

**MINUTES OF PUBLIC HEARING and REGULAR MEETING**

**January 10, 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 Position # 2  
                  T.J. Wilkerson                City Council Position # 3  
                  Rebecca Huss                 City Council Position # 4  
                  Dave McCorquodale        City Council Position # 5

Absent:         Jon Bickford                    City Council Position # 1

Also Present:  Jack Yates                    City Administrator  
                  Larry Foerster                City Attorney

Mayor Jones advised that Council member Jon Bickford was on his way and should arrive in ten minutes.

**INVOCATION**

T.J. Wilkerson gave the invocation.

**PLEDGE OF ALLEGIANCE TO FLAGS**

**PUBLIC HEARINGS:**

Convene into Public Hearing

Mayor Jones convened the Public Hearing at 6:03 p.m.

1. For the purpose of hearing public comments regarding a request for a Special Use Permit to operate a Bed and Breakfast located at 811 Caroline Street, Montgomery, Texas as submitted by Mary Sims.

Mr. Yates advised letters of notice were sent to property owners within 200 feet of Mrs. Sim's place of business. Mr. Yates stated that the only response that had been received was a phone call from a neighbor stating that she had no problem with the proposed use.

Mayor Jones stated that Mrs. Sims had operated a bed and breakfast in the past at this exact location.

Mayor Jones asked if there were any public comments regarding his issue. There were no comments made by the public.

Reconvene into Regular Session:

Mayor Jones reconvened the public hearing at 6:04 p.m.

**VISITOR/CITIZENS FORUM:**

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

There were no comments made.

**CONSENT AGENDA:**

2. Matters related to the approval of minutes for the public hearing and regular meeting held on December 13, 2016.

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

**CONSIDERATION AND POSSIBLE ACTION:**

3. Consideration and possible action regarding the Green Zone Building Program being located on City leased property as requested by Melanie Davis.

Mr. Yates stated that he was not sure whether or not the City had a lease for the property in question, but noted that the City has a right of way for Pond Street, which extends behind Burger Fresh.

Ms. Melanie Davis introduced Mark Cook, co-founder of Green Zone Housing. Ms. Davis advised that they had just completed the Living Tree Festival that went very well, with a lot

of community support, and they were able to feature their exhibit home. Ms. Davis advised that they are going to be setting up an exhibit home outside Jim's Hardware. This will allow people to walk through the home, and if they need anything, such as a faucet or other supplies, they can purchase it from Jim's Hardware and then donate the item. Ms. Davis said that she felt it was a great way to get the community involved and more aware of Green Zone Housing. Mr. Cook thanked City Council for having them at the meeting. Mr. Cook said that this project is in conjunction with Camp Hope, headed by Gene Birdwell, with PTSD USA Foundation of America. Ms. Davis advised that they had just leased an office in the Lone Star Community Center, so they are now officially headquartered in Montgomery. Mr. Cook said that they want to bring to light what the City of Montgomery does for the citizens, plus the veterans. Mr. Cook said that a lot of influential people will be involved with this project because of Camp Hope. Every graduate of Camp Hope will get one of the Green Zone Houses. They are hoping to raise enough funds in the near future to have a Green Zone Community in Montgomery County. Mr. Cook said that there has never been a Green Zone Community and they want to make the City of Montgomery their home.

Ms. Davis said that they want to get the property just north of Burger Fresh that the City leases from Monty West. Ms. Davis said that they have permission from Mr. West to use that property. Ms. Davis said that they would like to set up their build site there so people driving on FM 149 will see the project. They will also have a banner that states "City of Montgomery Hosts Green Zone Housing Build." Ms. Davis stated that they already have the Plumbers Union to do the plumbing, and they want to reach out to the community for people with different trades to come out and mentor the veterans. Ms. Davis said this is a chance for the citizens of Montgomery to come and do a little something, and the final product will be fantastic.

Ms. Davis said that they are here today to request approval to set up the project and start the build of the container into a fully functional Green Zone Home. Mr. Cook said that the container will be placed at Camp Hope until they get land.

John Champagne asked where Camp Hope was located. Mr. Cook advised that it was located in North Houston. Ms. Davis advised that she has been given permission to write a monthly column in the Lake Conroe Splash Magazine, so there will be continuous updates on the project.

Rebecca Huss asked if their intent was to finish the first Green Zone Home and then move it to Camp Hope, and then move another container in for another veteran to build their home. Mr. Cook said they are not requesting that this become a permanent build site, they just want it for the first build. Rebecca Huss asked what the duration would be for the build. Mr. Cook said that once the materials are on location, the actual build should not be over two weeks, but they want to be there for publicity for the project, which the City will benefit greatly, for at least a month to a month and a half.

John Champagne said he remembered another presentation where they were looking at property in Montgomery, and asked if there had been any headway on that project. Mr. Cook advised that they had not at this time, but they are still trying to raise funds. Mr. Cook said that they have only had one fund raiser for the entire program. Mr. Cook said that they have grown so quickly, due to the partnership with Camp Hope, and they have to be so careful about who they choose as their sponsors. Ms. Davis said that they are hoping that with all the publicity, someone with deep pockets, who wants to leave a legacy, can buy the land for them. Ms. Davis said that they do have two or three properties that they think would work great for this project, but they will not go any further until they feel like they can afford to do so.

Rebecca Huss said that she was inclined to support this project, and said that she thought Mr. Yates had some legitimate concerns, such as the appearance of the job site, the materials being secured and kept out of view and making sure the signage is appropriate for the Historic Downtown. Ms. Davis said that would be done. Ms. Davis said that she was hoping to put out a couple big banners so that people would know what they are seeing and the sponsors of the project. Ms. Davis said the build site would be kept very clean. John Champagne asked about the banners. Ms. Davis said that it would be a 4 x 8 flexible banner.

Mr. Cook said that they would like to have the schools involved in the project. Mr. Cook said that he feels that it is very important for families to be involved.

John Champagne asked if they had a web site that the City could link to. Ms. Davis said that they could do that. Ms. Davis said that they are going to have an entire page on their web site dedicated to the build.

Jon Bickford arrived at the meeting at 6:18 p.m.

John Champagne said that he was not so concerned with the project benefitting the City, but more concerned that it would be in harmony with what the City is already doing. John Champagne said that the focus, for all of us, should be helping veterans, while fitting into the existing parameters and guidelines of the City. Mr. Cooks agreed that was the main focus.

Mr. Foerster said that he supported the project and what they were doing. Mr. Foerster asked whether their organization had liability insurance. Mr. Cook said that they can raise the money to make that happen, and they can have people sign waivers. Mr. Foerster said that in his experience, having insurance was better than waivers. Mr. Foerster said that if this project is on City property, then the City could have some legal exposure should someone be injured, so he would feel more comfortable if liability insurance was in place. Ms. Davis said they would put that expense in their budget.

Mr. Forester said that the second thing was a question by Mr. Yates, regarding the value of what the City is going to receive from what they are doing. Mr. Foerster said that when they are working out a lease or legal document, relating to what this project is, they need to make sure that the City Council is aware of the public benefit. Mr. Foerster said that he felt that there is one, which he is not arguing, but it needs to be part of the process so that they are not giving away anything for free, of which there is no consideration. Ms. Davis said that is why they are talking so much about putting Montgomery in the center of the publicity and publications, so they will probably have visitors that will come and check out the project and then shop the stores in the City. Mr. Foerster said that he felt that as they develop this project they just need to make sure and go on record as saying that the City Council sees the value and public benefit that justifies whatever they are doing in terms of posting it, or land, or whatever. Ms. Davis said that whatever they can do to increase the benefit to Montgomery is what they want to do.

Mayor Jones asked when they wanted to get started. Mr. Cook said that they are now raising money and they hope to start at the end of this month. Ms. Davis said that having permission to do the project at that location helps them raise money, so they need the City's stamp of approval to finish the project. Mayor Jones said they will work out the legalities and minor details if City Council approves the project.

Rebecca Huss moved to have the City Administrator go forward with preparation of the sublease, addressing the issues that the City Attorney raised, as well as dealing with the liability insurance, sign ordinance and to have the project in keeping, visually, with Historic Montgomery Downtown. Dave McCorquodale seconded the motion.

Discussion: Jon Bickford asked how they review the placement and how it looks, so it will not impact the Historic section of the City, and whether it would be reviewed. Mayor Jones stated there will be a storage container in the Historic District, for a brief moment in time. Jon Bickford said that there will be people that are going to want to hear that it will not be there for a long period of time. Mayor Jones said that there is a time limit on the project. Rebecca Huss said Jon Bickford could go door-to-door to let them know.

Ms. Davis said they will work hard to educate the public on what they are doing.

The motion carried unanimously. (5-0)

Mayor Jones stated that City Council would take a brief recess at 6:38 p.m.

Mayor Jones reconvened the meeting at 6:39 p.m.

4. Presentation of Development Plans by Phillip LeFevre.

Mr. LeFevre made a presentation to City Council regarding the different events that had occurred in the City. Mr. LeFevre stated that from 1952 to 2002, other than Brookshire Bros. Shopping Center, there was no change to the City.

Mr. LeFevre said in 2002, twice a day, due to the school districts, traffic was impossible to get through in the center of the City and the City was getting bogged down. Mr. LeFevre advised that the County Commissioner came to him and said that they were going to build a loop around Montgomery, but they did not know when, because they did not have the money. Mr. LeFevre said that at the time they elected themselves to go ahead and build the loop from SH 105 to FM 149 to get it going. Mr. LeFevre said this was a time when the City had one water plant that did not work very well and water pressure in parts of the City was not very good. They also had a sewer plant that TCEQ had said needed to be discontinued as quickly as possible by 2010. When it rained, the 250,000 gallon per day sewer plant would go to 1 million gallons and he would come into the City every so often with a jar of brown water and say this is from the City's sewer plant.

Mr. LeFevre said that the City had to make a decision and a lot of people in the City did not want to develop and move forward. The other half of the City realized that if the City did not get a head of the curve, development would come, but it would be the wrong development. Mr. LeFevre said that they all got together and negotiated everything line by line for a Planned Development Agreement. Mr. LeFevre said that the City, at the time, did not have any funds to put in roads or infrastructure.

Mr. LeFevre said that he had a 200,000 gallon per day sewer plant permit, which they agreed to give to the City that they ended up not needing. Mr. LeFevre said that in return, the City agreed to freeze the ordinances on his property and giving him the flexibility to move around on their zoning. Mr. LeFevre said they agreed to put in the infrastructure before it was needed and to go forward with the development for the last sixteen years.

Mr. LeFevre said that the plan that they had envisioned is what they are beginning to see, with the Kroger type developments along SH 105, with residential single family homes, assisted living and independent living away from that area. Mr. LeFevre said the concept was that people would live in the City and would not be hurt by the road traffic or the shops, but would have the convenience of the shops without people driving through their neighborhood.

Mr. LeFevre said that the City did such a good job, in 2006-2007, that Conroe paid for a study for what Conroe should do. Mr. LeFevre said that Conroe has done a very good job moving forward, but one of their recommendations was for them to do what Montgomery is doing. Montgomery was trying to brand itself as a small town and a good place to live.

Mr. LeFevre said that his concern and worry is that there is potentially two lines of thought. One being the City takes the stance that they are not going to increase taxes or negatively impact the current citizens and put all the onus on developers with huge impact fees. Mr. LeFevre said that he is exempt from the impact fees because of his development agreement with the City. Mr. LeFevre said impact fees slow down development, and if you are not careful it invites the worst type of development, that do not put in trees, but put twigs as landscaping in parking lots.

Mr. LeFevre said that when they did their agreement with the City, the roads that they agreed to put in allowed traffic to go around the City. Mr. LeFevre said they expect the City to stay ahead of the curve, which they have done with the utilities, sewer and water. Mr. LeFevre said that they are worried that the City is going to lose sight of where it wants to be. Does the

City want to be a Norman Rockwell City where people want to live, or does it want large concrete parking lots with no trees, and so forth. Mr. LeFevre said that he did not think it was something that could be done with ordinances. Mr. LeFevre said that he thinks that City Council has to take a more hands on approach on what developers do.

Mr. LeFevre said that there is nothing wrong with a lumber yard, but he could have sold land to that lumber yard four years ago when they approached him, but they didn't think it was appropriate to put it in the front entrance to the City. Mr. LeFevre said he thinks the City as a whole needs to make sure it knows what it wants to be, and in doing so it can set that expectation with the developers that come in. Mr. LeFevre said that if the City sets that expectation, they will get the better development and they will find that new sewer plants pay for themselves and there is money for the roads to be fixed.

Mayor Jones thanked Mr. LeFevre and said that it was good to hear the history, because a lot of us have not been around and involved as long as him and it is good to hear how it happened.

Mr. LeFevre said that they can do very well as a City if the City's expectations are high, if they have no expectations then the people coming in won't expect to do anything. Rebecca Huss said that the trick is how to have it both ways. Rebecca Huss said she does not feel that it is fair that existing residents have to bear the burden of development where profits will accrue to the developments. Rebecca Huss said that on the other hand, Mr. LeFevre was totally correct, they need to set a higher standard and figure out a way, not necessarily development agreements, but something like it.

Mr. LeFevre said that he did not feel that a lot of ordinances helped. Mr. LeFevre said that he has been very upset at Kroger for planting twigs on their site, and he thinks that the expectation from all of us should be that they contact Kroger until they do plant trees, or, MEDC buys the trees and we plant them. Mr. LeFevre said that if our expectations are low and we are willing to put up with bad stuff, then everything else will follow.

Ms. Hillary Dumas stated that one of the things that City Council turned down years ago was a PID concept. Ms. Dumas said that her concern with the impact fees, was that the only way for a developer to recoup the fees would be to put it back on the consumer. Ms. Dumas said that the City will attract developers that put in a lower quality product and have backend fees that hit the homeowner. Jon Bickford said that those were some pretty broad conclusions, because the market will determine what you can charge for a home. Ms. Dumas said that if



you approve a PID, you allow a developer to charge the consumer on the back end an impact fee. Jon Bickford said that they do not allow people to put in PID's. Mr. LeFevre said that Stylecraft has not had to pay impact fees, but if they had to it would severely impact what they are doing. Mr. LeFevre said that if he had to go out and buy their land today, plus pay a huge impact fee, people will just not do it, or the value of the land will go down and then you will get a bad developer that puts in bad houses. Jon Bickford said that it could be they get developers that put in nicer homes and that is based on the market, but just to say that if the price is too high they will have bad houses is too broad. Ms. Dumas said that there is a balance, and whether it is this City Council, or another, it is setting the stage for the big picture.

Jon Bickford said that one nice thing about ordinances, is you can tell developers that are going to build something, how we want it to look. Jon Bickford said that the Planning and Zoning Commission has a limit on what they are able to say no to. Rebecca Huss said that Jon Bickford was very interested in lot size, so if someone comes in and says that they want a 15 percent reduction in lot size, you could say that you would give them a 10 percent and they have to build to this standard or add a green space, which is where the leverage is at the beginning. Ms. Dumas said that it would be the same with the commercial retail, with tax abatements.

Jon Bickford said that McCoy's comes in and does not ask for a tax abatement, so there is no leverage there. Jon Bickford said that the point he was trying to make was that the impact fees also give them some leverage, which they did not have before, so they can try and get the City to grow in a way that we want it to. Mr. LeFevre said that personally, he is not a big fan of impact fees.

Mr. LeFevre said that he spent millions of dollars and where he gets uncomfortable, is when the City annexes a piece of land, gets a grant to get those people utilities. Mr. LeFevre said he still has to pay for the utilities for his commercial lots, but those five or six lots that were outside the City got utilities for free. Mr. LeFevre said the City, in his opinion, should not be in the business of creating value for some people and not for others. Mr. LeFevre said that it should be a very straight line, as to what it takes to pay to play, and these rules apply to everyone equally.

Jon Bickford said that was part of the reason that the City went through the process of putting the impact fees in place, and in the case of where they have granted access, they have a system

in place for anyone that hooks onto the system to pay their share of those resources. Mr. LeFevre said that he did not mind that, but in the process, the City left eight lots in the City that still have to pay for their utilities, so it kind of affected their value. John Champagne asked to clarify that point, because Mr. LeFevre was speaking about Pizza Shack. Mr. LeFevre said that he was good with Pizza Shack, but it was also Rocky Del Papa. John Champagne said that when Mr. LeFevre says that development got free water and sewer, they are referring to the federal grant they received. Mr. LeFevre said that was correct. John Champagne said that the City did not pay that, but facilitated the grant. Mr. LeFevre said that his point was the City does not need to be in the development business. Mr. LeFevre said that he did not want the City to overreact and scare away everyone with impact fees. Jon Bickford said that Mr. LeFevre did pay impact fees, they just did not call them impact fees. Jon Bickford said that when new developers come into the City, the City will need money to pay for new water plants, sewer plants, etc.

John Champagne commented on McCoy's Lumber, where there was a private land owner that has solicited a company to place this business in the City. John Champagne said that as he understands the process, it goes to the Planning and Zoning Commission for approval of the plat and elevation, etc., and then, at that time, it comes to City Council for approval and consideration if there are any variances. John Champagne asked what the City Council could do after that fact. Mr. LeFevre said that he would rather see apartments than a lumber yard. Mr. LeFevre said that they have to have a vision on what they want to see in the City. Rebecca Huss said that they would have to increase the number of prohibited businesses in that area, and they could require special use permits for a wider number of business types. Mayor Jones said that was getting too restrictive.

John Champagne asked the City Attorney, whether there was any leeway or anything that they could have done to prohibit that lumber yard from coming in at that point. Mr. Foerster said that he could not think of anything. Mr. Foerster said that if they have water and sewer available to the property and somebody wants to sell them the land, the City should not get in the business of affecting marketability of property. Mr. Foerster said that zoning will dictate what you can do with the land, and there maybe changes in the zoning from time to time, which the City does address.

Jon Bickford said that virtually everybody moved here for the small town atmosphere and they did not want it crowded, or the property being over developed. Jon Bickford said that

most of the people that have stayed in Montgomery have loved it. Jon Bickford said that most of them are in agreement, with Mr. LeFevre, that they want to make and keep this a great City and keep the taxes low. Jon Bickford said that they would like to keep development either very well done or, in his opinion, to a minimum. Jon Bickford said that he would rather see less development that was done really well and looks goods, instead of having stuff sprawling all over the place and traffic everywhere. Jon Bickford said he did not know what other levers the City could pull, other than impact fees. Jon Bickford stated that if they don't want to build here because there are impact fees, the answer is, bring us a plan that does a, b, c or d, and then there is nothing wrong with the City negotiating those fees.

Mr. LeFevre said the point he was trying to make was in 2003 the City took the approach that they had to stay ahead of the curve. The people in the City recognized that their infrastructure was crumbling, that they had to have a new water plant and sewer plant and they got out and did it. Mr. LeFevre said his concern is if they are charging impact fees and they are consistent with what other cities do, he is all for it, but, if we get out of line with what other cities are doing and get a reputation for being hard to deal with he is not.

Mr. LeFevre said that he did not believe that they could have done the roads, water plant or the library without the City wanting to get a head of the curve. Mr. LeFevre said that with City Council so worried about what the taxes are, he personally, would rather pay more taxes and have the bridge fixed.

Jon Bickford said that all the people that Mr. LeFevre wants to attract, retirees, which live here and have moved into the assisted living facility are all on fixed incomes and you want to raise their taxes to make sure the roads are nice, when they don't even use them.

John Champagne said that more than not, all of City Council agrees with Mr. LeFevre in terms of his vision. John Champagne said that the problem is, and he believes that they have all said it, finding the balance. John Champagne said that philosophically, regarding taxes, in his life he has seen taxes go from a simple municipality that was charging 5.5 percent when he was a kid that is now charging 10 percent. John Champagne said that taxes do not come down, but he thinks he knows the reason they increase, they are getting involved in things that they should not be involved in and that was his resistance in raising taxes. John Champagne said that the bridge is going to get fixed, but he is with Mr. LeFevre, he wished it was fixed yesterday.

Mr. LeFevre said that the biggest danger to the City is if our taxes go too high, he will have to sell his property. Jon Bickford said that is the problem for every resident, if your taxes are too high and you can't afford to live here, then you have to sell your property and move.

Rebecca Huss said that the Planning and Zoning sees people much sooner than City Council, so maybe the Planning and Zoning Commission could be charged with identifying opportunities for working with MEDC or City Council to improve the quality of what is being offered by a business or a builder, and what kind of financial arrangement has to be worked out to help them do more than what they would do under the bare minimum of our ordinances. Jon Bickford said that he thought that was a great idea. Mayor Jones said that he did not think that too many of the developers were showing up with the bare minimums.

Jon Bickford said that the trees at the Kroger site, he believed, were not what was presented to the City in their drawings, and he felt that they should go back and look at that information. Mr. LeFevre said that they expressed to Kroger that they would raise the money for trees, but they are not showing much excitement. Rebecca Huss said that either way, she felt that there was a way that they could work together to have higher quality development, which is not necessarily through rules.

Mayor Jones again thanked Mr. LeFevre for his presentation. Mr. LeFevre thanked City Council for their time.

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

AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS, GRANTING A SPECIAL USE PERMIT TO MARY ECKHART SIMS FOR A BED AND BREAKFAST USE OF THE PROPERTY LOCATED AT 811 CAROLINE STREET, MONTGOMERY, TEXAS 77356; AUTHORIZING THE USE OF THE PROPERTY AS A BED AND BREAKFAST; IMPOSING CERTAIN CONDITIONS AND SAFEGUARDS; PROVIDING FOR SEVERABILITY; AND EFFECTIVE DATE.

Mr. Yates advised that the Special Use Permit is the same as Mrs. Sims had used when she operated the bed and breakfast in the past.

Mrs. Sims was present and said that she plans on doing everything as she had before because she had so many good reviews and she loved all the people that stayed with her. Mrs. Sims said that she thought the business brought a lot of people to Montgomery.

John Champagne moved to approve the Special Use Permit Ordinance for the bed and breakfast operation at 811 Caroline Street by Mrs. Mary Sims. Jon Bickford seconded the motion.

Discussion: Mayor Jones asked Mrs. Sims how many beds she would have. Mrs. Sims advised that the guest house would have 3 bedrooms and 2 baths, the cottage has 1 bedroom and 1 bath, and the main house, which she lives in the upstairs. Mrs. Sims said it will be the same as the last time. Mayor Jones asked if Mrs. Sims already had bookings. Mrs. Sims said that she has a guest that is staying, similar to a soft opening, for free, since she could not rent rooms yet. Mayor Jones said that as of tonight she could start charging for the rooms.

Rebecca Huss asked if they paid hotel/motel tax. Mayor Jones said that they do pay hotel/motel tax. Mrs. Sims said that she paid them for seven years and so many months she paid them, so they can look back and see how the business went. Mrs. Sims said that it took about a year to get the business started and then the business became a peak business, which was wonderful for her. Mrs. Sims said that to restart the business it will take a while to build up again. Mrs. Sims said that she looked up her old visitors and maybe she will have the same people come back.

Rebecca Huss asked why she would choose a bed and breakfast instead of an air bed and breakfast where she would not be paying hotel/motel taxes and not regulated by the City. Mrs. Sims said that she felt that it was a higher standard. Mrs. Sims said that she has done air bed and breakfast and stayed there herself. Mrs. Sims said that she felt the City has a higher standard, and she would much rather be a regulated bed and breakfast in our area. Mrs. Sims said that she is always on the property, providing total customer service. Mrs. Sims said that she greets the customers at the door and they have a good stay, if they want privacy she stays out of the way, but if they need anything she is there. Mrs. Sims thanked City Council and said to send people to stay with her and that her opening day was hopefully February 1, 2017. Mrs. Sims said that she would be going through the sign permit process next.

The motion carried unanimously. (5-0)

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

AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS, ADOPTING A WATER CONSERVATION PLAN FOR THE CITY; DESCRIBING THE PURPOSE OF THE PLAN; PROVIDING WATER CONSERVATION GOALS AND WATER CONSERVATION PLAN ELEMENTS; PROVIDING REPEAL AND SEVERABILITY CLAUSES;

PROVIDING TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE UPON APPROVAL.

Mr. Glynn Fleming, City Engineer, advised that over the last couple of years the City has done a very good job of exploring all avenues available to them in terms of funding sources, loans, grant funds, tap fees and low interest loans. Mr. Fleming said that they have been working on the Texas Water Development Board loan applications for approximately nine (9) months. Mr. Fleming stated that just before the holidays, the Water Development Board asked for one final submission for the City, which is what is being presented in this item.

Mr. Fleming said that to his knowledge, he did not believe the City had a Water Conservation Plan previously, but the City does have a Drought Contingency Plan. Mr. Fleming said that this was a pretty simple document that is a written summary of ideas and strategies primarily aimed at reducing overall consumption.

Rebecca Huss asked what happens if the City does not meet the targets set in the plan. Mr. Fleming said that at the end of the day there is no onus on the City to hit the target goals within the Plan.

Jon Bickford said that he thought the City's recent changes in the water prices are absolutely 100% percent aimed at water conservation by curbing high usage and charging a much higher price for higher usage. Mr. Fleming said that the City has done a host of things over the last year, and the reviewers have been very complimentary about what has been submitted. Mr. Fleming said that the City has master metered all three of the water wells, constructed an alternative water source in the Catahoula Well, in the last year they have had 100% percent replacement of all water meters within the City, which are all brand new meters that are automating reading meters with built in leak detection.

Mr. Fleming said that the Water Conservation Plan is a written statement and summary of everything that the City has done, along with its desire to encourage, with the new growth coming into the City, to use low flow fixtures.

Rebecca Huss said that the information does not include the year 2011, where they suffered a terrible drought and usage was very high. Rebecca Huss said that the last five years of history are an anomaly rather than an average. Rebecca Huss said that if they are starting with the numbers in this Plan, the City is doomed to fail. Mr. Fleming said that as he had stated, there is no onus on the City to meet or exceed the numbers. Mr. Fleming said that the reference to

the 2011 period was absolutely correct. Mr. Fleming said that this document is somewhat a template that was given to them by the State.

John Champagne asked Mr. Fleming to give an overview of the Water Conservation Plan. Mr. Fleming said that document is approximately 6-8 pages, and is a written compellation of goals, strategies and designs that are used to help reduce consumption, water loss and waste, and improve overall system efficiency. John Champagne asked whether this was pretty much what other municipalities have done. Mr. Fleming said that the State, to a certain degree, gives them a template to work from.

Mayor Jones stated that the first five years of the Plan seem pretty easy, then the next five they really have to go to town on reduction, and asked why it was that way. Mr. Fleming said that was the template provided by the State. The State expects them to be able to improve identification of leaks and inefficiencies in the system and addressing them. Then they expect to see, especially in an area like Montgomery where they are poised for rapid residential growth, to see the average use per connection come down.

Dave McCorquodale asked whether they are able to isolate the business side of development versus residential. Dave McCorquodale said that in looking at water conservation, one of his personal pet peeves has been turning the water off when you brush your teeth. Meanwhile, the industry is using pumps that are on the order of three weeks of one single family connection that they are using in a day, and at least an hour in Kansas. Dave McCorquodale said that when a business moves to the City and they are using hundreds of gallons, as compared to the same period a residence is using 10 gallons of water, and asked how that effects the City's goals in this Plan. Mr. Fleming said that they could easily break that information out through utility billing and through the automated meter reading system. Mr. Fleming said on the residential side, what they have seen in looking at the last 10-15 years, the City actually has a pretty high average use per connection at over 400 gallons, per connection, per day, so he felt that problem would begin to correct itself and you will see an automatic reduction. Rebecca Huss asked if that 400 gallons per day included the schools. Mr. Fleming said that he would have to go back and look at his numbers. Rebecca Huss said that if 30% percent of their users are at 2,000 gallons or less per month, then 400 per day would be big math for the other people on the 70% percent. Mr. Fleming said that there was a large discrepancy between the average City customer, some of the higher consumption, residential and commercial. Mayor Jones said that

if the schools are included in that number, then the schools are also the great opportunity for reduction and the best place for conservation.

Jon Bickford asked again how you fix this in the commercial world. Mr. Yates said that there could be a standard instruction to our planning to recommend water saving devices. Jon Bickford said that they can recommend and encourage it, but if they thumb their nose to it, you just increase their price.

Mayor Jones said that he assumed the numbers that are in this Plan are great for this particular grant, but if in six months they need to apply for another grant, will the numbers have to be redone. Mr. Fleming said that it was his recommendation in the cover letter memo, that this is something that they should have on the calendar to be updated every other year. Mr. Fleming said that they will want to see this Plan with each application that is submitted. Mayor Jones said that he felt that it was in the City's best interest to conserve water, so we need to see how we are doing. Mr. Fleming said that the State has a list of stock items that they are more than willing to help cities with, including public information inserts to place in water bills and rebate programs for people to install irrigation meters and low flow fixtures.

Jon Bickford moved to adopt the Ordinance as presented by the City Engineer, Mr. Fleming. Dave McCorquodale seconded the motion, the motion carried unanimously. (5-0)

7. Consideration and possible action regarding a five (5) foot building line setback variance for Living Savior Lutheran Church.

Mr. Doug Krenz, Chairman of the Long Range Planning Committee for the Living Savior Lutheran Church made the presentation to City Council. Also present were Pete Ames, President of the congregation, and Jonathan White, who is the civil engineer representing them.

Mr. Krenz presented an overview of the background of the project, so City Council would know why they are asking for the variance and what they plan to do with the church. Mr. Krenz said that they need to expand the facility because they are growing. Mr. Krenz said that this will be a \$1.6 million dollar project, and said that they had received notification that their financing has been approved. Mr. Krenz said that they want to begin on the expansion in Spring, with completion by the end of the year. Mr. Krenz said that he felt the expansion was going to be good for them and the City. Mr. Krenz said that they will not fill their parking lot, but felt that other City events will be able to use the parking lot, from time to time. Mr.



Krenz said that they want to make the church more functional and attractive, while maintaining the design, since it is within the Historical District.

Mr. Krenz reviewed the site plan, advising that the annex building will be demolished, and a new structure will be built and connect to the Family Life Center. Mr. Krenz said that the main entrance for the church will be located on the west side of the Family Life Center. Mr. Krenz said that they will maintain the steps in the front, which will become an emergency exit for the church.

Mr. Krenz said they are requesting a variance of 5 feet from the property line to allow them to extend the Family Life Center building to the south, so they can have adequate storage available and to remove a set of iron emergency exit steps. Jon Bickford asked why they did not expand on the other side of the building. Mr. Krenz said they would run into the property line. Mr. Krenz said that the variance would be adjacent to the cemetery. Mr. Krenz advised that they would have new restrooms, the nursery and office area would be expanded, along with the Family Life Center and a conference room upstairs.

Mr. Krenz said in order to make everything right, they are going to add siding and windows to the Family Life Center, to match the sanctuary, which will also have more windows. Mr. Krenz said that they did not want the Family Life Center building to look like an add-on, but wanted the buildings to fit together. Mayor Jones said that was a big deal in the Historic District, regarding the appearance and getting the metal building covered with another material, and installing real windows.

Mr. Krenz said that they would retain the parking in the front of the building, but they will change the two rows of parking to single rows, with handicapped parking in the front. Mr. Krenz said that the gazebo and the children's play area would be relocated on the property. Mr. Krenz said that the parking lot would be cement curb with asphalt, and would provide 89 parking spaces on the west side of the church, and 90 on the east side. They will have a new garage in the parking area with a dumpster. Mr. Krenz advised that the bell tower will be redone to its original design.

Mayor Jones asked Mr. Krenz if he felt he was maintaining the historic look and feel of the original sanctuary. Mr. Krenz said that they have 12-13 people on the Committee, who are all of the same mindset and that is what they want to do.

Rebecca Huss asked if Mr. Krenz had discussed, with any of the relatives of people buried in the cemetery, how they feel about the 5 foot setback. Mr. Krenz said that when they abandoned the road they dealt with that issue and they had discussed it with Mr. Peel. Mr. Krenz said that Mr. Peel said that he would be okay as long as they did not restrict his access. Mayor Jones said that he did not think that the 5 foot variance even came close to the Peel burial site.

Rebecca Huss said that after reading the City Engineer's report, she is not against this, but it sounds like there are going to be a fair number of things that will come before City Council regarding the drainage and the street. Rebecca Huss said that she would rather have all the items presented to City Council at the same time. Mr. Krenz said that they needed to have this approved now so that they could move on with their building plans, otherwise they are going to be at a dead stop. Mr. Ames said that their preliminary plat was accepted by the Planning and Zoning Commission and they are just requesting this variance to allow them to move forward with their plans. Mr. Ames said they will still have to present their construction plans to the City Engineer and bring back any other variances that they might need to City Council.

Dave McCorquodale said that if they approve this, it puts the City in an awkward position, because they are approving them to move forward with step one, should they have a sticking point later on. Mr. Krenz said that they were willing to work with the City, because they want to be in the City.

Mr. Ames said that the motion made by the Planning and Zoning Commission was to approve the 5 foot building line, pending all other variances that are required for the approval of this project to be presented and approved as well.

John Champagne said that they are going to need parking and there are not too many options for parking. Mr. Ames said that the only other variances that they are looking at right now are regarding driveways spacing.

Rebecca Huss said that she felt if they asked for a landscaping plan for the property it might address some of her concerns about the impact to the neighborhood. Mr. Ames said that currently it is a field with poorly kept gravel, so they are trying to improve the property.

Mayor Jones said that all they are being asked to do is to approve the five (5) foot variance, nothing else. Dave McCorquodale said that he would submit that if the Planning and Zoning

Commission approved the variance, conditionally, pending all the other variances being worked out that solves the concerns that he would have about approving this action.

Mr. Fleming advised that property located in the Historic District requires submission of full renderings and an architectural package to be approved by the Planning and Zoning Commission before any construction can commence. Dave McCorquodale said that he wanted to check on that and find out whether Institutional Use was exempt from that process, because Institutional is exempt from almost everything. Dave McCorquodale said that he would ask that staff double check the ordinance and make sure that Institutional is not exempt from the process.

John Champagne asked if a decision could be determined regarding the five (5) foot variance. Mr. Fleming said that the Planning and Zoning Commission motion had granted approval of the variance request for reduction of the side yard setback, however, stated that they would be required to get all other variances approved before a building permit was issued. Dave McCorquodale asked to clarify that the five (5) foot setback is applicable between Institutional and whatever adjacent zoning there is, and asked whether Institutional had the same five (5) foot setback as Residential. Mr. Fleming said that in this case the side yard setback is required to be ten (10) feet and the request is for a reduction of five (5) feet.

Rebecca Huss asked if they could also ask for the addition of a landscaping plan with vegetation designed to shield residences from the increased building size, and parking lot. Mr. Krenz said that he would think that they would want people to see the church because it will be beautiful. Mr. Krenz said that they do plan on landscaping around the parking lot and they want to get the City's light design so that their lighting will complement the area. John Champagne asked Rebecca Huss if she was referring to landscaping the parking lot. Rebecca Huss said that primarily she was, but she felt that it will be a big difference living next to a gravel lot versus a parking lot, and the amount of heat that will radiate off of it nine months of the year.

Jon Bickford said that no plans were being approved, or telling them to move forward, they are just being asked to approve the five (5) foot variance. Rebecca Huss said that she was also asking if they could request that a landscaping plan also be submitted. Mayor Jones said they can't ask that because they do not have any reason to require them to do any landscaping, other than holding them hostage on a variance. Mayor Jones said that they will do the

landscaping out of the goodness of their heart and because we ask them to. Dave McCorquodale asked to confirm that the Mayor did not think that an Institutional Use in the middle of a Historic District was a sensitive one. Mayor Jones stated that there was no rule that states that they have to do landscaping. Mr. Krenz said that they will be improving the area. Mayor Jones said this is a fallen down church that is covered with vinyl siding with a large ugly metal building, and we are fighting over some trees.

Mr. Krenz said if they can't get approval, they will sell the property and move somewhere else and the sanctuary will just fall down. Mr. Krenz said that they want to stay in the City and improve their site.

John Champagne moved to approve the five (5) foot building line variance submitted by Living Savior Lutheran Church, with the reference to the Planning and Zoning Commission's evaluation and complying with existing regulations for the Historic District. T.J. Wilkerson seconded the motion.

Discussion: Jon Bickford asked if the additional to the motion would be "prior to issuance of a building permit." John Champagne stated that was not included in his motion. Dave McCorquodale asked to confirm the motion. John Champagne stated that his motion was for the variance. Dave McCorquodale asked whether the motion was contingent on the resolution of the other variances, as the Planning and Zoning had outlined in their motion. John Champagne said that was included in his motion.

The motion carried unanimously. (5-0)

8. Consideration and possible action regarding Stylecraft Final Plat for the Hills of Town Creek, Section 2.

Mr. Fleming stated that the paving and utility construction had been completed, and they are currently addressing punch list items. Mr. Fleming stated that he found the Final Plat to be in keeping with the City's Code of Ordinances and had been approved by the Planning and Zoning Commission. Mr. Fleming advised that there are 51 lots in this section, with the initial land plan calling for a total of 100 lots.

Dave McCorquodale asked whether there were any lots less than 50 feet wide. Mr. Fleming said that there were a handful of variances that were approved for this development when they submitted their Preliminary Plat and Construction Plans, including a reduction in lot width,

lot area and side yard setback. Dave McCorquodale asked Mr. Fleming if he felt that this is representative of what City Council had approved. Mr. Fleming said yes, absolutely. Jon Bickford asked to confirm that there were no changes and this is exactly as it was presented to City Council. Mr. Fleming said there were no changes, and yes, it was exactly as it was presented.

Dave McCorquodale moved to approve the Construction Plans and Final Plat for the Hills of Town Creek, Section 2. Rebecca Huss seconded the motion.

Discussion: Mayor Jones stated that the motion included the Construction Plans. Mr. Fleming said that the motion is only needed for the Final Plat, because the Construction Plans were approved last year.

The motion carried unanimously. (5-0)

9. Consideration and possible action regarding authorizing preparation of an amendment to the Corridor Enhancement Ordinance to prohibit exposed cement block construction.

Mr. Yates advised that while reading the Corridor Enhancement Ordinance, it appeared, to him, that exposed cement blocks were allowed. Mr. Yates said that he had spoken to the Mayor and a couple of Council Members, along with the Planning and Zoning Commission regarding this Ordinance.

Mr. Yates said that the Commission's recommendation was to add the amendment to the Ordinance, Section 98-390(a) adding the words "and exposed cement blocks" on the second line of Section (a), so that the sentence would read "The construction of metal buildings is allowed within the corridor enhancement district; however, metal panes and exposed cement blocks are prohibited on the exterior walls and facades of such buildings."

Mayor Jones asked if the word "cinder block" would be the same thing. Mr. Fleming said that "CMU's" is what you see being used for the shell going up by McDonalds. Mr. Fleming said that "CMU" means Concrete Masonry Unit and is a term used. John Champagne said that they can put that in the Ordinance. Mayor Jones said that they could cover the CMU's with stucco. Dave McCorquodale commented the intent was to not only prohibit the smooth blocks, but also the textured blocks.

Dave McCorquodale moved to amend the Corridor Enhancement Ordinance and add “CMU’s” Concrete Masonry Units of any kind to the prohibited building materials in the Corridor Enhancement as presented. Rebecca Huss seconded the motion.

Discussion: T.J. Wilkerson asked if that was only on commercial buildings, or would it include a structure that would be built in the cemetery, and would they have to put something on the outside of the block. Mr. Yates said yes he believed so, because FM 1097 is in the Corridor Enhancement Zone. Mayor Jones said that if it can be seen.

Rebecca Huss asked whether the Institutional Zone would be exempt as was discussed earlier. Mayor Jones said that there might be exemptions requested. Mayor Jones said that they might be able to have the cinder blocks painted or they could come and ask for a variance. T.J. Wilkerson asked if they would have to paint the bathrooms in the Park. Mr. Yates advised that FM 1097 is not in the Corridor Enhancement Zone. Mr. Fleming said that only FM 149, SH 105 and Lone Star Parkway are included in the Corridor Enhancement Zone.

Mr. Foerster said that, subject to approval by City Council, he can go ahead and prepare the amendment to this Ordinance. Mr. Foerster asked if City Council wants the Ordinance to be brought back to City Council. City Council concurred that they did not need it brought back for approval. Mr. Foerster said then, with City Council’s approval, the Ordinance will be submitted to the Mayor for his signature.

The motion carried with 4-Ayes and 1-Nay by T.J. Wilkerson. (4-1)

Mayor Jones asked T.J. Wilkerson for his reason for voting no on the motion. T.J. Wilkerson said that the building by McDonalds has brick, which is cinder block with a design in the brick. T.J. Wilkerson said that he is getting ready to build a bathroom in the cemetery on FM 1097, and he was planning on using cinder block, like they have in the parks. Mr. Yates said that FM 1097 is not in the Corridor Enhancement Zone.

10. Consideration and possible action regarding award of the bid for the Pizza Shack area Water and Sewer Improvement Project.

Mr. Fleming made the presentation, stating that there were 11 bids received on January 4, 2017, with the lowest bid by Big State Excavation for the base bid plus alternate in the amount of \$347,550. Mr. Fleming said that he has worked with them in the latter half of 2016 and

found them to do a good job. Mr. Fleming said that he was recommending that City Council authorize moving forward with the contract with Big State Excavation.

Mayor Jones asked about the timeline for starting the project. Mr. Fleming advised that he would like to have the construction contracts back to City Council for the next meeting in January. Mr. Fleming said that the contractor has stated that he would like to be mobilized the first or second week of February.

Jon Bickford asked about the big disparity in the bid of \$347,000 and three or four of the other bids. Mr. Fleming said that he was really surprised to see 11 bidders, and he figured some of the higher numbers just took a guess at the figures. Jon Bickford asked if he saw anything funny about the bids, or anything fundamentally different than what they were proposing. Mr. Fleming said that he did not.

Mayor Jones asked about the different types of bids. Mr. Fleming explained that there was a base bid and a base bid plus alternate. The base bid was to open cut all 1,500 feet of the wastewater line, and the alternate is to bore through the hill. Mr. Fleming said that the contractor bid on both of the dollar amounts and they have the choice on how they proceed. Mr. Fleming said that in talking with the contractor, he says that he will probably open cut it, which will further reduce the contract price in the end.

Jon Bickford moved to award the bid for placement of water and sewer lines from the intersection of SH 105 and Lone Star Parkway at the corner of SH 105 and Stewart Creek Road to Big State Excavation for the amount of \$347,550. John Champagne seconded the motion, the motion carried unanimously. (5-0)

11. Consideration and possible action regarding the Comprehensive Policy of Guidelines and Criteria for Economic Development Incentives.

Mr. Yates advised that the MEDC Board was recommending approval of this policy in order to have, on record, a policy of possible incentives available to a business interested in locating in Montgomery. Mr. Yates said that all of the incentives are allowed by state law and none of the incentives are a required incentive, meaning every incentive offer would continue to be decided by City Council.

Mr. Yates said that the MEDC Board thought that a policy was needed to be formally adopted including all the incentives, but not requiring any incentive, that the City would be publicly open to the possibilities without a commitment.

Mr. Yates said that he wanted to point out that as far as review of the incentives by a department of the City, which he thinks mostly means him and Mrs. Shannan Reid. Mr. Yates said that then a draft of the conversation would come to City Council, and City Council would be the negotiator and decision maker. Mr. Yates said that this would give them something in writing that they could give to people showing the possibilities.

Rebecca Huss said that she thought it was great as an internal document, but she would have a lot of concern about the negotiating process starting with MEDC or the Economic Development Department rather than City Council. Rebecca Huss said that if you recall in Executive Session, a year ago, they had a discussion about somebody that came to the City wanting to get incentives and they said that they were not interested. Rebecca Huss said if that had already gone through the negotiation process and the City had said that they could do this or that, and it came from Mr. Yates and Mrs. Reid, it makes them look less professional. Rebecca Huss said that she felt those types of things need to be formally brought to City Council or formally in Executive Session. Rebecca Huss said that she feels that City Council should be the ones to say that they are interested and want to move forward or not to bother. Rebecca Huss said that she felt they were putting the cart before the horse on this policy.

Mayor Jones said that he did not think that there was any intention of bypassing the normal negotiating procedures. Dave McCorquodale said that whether the intention is there, he sees that happening. Mayor Jones said it is intended to be an internal guideline not for handing out.

Dave McCorquodale said that frankly, he does not feel that our office of Economic Development is at a point of being capable of putting together an appropriately packaged deal tailored to a business to incentivize them to come to town that is a win-win for them and the City. Mayor Jones said that he would not want them to do that. Dave McCorquodale asked if this was going to be an internal only document.

Mayor Jones said that the incentives listed are not secret, everyone knows they exist. Rebecca Huss said that if that is the case, she did not think that they needed a policy. Rebecca Huss said that she does not think that these are the guidelines that they followed with Kroger,



because they are 2-5 year agreements, and the Kroger agreement is significantly larger with a significantly different reimbursement percentage. Rebecca Huss said that she does not think this policy is accurate, as it stands, which means that we should not use it as an internal policy. Mayor Jones said that they are guidelines. Rebecca Huss said that the state law is our guideline.

Rebecca Huss moved to table this item. T.J. Wilkerson seconded the motion.

Discussion: Mayor Jones said that tabling the item implies that you are going to come back to the item at another time.

Rebecca Huss amended her motion to vote no on the adoption of Comprehensive Guidelines. T.J. Wilkerson seconded the motion.

Discussion: John Champagne asked if this document came from the state. Mr. Yates said no it was recommended by the MEDC and actually came from the City of Colleyville. Mr. Yates said that the MEDC Board has recommended this document to City Council. John Champagne asked what was the intent or motivation for the recommendation. Mr. Yates said that it was to publicly let people and City Council know what the possible incentives are. Mr. Yates said that it offers incentives as a possibility, which the Economic Development Department does with a businesses, and then it would be brought to City Council.

Jon Bickford said that he did not look at what the state offers, but he understood it to capture what the state has available. Mayor Jones said that it is a list of tools that are available for incentive packages as defined by the state. John Champagne said that as an Economic Development Corporation, there are limits as to what you can do with the funds, correct. Mayor Jones said that they can't do anything without City Council's permission. John Champagne said that he knew that, he meant in terms of state law, they can't submit funds to something that it not related to Economic Development. John Champagne asked if our resistance to this is to make it a public document that would possibly send a message to the community that "here we are, here are the incentives."

Dave McCorquodale said that his reluctance to this policy is that a conversation gets started and he questions our qualifications to start that discussion. John Champagne asked why else would they come here if they did not have a common belief that there was something there that would allow them to get something.

Rebecca Huss said that she would like to see us use our development dollars to lure people here. Rebecca Huss said that she sees this as a \$9,999.00 MEDC grant, that does not have to come to City Council, and this is the laundry list for people that are coming here that they could ask for as well. Rebecca Huss said that she would rather see us, if we are going to be aggressive, do it in a much more professional experienced way and go out and say to businesses and employers that this is what we can offer you, because we want you to bring jobs and tax revenues. Rebecca Huss said that she sees this policy as being kind of a giveaway without the benefit of coming to the City.

Mayor Jones said that the conversation about these kind of things does not happen right off the bat. Dave McCorquodale said that his take is anybody who is coming to the City that has a business, they would be using someone on their end. Dave McCorquodale said that we won't be teaching them anything, and if we are looking to teach people about economic development, and that is the goal of this, he does not see the point. Mayor Jones said that he agreed. Dave McCorquodale said that there will either be a developer or a business that is using a developer, and they will know these things, so he was not sure we are doing them a service. Mayor Jones said that Dave McCorquodale was saying that he would rather the developer come ask the City, rather than the City go and offer. Dave McCorquodale said that he did not think this was intended to be, but it ends up being a handout sheet that looks like a bunch of free stuff. John Champagne said that it would be a handout if three out of that Board says yea. Jon Bickford added, that it must be less than \$10,000. Mayor Jones said that those little grants have nothing to do with this policy. Mayor Jones said that MEDC can't enter into a 380 Agreement without City Council. Jon Bickford said that a 380 is just one example of an agreement. Mayor Jones said that there are TIRs, PIDs, MUDS, etc.

Rebecca Huss said that this document is not comprehensive and has inaccuracies in it for the amount you are allowed to reimburse, and the time period by which the reimbursement can take place that has our total tax take at something like two and a quarter instead of the two percent. Rebecca Huss said that the policy was unnecessary and sends the wrong message.

Dave McCorquodale said he would like to see a discussion about a more comprehensive approach to economic development, you bet, did he think that this was it, no he did not. Rebecca Huss said that she thought that this would be a good workshop topic that she would like to see this year.

The motion carried unanimously. (5-0)

12. Consideration and possible action regarding authorization to proceed with Utility and Economic Feasibility Study for a Master Planned Development located at Lone Star Parkway and SH 105 east.

Mr. Fleming presented the item to City Council, stating that they have a new development of 13 acres on the north side of SH 105, partially between Pizza Shack and the Gulf Coast Retail Center on Lone Star Parkway. Mr. Fleming said that this tract is currently outside the City limits and a portion of the Utility and Economic Feasibility Study includes annexation.

Mr. Fleming said that the developer has submitted their application for service, and their desire is to establish their escrow account. Mr. Fleming said that with City Council's approval, it would trigger a 30-day window for him to prepare the Utility and Economic Feasibility Study.

Rebecca Huss moved to authorize Jones & Carter to proceed with the Utility and Economic Feasibility Study, pending receipt of the escrow deposit. John Champagne seconded the motion, the motion carried unanimously. (5-0)

13. Discussion regarding water and sewer tap fees.

John Champagne asked to table this item for another time. Rebecca Huss seconded the motion, the motion carried unanimously. (5-0)

T.J. Wilkerson said that the City had sent out a calendar with the water bill including dates of holidays. Mr. Yates advised that was correct. T.J. Wilkerson said that people want to know why the City left off the Martin Luther King, Jr. holiday on the calendar, and he has to go back Sunday and tell them why it was left off. Mr. Yates said that they had made a mistake. Rebecca Huss said that was a City Holiday. T.J. Wilkerson said that the people commented that Valentine's Day was on the calendar. Mr. Yates said that it was a mistake. Jon Bickford said that we need to make sure and not make that mistake. Mayor Jones asked Mr. Yates to take care of it. Mr. Yates said that he would take care of it.

14. Discussion regarding subdivision platting process.

Mr. Fleming reviewed the process of the platting process with a flow chart. The flow chart is attached to the minutes for reference.

John Champagne said that he had received some complaints from developers that it takes too long to have this completed. John Champagne asked Mr. Fleming what he thought would be the reason for an extended period of time for the process.

Mr. Fleming said that the Code of Ordinances sets out the process for platting, which requires that the developer submit their construction plans with their final plat for review and approval by both the Planning and Zoning Commission and City Council.

Mr. Fleming said in a perfect world the developer's engineer submits the construction plans to the City Engineer they are reviewed and redline comments are made, then the plans are returned to the developer. The developer's engineer should be able to take those plans back and address the comments, and then resubmit a complete and accurate set of drawings that he can review and recommend for approval. Mr. Fleming said that it usually take 3-4 submittals to get all the corrections made. Mr. Fleming said that his committed review time is two weeks, and for the most part he does a pretty good job, but sometimes there are holidays, when a review can stretch out to four weeks.

Mayor Jones said that if Mr. Fleming redlines plans, the developer has to have time to fix the comments, then it comes back to Mr. Fleming for review, which takes another two weeks maximum. Mr. Fleming said that some engineers, such as L Squared, turn their documents around very quick, but others might not be as quick.

Jon Bickford asked if there were any developers that are frustrated with the process that are present at the meeting. Mr. Jonathan White, engineer with L Squared, advised that they were not frustrated with the process, and said that they felt it was pretty straight forward. Jon Bickford said that if the ones that are frustrated are not here to hear this, then he would suggest not going through this because we are wasting time.

Rebecca Huss said that she read in the Wall Street Journal and in Houston, as well, it can take six months to get through the planning process at the City level. Jon Bickford said that his opinion was that whoever has raised this issue is not here to hear about what the process is or how we might change things, we could just table this.

John Champagne said that he wanted to see how the process worked. Mayor Jones said that waiting for a Planning and Zoning Meeting adds time to the process. Mr. Fleming said that state law requires that once the preliminary plat has been filed the Commission on has 30-days to either accept, reject or do something, or the plat is deemed approved. Mr. Fleming

said if there are variance requests that are needed he identifies them at the front end, in order to give the developer time to either rescind them or say that they want to move forward with the variance during the preliminary plat, otherwise it would add another 30 days.

Mayor Jones asked if everything went perfect, what would be the time. Mr. Fleming said that they could do the plat process in 60 days. Mayor Jones said that any revisions or changes would add another 2-3 weeks or more to the time. Mr. Fleming said that it usually stretches out to 3-5 months.

John Champagne said that anytime that he hears that the City is not providing customer service, he is going to bring it up, and right now we are doing what we are supposed to do. Mr. Fleming said that he would be glad to talk to anyone at any time if they have questions. Mr. Fleming also included two sets of example redline comments to show what he provides the developer following his review.

Rebecca Huss said that overall, the engineer doing this as a third party has changed the timeline, but has improved the quality of what we are getting, which is benefitting the City. Rebecca Huss said that they were spending less time fixing problems that were not caught the first time around by having someone that is dedicated to doing the work. Rebecca Huss said a little extra time gives the City a benefit.

Mr. Fleming invited City Council to call him if they had any questions or concerns. John Champagne thanked Mr. Fleming for providing the information.

15. Consideration and possible action regarding approval of MEDC proposed funding for Jason Long's City utilities related to construction of a miniature golf course.

Mr. Yates advised that Mr. Long had originally asked MEDC for \$38,000. The MEDC Board decided to provide up to \$15,000, which would be paid to the City Utility Fund for actual tap fees, with the thought that the funds would only be spent toward the end of his development, when the project was in the building phase. Mr. Yates said that since his report was written, he has found out that the miniature golf course has obtained its financing.

Mayor Jones said that the location of the golf course would be caddy corner from Fernland. Mr. Yates said that it was off the corner and back toward the school. Rebecca Huss said that it was behind the Fire Station.

Mayor Jones said that it was miniature golf not putt-putt. Mr. Yates said that Mr. Long would only receive funds when he got his water and sewer taps, which meant that he was under construction. The MEDC Board felt like it was a good use of their money, because it was going to the City rather than the developer.

Jon Bickford asked what part of miniature golf was taxable. Mr. Yates said there is sales tax and they will have a gift shop. Mr. Foerster said that he could not speak about the sales tax, but the benefits would be the additional jobs available for unskilled labor and people in the community. Mr. Foerster asked how many jobs they were offering to provide. Mr. Yates said he thought it would be 6-8 jobs. Mr. Yates said that it would also be a gathering place, and while people are there they will shop and do other things in the City.

Mayor Jones said that Mr. LeFevre was saying that when people get here they don't have anything to do, so if they start getting these type of projects, people will stay a while and spend money. John Champagne asked if this group ever made a presentation to City Council. Rebecca Huss said no, but they did for the MEDC. Jon Bickford asked why the owner was not present tonight. Mr. White said that the owner did not know that he was on the agenda.

Rebecca Huss said that since this is \$15,000, it stays in the City and is being used for City water taps, it makes sense to go ahead and approve this and see what happens, and made a motion to do so. John Champagne seconded the motion. The motion carried with 4-Ayes and 1-Nay by Jon Bickford. (4-1)

Jon Bickford stated that his only opposition was that he felt that if you are going to ask the City for money, you should be here to present your case.

### **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 items at this time)

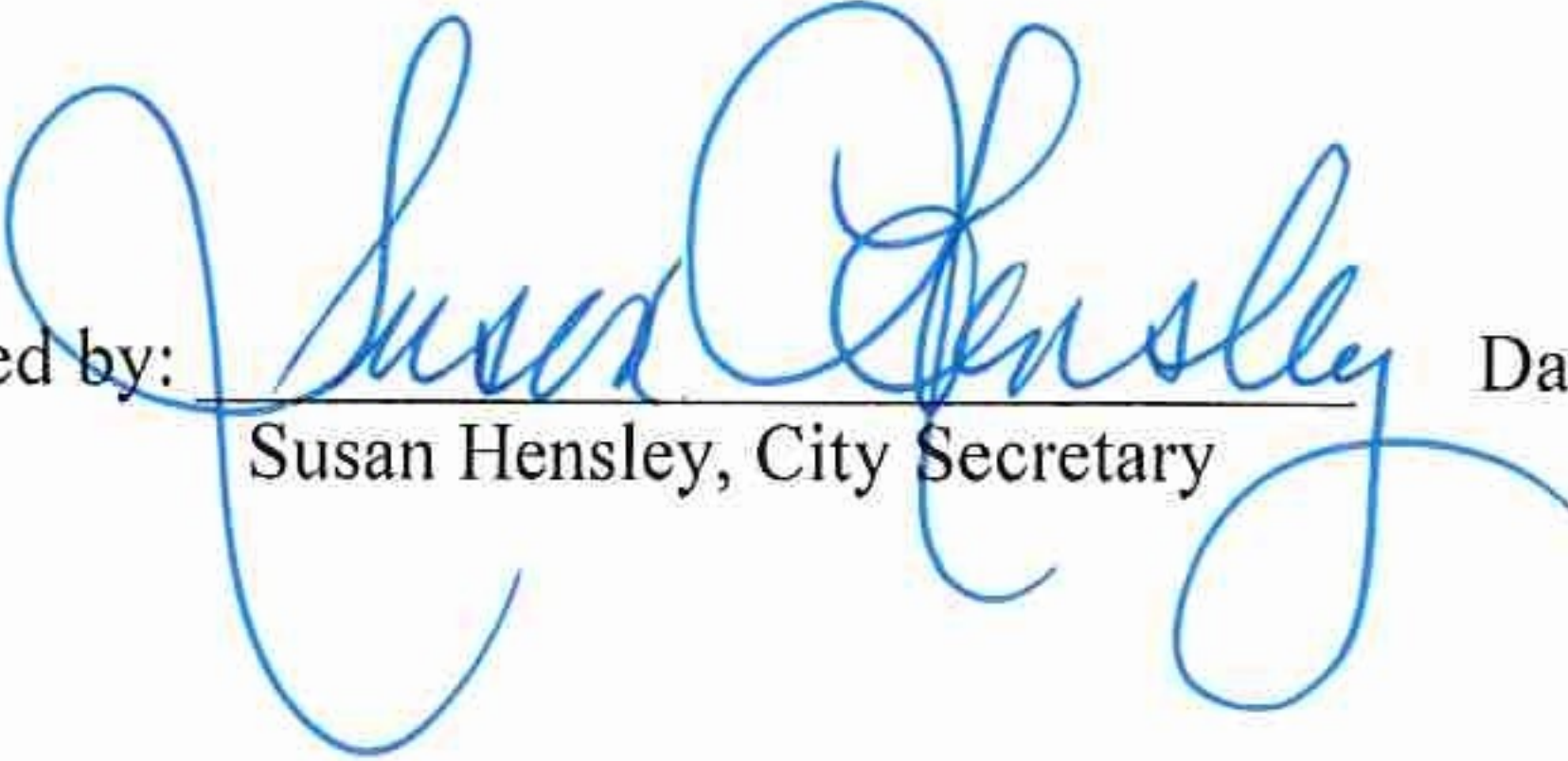
**COUNCIL INQUIRY:**

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

**ADJOURNMENT**

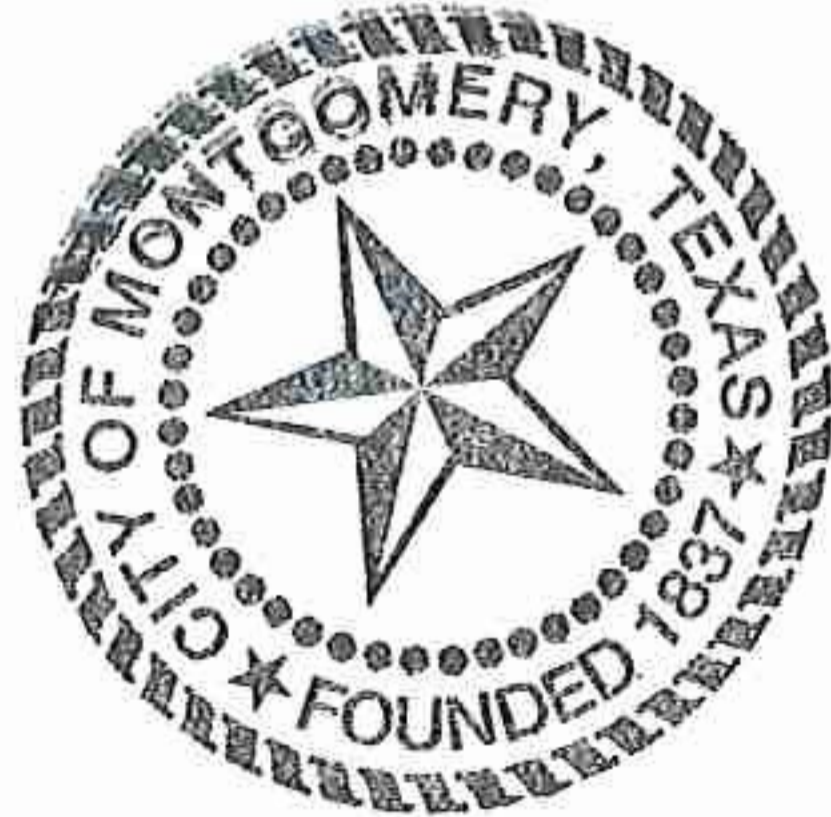
Jon Bickford moved to adjourn the meeting at 8:25 p.m. T.J. Wilkerson seconded the motion, the motion carried unanimously. (5-0)

Submitted by:

  
Susan Hensley, City Secretary

Date Approved:

01/24/17





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Mayor Kirk Jones