by the City, nor are they up to City standards. Mr. Yates said that was correct. Mr. Yates said that there was a leak a couple of months ago, and it took them two weeks to fix the leak, which they did promptly repair when the City notified them.

Mr. Yates said that there was a fair amount of water that was lost. Mr. Yates said that he wanted to make sure that City Council was aware that he was going to be working on that matter. Rebecca Huss said that it made sense to her, because they are requiring everyone to pay for the water that they use, and they are trying to minimize the water that the City uses. Mr. Yates said that the Mobile Home Park will have to work something out with their tenants regarding the water bill. Mr. Yates said that they could also trade out the meters that they had at the Mobile Home Park for older meters, if the owner wanted to continue to charge the tenants based on their consumption.

John Champagne asked whether Kroger was waiting on anything from the City regarding their progress. Mr. Yates said no, and stated that he did not think that there had been any action at Kroger since mid-December. Mr. Yates said Kroger does not have their coolers, which will take a fair amount of time, along with installation of the shelves and getting the store stocked. John Champagne asked whether Jones & Carter had been in touch with Kroger.

Mr. Fleming, City Engineer, said that he meets weekly with Kroger on Wednesday morning, on site, and any delays that they are experiencing are internal and due solely to the Kroger Corporation. Mr. Fleming advised that they are approaching completion of the public utilities project to service the retail out parcel.

John Champagne said that, so everyone will know, the indication is that Kroger plans to open in what month. Mr. Fleming said that their opening date might have slid into summertime. Mr. Rick Hannah, City Building Inspector, advised that he goes by Kroger weekly to do inspections and monitor the construction. The construction superintendent has told Mr. Hannah that Kroger has a single crew that goes around the country opening Kroger stores, and this particular store is scheduled for August 2017, which means they will finish construction in July. Mr. Hannah said that he did not know about the schedule for the fuel center.

John Champagne asked to confirm that Kroger's default date regarding their agreement with the City was January 1, 2018. Mr. Yates said that was correct. John Champagne said that they will come in just under the deadline.

Mr. Yates said that they will also have to look at the City's budget, and will have to cut back on some of our expenses. Rebecca Huss said that the City is \$200,000 - \$150,000 under in projected revenues. Mr. Yates said that they were about \$170,000 under, but

they also have \$170,000 in property tax coming in the next couple of months. Mr. Yates said that the City was also down quite a bit on expenses. Mr. Yates said that the General Fund was at a positive \$82,000. John Champagne said that maybe at the next meeting they can discuss an amended budget. Mr. Yates said that he would bring information back to City Council.

A. Public Works Report – Mr. Mike Muckleroy, Public Works Manager, presented his report to City Council. Mr. Muckleroy stated that they had planted 11 trees at Cedar Brake Park. John Champagne asked what kind of trees were planted. Mr. Muckleroy advised that there were 7 different types of trees, but none of them were cedar trees.

B. Police Department Report – Chief James Napolitano, presented his report to City Council. Chief Napolitano said that on December 6, 2016, an individual had robbed the Compass Bank just outside the City limits. Officer Hernandez and Officer Riley were instrumental in apprehending the suspects and bringing the call to an end 26 minutes after the robbery occurred. Chief Napolitano then introduced Officer Riley, stating that the robbery occurred on his second day of work. Chief Napolitano advised that Officer Riley is an experienced officer and they welcome him to the department.

Chief Napolitano also recognized Officer Tim Bauer for his work on a burglary of a building on the north side of the City. Officer Bauer, with help from his colleagues, was able to develop three main suspects and the District Attorney's office is working to issue the warrants. Chief Napolitano said that Officer Bauer put together a great case and now they are going to put three people in jail. Chief Napolitano said that all three of the individuals live in the City of Conroe and have a long history of burglaries and other crimes.

C. Court Department Report – Ms. Rebecca Lehn, Court Administrator, presented her report to City Council. Ms. Lehn said that usually December is a slow month for warrants, but this was a good month for them.

Rebecca Huss asked if the Court had cleared the back log of cases, because she noticed that citations had fallen, and asked if that made things easier for the Court. Ms. Lehn said that citations have fallen, which caused revenue to drop. The warrant officer is able to work the warrants. Ms. Lehn said that they are only running one court per month right now, through the calendar year.

D. Utility/Development Report – In the absence of Mrs. Ashley Slaughter, Utility Billing Clerk, Mr. Yates presented the report to City Council. Mr. Yates said that the monthly charge for utilities is up due to the water rate. Mr. Yates said that there were six new water accounts and there are 557 active accounts. Mr. Yates said there were 27 permits issued for \$12,000.

Dave McCorquodale asked about the monument sign that was part of the agreement with Kroger, and asked if there was any recent discussions on the matter. Mr. Yates said that just today Mr. Wade Nelson emailed the Mayor and they will have a meeting on Thursday morning to discuss the monument. Mr. Yates said that Mr. Wade had advised that Spirit Bank was close to getting serious about the monument. Mr. Yates said that he has had a plan from Milestone and Kroger, for about nine or ten months waiting for Spirit Bank to come through. Spirit Bank wants to do a monument as large as, or larger than what Kroger was going to do. Mayor Jones said that Milestone will still contribute the \$50,000 that they had set aside for the monument to Spirit Bank.

Rebecca Huss asked if this was the same Spirit Bank that is in Conroe with the replica of the White House, and asked if the City would have some control over how flamboyant the monument is. Mr. Yates said that City Council will review and approve the ultimate plan for the monument. Mr. Yates said that in their discussions it was the City of Montgomery monument, not the Spirit of Texas monument. Mayor Jones said that the monument that they saw, in preliminary drawings, seemed very appropriate. Mayor Jones said that the building will also be smaller than the Conroe site, in order to fit on the property.

Mr. Foerster said that it was his understanding, while he can't confirm this, is what the Spirit of Texas wants a statue that shows one twin sister of San Jacinto there, which will probably be very appropriate because James Wade, who was from Montgomery, was manning the twin sister candidate in the battle of San Jacinto. Mayor Jones said that originally they had something with Charles B. Stewart handing over the flag.

E. Water Report – Mr. Mike Williams, with Gulf Utilities presented his report to City Council. Mr. Williams advised that this month there were a total of eight district alerts, with all of them being resolved. Mr. Williams said that the totalizer reading was for almost a complete month with the new totalizer, which shows an increase of 47 percent

versus the last total. Since installation of the totalizer, the average flow was 148,000 gallons.

Rebecca Huss said that she could not help but notice that on December 4, 2016, they had a reading of 388,000 gallons, while they are only permitted for 400,000 gallons, and asked if that meant that they were at a high risk for an excursion. Mr. Williams said the permit is based on average monthly flow, not daily flow. Rebecca Huss said that what this is saying is the infiltration is significantly worse than what they have been working off of. Mr. Williams said that was correct. Mr. Williams said that he has seen systems, when they have a large rain event, completely exceed the permitted level. Mr. Williams said that Mr. Muckleroy is working on the matter. Rebecca Huss said that was a lot of money down the toilet. Mr. Williams said that there were no excursions for the month of December with over 5 inches of rain. Mr. Williams said that there was an overall accountability of 98 percent.

John Champagne said the utilization of Well 3 seemed to be a lot better. Mr. Williams said that they had to utilize Well 3 more within the year because they ran very short on the permit for Well 4, and they did not want to incur any additional fees. John Champagne said that in January they should see a difference in the usage. Mr. Williams said that they would see a difference with Well 4 being utilized more, along with Well 2. Mr. Williams said that Well 2 is currently being underutilized because of the current balance that they are receiving at the plant, which they are working with Entergy to repair. Mayor Jones said that they have been working with Entergy for many months on that issue and asked if they had made any progress. Mr. Williams said that he believed Mr. Muckleroy had reported that there was a fix for that matter, and they are working on running some new equipment out there to fix the balance.

Rebecca Huss said regarding the utilization of Wells 2 and 3, since the City is no longer paying MUD 3 & 4, it should not matter how much they use that as long as they stay within the City's permitted value. Rebecca Huss asked if the City was going to stick to a relatively even use of water between the wells for the entire year, or are they going to see big fluctuations, because it does matter to people, given the difference in the water from the Catahoula Well. Mr. Williams said that he has been working with the City Engineer and City Staff, during the weekly conference calls, regarding that matter. Mr. Williams said that, currently, they are going to try and utilize each well similarly.

Mayor Jones said that there should be a balance that would be most economic to operate.

John Champagne asked if the communications and weekly meetings were good, things being implemented, and information being shared. Mr. Williams said that they had an upper hand with the communications that they have within the City. Mr. Williams said that he feels that everything is being taken care of in a timely manner.

- F. Engineer's Report – Mr. Glynn Fleming presented his report to City Council. Mr. Fleming said that he was pleased to report that they have reached completion of the Mobility Study. Mr. Fleming advised that he had reviewed a final draft of the Study last week, which he had a few comments that they are working to address internally. Mr. Fleming said that Mobility Study should be ready for the last City Council meeting in February.

Mr. Fleming reported that the Kroger contractor was making nice progress. They are underway and nearing completion of the waterline construction. Mr. Fleming said that they will begin paving construction possible as early as late next week. Mr. Fleming said that their original contract completion date was February 13, 2017. The contractor was awarded a total of 8 days at this point, due largely to rain. Mr. Fleming said that the current contract completion date is February 21, 2017.

Mr. Fleming advised that the bids for the Pizza Shack project were received on January 4, 2017 and the bid was awarded to Big State Excavation, as the low bidder. Mr. Fleming advised that the contracts are currently out with the contractor for execution.

Mr. Fleming advised that they had received one preliminary plat review for a commercial development, just west of Pizza Shack's development that was accepted by the Planning and Zoning Commission. Rebecca Huss asked if they had just approved a Feasibility Study for Montgomery First at the last Council Meeting, and asked if the completion of the study would be before they accept their plat. Mr. Fleming said that should be completed and delivered to City Council within two weeks from tonight.

Dave McCorquodale asked what the consensus was on the embankments of the bridge in terms of what system the City Engineers felt would be the best for the job. Mr. Fleming said that he was still moving forward with the gabion baskets, which he felt would be the best and most permanent solution for the bridge. Mr. Fleming said that

they have been given two recommended local authorized contractors. Mr. Fleming said that they have requested both of the contractors to come out and take a look at the site, to help them establish the magnitude of the cost for their work, and then they will be wrapping up some numbers on drainage and construction. Mr. Fleming said that he understood that FEMA was in town last week, and they are having some personnel turnover up the ladder. Mr. Fleming said that it sounded like the original project coordinator that has been working with the team is remaining intact, which is good. Mr. Fleming said that FEMA had advised Mr. Yates that they would like to see a complete submission by February 2017, which is the timeline that they are working on.

Rebecca Huss asked if Mr. Fleming thought that the construction project would result, at least in the short term, in additional material being deposited in the canal. Mr. Fleming said that he did not believe that it would. Mr. Fleming said that at some point there will be a project to go in and clean that canal, which he envisioned as a joint endeavor between upstream and downstream landowners and the City. Mr. Fleming said that whatever work the City undertakes, there would be some environmental permits that would mandate certain measures to ensure that they do not add more material to the canal.

Mr. Fleming said that Hills of Town Creek, Section 2, the contractor has reached completion and they have completed all the punch list items, and they are on the agenda for their Certificate of Acceptance. The Lone Star Bend and Lone Star Parkway east improvements are both moving forward and the County Engineer has plan sets from the City Engineer for both and they are awaiting their comments.

Mr. Fleming said that as stated by the City Administrator, it looks like they are in the homestretch with the Texas Water Development Board funding. The next Board Meeting to be held in Austin is on February 23, 2017 and the City's loan applications are on that agenda for consideration for commitment of funds.

Mr. Fleming said that the West Side at the Park, a small residential development across the street from City Hall, held a second and final inspection back on January 10, 2017. They delivered the punch list items to the contractor, the developer and the developer's engineer, which are being addressed and should be brought back to City Council for acceptance next month some time. Dave McCorquodale said that he stopped over there last week to check the design change in the drainage, and said that it looked to him like

it was the right change when City Council let them go to the grass ditch as opposed to the bulkhead. Dave McCorquodale said that the drainage looked like it was working well.

Mr. Ed Shackelford, City Engineer, advised that City Council had a memo placed before them, advising that Mr. Fleming has tendered his resignation to go to another engineering firm in North Carolina. Mr. Shackelford said that Mr. Fleming will be moving, primarily to be close to family and his Dad. Mr. Shackelford said that Mr. Fleming's resignation is effective January 31, 2017. Mr. Shackelford said that they understand Mr. Fleming's reason for his decision.

Mr. Shackelford said that fortunately they have a young engineer at their office by the name of Chris Roznovsky, who has recently passed his engineering State exam and will receive his P.E. stamp very shortly. Mr. Shackelford said that Mr. Roznovsky has agreed to help him out, because as you know, this is more than a full time job for Mr. Fleming. Mr. Shackelford then introduced Mr. Roznovsky to City Council and said that he has been in meetings with Mr. Fleming, Mr. Yates, Mayor Jones and himself, on a couple of occasions over the last couple days and last week, and is becoming familiar with Montgomery. Mr. Shackelford said that Mr. Roznovsky is familiar with the area because his family has property around the lake since he was a child. Mr. Shackelford said that they are happy that Mr. Roznovsky has agreed to step in and help out. Mr. Shackelford said that they are sorry to see Mr. Fleming go, but they were glad to have him for the short time that he was with them.

Mayor Jones, said to Mr. Fleming, on behalf of the City, that they would like to thank him for what he has done for the City and wish him well on his new endeavor. Mayor Jones said that they had something that they would like to send with Mr. Fleming. Mayor Jones stated to Mr. Fleming that with the time he spent at the birthplace of the Texas Flag, he presented him with a Texas Star Pillow engraved with the date of the birth of the Texas Flag. Mayor Jones asked Mr. Fleming to think of Montgomery when he uses the pillow. Mr. Fleming thanked City Council and the City.

- G. Financial Report – Mrs. Cathy Branco, Financial Consultant, presented her report to City Council. Mrs. Branco advised that this is the first time, in a very long time, that all the accounts have a positive balance. Mrs. Branco said that interest rates have increased a little bit, so they will need to be looking at some more investments. Mrs.

Branco advised that work had begun on the Audit and they should be coming into the City to do the remainder of the work. Rebecca Huss asked whether the Auditor was supposed to be here in December. Mrs. Branco said that was correct. Mrs. Branco said that the Auditor said that January 16, would be their starting date.

Mrs. Branco said that they have collected an additional amount of sales tax, which is not shown on the report, in the amount of \$145,000. Mrs. Branco said that there are funds available in all of the accounts totaling \$2,282,500, of that, investments are at \$880,000. Mrs. Branco said that she would be working on the budget.

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

9. Consideration and possible action regarding a Lease Agreement by and between the City of Montgomery, Texas and Tom Cronin.

Mr. Yates advised that this lease was reviewed by the City Attorney and also recommended by the Montgomery EDC. Mr. Yates said that it was a Lease of the Tom Cronin property, south of the Cozy Grape, all the way to Colonel Laughter's property. Mr. Yates said that the Montgomery EDC intends to pay for the paving of the lot. Mr. Yates said that the lease will be \$1.00 per year for 20 years. Mr. Yates said that the lease does not require the paving. The property will be used for parking and City parking for special events.

John Champagne moved to approve the lease as presented. Dave McCorquodale seconded the motion.

Discussion: Rebecca Huss said that she would just like to reiterate, that when they go to pave the other section of the lot, she would prefer more than a one year lease, because she feels this 20 year lease works very well for the certainty of their investment, if they do keep it, it will benefit the City for years to come, as opposed to the other one. Rebecca Huss said that she understood that they had talked to Colonel Laughter's son, but she would rather have it in writing. Mr. Yates said that he understood.

The motion carried unanimously. (4-0)

10. Consideration and possible action regarding adoption of the following Resolution:

A Resolution By The City Council Of The City Of Montgomery, Texas, Authorizing Publication Of Notice Of Intention To Issue Certificates Of Obligation For Sanitary Sewer System Projects; And Approving Other Matters Incidental Thereto.

Mr. Jonathan Frels, Bond Attorney, presented items 10 and 11 together. Mr. Frels stated that as indicated by the City Engineers earlier, the City has been in the process of borrowing funds from the Texas Water Development Board for some time. Mr. Frels said that last fall City Council adopted a Resolution authorizing the submission of an application for funding from the Texas Water Development Board, both under the Clean Drinking Water Revolving Fund Program and the Drinking Water Revolving Fund Program. Mr. Frels said that they have received every indication from the Water Development Board that they intend to approve those applications at their February 23, 2017 meeting. Mr. Frels said that would mean, soon after that approval, they would borrow funds from them with the Issuance of Certificates of Obligation.

Mr. Frels said that in talking with Mr. Jim Gilley, the City's Financial Advisor, and Mr. Yates, they came to the conclusion that the City wanted to move fairly quickly on this project. Mr. Frels said that what they have before City Council this evening is the Notice of Intent to Issue Certificates of Obligation. Mr. Frels said that by adopting this now, it will allow the City to move forward with the process to Issue the Certificates of Obligation, so that they could be ready for the sale at the second meeting in March, 2017.

Mr. Frels said that because they are doing this process in advance, they are adopting the maximum amount authorized under the Resolution that the City submitted to the Texas Water Development Board for funding. Mr. Frels said that the City does not have to issue that amount. Mr. Frels said that the preliminary numbers that they have seen are slightly lower than the amount of what they see listed in the Notification.

Mr. Frels advised that one of the Resolutions is for the Sanitary Sewer Project under the Clean Water Revolving Fund, and the Water System Projects are under the Drink Water Revolving Fund, which is why they have two separate Resolutions.

Rebecca Huss, asked from a legal perspective, whether everyone on City Council needed to be present at the second meeting in March, because that is Spring Break. Mr. Frels said that at the March 28, 2017 meeting, they will need 2/3 majority of City Council present. Mr. Frels said that the vote does not have to be unanimous, they just need 4 of the 5 members present.

Mayor Jones asked Mr. Gilley what the rates are currently. Mr. Gilley said that it appears the interest rate will be in the low to mid 1% range.

Rebecca Huss moved to adopt a Resolution By The City Council Of The City Of Montgomery, Texas, Authorizing Publication Of Notice Of Intention To Issue Certificates Of Obligation For

Sanitary Sewer System Projects; And Approving Other Matters Incidental Thereto. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

11. Consideration and possible action regarding adoption of the following Resolution:

A Resolution By The City Council Of The City Of Montgomery, Texas, Authorizing Publication Of Notice Of Intention To Issue Certificates Of Obligation For Water System Projects; And Approving Other Matters Incidental Thereto.

Rebecca Huss moved to adopt a Resolution By The City Council Of The City Of Montgomery, Texas, Authorizing Publication Of Notice Of Intention To Issue Certificates Of Obligation For Water System Projects; And Approving Other Matters Incidental Thereto. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

12. Consideration and possible action regarding adoption of the following Resolution:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS REGARDING STAR OF TEXAS SENIORS LTD AT LONE STAR PARKWAY FOR SUPPORT AND LOCAL POLITICAL SUBDIVISION FUNDING.

Mr. Yates said this Resolution is to support the Star of Texas Seniors Ltd., which is a business that builds senior housing. Mr. Yates said that this is a request for a Resolution in support of their application to the Texas Department of Housing and Community Affairs to receive housing tax credits and to receive a \$2,000 reduction toward water and sewer tap fees.

Mr. Wade Bienski, developer, presented drawings to City Council. This development is a senior citizen development, ages 55 and older, with approximately 48, 1-2 bedroom units, with amenities and management staff on property. Mr. Bienski advised that the units would be single story four-plexes.

Rebecca Huss asked how the subsidy would be received, such as tax rebates, etc. Mr. Bienski said that the State issues tax credits, and the credits are sold to investors, which is how they get the equity back. Mr. Bienski said that they would also get a bank loan.

Rebecca Huss asked how this compared to what Blazer is doing, because she thought their second section was specifically this type of development, and it states in here that they can only have a certain number of them within a certain area. Mr. Yates said that he did not know about the certain number in a certain area, but he contacted Blazer before the meeting, and they said that they were not sure they were going to apply. Mr. Yates said that he thought it was because the competition is so stiff, that they did not think that they could get more than two or

three of these developments for the entire region. Mr. Bienski said that it is a point system, and as of now, they are number one on the list. Mr. Yates said that action was primarily to help get their points up for the application.

Mr. Yates said that his thought was the Montgomery EDC could bear the cost of the \$2,000 credit for the water and sewer tap fees, so it would not affect the water and sewer utility fund. Rebecca Huss said that it would be the same as the matter that they discussed at the last Council Meeting, where the funds do not go out, it just stays in house as a credit for that account. Mr. Yates said that was correct.

Dave McCorquodale asked the developer to give some information on their background. Mr. Bienski said they have been with this program since it started in 1988. Mr. Bienski said that they have 1,000 plus units in production. Mr. Bienski said another senior facility they have, similar to this, is in Huntsville on Montgomery Road with over 120 units, all single story four-plexes. Dave McCorquodale asked if they did the managing of the property. Mr. Bienski said they do their own management and they are all here local, not out of State.

Rebecca Huss said that one of the attractive things about Blazer, was they had a contract with their financing partners where they commit to 15 years, ownership and management of the property versus an out of state investor. Rebecca Huss said that if they are going to commit for 15 years, obviously from a City perspective, it is probably a better quality development, and asked if there was any way that they could give the City assurances that they will continue to own this property for some period of time. Mr. Bienski said that it would be 15 years, plus another 15 years on top of that to comply with affordable housing and with the existing ownership, which he confirmed was included in the contract with the State.

Mr. Foerster stated, for the record, that he would expect that waiving any connection fees or anything of that sort, would be a public benefit accrued by this development by coming in to serve those who are 55 and older, that otherwise might not be available to the residents of Montgomery.

Rebecca Huss said that it is clear that they have discussed this before, affordable housing is something that Montgomery does lack. Rebecca Huss said that she did not think that she had an issue with the point of this, especially if it is managed on a commercial basis. Rebecca Huss said that it made sense to her, from a personal perspective, to do things that work in the real world.

Mayor Jones said that he has seen some similar projects in Conroe that were nicely done and managed. Mr. Bienski said that they have restrictions on the property, which they enforce.

T.J. Wilkerson asked if Mr. Fleming had seen the project and asked whether it would affect the Baja Road drainage. Mr. Fleming said that it would not affect Baja Road, and said that this development would front onto Lone Star Parkway. Mr. Fleming said that the initial plans that the developer has shown calls for onsite detention, with a pretty sizable onsite detention pond.

Mayor Jones said that it was immediately adjacent to the Lone Star Community Center.

Dave McCorquodale moved to approve a Resolution of the City Council of the City of Montgomery, Texas regarding Star of Texas Seniors LTD at Lone Star Parkway for support and local political subdivision funding. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

13. Consideration and possible action regarding adoption of the following Resolution:

A RESOLUTION GRANTING A PETITION FOR ANNEXATION OF A TOTAL OF 14.5003 ACRES OF LAND, MORE OR LESS; SETTING A DATE, TIME, AND PLACE FOR TWO PUBLIC HEARINGS ON THE PROPOSED ANNEXATION OF SAID PROPERTIES BY THE CITY OF MONTGOMERY, TEXAS; AND AUTHORIZING AND DIRECTING THE CITY SECRETARY TO PUBLISH NOTICE OF SUCH PUBLIC HEARINGS AND MAKE AVAILABLE TO THE PUBLIC THE CITY ANNEXATION SERVICE PLAN.

Mr. Yates advised that the area is located north of the area between Pizza Shack and the northeast corner of Lone Star Parkway and SH 105.

John Champagne moved to approve calling the Public Hearings for consideration of the Petition for Annexation from Kenneth Ray Vaught, Jr. and Rocky Del Papa for property inside the extra-territorial jurisdiction area of the City of Montgomery.

Mayor Jones asked if this motion would set the dates for the Public Hearings. Mr. Foerster said that, for the record, he would recommend two Public Hearings, one on February 14, 2017 at 6:00 p.m., and the second one on February 28, 2017 at 6:00 p.m. Mr. Foerster said that those dates and times would concur with the next two City Council Meeting dates and times.

John Champagne amended his motion to call the Public Hearings to be held on February 14, 2017 at 6 p.m. and February 28, 2017 at 6:00 p.m. T.J. Wilkerson seconded the motion.

Discussion: Rebecca Huss said that looking at the backup information for this item it has the retail along SH105, but that is not what they are talking about. Rebecca Huss said they are talking about the second set of maps, and the main parcel remaining is 14.9 acres, and asked if that was the area. Mr. Yates said that was the area. Rebecca Huss said it looked like this property did not have any frontage of its own. Mr. Yates said that was correct. Mr. Yates said that the property is the area north of the strip of land that was annexed earlier between Lone Star Parkway and Pizza Shack. Rebecca Huss said that Dave McCorquodale said that it might be the Right of Way that touches the parcel rather than the actual road.

Mayor Jones said that Mr. Fleming has an explanation for the property. Mr. Fleming said that when he mentioned earlier in his report, that they had received the preliminary plat that went before the Planning and Zoning Commission last night. Mr. Fleming said that the total acreage for the property is 20 acres or just a little over. Mr. Fleming said that a portion of the property is already in the City limits, which are the parcels along the SH 105 frontage that is zoned as commercial. Mr. Fleming said that the easiest way to describe the location of the property is that it sits between the Pizza Shack development and the commercial shell that is under construction by Lone Star Parkway. Mr. Fleming said that just north of that area, there is another 14 acres that abuts the tributary of Stewart Creek, which is not in the City limits, but is in the City's extra-territorial jurisdiction. Mr. Fleming said the preliminary plat that was submitted encompasses the entire area, and what they are doing tonight is to begin the annexation process so the property will all be inside the City limits.

Rebecca Huss asked whether the zoning for the property had been requested. Mr. Fleming said that he did not know if it had been established or requested as of this date, but the initial indications are that it will be mixed use commercial. Mayor Jones asked whether access to the property would be off of Lone Star Parkway. Mr. Fleming said that they had not gotten that far yet, but said that in talking with the developer, there will probably be an application for a curb cut out onto SH105, and there has also been talk about a driveway onto Lone Star Parkway. Mr. Fleming said that he has already advised the developer of the potential complications, or crowded nature of that, given that they already have two existing driveways coming out from Kroger and one additional driveway for the commercial shell. Mayor Jones said that there is also a bridge. Mr. Fleming said that was correct. Mr. Fleming said that they will be taking all that information into consideration and they look at their land plan.

The motion carried unanimously. (4-0)

14. Consideration and possible action regarding Greenbelt Separation between Heritage Apartments and Shopping Center.

Mr. Yates advised that this project has been an intention of the Montgomery EDC for the past two years, without any promises being made. Mr. Yates said that the thought was to provide a visual barrier to the apartment residents to the backside of the shopping center and to generally improve the appearance of Flagship Boulevard. Mr. Yates advised that the Montgomery EDC would provide the funding for the project, with the expectation that the Heritage Apartments would possibly provide part of the funding in the shopping center. Mr. Yates said that annual maintenance cost would be borne by the City, in part, because the Montgomery EDC funds cannot be used for maintenance.

Mr. Yates provided plans for four areas, with the intent to plant area one and two now, which would involve the cost of \$7,000. Mr. Yates stated that Montgomery EDC has it in their budget, and since it is under the \$10,000 it does not require City Council action, but it will require maintenance through the years, so he wanted to see if City Council was okay with the project. Mr. Yates said that he estimated the cost of the maintenance to be \$1,900 for the first year, which allows water and some City staff maintenance costs. Mr. Yates said that it would be \$2,400 maintenance costs for the second year, \$3,300 for the third year, as they add the other areas.

Rebecca Huss asked if this would be planted on City owned right-of-way because, it is her understanding that there is not a lot of current grass or dirt back there. Mr. Yates said that he believed there was a 70 foot City right-of-way and asked Mr. Fleming to confirm that. Mr. Fleming said that he believed that was correct. Mr. Fleming said that there is 80 feet around the corner on the east side of Brookshire Bros. Mr. Yates said that the City's waterline is located to the north edge of the right-of-way.

Dave McCorquodale said that he looks forward to the day when they combine stormwater projects in with this type of work and alleviate a little bit of storm sewer capacity and water quality issues, but he is in favor of more planting that less. Mr. Yates said that he would be asking the shopping center and the apartments for contributions. Mr. Yates said he knew the apartments would contribute some. Mayor Jones said that the apartments have planted some on the south side of the road. Mayor Jones said that it will be nice to see a tree lined drive.

Dave McCorquodale moved to approve the planting plan and to allow for City maintenance, as presented. John Champagne seconded the motion, the motion carried unanimously. (4-0)

15. Consideration and possible action regarding adoption of the following Ordinance:

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, TO AMEND CITY ORDINANCE NO. 2015-10, DATED AUGUST 25, 2015, AND CITY ORDINANCE NO. 2011, DATED AUGUST 25, 2015, BY AMENDING SPECIFIC SECTIONS OF THE CITY INTERNATIONAL PLUMBING CODE, INTERNATIONAL RESIDENTIAL CODE AND NATIONAL ELECTRIC CODE; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE ON FEBRUARY 1, 2017 AFTER PUBLICATION.

Mr. Yates advised that this ordinance is a result of the Building Code Review Committee, which City Council appointed several months ago. The Committee consisted of Rick Hanna, Building Inspector, Mike Ogorchock, Builder, Brian Solomon, Electrical Contractor, Bill Simpson, Roofing Contractor and Glynn Fleming, City Engineer.

Mr. Hanna advised that the City adopted the International Code and the National Electric Code as written, and these are some amendments that make the requirements a little more stringent. Mr. Hanna said that the contractors that have been building in the City have already been meeting these standards, other than upgrading the electrical wiring. Mr. Hanna said that the amendment calls for a better quality of piping. Mr. Hanna said that in the electrical portion that are asking to require that all wiring being copper, and not allow aluminum wiring, and stated that 12 gauge wire would be the smallest gauge of wiring, because right now the Code allows a 14 gauge wire. Mr. Hanna said that fire people say that 12 gauge is safer, because it does not restrict the electrical flow. Mr. Hanna said that that cost is an additional 25-50 cents. Mr. Hanna said that the other cities in the area, Huntsville, Conroe and Tomball all use these amendments, so they are not doing anything out of line. Mr. Hanna said that those cities had several other amendments, but the Committee did not feel that they wanted to be that strict.

Dave McCorquodale asked about the drain lines that are schedule 40, and asked if that would be for yard drains, area drains, etc. Mr. Hanna said that it would not, the Building Code covers the building itself and three feet out away from the structure, not irrigation lines. Dave McCorquodale asked about gutter downspouts. Mr. Hanna said that again, that would be outside the building, they were only looking at under the building and in the structure.

Mayor Jones asked if any electricians used aluminum wiring. Mr. Hanna said that he had not had anyone in Montgomery use aluminum, but since it was in the Code someone could come along and use it. Mr. Hanna said that he was just trying to prevent someone from moving in a structure that used aluminum wiring or installing aluminum wiring. Mr. Hanna said that the service fees that utility contractors bring in have aluminum wiring in them, but he was talking about once it hits the meter and enters the home, they wanted it to be copper.

Rebecca Huss said that she appreciated the Committee going through this information, because City Council does not have the expertise of this information, but it sounds like it is really important for the safety and quality of the homes in the City. Mr. Hanna said that the changes are minor, but will produce a safer home.

After discussion, John Champagne moved to approve the following ordinance: AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, TO AMEND CITY ORDINANCE NO. 2015-10, DATED AUGUST 25, 2015, AND CITY ORDINANCE NO. 2011, DATED AUGUST 25, 2015, BY AMENDING SPECIFIC SECTIONS OF THE CITY INTERNATIONAL PLUMBING CODE, INTERNATIONAL RESIDENTIAL CODE AND NATIONAL ELECTRIC CODE; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE ON FEBRUARY 1, 2017 AFTER PUBLICATION. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

16. Consideration and possible action regarding a variance request for Waterside Estates for lot width, lot depth, side building line and minimum residential lot area.

Mr. Fleming said that there was a conceptual land plan, along with some variance requests, submitted to the Planning and Zoning Commission for a 174 lot development to be placed on the north side of Lone Star Parkway, just west of the dental office. Mr. Fleming said that after some deliberation, the Commission chose to table action on the variance requests and asked the developers engineer to come back with some revisions to their site plan.

Mr. Yates said that he did not think that any action needed to be taken since the Commission tabled the action on the item. Mayor Jones said that City Council needs to hear what the Planning and Zoning Commission recommended. Mr. Fleming said that the Commission was leery of the proposed density of the project, which is 174 lots on a 60-acre tract. Mr. Fleming said that he noted that the compensating greenspace did not appear to be a one to one match as

provided by the City's Code of Ordinances. Mr. Fleming said that there were questions about how the site drainage would play out, and the conceptual land plan only showed one point of egress that was out onto Lone Star Parkway. Mr. Fleming said that the Commission did not like the density of the lots or that there was only one way in and out, because it abuts the canal. The Commission asked the developers engineer to make some revisions to the site plan and to come back next month.

Mr. Yates also said that he is working with the Planning and Zoning Commission Chairman on a plan for areas of high and low density development. Mayor Jones said that it would be a planning tool that could reduce the number of variance requests.

Rebecca Huss said that when they looked at this matter before there were issues about the waterline extension under the bridge, and now there are issues with the bridge, all of which are outstanding and they weren't interested in going forward until they cleared the backlog of outstanding issues. Rebecca Huss said that the issues are still exactly the same as they were six months ago, or however long it has been since they discussed this before. Mayor Jones asked if Mr. Bowen was the developer. Mr. Fleming said that was correct, he is the owner of this particular parcel of land.

Rebecca Huss moved to follow the recommendation of the Planning and Zoning Commission and table this matter until another time. John Champagne seconded the motion, the motion carried unanimously. (4-0)

17. Consideration and possible action regarding Certificate of Acceptance for water, sanitary sewer, drainage, and paving improvements to serve Hills of Town Creek, Section Two.

Mr. Fleming advised that this is a 50-lot, single family development located on SH 105 west and Lone Star Parkway that has completed all their water, sanitary sewer and paving, and have posted all their necessary bonds and final plat, which has been approved and is getting City signatures at this time. Mr. Fleming said that he is recommending approval of the Certificate of Acceptance which starts the time period for the one year warranty.

Rebecca Huss moved to approve the Certificate of Acceptance for water, sanitary sewer, drainage and paving improvements to serve the Hills of Town Creek, Section Two. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

18. Presentation regarding Camillo 33-acre tract located next to the eastern City limits.

Mr. Bob Devillier, Land Development and Acquisition Manager for Camillo Properties said that he wanted to introduce their company to the City. Mr. Devillier advised they were currently in the feasibility study stage with the 33-acre tract directly behind Pizza Shack. They are looking at putting in 50 ft. by 120 ft. lots. They are located outside the City in the ETJ and they would be looking at annexation into the City. Mr. Devillier said that he felt a 75 foot lot would not be marketable. They are building homes in Walden and Cape Conroe, 250K homes, 3-4 bedroom homes measuring 2400 square feet, not small but an average size home.

Mr. Devillier said that he wanted to see if the City had any problem with the lot size that they were interested in and they also wanted to see what the costs outside their site would be.

Rebecca Huss said that Jones and Carter had prepared a Feasibility Study for that property and asked if Mr. Devillier had looked at that report. Mr. Devillier said that was done a couple years ago and some of the items have changed since it was prepared. Mr. Fleming said that had been prepared either very late 2014 or early 2015. Mr. Fleming said that at that time the utility picture was not very clear and they were just beginning work on the system wide analysis of water and wastewater and whether there was utility available. Mr. Fleming said that both of those reports are complete and they rely heavily on them as a planning tool. Mr. Fleming said that the utility extensions on the north side of SH 105 have now come to fruition and they are ready for the contracts to come back and construction to begin.

Mayor Jones said that as he recalled the City upsized the line to Pizza Shack with the expectation that this development would come. Mr. Fleming said that the line would also serve other commercial frontage on the south side of SH 105.

Rebecca Huss said that she felt, personally, that higher density housing on the east side, right by a large apartment building definitely makes sense. Rebecca Huss said that she felt that the Planning and Zoning Commission's comment from last night's discussion regarding only having one location to enter and exit for such a large subdivision might be more difficult to deal with or accept. Rebecca Huss said that she was wondering about the compensating greenspace, and asked how much of that is actually located in the Flood Plain. Mr. Devillier said that what is shown in green will definitely be in the Flood Plain. Rebecca Huss said that it would not really be compensating greenspace but junk that you can't build on. Rebecca Huss said, to her, compensating greenspace would be visual and usable space, so this would allow what is built on the other side of the canal to be visible because you would not have a lot of visual barrier. Mr. Devillier said that the land plan being presented is very conceptual, and was

not meant to be set in stone, but simply a guideline to use. Mr. Devillier said that he was familiar with what they would need for the greenspace, so that would be something that they would have to consider. Mr. Fleming said that there was no prohibition in the City Code to prohibit using Flood Plain land from being used as greenspace, and on the surface he did not know that he would offer any objection, and he felt that the developer would have the incentive to make the area visually pleasing, given the number of lots that would back up to the canal.

Dave McCorquodale asked about the greenspace and said that he had read several articles about building trails on Flood Plain land. Dave McCorquodale said that if there was a way to manage a biking, walking or golf cart path on that greenspace to connect to Kroger that would allow people to use the path and not have to use their cars that would be an asset to the City. Regarding lot sizes, he did not see a 75 foot lot going in there seeing the connecting area. Mayor Jones said that this area would definitely be a higher concentration area. Mr. Devillier said that regarding the single entrance, he felt that they could lose a lot and add another entry. John Champagne asked about the size of the homes. Mr. Devillier said the houses range from 2,400 to 3,000 square feet. Rebecca Huss said that the \$250,000 price range seemed a little high for that location.

Mr. Devillier said that they would start out with 8-10 homes for a couple months, and then add four houses per month. Mr. Devillier said that they would also need a lift station on site. Mr. Fleming said that they would have to go back and revisit the Feasibility Study to compare with the current utilities. Mayor Jones asked what their original density was when they did their first request. Mr. Fleming said that it was very similar.

Mayor Jones said that the purpose of this item was for Mr. Devillier to make a presentation to let the City know what he is thinking, and for Mr. Devillier to hear the concerns that the City might have. Mayor Jones said that the City has invested monetarily in something going in at that location. Rebecca Huss said that residential properties do not really give a lot of return for the investment outlay in utilities.

Dave McCorquodale said that to him in the City, the guiding principal that they try and base their decisions on is the quality of life of the people that are about to become residents of the City. Dave McCorquodale said, to him, things that demonstrate a care for what the folks are going to buy these homes, how their life is improved by what the developer does, speaks a lot to him in terms of the decision and serves as a good guidepost for why you did what you did. Dave McCorquodale said that in terms of the land plan, he is a strong believer that space makes

quality of life happening. He does not think that that anyone is against someone making a living, but good quality of life, no matter whether in the Historic District or the outlying areas.

19. Consideration and possible action regarding requested driveway spacing variance from Living Savior Lutheran Church.

Mr. Fleming advised that this was a variance request, as submitted by the engineer for the Living Savior Lutheran Church, regarding a waiver of the driveway spacing requirements in the City Code. Mr. Fleming said that this particular tract does not provide adequate space to allow the proper distance required. Mr. Fleming said that, after review, he does not have any objection from an engineering design standpoint.

Mr. Fleming said that he thought it was important to note that the lot in question, while it is currently unpaved, is already used as a service lot for church events and some other events that take place downtown. Mr. Fleming said that the plan calls for the lot to be paved, and to cut a second driveway out on to Louisa Street. Mr. Fleming said that as he said, he does not have any inherent objections to this plan, but once they get to the engineering design phase and plan review, there would be a real onus on the developer and the developer's engineer, to take a look at the feasibility of the driveways going out onto what is designed as minor residential street with only 14-16 foot paving width on the road. Mr. Fleming stated that there were also very shallow roadside ditches on that street. Mr. Fleming said that when they pave an area of that size, it has the intention of being a game changer in terms of drainage and runoff into the ditches. Mr. Fleming said that there definitely were some things that needed to be looked at during the plan review phase. Mr. Fleming said that as far as the variance request itself, he offered no objection to the request.

Mayor Jones said that for the most part activity would occur twice on Sunday morning there might be a little traffic. Mayor Jones said that the location of the drive on Caroline Street would remain the same. Mr. Fleming said that was correct.

Mr. Fleming said that this item did go before the Planning and Zoning Commission yesterday evening, and they had a few questions about the request, but they did act favorably on the item. Mr. Fleming advised that Jonathan White, with L Squared was present and available to answer and questions.

Mr. Yates said that he met with the Living Savior Lutheran Church representatives and Mr. Bob Peel at 1:30 p.m. today. Mr. Yates said that while all this information was new to Mr. Peel, they were able to reach a settlement with the addition of a gravel parkway that will lead

off of the circular drive on Church Street. Mr. Yates said that the church is willing to add a gravel driveway to give Mr. Peel access to his gravesite area that he is concerned about. Mr. Yates said that he believed that there was going to be an easement that will assure Mr. Peel, who was not present tonight. Mr. Yates said that Mr. Peel stated that “he asked for something in writing, and if he received that then he would not stick around for the Council Meeting.”

Rebecca Huss said that the background on this item is that Mr. Peel’s enthusiasm for the original plan was significantly overstated at the last meeting.

Mr. Krenz, with Living Savior Lutheran Church, said that Mr. Peel really did not have a problem with the set back variance, but had a problem with access to his cemetery. Mr. Krenz said that Mr. Peel has been parking on their property, and with them removing the asphalt, it removes his ability to park there, which was really the issue, which has been resolved with Mr. Peel, by putting in the limestone. Rebecca Huss asked if Mr. Krenz had given Mr. Peel something in writing. Mr. Krenz said that he did and said that he could show Rebecca Huss the signed document. Rebecca Huss said that Mr. Peel is fine with it, or he would be present.

Mr. Krenz said that he had his architect prepare a conceptual draft of some landscaping for the church property and shared the drawings with City Council. Mr. Krenz said that the City minimum for parking spaces is 9 feet wide, but they are making them 10 feet wide for ease of parking. Mr. Krenz said it would not look like a grocery store parking lot. Rebecca Huss said that she appreciated Mr. Krenz putting plants on the plans for the parking lot, because the heat radiating from the parking lot, visually that will help soften the impact of moving from a field to a paved surface. Mr. Krenz said that the property is not very attractive right now. Rebecca Huss said that depends on your perspective because grass is better than asphalt to some people. Mr. Krenz said that they are good citizens and they will do whatever makes good sense to make this beautiful. Rebecca Huss said that she hoped that it would not cost very much and would be low maintenance. Rebecca Huss said that she had looked at the Rampy crepe myrtles on the east of town, and said that was actually a really neat and nice barrier.

Mayor Jones asked what was going to be located in the middle of the islands. Mr. Krenz said that he believed they were shrubs with light posts for the parking lot. Mayor Jones asked about the trees around the perimeter, and whether most of them would be existing trees. Mr. Krenz said that the trees that are currently there are scrub trees and not in good shape. Mr. Krenz said that they will be putting in new trees.

Dave McCorquodale stated that in looking at the medians between the parking isles, it looked like the drainage was going into the medians with a bio-swale. Mr. White said that he would mention it to the architect, because they like doing green projects. Dave McCorquodale said that would be a great thing to do. Dave McCorquodale said that one other thought that he had regarding the egress, he knew that they had one on Caroline Street that they are going to use now, but said that as the church body grows, if they could engender a sense in the congregation to turn right, and leave the neighborhood as quietly and quickly as possible. Dave McCorquodale said that when the Cowboy Church decided it was easier to open a back drive exit out of the church that it was to deal with the backups on SH 105, the result was about 1,000 cars on a Sunday morning coming in front of about two dozen homes. Dave McCorquodale said that it was a thought he had and was not something that he would hold their feet to the fire. Mr. Krenz said that it would be a change, because the front lot will be dedicated to handicapped parking and the new entrance will be on the west side, not the east side, which will take a while for people to get the flow of the traffic. Mr. Krenz said that he appreciated the comments and they would provide some counsel to everyone how best they think they can manage the traffic. Mr. Krenz said in all reality, is initially they will 100-120 people at each service, two times on Sunday, so they won't have a full parking lot.

Rebecca Huss said that, back to the bio-swale, might go with what they talked about at the last meeting, where it might be more expensive, but better for the City to work with Montgomery EDC on doing something that is innovative and better for the community in a number of different ways. Mayor Jones said that would be something to consider. Mayor Jones asked what direction the water naturally drained on the property. Mr. White said that it drains south from the church, and then back towards SH 105. Mr. Krenz said that the ditch has standing water in it. Mr. White said the ditch on Church Street is larger than the other ditches around town.

Rebecca Huss moved to approve the requested driveway spacing variance from Living Savior Lutheran Church. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

EXECUTIVE SESSION:

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real

property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas. (No current items at this time.)

COUNCIL INQUIRY:

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

ADJOURN

John Champagne moved to adjourn the meeting at 7:58 p.m. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

Submitted by:  Date Approved: _____
Susan Hensley, City Secretary

Mayor Kirk Jones

ITEM# 3
Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount: _____
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: letter from Montgomery County Emergency Communication District, Resolution
Date Prepared: February 4, 2017	

Subject

Accepting the Montgomery County Emergency Communication District as the addressing authority for the city.

Discussion

Since 1992 the Montgomery County Emergency Communication District (MCECD) has been assigning all addresses in the in the county, at some point in the past the city of Montgomery also assigned the addressing task to the MCECD. They have asked for a resolution that approves placing the authority for addressing within the city's jurisdiction with the MCECD.

The city would definitely want to continue with this relationship because of all the coordination that is involved in establishing and the record keeping involved.

Reccomendation

Approve the resolution as presented.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: February 4, 2017



Montgomery County Emergency Communication District

January 25, 2017

Mayor Kirk Jones
City of Montgomery
Post Office Box 708
Montgomery, Texas 77356

Dear Mayor Jones:

As you may be aware, the Montgomery County Emergency Communication District (MCECD) was given the task of assigning all addresses in the unincorporated areas of Montgomery County by Commissioners' Court in 1992. Over the ensuing years, several cities requested the district to assign addresses for them as well and MCECD became the de facto addressing agency for the entire county. Some of these requests were made formally by resolution while others were made informally. The most recent formal request from any city was ten years ago; most are more than twenty years old.

In order to update and formalize our records on this relationship between your city and MCECD, we respectfully request that the City of Montgomery approve and submit the attached resolution, authorizing the district to provide the addressing functions within your jurisdiction.

By coordinating the addressing function under one organization, the benefits are multiplied and errors are avoided. Accurate addressing goes hand-in-hand with accurate mapping. These are two essential functions of the 9-1-1 system.

If you have questions or concerns regarding this matter, please reach me at (936) 523-5915 or cvansteenbergm@mc911.org, or our Operations Manager, Jeanne Frey at (936) 523-5929 or jfrey@mc911.org. We will be happy to come meet with you and/or address your city council on this matter.

Sincerely,

Chip VanSteenberg
Executive Director

**RESOLUTION APPOINTING THE MONTGOMERY COUNTY
EMERGENCY COMMUNICATION DISTRICT
AS ADDRESSING AUTHORITY**

WHEREAS, the Montgomery County Emergency Communication District (MCECD) was appointed by the Montgomery County Commissioners' Court to perform the addressing function for Montgomery County on March 2, 1992; and

WHEREAS, the MCECD adheres to established addressing and mapping protocol, endorsed by the National Emergency Number Association (NENA) and by the Urban and Regional Information systems Association (URISA); and

WHEREAS, the MCECD has firmly established relationships with its partner agencies: Montgomery County Sheriff's Office, Conroe Police Department, Montgomery County Hospital District and The Woodlands Fire Department, as well as the Montgomery County Central Appraisal District and Montgomery County's GIS Department ; and

WHEREAS, the City Council of the City of _____ approves placing the authority for addressing within the city's jurisdiction with the Montgomery County Emergency Communication District (MCECD); and

NOW, THEREFORE, BE IT RESOLVED BY the City of _____ (Governing Body of the Participating Jurisdiction) that the Montgomery County Emergency Communication District is the addressing authority for the city's jurisdiction.

Passed and approved this ____ day of _____, 2017.

ATTEST: _____

Name: _____

Title: _____

Title: _____

Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: Resolution of selection
Date Prepared: February 8, 2017	

Subject

Consideration of Resolution selecting engineer and grant administration services to be provided for Disaster Relief Fund grant that will be applied for to match the FEMA funds for the Buffalo Springs Rd., Bridge project.

Discussion

This resolution is required as part of the submission information to the CDBG Disaster Relief Fund grant application. I the recommendation is the result of the Council appointed committee consisting of Rebecca Huss, TJ Wilkerson, Susan Hensley and Jack Yates soliciting RFQ's and interviewing prospective engineers and grant administrator applicants.

Engineering

The Committee interviewed two engineering firms of the four that were submitted, Jones and Carter and Weisser (of Houston). Weisser is a small firm that is done several projects in the area.

Jones and Carter has experience in the city and has already been hired to do the FEMA design and construction work on the bridge

Because of Jones and Carter to experience with the city in general and specifically because of their already being hired for the FEMA share of the bridge project, the Committee recommends selecting Jones and Carter is the engineer for the disaster relief fund grant, if received.

Grant Administration

Grant Works has experience with CDBG applications including the Disaster Relief Fund. \$350,000 is the amount of the grant available. There is no fee due if the grant is not awarded. Because of grant works experience with disaster relief fund CDBG applications, the committee recommends selecting grant works as the grant administrator for the disaster relief fund grant, if received.

If approved by the Council, a contract will be signed with the engineer and the grant administrator firms.

Montgomery City Council
AGENDA REPORT

Reccomendation

Approve the Resolution as presented.

Approved By

City Administrator

Jack Yates

Date: February 8, 2017

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF MONTGOMERY, TEXAS, SELECTING ADMINISTRATIVE AND ENGINEERING SERVICE PROVIDERS FOR A 2017-2018 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RELIEF PROJECT.

WHEREAS, the 2017-2018 TxCDBG Disaster Relief Program (DR) Fund contract requires implementation by professionals experienced in the implementation of federally-funded community development projects;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Proposals (RFP) process for administration services and a Request for Qualifications (RFQ) for engineering services has been completed in accordance with Texas CDBG requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for each professional service;

NOW, THEREFORE, BE IT RESOLVED:

- Section 1a. That Grantworks be selected to provide Texas CDBG project-related **administration services** for the 2017-2018 Disaster Relief Fund project for both application and implementation services.
- Section 1b That Jones & Carter Engineering be selected to provide Texas CDBG project-related **professional engineering services** for the 2017-2018 Disaster Relief Fund project for both application and implementation services.
- Section 2. That any and all contracts or commitments made with the above-named services providers are dependent on the successful negotiation of a contract with the service provider;

PASSED AND APPROVED ON THE 14TH DAY OF FEBRUARY, 2017.

THE CITY OF MONTGOMERY, TEXAS

Kirk Jones, Mayor

ATTEST:

Susan Hensley, City Secretary

ITEM# 5
Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: Resolution authorizing submission of application
Date Prepared: February 8, 2017	

Subject

Consideration of resolution authorizing submission of the CDBG application to the disaster relief fund for local matching funds to FEMA portion of Buffalo Springs Bridge work

Discussion

This resolution is required as part of the submission information to the CDBG Disaster Relief Fund grant application. It basically says that the city is eligible to apply because of the federal disaster declaration received following the May 2016 flood, designates the city administrator to act in behalf of the city regarding the grant documentation.

I think that Martha Drake of Grant Works will be present at the meeting.

Reccomendation

Approve the Resolution as presented.

Approved By

City Administrator	Jack Yates	Date: February 8, 2017
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RESOLUTION NO. _____

A RESOLUTION OF CITY OF MONTGOMERY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR BRIDGE REPAIRS AND AUTHORIZING THE CITY ADMINISTRATOR TO ACT AS THE CHIEF EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, City of Montgomery desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low/moderate income; and

WHEREAS, certain conditions exist within the community as a result of the storm incident designated as DR-4272-TX which occurred between May 22, 2016 and June 24, 2016, which represent a potential risk to the public health and safety; and

WHEREAS, the Governor of Texas has declared Montgomery County to be a disaster area making it eligible for assistance from the Texas Community Development Block Grant Program (TxCDBG) Disaster Relief Fund (DR); and

WHEREAS, the President of the United States has declared Montgomery County to be a disaster area making it eligible for assistance from the Federal Emergency Management Administration (FEMA); and

WHEREAS, it is necessary and in the best interests of City of Montgomery to select professional service providers and to apply for funding under the 2017 Texas Community Development Block Grant Program – Disaster Relief Fund for assistance to serve as a portion of the City's required 25% match to FEMA funds.

NOW, THEREFORE, BE IT RESOLVED:

- Section 1. That a Texas Community Development Block Grant Program application for the Disaster Relief Fund is hereby authorized to be filed on behalf of the City of Montgomery with the Texas Department of Agriculture;
- Section 2. That the City's application be placed in competition for funding under the Disaster Relief Fund;
- Section 3. That the application be for up to \$350,000.00 of grant funds to serve as match to FEMA funds to provide funds for bridge infrastructure repairs as detailed on the FEMA project worksheets, engineering services, and administration activities in the City of Montgomery benefiting all residents of the City of Montgomery;

- Section 4. That the City Council directs and designates the City Administrator as the City's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City's participation in the Texas Community Development Block Grant Program;
- Section 5. That any and all contracts or commitments made with the above-named services providers are contingent upon receipt of a 2017 program year Disaster Relief Fund award and dependent on the successful negotiation of a contract with the service provider; and
- Section 6. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

PASSED AND APPROVED ON THIS THE 14th DAY OF FEBRUARY 2017.

CITY OF MONTGOMERY, TEXAS

By: _____
Kirk Jones, Mayor

ATTEST:

By: _____
Susan Hensley, City Secretary

Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: Spreadsheet giving four options for Amendment, Financial Report through December of 2016-2017 fiscal year,
Date Prepared: February 2, 2017	

Subject

Consideration of Amendment of 2016-2017 General Fund budget due to Kroger not opening.

Discussion

The Sales Tax figure in the approved budget is \$1,650,000. My proposed amended sales tax figure is \$1,490,000. The actual sales tax received for last year was \$1,400,000 -- so I feel fairly confident going up \$90,000 (7%) in sales tax for this year. That means a reduced Revenue in the General Fund of \$160,000.

On the expense side of the budget --. There is a \$148,000 sales tax rebatement in the budget.. Eliminating that cost will leave \$12,000 to be reduced from General Fund expenses to equal the \$160,000 revenue loss.

All of this discussion excludes any revenue at all from the Kroger development for this fiscal year.

There is basically, to my mind, four options to take regarding the \$12,000 reduction of expenses needed.

Option A, Chief Napolitano and I have already agreed that we can get by with only one vehicle purchase for this year which has already happened at a cost of \$31,500 - leaving a balance of 31,500 in that line item -- so if the \$12,000 were to be taken from that item it would leave \$19,500 in that line item. However, the Chief and I have been discussing the possibility of a Police Dept. Administrative Assistant which we both are in favor of -- so the balance in the vehicle could fund that position - so I would prefer Option B or C or D -- which are:

Option B, take the reductions from election (assuming no election)..

If there is no city election, the savings would be \$12,000 from the \$16,000 line item budgeted.

Option C reduce Gas/Oil and Engineering.

Gas/oil for the first quarter is \$3,907 so the projection for the year would be \$16,000 plus \$3500 for possible increases resulting in a budget amount needed of \$19,500 while there is \$29,500 budgeted for gas/oil leaving the reduction of \$10,000 from the budget very viable. For engineering there is \$75,000 budgeted so a \$2000 reduction should not result in a material loss of services.

Montgomery City Council
AGENDA REPORT

Option D, is to not take any action, given that it is early in the fiscal year and that only \$12,000 is the amount to be cut from the \$2,992,042 total General Fund budget – since the sales tax rebatement will not be spent unless there is Kroger sales tax received – with an assurance that the police vehicle will not be purchased.(thus assuring the \$12,000 savings). This would eliminate the need/time/cost for a public hearing to amend the budget and the documentation needed by the accountant to formally amend the budget – as to amend the budget requires the same public information/hearings as its original passage.

All of the Options are shown on the attached spread sheet.
Also attached is the January financial report which includes through the December expenses, one fourth of the fiscal year.

Reccomendation

Await the need for an election and if not needed, select Option B, or if an election is needed select Option C - My ultimate recommendation is Option D

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: February 2, 2017

Budget Amendment for 2016-2017 Fiscal Year

REVENUES

<u>Acct. #</u>	<u>Acct, Name</u>	<u>Current Amount</u>	<u>Proposed Amount</u>	<u>Difference</u>
14600	Sales Tax	\$1,650,000	\$ 1,490,000.00	\$ 160,000

EXPENSES

Option A

<u>Acct. #</u>	<u>Acct, Name</u>	<u>Current Amount</u>	<u>Proposed Amount</u>	<u>Difference</u>
17500	Sales Tax Rebatement	\$ 148,000	\$ -	\$ 148,000
17070	Police Car	\$ 63,000	\$ 51,000	\$ 12,000
			Total	\$ 160,000

Option B

<u>Acct. #</u>	<u>Acct, Name</u>	<u>Current Amount</u>	<u>Proposed Amount</u>	<u>Difference</u>
17500	Sales Tax Rebatement	\$ 148,000	\$ -	\$ 148,000
16370	Election	\$ 16,000	\$ 4,000	\$ 12,000
				\$ 160,000

Option C

<u>Acct. #</u>	<u>Acct, Name</u>	<u>Current Amount</u>	<u>Proposed Amount</u>	<u>Difference</u>
17500	Sales Tax Rebatement	\$ 148,000	\$ -	\$ 148,000
16334	Gas/Oil	\$ 29,500	\$ 19,500	\$ 10,000
16322	Engineering	\$ 75,000	\$ 73,000	\$ 2,000
				\$ 160,000

Option D

17500	Sales Tax Rebatement	\$ 148,000	\$ -	\$ 148,000
Other savings/non-spent funds				\$ 12,000
				\$ 160,000

City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Accrual Basis

December 2016

	Dec 16	Budget	\$ Over B...	Oct - Dec...	YTD Bu...	\$ Over B...	Annual Bu...
Ordinary Income/Expense							
Income							
14000.1 · Taxes & Franchise Fees							
14103 · Beverage Tax	37.50	1,000.00	-962.50	37.50	1,000.00	-962.50	4,000.00
14111 · Franchise Tax	0.00	5,833.34	-5,833.34	5,502.57	17,499.94	-11,997.37	70,000.00
14320 · Ad Valorem Taxes	143,863.53	37,768.00	106,095.53	169,729.56	151,072.00	18,657.56	339,912.00
14330 · Penalties & Interest on Adv Tax	8.50	500.00	-491.50	299.55	750.00	-450.45	2,500.00
14331 · Rendition Penalties	0.00	16.67	-16.67	0.00	49.97	-49.97	200.00
14600 · Sales Tax	100,729.26	138,500.00	-37,770.74	327,427.03	412,500.00	-85,072.97	1,650,000.00
Total 14000.1 · Taxes & Franchise Fees	244,638.79	183,618.01	61,020.78	502,996.21	582,871.91	-79,875.70	2,066,612.00
14000.2 · Permits & Licenses							
14105 · Building Permits	11,705.15	10,833.34	871.81	34,498.05	32,499.94	1,998.11	130,000.00
14146 · Vendor Permits	0.00	8.34	-8.34	0.00	24.94	-24.94	100.00
14611 · Sign Fee	0.00	125.00	-125.00	187.00	375.00	-188.00	1,500.00
14612 · Misc Permit Fees(plats & Zoning	1,013.15	166.67	846.48	1,477.15	499.97	977.18	2,000.00
Total 14000.2 · Permits & Licenses	12,718.30	11,133.35	1,584.95	36,162.20	33,399.85	2,762.35	133,600.00
14000.4 · Fees for Service							
14380 · Community Bldg Rental	65.00	483.34	-418.34	725.00	1,449.94	-724.94	5,800.00
14381 · Kiosk Revenue	0.00	2.50	-2.50	0.00	7.50	-7.50	30.00
14385 · Right of Way Use Fees	0.34	229.17	-228.83	273.80	687.47	-413.67	2,750.00
Total 14000.4 · Fees for Service	65.34	715.01	-649.67	998.80	2,144.91	-1,146.11	8,580.00
14000.5 · Court Fines & Forfeitures							
14101 · Collection Fees	2,353.52	2,000.00	353.52	7,615.35	6,000.00	1,615.35	24,000.00
14102 · Asset Forfeitures	0.00	91.67	-91.67	0.00	274.97	-274.97	1,100.00
14104 · Bond Fees (Dedicated)	0.00	0.00	0.00	0.00	-500.00	500.00	-500.00
14106 · Child Belt/Safety (Dedicated)	215.49	166.67	48.82	565.49	499.97	65.52	2,000.00
14110 · Fines	39,500.41	41,666.67	-2,166.26	131,763.23	124,999.97	6,763.26	500,000.00
14118 · OMNI	254.71	166.67	88.04	755.45	499.97	255.48	2,000.00
14120 · State - (Dedicated)	0.00	16,666.67	-16,666.67	0.00	49,999.97	-49,999.97	200,000.00
14125 · Warrant Fees	0.00	0.00	0.00	0.00	12.50	-12.50	50.00
14126 · Judicial Efficiency (Dedicated)	137.63	166.67	-29.04	472.76	499.97	-27.21	2,000.00
14130 · Accident Reports	30.00	16.67	13.33	48.00	49.97	-1.97	200.00
Total 14000.5 · Court Fines & Forfeitures	42,491.76	60,941.69	-18,449.93	141,220.28	182,337.29	-41,117.01	730,850.00
14000.6 · Other Revenues							
15380 · Unanticipated Income	5,787.13			5,853.53			
15391 · Interest Income	28.64	41.67	-13.03	178.49	124.97	53.52	500.00
15392 · Interest on Investments	165.26	83.34	81.92	385.18	249.94	135.24	1,000.00
Total 14000.6 · Other Revenues	5,981.03	125.01	5,856.02	6,417.20	374.91	6,042.29	1,500.00
15350 · Proceeds from sales	0.00	0.00	0.00	0.00	10,000.00	-10,000.00	10,000.00
Total Income	305,895.22	256,533.07	49,362.15	687,794.69	811,128.87	-123,334.18	2,951,142.00
Expense							
16000 · Personnel							
16353.1 · Health Ins.	8,764.48	8,213.34	551.14	23,391.48	24,639.94	-1,248.46	98,560.00
16353.4 · Unemployment Ins.	101.82	413.35	-311.53	223.66	1,239.85	-1,016.19	4,960.00
16353.5 · Workers Comp.	1,441.98	1,659.18	-217.20	4,325.94	4,977.38	-651.44	19,910.00
16353.6 · Dental & Vision Insurance	535.58	950.01	-414.43	2,469.50	2,849.91	-380.41	11,400.00
16353.7 · Life & AD&D Insurance	-23.52	120.85	-144.37	182.98	362.35	-179.37	1,450.00
16560 · Payroll Taxes	6,739.79	6,832.52	-92.73	24,104.89	20,497.32	3,607.57	81,990.00
16600 · Wages	78,184.95	86,713.34	-8,528.39	228,322.42	260,139.94	-31,817.52	1,040,560.00
16600.1 · Overtime	3,979.34	1,625.01	2,354.33	7,005.94	4,874.91	2,131.03	19,500.00
16620 · Retirement Expense	3,333.68	3,543.35	-209.67	9,592.39	10,629.85	-1,037.46	42,520.00
Total 16000 · Personnel	103,058.10	110,070.95	-7,012.85	299,619.20	330,211.45	-30,592.25	1,320,850.00
16001 · Communications							
16338 · Advertising/Promotion	658.19	583.34	74.85	1,395.68	3,749.94	-2,354.26	9,000.00

Sales Tax
←

City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Options

Accrual Basis

December 2016

	Dec 16	Budget	\$ Over B...	Oct - Dec...	YTD Bu...	\$ Over B...	Annual Bu...
Total 16001 · Communications	658.19	583.34	74.85	1,395.68	3,749.94	-2,354.26	9,000.00
16002 · Contract Services							
16102 · General Consultant Fees	1,373.25	5,100.01	-3,726.76	5,386.50	15,299.91	-9,913.41	61,200.00
16220 · Omni Expense	0.00	291.67	-291.67	0.00	874.97	-874.97	3,500.00
16242 · Prosecutors Fees	900.00	958.34	-58.34	3,150.00	2,874.94	275.06	11,500.00
16280 · Mowing	6,666.67	7,083.34	-416.67	18,281.67	21,249.94	-2,968.27	85,000.00
16299 · Inspections/Permits	4,825.50	4,583.34	242.16	11,317.50	13,749.94	-2,432.44	55,000.00
16310 · Judge's Fee	1,500.00	1,500.00	0.00	4,500.00	4,500.00	0.00	18,000.00
16320 · Legal	806.49	3,166.67	-2,360.18	3,725.98	9,499.97	-5,773.99	38,000.00
16321 · Audit Fees	0.00	0.00	0.00	0.00	0.00	0.00	19,000.00
16322 · Engineering	0.00	6,250.01	-6,250.01	9,844.50	18,749.91	-8,905.41	75,000.00
16326 · Collection Agency Fees	0.00	2,500.00	-2,500.00	8,397.73	7,500.00	897.73	30,000.00
16333 · Accounting Fees	9,588.40	6,583.34	3,005.06	24,028.42	19,749.94	4,278.48	79,000.00
16335 · Repairs & Maintenance							
16335.1 · Maintenance - Vehicles & Equip							
16334 · Gas/Oil	1,574.27	2,458.34	-884.07	3,907.42	7,374.94	-3,467.52	29,500.00
16343 · Tractor & Mower	0.00	166.67	-166.67	0.00	499.97	-499.97	2,000.00
16357 · Auto Repairs	624.15	1,458.34	-834.19	5,099.55	4,374.94	724.61	17,500.00
16373 · Equipment repairs	452.97	541.67	-88.70	747.16	1,624.97	-877.81	6,500.00
16374 · Building Repairs-City Hall/Comm	664.74	1,541.67	-876.93	1,015.62	4,624.97	-3,609.35	18,500.00
16375 · Street Repairs - Minor							
16375.1 · Streets-Preventive Maintenance	0.00	1,500.00	-1,500.00	10,975.00	4,500.00	6,475.00	18,000.00
16375 · Street Repairs - Minor - Other	143.88	1,250.00	-1,106.12	5,258.05	3,750.00	1,508.05	15,000.00
Total 16375 · Street Repairs - Minor	143.88	2,750.00	-2,606.12	16,233.05	8,250.00	7,983.05	33,000.00
16335.1 · Maintenance - Vehicles & Equip - Ot...	7.50			7.50			
Total 16335.1 · Maintenance - Vehicles & Equip	3,467.51	8,916.69	-5,449.18	27,010.30	26,749.79	260.51	107,000.00
16335 · Repairs & Maintenance - Other	547.08	1,775.00	-1,227.92	2,132.08	5,325.00	-3,192.92	21,300.00
Total 16335 · Repairs & Maintenance	4,014.59	10,691.69	-6,677.10	29,142.38	32,074.79	-2,932.41	128,300.00
16337 · Street Signs	0.00	541.67	-541.67	0.00	1,624.97	-1,624.97	6,500.00
16340 · Printing & Office supplies	2,079.50	666.68	1,412.82	2,416.28	1,999.88	416.40	8,000.00
16342 · Computers/Website	2,490.40	1,233.35	1,257.05	6,543.64	3,699.85	2,843.79	14,800.00
16350 · Postage/Delivery	658.07	441.68	216.39	658.07	1,324.88	-666.81	5,300.00
16351 · Telephone	1,526.39	2,658.34	-1,131.95	4,584.56	7,974.94	-3,390.38	31,900.00
16360 · Tax Assessor Fees	0.00	1,500.00	-1,500.00	222.87	4,500.00	-4,277.13	4,500.00
16370 · Election	0.00	0.00	0.00	0.00	0.00	0.00	16,000.00
17030 · Mobil Data Terminal	2,554.22	666.67	1,887.55	3,781.33	1,999.97	1,781.36	8,000.00
17031 · Police Officer Scheduling Serv	345.38	0.00	345.38	376.29	2,000.00	-1,623.71	2,000.00
17040 · Computer/Technology	2,844.75	1,166.68	1,678.07	5,372.21	3,499.88	1,872.33	14,000.00
17510 · State Portion of Fines/Payouts	50,938.75	16,666.67	34,272.08	50,938.75	49,999.97	938.78	200,000.00
Total 16002 · Contract Services	93,112.36	74,250.15	18,862.21	192,668.68	224,748.65	-32,079.97	914,500.00
16003 · Supplies & Equipment							
16244 · Radio Fees	0.00	416.67	-416.67	0.00	1,249.97	-1,249.97	5,000.00
16328 · Uniforms & Protective Gear	1,211.26	1,333.34	-122.08	1,819.39	3,999.94	-2,180.55	16,000.00
16358 · Copier/Fax Machine Lease	1,474.45	833.35	641.10	4,364.45	2,499.85	1,864.60	10,000.00
16460 · Operating Supplies (Office)							
16460.1 · Streets and Drainage	0.00	291.67	-291.67	954.39	874.97	79.42	3,500.00
16460.2 · Cedar Brake Park	433.87	333.34	100.53	1,540.81	999.94	540.87	4,000.00
16460.3 · Homecoming Park	56.54	500.00	-443.46	104.97	1,500.00	-1,395.03	6,000.00
16460.4 · Fernland Park	28.97	250.00	-221.03	207.41	750.00	-542.59	3,000.00
16460.5 · Community Building	0.00	416.67	-416.67	1,146.99	1,249.97	-102.98	5,000.00
16460.6 · Tools, Etc	170.90	166.67	4.23	340.50	499.97	-159.47	2,000.00
16460.7 · Memory Park	28.94	250.00	-221.06	1,232.69	750.00	482.69	3,000.00
16460 · Operating Supplies (Office) - Other	2,110.76	2,300.01	-189.25	4,108.07	6,899.91	-2,791.84	27,600.00
Total 16460 · Operating Supplies (Office)	2,829.98	4,508.36	-1,678.38	9,635.83	13,524.76	-3,888.93	54,100.00
16503 · Code Enforcement Expenses	0.00	83.34	-83.34	0.00	249.94	-249.94	1,000.00
17010 · Emergency Equipment	0.00	250.00	-250.00	0.00	750.00	-750.00	3,000.00
17050 · Radios	0.00	2,166.67	-2,166.67	0.00	6,499.97	-6,499.97	26,000.00

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City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Opton

Accrual Basis

December 2016

	Dec 16	Budget	\$ Over B...	Oct - Dec...	YTD Bu...	\$ Over B...	Annual Bu...
17100 · Capital Purchase Furniture	0.00	0.00	0.00	0.00	23,200.00	-23,200.00	23,200.00
16003 · Supplies & Equipment - Other	34.15	583.34	-549.19	193.01	1,749.94	-1,556.93	7,000.00
Total 16003 · Supplies & Equipment	5,549.84	10,175.07	-4,625.23	16,012.68	53,724.37	-37,711.69	145,300.00
16004 · Staff Development							
16241 · Police Training/Education	0.00	583.34	-583.34	155.25	1,749.94	-1,594.69	7,000.00
16339 · Dues & Subscriptions	200.00	166.67	33.33	712.00	3,499.97	-2,787.97	5,000.00
16341 · Community Relations (Education)	161.24	266.68	-105.44	174.21	799.88	-625.67	3,200.00
16354 · Travel & Training (Travel)	1,233.42	1,541.68	-308.26	3,884.59	4,624.88	-740.29	18,500.00
16004 · Staff Development - Other	0.00			25.00			
Total 16004 · Staff Development	1,594.66	2,558.37	-963.71	4,951.05	10,674.67	-5,723.62	33,700.00
16005 · Maintenance							
16228 · Park Maint-Memory Pk	0.00	708.34	-708.34	248.98	2,124.94	-1,875.96	8,500.00
16229 · Park Maint - Fernland	0.00	816.67	-816.67	49.98	2,449.97	-2,399.99	9,800.00
16230 · Park Maint-Cedar Brake Park	147.99	416.67	-268.68	2,118.40	1,249.97	868.43	5,000.00
16231 · Park Maint. - Homecoming Park	0.00	208.34	-208.34	289.96	624.94	-334.98	2,500.00
Total 16005 · Maintenance	147.99	2,150.02	-2,002.03	2,707.32	6,449.82	-3,742.50	25,800.00
16006 · Insurance							
16353.2 · Liability Ins.	1,792.16	1,385.01	407.15	5,376.48	4,154.91	1,221.57	16,620.00
16353.3 · Property Ins.	441.50	383.35	58.15	1,324.50	1,149.85	174.65	4,600.00
Total 16006 · Insurance	2,233.66	1,768.36	465.30	6,700.98	5,304.76	1,396.22	21,220.00
16007 · Utilities							
16351.1 · Utilities - Memory Park -Water	-420.94			2,656.60			
16351.2 · Utilities-Fernland Pk-Water	-36.82			105.48			
16352.0 · Electronic Sign-City	44.21	41.67	2.54	119.31	124.97	-5.66	500.00
16352.1 · Street Lights	76.22	1,083.34	-1,007.12	2,339.76	3,249.94	-910.18	13,000.00
16352.2 · Traffic Lights	28.55	100.00	-71.45	81.03	300.00	-218.97	1,200.00
16352.3 · Cedar Brake Park	199.41	266.67	-67.26	658.15	799.97	-141.82	3,200.00
16352.4 · Homecoming Park	117.52	100.00	17.52	295.29	300.00	-4.71	1,200.00
16352.5 · Fernland Park	294.49	258.34	36.15	567.46	774.94	-207.48	3,100.00
16352.6 · Utilities - City Hall	722.10	666.67	55.43	2,296.87	1,999.97	296.90	8,000.00
16352.7 · Utilities - Gas	132.65	100.00	32.65	210.60	300.00	-89.40	1,200.00
16352.8 · Utilities - Comm Center Bldg	579.08	625.00	-45.92	1,072.88	1,875.00	-802.12	7,500.00
16352.9 · Utilities-Memory Pk	0.00	1,250.00	-1,250.00	0.00	3,750.00	-3,750.00	15,000.00
16007 · Utilities - Other	73.42			73.42			
Total 16007 · Utilities	1,809.89	4,491.69	-2,681.80	10,476.85	13,474.79	-2,997.94	53,900.00
16008 · Capital Outlay							
16233 · Cap Outlay- Com Building Proj							
16233.1 · Irrigation System	0.00			134.84			
16233 · Cap Outlay- Com Building Proj - Other	0.00	166.67	-166.67	0.00	499.97	-499.97	2,000.00
Total 16233 · Cap Outlay- Com Building Proj	0.00	166.67	-166.67	134.84	499.97	-365.13	2,000.00
17070 · Capital Outlay - Police Cars							
17070.1 · Emergency Lights, Decals	0.00	2,083.34	-2,083.34	0.00	6,249.94	-6,249.94	25,000.00
17070.3 · Vid Tec - In Car	0.00	1,000.00	-1,000.00	0.00	3,000.00	-3,000.00	12,000.00
17070 · Capital Outlay - Police Cars - Other	0.00	0.00	0.00	0.00	63,000.00	-63,000.00	63,000.00
Total 17070 · Capital Outlay - Police Cars	0.00	3,083.34	-3,083.34	0.00	72,249.94	-72,249.94	100,000.00
17071 · Cap Purchase - Computers/Equip							
17071.1 · Copsync	0.00	541.67	-541.67	5,483.88	1,624.97	3,858.91	6,500.00
17071.2 · Radar	0.00	333.34	-333.34	0.00	999.94	-999.94	4,000.00
17071.4 · Laser Fish (Software Equip)	0.00	0.00	0.00	0.00	1,000.00	-1,000.00	1,000.00
17071.6 · Investigative and Testing Equip	0.00	0.00	0.00	0.00	3,000.00	-3,000.00	3,000.00
17071.7 · Ballistic Vests & Shields	0.00	0.00	0.00	0.00	5,000.00	-5,000.00	5,000.00
17071 · Cap Purchase - Computers/Equip - Other	82.00	1,250.00	-1,168.00	164.00	11,450.00	-11,286.00	22,700.00
Total 17071 · Cap Purchase - Computers/Equip	82.00	2,125.01	-2,043.01	5,647.88	23,074.91	-17,427.03	42,200.00
17071.5 · Patrol Weapons	0.00	333.34	-333.34	0.00	999.94	-999.94	4,000.00

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City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Accrual Basis

December 2016

	Dec 16	Budget	\$ Over B..	Oct - Dec..	YTD Bu..	\$ Over B..	Annual Bu..
17072 · Capital Outlay-PWorks Items	13,395.00	5,033.34	8,361.66	52,106.61	15,099.94	37,006.67	60,400.00
17080 · Capital Outlay-Improvements	0.00	833.34	-833.34	10,585.15	2,499.94	8,085.21	10,000.00
Total 16008 · Capital Outlay	13,477.00	11,575.04	1,901.96	68,474.48	114,424.64	-45,950.16	218,600.00
16009 · Miscellaneous Expenses							
16590 · Misc. Expense	564.48	300.02	264.46	1,472.35	899.82	572.53	3,600.00
16009 · Miscellaneous Expenses - Other	128.00			1,056.00			
Total 16009 · Miscellaneous Expenses	692.48	300.02	392.46	2,528.35	899.82	1,628.53	3,600.00
16010 · Contingency	0.00	0.00	0.00	0.00	100.00	-100.00	100.00
16500 · Leases - Parks and Recreation							
16504 · Adams Park	0.00	0.00	0.00	0.00	0.00	0.00	2,800.00
Total 16500 · Leases - Parks and Recreation	0.00	0.00	0.00	0.00	0.00	0.00	2,800.00
17500 · Sales Tax Rebatement	0.00	12,333.34	-12,333.34	0.00	36,999.94	-36,999.94	148,000.00
Total Expense	222,334.17	230,256.35	-7,922.18	605,535.27	800,762.85	-195,227.58	2,897,370.00
Net Ordinary Income	83,561.05	26,276.72	57,284.33	82,259.42	10,366.02	71,893.40	53,772.00
Other Income/Expense							
Other Income							
14000.3 · Transfers In							
14620.2 · Admin Transfer from MEDC	0.00	9,375.00	-9,375.00	0.00	9,375.00	-9,375.00	37,500.00
14620.4 · Admin Trf from Court Security	0.00	850.00	-850.00	0.00	850.00	-850.00	3,400.00
Total 14000.3 · Transfers In	0.00	10,225.00	-10,225.00	0.00	10,225.00	-10,225.00	40,900.00
Total Other Income	0.00	10,225.00	-10,225.00	0.00	10,225.00	-10,225.00	40,900.00
Net Other Income	0.00	10,225.00	-10,225.00	0.00	10,225.00	-10,225.00	40,900.00
Net Income	83,561.05	36,501.72	47,059.33	82,259.42	20,591.02	61,668.40	94,672.00

ITEM# 7
Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: memo from the city engineer
Date Prepared: February 4, 2017	

Subject
Accepting the Certificate of Acceptance for Terra Vista subdivision

Discussion
Attached is a memo from the city engineer recommending approval of the Certificate of Acceptance – signifying that all public improvements in the subdivision are placed according to the plans and properly. This starts the one-year maintenance period backed by a maintenance bond.

Reccomendation
Approve Certificate of Acceptance as presented for Terra Vista subdivision

Approved By		
Department Manager		Date:
City Administrator	Jack Yates	Date: February 4, 2017

**CERTIFICATE OF SUBSTANTIAL COMPLETION
FOR
CONSTRUCTION OF TERRA VISTA SECTION 1 – WATER,
SANITARY SEWER, PAVING AND DRAINAGE**

MONTGOMERY, TEXAS

February 10, 2017

OWNER: Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

CONTRACTOR: Champion III
PO Box 1017
Montgomery, TX 77356

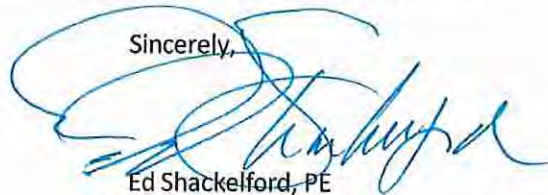
CONTRACT: Construction of Water, Sewer, Paving and Drainage
Terra Vista Section 1
Montgomery, Texas

Gentlemen:

We have observed the subject project constructed by the **CONTRACTOR** and find it to be substantially complete in accordance with the approved plans and specifications. The project was periodically observed during construction by JONES|CARTER representatives.

We recommend that the **OWNER** issue the **CONTRACTOR** a Certificate of Acceptance of the Work. We also recommend that the Contractor's guarantee period of 1 year begin February 14, 2017.

Sincerely,



Ed Shackelford, PE

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Terra Vista\Certificate of completion

cc: Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Bill Martinez – Champion III, Contractor



8701 New Trails Drive, Suite 200, The Woodlands, Texas 77381
TBPE Registration No. F-439

CERTIFICATE OF ACCEPTANCE

Mr. Steve Bowen
Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

Re: Construction of Water, Sewer, Paving and Drainage
Terra Vista Section 1
Montgomery, Texas

Gentlemen:

This is to certify that **CITY OF MONTGOMERY** accepted the subject project for ownership, operation and maintenance on the basis of the Certificate of Substantial Completion issued by our engineer, Jones|Carter, and understands that a guarantee shall cover a period of one (1) year beginning February 14, 2017.

By: _____
Mr. Jack Yates
City Administrator, City of Montgomery

Approved by City Council on _____ 20____

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Terra Vista\Certificate of Acceptance

cc: Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Mike Muckleroy - City of Montgomery, Public Works Manager
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney
Mr. Ed Shackelford, PE – Jones|Carter
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Michael Williams, Gulf Utility Services, City Operator



JONES|CARTER

ITEM#8
Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: memo from the city engineer
Date Prepared: February 9, 2017	

Subject

Accepting the certificate of acceptance for Waterstone, Section Two, subdivision

Discussion

Attached is a memo from the city engineer recommending approval of the certificate of acceptance -- signifying that all public improvements in the subdivision are placed according to the plans and properly. This starts the one-year, maintenance period, backed by a maintenance bond.

Reccomendation

Approve Certificate of Acceptance as presented for Waterstone, Section Two, subdivision

Approved By

City Administrator	Jack Yates	Date: February 9, 2017
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**CERTIFICATE OF SUBSTANTIAL COMPLETION
FOR
CONSTRUCTION OF WATERSTONE SECTION 2 – WATER AND
SANITARY SEWER SYSTEMS**

MONTGOMERY, TEXAS

February 10, 2017

OWNER: Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

CONTRACTOR: Champion III
PO Box 1017
Montgomery, TX 77356

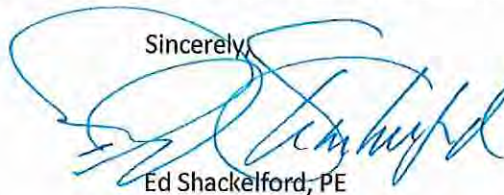
CONTRACT: Construction of Water and Sanitary Sewer Systems
Waterstone Section 2
Montgomery, Texas

Gentlemen:

We have observed the subject project constructed by the **CONTRACTOR** and find it to be substantially complete in accordance with the approved plans and specifications. The project was periodically observed during construction by our field project representative.

We recommend that the **OWNER** issue the **CONTRACTOR** a Certificate of Acceptance of the Work. We also recommend that the Contractor's guarantee period of 1 year begin February 14, 2017.

Sincerely,



Ed Shackelford, PE

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Section Two\Certificate of completion

cc: Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Bill Martinez – Champion III, Contractor



8701 New Trails Drive, Suite 200, The Woodlands, Texas 77381
TBPE Registration No. F-439

CERTIFICATE OF ACCEPTANCE

Mr. Steve Bowen
Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

Re: Construction of Water and Sanitary Sewer Systems
Waterstone Section 2
Montgomery, Texas

Gentlemen:

This is to certify that **CITY OF MONTGOMERY** accepted the subject project for ownership, operation and maintenance on the basis of the Certificate of Substantial Completion issued by our engineer, Jones|Carter, and understands that a guarantee shall cover a period of one (1) year beginning February 14, 2017.

By: _____
Mr. Jack Yates
City Administrator, City of Montgomery

Approved by City Council on _____ 20____

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Section Two\Certificate of Acceptance

cc: Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Mike Muckleroy - City of Montgomery, Public Works Manager
Mr. Larry Foerster – Darden, Fowler & Creighten, LLP, City Attorney
Mr. Ed Shackelford, PE – Jones|Carter
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Michael Williams, Gulf Utility Services, City Operator



JONES|CARTER

Texas Board of Professional Engineers Registration No. F-439 | Texas Board of Professional Land Surveying Registration No. 10046106

Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: memo from the city engineer
Date Prepared: February 9, 2017	

Subject

Approval of a certificate of acceptance for lit a lift station serving Waterstone Section Two and Terra Vista subdivision

Discussion

Attached is a memo from the city engineer. The lift station is a system improvement placed by the developer of Waterstone Section Two and Terra Vista subdivisions. The lift station was inspected. This starts the one-year maintenance period backed by a maintenance bond.

Reccomendation

Approve the Certificate of Acceptance for the lift station serving Waterstone Section Two and Terra Vista subdivisions

Approved By

City Administrator	Jack Yates	Date: February 9, 2017
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**CERTIFICATE OF SUBSTANTIAL COMPLETION
FOR
CONSTRUCTION OF LIFT STATION
SERVING WATERSTONE SECTION 2 AND TERRA VISTA
MONTGOMERY, TEXAS**

February 10, 2017

OWNER: Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

CONTRACTOR: Champion III
PO Box 1017
Montgomery, TX 77356

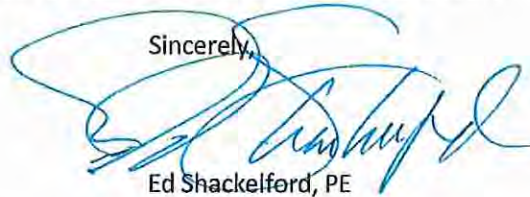
CONTRACT: Construction of Liftstation serving Waterstone Section 2 and Terra Vista Subdivisions

Gentlemen:

We have observed the subject project constructed by the **CONTRACTOR** and find it to be substantially complete in accordance with the approved plans and specifications. The project was periodically observed during construction by JONES | CARTER representatives.

We recommend that the **OWNER** issue the **CONTRACTOR** a Certificate of Acceptance of the Work. We also recommend that the Contractor's guarantee period of 1 year begin February 14, 2017.

Sincerely,



Ed Shackelford, PE

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Section Two\Certificate of completion Liftstation

cc: Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighten, LLP, City Attorney
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Bill Martinez – Champion III, Contractor



8701 New Trails Drive, Suite 200, The Woodlands, Texas 77381
TBPE Registration No. F-439

CERTIFICATE OF ACCEPTANCE

Mr. Steve Bowen
Waterstone Texas/Bowen Group
101 Waterstone Drive
Montgomery, TX 77356

Re: Construction of Lift station serving Waterstone
Section 2 and Terra Vista Subdivisions
Montgomery, Texas

Gentlemen:

This is to certify that **CITY OF MONTGOMERY** accepted the subject project for ownership, operation and maintenance on the basis of the Certificate of Substantial Completion issued by our engineer, Jones|Carter, and understands that a guarantee shall cover a period of one (1) year beginning February 14, 2017.

By: _____
Mr. Jack Yates
City Administrator, City of Montgomery

Approved by City Council on _____ 20____

JIM:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1005-00 Waterstone\Letters\Section Two\Certificate of Acceptance Liftstation

cc: Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Mike Muckleroy - City of Montgomery, Public Works Manager
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney
Mr. Ed Shackelford, PE – Jones|Carter
Mr. Troy Toland, PE – Goodwin Lasiter Strong
Mr. Michael Williams, Gulf Utility Services, City Operator



Montgomery City Council
AGENDA REPORT

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: memo from the city engineer
Date Prepared: February 9, 2017	

Subject

Approval of a feasibility study for tract of land located at the southwest corner of Highway 105 and Highway 2854.

Discussion

Attached is a memo from the city engineer on this subject. The property owner has contacted the city regarding development of this 26 acre tract. If approved the engineer will perform the feasibility study which looks at the development cost for the city/developer.

On feasibility studies such as this the developer pays the city \$5,000 in advance for the cost of the study. If the study does not use all \$5,000 the funds either stay in an escrow account for this development or is returned to the developer.

Reccomendation

Approve the Feasibility Study after payment of the \$5,000.

Approved By

City Administrator	Jack Yates	Date: February 9, 2017
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L SQUARED ENGINEERING
MUNICIPAL COMMERCIAL RESIDENTIAL

21123 Eva St. #200
Montgomery, Texas 77356
P: 936-647-0420 F: 936-647-2366
www.L2Engineering.com

February 9, 2017

City of Montgomery City Council
c/o Jack Yates, City Administrator
101 Old Plantersville Road
Montgomery, Texas 77356

Re: Utility Request for Master Planned Development located at FM 2854 and Highway 105

To Whom It May Concern:

The purpose of this letter is to formally request water and sewer utility service from the City of Montgomery for a Master Planned Development located at FM 2854 and Highway 105 known as The Shoppes at Montgomery. This development will entirely consist of commercial development that can include anchor retail facilities, medical, restaurants, fast food, offices, and retail lease spaces, etc. The development will require the extension of some public utilities throughout the development to service all tracts. The estimated capacity being requested for the overall development is approximately 30,000 GPD of water and 25,000 GPD of sewer. I have attached a preliminary land plan as a reference.

Please feel free to contact me directly if you have any questions.

Thank you,

Jonathan White, EIT
L Squared Engineering
Jwhite@L2engineering.com

Attachment: Application of Service



CITY OF MONTGOMERY
APPLICATION FOR SERVICE/ANNEXATION

Type of Application: Residential Non-residential
Contact Name: Jonathan White (Representing Hartford Realty)
Name of Business: L Squared Engineering
Address: 21123 Eva St #200 Montgomery, TX
Contact Info: Phone 936-647-0420 Fax other 832-795-1553 Email jwhite@L2engineering.com
Type of Business: Mixed Use
Type of Service Requested (mark all that apply): In City In ETJ Beyond ETJ
Estimated Date Utility Construction is to Begin: June 2017
Estimated Proposed Acreage in Development: 17 Acres
Estimated Total Taxable Value: 1,729,330 Land 8,000,000 Improvements
Estimated Number of Lots: 6 Estimated Commercial Value: 8,500,000
Estimated Size(s) of Lots: Varies 1 - 9 acres
Estimated Value of House and Lot: Varies
Estimated Construction Cost for Public Facilities, if Applicable: \$100,000
Estimated Detention Basin Land Cost, if Applicable: _____
Type of Wastewater to be Put in System: Commercial
Water Capacity Requested: 30,000 gpd Wastewater Capacity Requested: 25,000 gpd
Type of Streets: Public Private
Name and Address of Title Holder to Referenced Property: Priscilla Rampy Estate
17442 N Edlridge Parkway Tomball, TX 77377
Status of Property: Acquired Under Contract Optioned
Due diligence period closes on (date) N/A

Signature of Applicant:  Date: 02-09-2017
Relationship to Owner: Engineer

Please attach a metes and bounds description of the tract, land plan, conceptual plat, and location map along with applicable deposit made payable to the City, to the Application indicating proposed location of project and boundaries of subject tract.

Applicant agrees that it shall notify the City if any of the above information (including ownership of the tract) should change during the Application process.

City Contact Info:

City Administrator
City of Montgomery
101 Old Plantersville Road
Montgomery Texas 77356
Ph: (936) 597-6434
Fx: (936) 597-6437
Email: jyates@ci.montgomery.tx.u

For City Use Only

Engineer's Recommendation: _____

Operator's Recommendation: _____

Is Annexation Required: _____

Amount of Deposit Paid: _____

Amount of Service Recommended: _____

Additional Capacity Required: Water _____ gpd Wastewater _____ gpd

Cost of Additional Capacity: Water _____ Wastewater _____

Fees Required: Capital Recovery Fee _____ Capacity Fee _____

Tap Fee _____ Plan Review Fees _____ Inspection Fees _____

Additional Considerations: _____

Meeting Date: February 14, 2017	Budgeted Amount:
Department:	
Prepared By: Jack Yates City Administrator	Exhibits: e-mail from LDC providing summary of action requested, letter from LDC explaining action requested, Section of law allowing surcharge for relocated roads, Computations by LDC justifying Surcharge, Suggested letter from City to LDC authorizing temporary surcharge
Date Prepared: January 31, 2017	

Subject

Letter of authorization to LDC Gas Company for implementation of a temporary surcharge to recover relocation costs due to relocation of Lone Star Bend Street – subject to Railroad commission approval of Surcharge.

Discussion

LDC has placed a gas line in the previously planned location of Lone Star Bend (Lone Star Bend is the street off Lone Star Parkway that is planned to connect to Bois d’Arc Road in order to have a connection from the Walden area to Lone Star Parkway) – but that street location has moved to the east in the approved Preliminary Plat and that relocation will continue in the Final Plat (expected in late February).

A new gas line is planned to be placed in the new location of Lone Star Bend.

The Railroad Commission has regulatory authority over natural gas company operations/rates. The Railroad Commission has in its regulations an ability for an unexpected relocation due, in this case, to a street relocation that is no fault of the gas company.

LDC is the provider of natural gas for the southern and central part of Montgomery.

LDC has filed with the Railroad Commission to add a surcharge to all of its customers in the city, in order to recover its relocation expenses, for the new line.

LDC has, in its Computations page (attached) the cost of the new line to be \$20,527 and they are proposing to get that amount back by charging its 990 Montgomery customers \$0.0462 per thousand cubic feet of gas use for one year. LDC estimates an average surcharge per customer of \$20.73 for the annual cost of the Surcharge.

Montgomery City Council
AGENDA REPORT

I spoke with Larry Foerster and him and I both thought that this should come before the City Council because it is a utility increase in a city regulated utility (via franchise).

Partly because of the relocation was no fault to LDC and partly because of the relatively small amount per customer to assist a utility company to provide gas service to the city, I recommend sending the authorization letter to the Railroad Commission.

Reccomendation

Approve the City Administrator to send the proposed letter to LDC.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: January 31, 2017



Yates, Jack <jyates@ci.montgomery.tx.us>

Road Relocation Surcharge

1 message

Larry Corley <lcorley@ldcgas.com>

Tue, Jan 31, 2017 at 9:17 AM

To: "Yates, Jack" <jyates@ci.montgomery.tx.us>

Cc: bbrown <bbrown@ldcgas.com>

Jack,

Pursuant to our conversation, I have attached a letter (with some details and documentation) requesting the City's authorization to allow LDC to institute a temporary Surcharge to recover its costs associated with having to relocate its existing natural gas main for the re-alignment of Lone Star Bend Road over to Bois D 'Arc Road. I have also taken the liberty to draft a letter to be put on the City's letterhead and sent to LDC with authorization to proceed with the Surcharge subject to the Railroad Commission's final approval to allow LDC to implement the Surcharge.

Just an observation based on our conversation, I would be surprised if our request was worthy of being added to the City Council Agenda since the impact to 149 customers within the City is so small and as a Utility we are entitled to recover our costs by state statute regulations.

If you have any questions or need additional information, please do not hesitate to contact us.

Thanking you in advance,

Larry D. Corley

President

(936) 539-3500

(713) 826-7881 Cell

 RE ALIGNMENT FOR LONE STAR BEND.PDF
2690K

LDC, llc

A Local Distribution Company

*620 Longmire Road
Conroe, Texas 77304*

*936-539-3500
Fax 936-539-3501*

www.ldcgas.com

January 31, 2017

Mr. Jack Yates
City of Montgomery
PO Box 708
Montgomery, TX 77356

RE: Re- Alignment of Lone Star Bend Road and
Relocation of Existing Natural Gas Main.

Dear Mr. Yates,

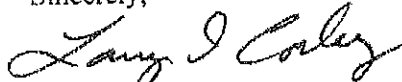
LDC, llc (LDC) has filed an informal request with the Texas Railroad Commission (RRC) to institute a "onetime surcharge" to recover costs associated with the above referenced Re-Alignment. Such surcharge is pursuant to the Texas Utility Code, Section 104.112. SURCHARGE TO RECOVER RELOCATION COSTS (see attached copy).

The Commission has instructed LDC to seek a letter, from the City, authorizing and/or no objection to such surcharge and to attach the letter as an Exhibit to its formal filing. The Surcharge will be spread out over 990 of LDC's existing customers (see attached Exhibit C).

There are 149 LDC customers (residential and/or small commercial) located within the city limits. Each residential customer would ultimately, over a 12 month period, pay approximately \$15.00 to LDC. The commercial customers would pay approximately \$100.00. As per the RRC Section 104.112 rules, the surcharge is based on volume sold.

Your immediate attention to this matter will be greatly appreciated.

Sincerely,



Larry D. Corley
President

ATTACHEMENTS

cost of service standard prescribed by Section 104.051, administratively approve a decrease in rates proposed by the applicant and agreed on by each party directly affected, unless the regulatory authority determines that the proposed decrease is not in the public interest. (V.A.C.S. Art. 1446e, Secs. 5.02 (e), 5.03 (b).)

* **Sec. 104.112. SURCHARGE TO RECOVER RELOCATION COSTS. (a)**

This section applies to a gas utility's costs of relocating a facility to accommodate construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain that are not reimbursed by a source other than as provided by this section.

(b) A gas utility may recover its relocation costs to which this section applies through a surcharge on gas volumes sold and transported to customers in the service area where the relocation occurred by applying to each appropriate regulatory authority for a new rate schedule or tariff. The gas utility is not required to file a statement of intent to increase rates to institute the surcharge, and the other provisions of this subchapter, other than appeal rights, do not apply to institution of the surcharge.

(c) An application under Subsection (b) must include sufficient documentation to demonstrate:

- (1) the requirement for each relocation;
- (2) the entity requiring the relocation;
- (3) costs incurred for relocation of comparable facilities;
- (4) surcharge computations; and
- (5) that reasonable efforts have been made to receive reimbursement from the entity requiring the relocation, if applicable.

(d) Not later than the 30th day after the date on which all of the documentation required by Subsection (c) has been received, the regulatory authority shall administratively grant or deny the application. Denial of the application must be based on finding that:

- (1) the relocation was not necessary or required;
- (2) the costs of the relocation were excessive or not supported;
- (3) the utility did not pursue reimbursement from the entity requiring the relocation if applicable;
- (4) the surcharge is unduly discriminatory among customers or classes of customers located in the service area; or

- (5) the period over which the relocation costs are designed to be recovered is less than one or more than three years.

**SUBCHAPTER D. RATE CHANGES PROPOSED BY
COMMISSION**

Sec. 104.151. UNREASONABLE OR VIOLATIVE EXISTING RATES. (a) If the regulatory authority, on its own motion or on complaint by an affected person, after reasonable notice and hearing, finds that the existing rates of a gas utility for a service are unreasonable or in violation of law, the regulatory authority shall:

- (1) enter an order establishing the just and reasonable rates to be observed thereafter, including maximum or minimum rates; and
- (2) serve a copy of the order on the gas utility.

(b) The rates set under Subsection (a) constitute the legal rates of the gas utility until changed as provided by this subtitle. (V.A.C.S. Art. 1446e, Sec. 5.07 (a).)

Sec. 104.152. INVESTIGATING COSTS OF OBTAINING SERVICE FROM ANOTHER SOURCE. If a gas utility does not produce the service that it distributes, transmits, or furnishes to the public for compensation, but obtains the service from another source, the regulatory authority may investigate the cost of that production in an investigation of the reasonableness of the gas utility's rates. (V.A.C.S. Art. 1446e, Sec. 5.07 (b).)

SUBCHAPTER E. RATES FOR GOVERNMENTAL ENTITIES

Sec. 104.201. TRANSPORTATION RATES BETWEEN GAS UTILITY OR MUNICIPALLY OWNED UTILITY AND STATE AGENCY. (a) Notwithstanding Section 104.003 (b), absent a contract for transportation service between a state agency and a gas utility or municipally owned utility, the railroad commission, not later than the 210th day after the date either party files a request to set a transportation rate, shall establish the transportation rate for the state agency. The Commission has exclusive original jurisdiction to establish a transportation rate for a state agency under this section.

EXHIBIT C
COMPUTATIONS

Surcharge to Recover Relocation Costs

Numbers of Customers		Estimated Yearly Consumption/per Customer		Surcharge Time Period		Total Volume in ccf
990	X	450	X	1 year		445,500

Surcharge Calculated as Follows

990 Customers x 450 ccf x 1 year = 445,500 ccf

\$20,527.60 (Cost of Project)

445,500 ccf (Total Estimated Usage during Time Period)

Total Surcharge per ccf

\$0.0461

LDC, llc

City Letterhead

February ____, 2017

LDC, llc
620 Longmire Rd.
Conroe, TX 77304
ATTN: Bobby Brown

RE: Authorization to Implement a Relocation
Surcharge for Lone Star Bend Road

Dear Mr. Brown,

The City of Montgomery, TX hereby authorizes LDC to implement a temporary surcharge pursuant to the Texas Utility Code, Section 104.112. SURCHARGE TO RECOVER RELOCATION COSTS. Such Authorization is subject to the Texas Railroad Commission issuing its final approval for LDC to institute the proposed surcharge.

If you have any questions, please feel free to contact me.

Sincerely,

Jack Yates
City Administrator