

MINUTES OF REGULAR MEETING

April 26, 2016

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Kirk Jones declared a quorum was present, and called the meeting to order at 6:02 p.m.

Present:	Kirk Jones	Mayor
	Jon Bickford	City Council Position # 1
	John Champagne	City Council Position # 2
	T.J. Wilkerson	City Council Position # 3
	Rebecca Huss	City Council Position # 4

Absent:	Dave McCorquodale	City Council Position # 5
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Also Present:	Jack Yates	City Administrator
	Larry Foerster	City Attorney

INVOCATION

Larry Foerster 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 Jonas Sanders, with Boy Scout Troop 491. Mr. Sanders advised that he was present at the City Council Meeting as part of the requirement to earn his Community Service Badge.

CONSENT AGENDA:

1. Matters related to the approval of minutes for the Joint Workshop Meeting held on March 29, 2016 and Regular Meeting held on April 12, 2016.

Rebecca Huss moved to approve the minutes as presented. John Champagne seconded the motion.

Discussion: Mayor Jones advised two corrections to the April 12, 2016 minutes. The first correction was to change “Boy Scout Pack” to “Boy Scout Troop”, and the second change was on page 11, in the first paragraph, next to the last sentence, to state “the owner wants to start from the edge of the drip line going north to the property line all the way up to Clepper Street.” The City Secretary advised that she would make the changes as read.

The motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

2. Consideration and possible action on department reports.

A. Administrator’s Report – Mr. Yates presented his report to City Council. Mr. Yates reported that he had held a conference call with the Texas Water Development Board and Mr. Jim Gilley, financial advisor for the City. Mr. Yates advised that the result of the conference call was that the City was favorable regarding their borrowing capacity and ability. Mr. Yates said that he would like to either schedule a Council Workshop to discuss the budget review and future utility borrowing information, or, if possible, hold off until the May 10, 2016 City Council Meeting to review the budget. Mr. Yates said that he would have Mr. Gilley present at the May 10, 2016 meeting. Mayor Jones asked whether that was the same topic as the workshop that was cancelled. Mr. Yates advised that was correct.

Mr. Yates introduced Caleb Burson with Accurate Meters to give an update on the conversion to the automatic meters. Mr. Burson advised that InCode had to build an interface to get all the information for the new meters, which took a month to prepare. Mr. Burson stated that as of this afternoon there were 36 minor changes that would

have to be made to the system and once that was done then they will have the training. Rebecca Huss asked to confirm that they were still looking at a month or two before they would have training, which is four months after the installation of the meters. Mr. Burson said that he did not think it would be over two months. Mr. Burson said that they were also getting the account numbers matched up with the meters to make sure that everything is correct.

Mrs. Slaughter advised that she was getting the meter reads into the system and getting the back information put into the system, and then once that information is completed she can move forward and work with InCode. Rebecca Huss said that she was told by Jennifer that all the information was being collected and they would have access to it once the interface was ready. Mr. Burson said that was correct. Mr. Burson said that they were working to get everything completed.

Mayor Jones asked whether the additional meters, including the large meter, had been installed. Mr. Mike Muckleroy, Public Works Foreman, advised that they had been installed.

John Champagne asked what the typical time frame to implement this type of automatic meter reading system. Mr. Burson advised that the way that it works is their software will take all of the City's accounts and load it into the system, and then they have to make sure that all the accounts match up with the meter. Once all of that is complete, then once a month the meter reads will be done and the information will be sent to the City's system and attach meter reads to the files. Mr. Burson said that the time frame was all dependent upon the system that is being used. Mr. Burson said that InCode was a good system and they are very easy to work with. Mr. Burson said that normally the process should take one to two months.

Mayor Jones said that they had wanted the Planning and Zoning Commission to look at beefing up the Corridor Enhancement District, and asked whether they had looked at that information. Mr. Yates said that he had looked at the information, but the Planning and Zoning Commission has not looked at it yet.

B. Public Works Report – Mr. Muckleroy presented his report to City Council. Mr. Muckleroy advised that they had completed the smoke testing in the City, several repairs were made, and the Montgomery ISD was notified of problems within the school grounds. Mr. Muckleroy said that they had a successful heavy trash weekend. Mr. Muckleroy said that the low side of the water meter at the high school had be rebuilt for more accurate meter reads.

Mr. Muckleroy said they had added a meter and lockable curb stop to the pond fill line at Memory Park so that it can't just be turned on to fill the pond, and it now has accountability. Mr. Muckleroy attended a Disaster Management for Water and Wastewater Utilities class.

Mr. Muckleroy said that they had 4 sewer inspections, 3 water taps, 1 sewer tap, 4 water leaks and zero sewer stop ups. Mr. Muckleroy said that he had replaced all the broken ceiling tiles at the Community Center. Mayor Jones asked if the broken ceiling tiles were from way back or whether it was new damage. Mr. Muckleroy advised that some of it was new.

John Champagne commented that Fernland had reported 885 visitors. Mr. Muckleroy said that they had a busy month. Mayor Jones said that he had a resident mention that there were a couple of pot holes on Worsham Street and asked him to take a look at them. Mayor Jones then asked whether the City was spraying for mosquitoes, and if so, how often. Mr. Yates advised that the exterminator was spraying on the same schedule that he has been forever. Mayor Jones said that there seems to be a lot of mosquitoes in the area.

Rebecca Huss commented on the health hazard on Worsham Street where there are large trash piles that are collecting water and breeding mosquitoes. Rebecca Huss said that it has been two weeks since Mr. Yates had sent the letter. Mr. Yates advised that he would call the owner and send out an official letter because he did not send the first letter by Certified Mail. Mr. Yates said that he would like to speak to the owner because he feels like he is thinking that the letter was about the trees, but they are not, they are talking about the housing debris. Mr. Yates said that he would report to

Council on the progress in a day or two. Rebecca Huss said that there is hazardous waste in the debris from a transformer that broke.

John Champagne said that there were areas in Buffalo Springs where the grass is 2 feet high, and asked how they handled that matter. Mr. Yates said that he contacts the property owner first and tries to get it taken care of prior to sending an official letter.

- C. Police Department Report – Chief of Police James Napolitano presented his report to City Council. Chief Napolitano thanked the Mayor and staff for all the support that they give to the Police Department.

Chief Napolitano advised that there had been some confusion about a call at McDonald's where a woman had taken her life, on whether it was a homicide, and just so that everyone knows for the record the information that they were given on the missing person was incorrect regarding the license plate on the vehicle. So when the officers go through the parking lot the information does not match the missing person report.

Chief Napolitano said that another call was regarding a gentleman that was out riding his bicycle and suffered a massive heart attack in the middle of SH 105. Chief Napolitano said that two officers arrived on the scene and got their AED's and started working on the man. Chief Napolitano said that the man had no identification with him, but Officer Bracht picked up his bike and turned it over and the man had put his driver's license number on the pedal of his bike. So without Officer Bracht they would not have known who he was and how to get a hold of his wife and his family. Chief Napolitano said that the man is alive and still with us. Chief Napolitano said that police work is not always about catching bad guys, it is about helping the community.

Chief Napolitano then advised that Officer Hernandez had made a traffic stop and ended up apprehending an Interpol murderer suspect who is now going to be deported back to his home country. Mayor Jones asked what had caused the officer to engage the suspect. Chief Napolitano said that it had been a speeding violation. Officer Hernandez was able to talk the suspect into the arrest without incident.

Rebecca Huss asked if there had been any progress regarding the data spreadsheet from Montgomery County. Lieutenant Belmares advised that he had received a partial spreadsheet from the County, but it is lacking quite a bit of dates. Lt. Belmares said that he was going to contact the County to see if they can get that information so that he can put together some numbers for City Council. Lt. Belmares said that currently the report is showing the true hard copy violations that are issued, but not all the other information that had been provided in the past. Rebecca Huss said that it really helped because it had overtime and you could see what was going on. Chief Napolitano said that the County system goes down all the time. Rebecca Huss asked if the County was not interested in the information on the County level. Ms. Rebecca Lehn, Court Administrator, advised that the County's new system is like starting from scratch, they do not have any of the data from the old system, so the County has to go back and forth between the old and new systems to get information. Rebecca Huss said that they could use the old sheets and compare them to the new sheets, they would not need to merge them along. Lt. Belmares said that the new system came online in December 2015.

- D. Court Department Report –Ms. Lehn, Court Administrator presented her report to City Council. Ms. Lehn said that the month of March was a difficult one for her because her Father passed away, which was why she has not been here. However, the Court had the highest month in revenue that they have ever had. Ms. Lehn said that her Court staff was amazing. Ms. Lehn said that Krystal had come back following maternity leave during the time that Ms. Lehn was out of the office, and it was a huge undertaking for the clerks, but it was an amazing month. Mayor Jones asked how much of the intake was affected by the warrant officer's presence. Ms. Lehn said that they also had a warrant officer that started at the same time, however, this increase was not due to warrants it was due to Failure to Appear letters from the three months that Krystal was out of the office on maternity leave, which they normally do monthly. Ms. Lehn said that she and the warrant officer sent out three months' worth of letters the week before her Father passed away, not knowing that they would do this large of an increase. Ms. Lehn said that the people that received the letters had 10 days to respond, so this month all those that did not respond and pay for their tickets will become warrants. Ms. Lehn

said that they should see in the next couple of months how the warrants will be effected with the warrants officer, Angelina Flores.

Jon Bickford asked if the warrants collected were perfect, what would be the perfect number. Jon Bickford said that having a big spike last year and a big spike this year, it does make you wonder why there are spikes at those times of the year. Ms. Lehn said that she knows why they have the spikes, it is because it is tax season and people pay. Ms. Lehn said that you will see the revenue go down during the holidays and up in February and March. Ms. Lehn said that she would like it to be a steady increase from backlog warrants. Ms. Lehn advised that the backlog warrants stay on the books forever. Ms. Lehn said that they also have a warrant roundup in March.

- E. Utility/Development Report – Mrs. Ashley Slaughter, Utility Billing Clerk, presented her report to City Council. Mrs. Slaughter reported that the City had 11 new water accounts, 9 disconnects and 4 cutoffs. Mrs. Slaughter said that for the utilities they now have automatic withdrawals through the customer's bank, and in the newsletter she will be sending out information so that people can get their accounts set up. Mayor Jones said that this is a very good thing for the customers. Mrs. Slaughter said that this is a free service. Mrs. Slaughter said that they do have several residents that are using the web site to make payments through the bank or by credit card, but they are not very happy with the fee charged, so this is another alternative for the customer that is free of charge. Mrs. Slaughter said that the permits were a little down with 25 versus 30 or 40 permits. Mrs. Slaughter advised that there had only been three bookings for the Community Building during the month totaling \$450.

Dave McCorquodale arrived at 6:10 p.m.

Jon Bickford asked about the City's account consumption and asked if it was based on thousands. Mrs. Slaughter said that was correct. John Champagne asked if it was correct that Memory Park used 68,000 gallons of water. Mrs. Slaughter said that was correct and said that it is actually a lot more this month. Jon Bickford said that it has been raining like crazy too. Mrs. Slaughter said that she thought it was 198,000 as of today. Mrs. Slaughter advised that she was going to meet with Mr. Muckleroy

tomorrow regarding the information. Mayor Jones said that they need to talk about an alternative for that location. Jon Bickford said that this has got to stop if this is true. Dave McCorquodale said that it was hard to imagine with all the rain that they have had. Jon Bickford said that it can be impossible that Memory Park uses more water than the City's sewer treatment plant, and that is just not acceptable to him. Mr. Muckleroy said that Randy Burleigh had called him this morning and told him that he discovered today that the rain sensor was out. Mr. Muckleroy said that Mr. Burleigh had already ordered the sensor, so the City will reimburse him for the purchase. Mr. Muckleroy said that could play a part in the high usage if the sensor is not cutting off the water. Mr. Muckleroy said that the system at Memory Park is a very elaborate system, and calculates every night the amount of rainfall, humidity and temperature. John Champagne asked what the base cost was for water per 1,000 gallons. Mr. Muckleroy advised that the City's cost per 1,000 gallons was \$5.00. Mayor Jones said that they need to talk about cheaper water because there is a solution to this problem. Jon Bickford said that they need to quit using so much water. Mr. Yates advised that he was looking into the matter.

- F. Water Report - Mr. Mike Williams presented his report to City Council. Mr. Williams advised that they had 3 district alerts that were all weather related, with 2 wet wells and an air compressor failure at Water Plant 3. Mr. Williams stated that they had some trouble with the Scada system at the water plant, which alternates the wells that are used. Mr. Williams said that they have Well 4 set to run 60 times every time Well 3 runs once. When they had the air compressor failure the system reset everything to zero so the system ran 1 one to one. Mr. Williams said that their percentage is lower this month for Well 4 usage, they are down to 83% percent, which last month they were at 93% percent. John Champagne asked what high wet well was. Mr. Williams said that high wet well was when the levels at the lift station comes above the operating level, generally during storms or pump failure. Mr. Williams said that the wet wells occurred because of infiltration to the sewer system from rain water.

Mr. Williams said that he wanted to apologize for the issue with the Scada System, which should have been caught earlier and he wished that it was an isolated event, but he found out this afternoon that it had happened again and had been running one to one

for the past week. Mr. Williams said that they are doing some retraining to try and get past this incident. Jon Bickford asked Mr. Williams if one of his employees was not keeping an eye on the system. Mr. Williams said that was correct and as he mentioned from the last time that this happened they did some reorganization and retraining to insure that it does not occur again. Mayor Jones asked if this was something that they do not normally check. Mr. Williams said that this is something that they should normally be checking, and it is explained to the staff that Well 4 is a major priority. Jon Bickford asked whether there was an impact to the City regarding the Groundwater Reduction Plan (GRP) usage fees, and asked whether the City would be tagged for running too much out of Well 3. Mr. Williams said that the water that comes out of Well 2 and 3 is what the City gets tagged for the GRP fees, and Well 4 is exempt.

Jon Bickford said his question was whether the City is going to get charged for the usage of Well 2 and 3, and what is going to be the cost and how do they plan on reconciling that cost. John Champagne said that the second question is, based on the contractual submission of the information when they awarded the contract based on a projected cost, how are they running in terms of the contract, actual versus projected. Rebecca Huss said that her questions would be if they are missing checking the system, are they even going out there and doing the other checks on a daily basis, because that was one of the big concerns when they did their bid because it was so inexpensive. Mr. Yates said that the City was going to get tagged for this usage. Jon Bickford said that they needed to know how much, because the City might need some help paying those fees. Mr. Williams said that after the first incident they brought in a different operator to watch things more closely, and he had been doing a pretty good job so far, but then there was an oversight on his part on the second incident, which was a pretty big deal. Jon Bickford advised Mr. Williams that the City was depending on him, and he just wanted to know what the impact was going to be. John Champagne said that it was cost. Mayor Jones stated that the cost could be calculated and asked that the information be provided to City Council. Mr. Yates advised that he would get that information.

John Champagne said that the only reason that he was bringing this matter up, was back when they were looking at bids they were worlds apart and the disparity was so

great that it struck him as being very odd. John Champagne said that now there has to be a convergence, come in cheap, but cost always comes back to see you and that is what they need to see. John Champagne said that if he remembered correctly, the support was overwhelming by the City, Mr. Yates and Mr. Muckleroy, that these guys could do the job. John Champagne said that he wants to see where the City is with cost. John Champagne said that he did not know what Mr. Williams is paying the operator, but you pay for what you get, so he would like to see what is being tracked in terms of the original bid versus actual costs. Mr. Yates said that he would work on that information. Jon Bickford said that he would also like to have Rebecca Huss' question addressed. Rebecca Huss asked if there were other things that the operator is missing, as well, when he is not checking this other information. Mr. Muckleroy said that Mr. Williams had issues when the first operator made this error, so he made the change and brought in the new operator, Mike, who has done a good job. Mr. Muckleroy said that he can't make excuses for why the job was not done.

Mr. Williams said that there has not been any shortage of time in checking the plants. In their initial bid for the job with the City, the operator had been spending 6 to 8 hours a day here at the City. Mr. Williams said that there should not be any kind of oversight, everything is being looked at and he will make sure that it is taken care of. John Champagne said that he did not care if it takes him 30 minutes as long as the job is taken care of. John Champagne advised Mr. Williams that he had empathy for him because he is in the service business and that is just the way it is, you have got to perform. Mr. Muckleroy said that he appreciated Mr. Williams coming to the City and saying that they messed up rather than trying to pull the wool over our eyes. John Champagne said that he thought Mr. Williams has tremendous integrity and he does too.

Mr. Williams said accountability from last month was 106% percent and is down to 96% percent, which is within the range projected. Mr. Williams said that they might have over read with the 106% percent, so next month they should see a real number.

Mayor Jones asked whether they were still smoke testing or whether it was complete. Mr. Muckleroy advised that they were going to begin phase 4 of the smoke testing.

G. Engineer's Report – Mr. Glynn Fleming, Associate Engineer, presented his report to City Council. Mr. Fleming stated that Capital Project No. 2, which is the completion of the waterline across Buffalo Springs, did not receive any bids for the project, so they are going to have to rebid the project later this week and he is planning on opening the bids on the 19th of the month. Mr. Fleming advised that they are going to remove the repair of the slope paving from the project, and instead have it as an alternate item. Rebecca Huss asked whether the timing would still work with the project finishing before the end of this year. Mr. Fleming said that he did not think that would be an issue and that the project should be finished on time. Mr. Fleming said that on April 18, 2016, the Buffalo Spring Bridge suffered pretty heavy damage to the slope paving, and there is an agenda item on this matter tonight.

Mr. Fleming said that late last week he had a meeting with Mrs. Cox regarding the Montgomery Forest Development, and she indicated to him that as of now they have elected to put the development on hold indefinitely, at least until the market conditions have improved. Mr. Fleming said that Mrs. Cox did ask that he pass along her sincere thanks to everyone at the City for their input toward that development and she hopes to be back soon. Mr. Fleming advised that the development was a large acre tract west of Napa Auto Parts on SH 105.

Mr. Fleming said that Mc Coy's Building Supply has actively begun their development process, submitting an application for service. McCoy's preliminary plat review has been approved by the Planning and Zoning Commission yesterday evening. Mr. Fleming advised that the preliminary construction plans from them earlier today.

Mr. Fleming said that Waterstone Section Two, had the large rain event early Monday morning and he spent a lot of time there going around and checking the general condition of things. One issue that he came across was that Waterstone Section Two had some pretty significant issues with washouts under new paving construction, while some areas were relatively insignificant and an easy fix, there are a few areas of concern. Mr. Fleming said that the developer was notified in writing, which has been included with his report, along with some photographs. Rebecca Huss asked if that was

partially because of the way that it was built. Mr. Flemings said that it was not, the drawings were certainly adequate, they had reviewed and approved the plans and by all appearances they were adequate and unfortunately they washed away, the rain took out the base and subbase materials. Mayor Jones asked if it was due to the stage of building that they are in. Mr. Fleming said that is a possibility that it was poor timing with the storm. Rebecca Huss said that when they actually start building houses they will have even less soil to absorb rainfall and the runoff will be even higher. Mr. Fleming said that was correct to some degree, but the stormwater system should be in place and functioning by that time.

Mr. Fleming said that the Annual Water Plant Inspections had been completed and is on the Agenda tonight as a stand-alone item.

Rebecca Huss asked about the traffic control plan for Stewart Street regarding the safety issues that came with the paving, which had been discussed over a month ago. Mr. Fleming said that he has not received any traffic control solutions from L Squared at this point. Mr. Fleming said that he had actually had a conversation with Mr. Love last week regarding the general disposition of the punch list, which has been outstanding since last December. Rebecca Huss asked what their response was regarding the matter. Mr. Fleming said that they advised that they were working on it. Rebecca Huss asked how hard could it be, because the City has given them an easy out, they put up a barrier that is painted with reflective lines and do some striping on the pavement. Mr. Fleming said that they have a punch list with several other items and at some point they will be coming to the City to seek building permits and certificates of occupancy. Rebecca Huss said that they went the less expensive common sense approach and was a gesture of good will that is not being returned. Rebecca Huss stated that this is a safety issue that affects everyone. Mr. Fleming said that he would be happy to relay that message to L Squared tomorrow.

Mayor Jones asked about the status of the Water Plant 2 Project. Mr. Fleming said that the information had been submitted for TCEQ's review in early March, and they typically see approximately a 30-45 day review time and the State is lagging behind a

little bit, and some reviews are dragging out to 60-90 days. Mr. Fleming said that he is expecting to get them back pretty soon.

- H. Financial Report – In the absence of Mrs. Cathy Branco, bookkeeper, Mr. Yates presented the report to City Council. Mr. Yates stated that the general fund was down \$92,038. The Utility Fund is down \$46,000, but he expects this fund to break even by the end of the year and they will not need to use any surplus funds. Mr. Yates said that the Construction Fund is at \$72,000, MEDC is at \$595,000 and the Utility Fund balance is \$118,000. Mr. Yates said that overall the City was doing fairly well in comparison with the estimated budget.

Rebecca Huss said that overtime was running double the budget for year-to-date and over the actual full year budgeted amount. Mr. Yates said that was primarily due to the police. Rebecca Huss stated that they had just hired a new officer and she thought that there was no need for overtime because they are fully staffed. Chief Napolitano said that overtime does not come because they have another officer on staff, overtime comes because an incident might occur at a certain period of time in the day and then the officer has to stay over to finish his report before they leave. Chief Napolitano said that the midnight officer, a lot of times, will have to stay over to complete reports because they are on duty by themselves.

Rebecca Huss stated that there are two Sergeants, one Lieutenant and a Chief on during the day, and only one person on duty at night with no management at night. Chief Napolitano said no, that was not true, they have one Sergeant on duty at night, and advised that Rebecca Lehn is not a Sergeant full-time on the Police Department, she is running the Court system. Chief Napolitano said that he and the Lieutenant are on duty during the day. Chief Napolitano said that there are only two full time Sergeants, one at night and one during the day, with the night time Sergeant leaving at 2:00 a.m. Chief Napolitano said that the Sergeants are exempt employees and do not get overtime. Rebecca Huss said that the budgets are generally based on the previous year experiences, so they are already over last year's budget. Mr. Yates said that he thought that they had gone down a little bit for overtime because of the new officer, but said that he agreed with the Chief, that the overtime is on the officer that makes the DUI a

half an hour before they get off of their shift, causing them to work three or four more hours. Mr. Yates said that in their new budget they need to allow more funds for overtime, because he does not see how they can reduce that overtime, because public works and administrative staff have no overtime. Rebecca Huss said that was a lot of DUI's. John Champagne said that he did not know the percentage of increase of activity in the City, but it is up from last year. Chief Napolitano said that is was very much up from last year, and the officer's experience level and handling of these people is up and their ability to detect these people is up too. Chief Napolitano said that it takes about four hours or longer to process a DUI. The officer can't just walk away from the incident and leave it. Chief Napolitano said that he would have to say that there are some times, and he is not saying that it happens here, when the officer will make a decision on whether to make that arrest or go home. Chief Napolitano said that they are human, and if it is 5:00 and it is the end of the shift and they stop a DUI, they will work over and it is a lot of paperwork and time. Chief Napolitano said that the officers here are very dedicated and they are going to do what is right for the safety of the citizens. Chief Napolitano said that he has asked the officers to not look at it as an overtime issue, but to look at it as a safety issue and to do what they think is right. Chief Napolitano said that he would look into the information over next week and will get with Mr. Yates to go over the numbers. Mr. Yates said that it averaged approximately \$86 per day for 3-4 hours overtime.

Rebecca Huss said that she had an accounting question, but would send Cathy Branco an email. Mayor Jones said that he had a question too that could wait. Mr. Yates said that he did notice that the Capital Funds process, where she had added \$120,000 for the water meters under a different account that will be corrected for next month.

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

3. Consideration and possible action regarding adoption of the following Proclamation:

A PROCLAMATION PROCLAIMING THE MONTH OF APRIL, 2016 AS NATIONAL SAFE DIGGING MONTH.

Mr. Yates said that CenterPoint Energy is promoting a safe digging month declaration to point out the hazards and safety issues involved in digging underground facilities, which they do each year at this time. Mayor Jones read the Proclamation.

John Champagne stated that he thought that it was ridiculous to proclaim the month as Safe Digging Month.

Rebecca Huss moved to approve the Proclamation and that she did think that it is an important concept for safety of our citizens and the expense of our utilities that could be damaged by people going out digging. Rebecca Huss asked Mr. Yates to get some materials from CenterPoint to go in the water bill. Mr. Yates advised that there was information and he would obtain it for the water bill. T.J. Wilkerson seconded the motion, the motion carried with 4-Aye votes and 1-Nay vote by John Champagne. (4-1)

4. Consideration and possible action regarding rescheduling May 24, 2016 City Council Meeting due to the Primary Runoff Election being held at all County Polling Sites.

Mr. Yates advised that Montgomery County Elections needs City Hall for the primary runoff election to be held on May 24, 2016, because it is a County poll site. Mr. Yates said that the suggestion is to reschedule for May 31, 2016 at 6:00 p.m., which would be the following Tuesday. Mr. Yates stated that it was a law that City Council must be sworn into office in the usual place of meeting, so they could not just switch the location to the Community Center.

Dave McCorquodale moved to reschedule the May 24, 2016 City Council Meeting to be held on May 31, 2016 at 6:00 p.m. Jon Bickford seconded the motion, the motion carried unanimously. (5-0)

5. Consideration and possible action regarding Buffalo Springs Bridge Repairs.

Mr. Yates asked to withhold discussion of this item until after the Executive Session.

6. Consideration and possible action regarding a Request for Verification of Exemption Information for Use on the 2016 Notices of Appraised Value and 2016 Assessment Rolls. (Previously acted on at April 12, 2016 Meeting)

Mayor Jones stated that the Council Member that requested that this item be placed back on the agenda had voted affirmative at the previous meeting, so they have the right to request this action.

John Champagne advised that he had requested that this item be placed on the Agenda to be brought up again. John Champagne said that at the time of the vote he was unclear as to what it meant in terms of impact on the City's revenue and impact on the citizens that would be exempt. John Champagne said that he would like for Council to review the surrounding cities and consider some type of exemption for over 65, disability and homestead as modest as it might be. John Champagne said that the City of Willis has a \$5,000 exemption for over 65, City of Magnolia has a \$25,000 exemption for over 65, with homestead at 1 percent. John Champagne asked if anyone had an inclination to give some exemption to over 65.

Rebecca Huss said that between the over 65 exemption, disability exemption and homestead exemption that is pretty much all of Montgomery. John Champagne said that they figured it would be about one third of the City. Rebecca Huss asked if that was for homestead exemptions. John Champagne said that the one third was for the over 65 and disability. Rebecca Huss said that if they give the exemption to one group, then why not the other and then you pretty much have everyone included and it is not like the City is rolling in dough. Rebecca Huss said that the money comes out one way or the other, and if they need to spend it, they have worked really hard to keep our overall tax rate low. John Champagne said that over 65 exemption the case could be made that they paid their entire lives to stabilize and give some type of small consideration. Rebecca Huss said that maybe if you are the Foxes that have lived here since the 70's, but Buffalo Springs is a relatively new activity. Mayor Jones said that they have all been paying somewhere, but maybe not here. Rebecca Huss said that if they have to spend that money for things like the sewage treatment plant and roads, and it comes from all of us anyway, and if they don't have the funds they will have to get it from higher rates.

John Champagne asked Mr. Yates about exemption alternatives, and asked about \$5,000 as an exemption for over 65, and what would the effective tax rate and impact to the City be. Mr. Yates advised that it would be \$1,391 per year. Mr. Yates stated that there is 67 people that are over 65, there are 203 homesteads, and 6 disabled residents. John Champagne said that the total impact to the City would be \$1,400 for the \$5,000 exemption for over 65. John

Champagne asked if they brought the exemption to \$10,000 for over 65, those 67 people would share in the windfall of \$2,800. Mayor Jones asked what they are wanting to do with this information. John Champagne said that they are trying to recognize that when people reach the age of 65 and retire, most of the townships around us find it conceivable and appropriate to give some type of exemption, which they do with property tax. John Champagne said that all he was saying was to give retired folks over 65 a small break, which is more cosmetic than anything else. Mayor Jones asked how we know that they need a break. John Champagne said that he was correlating age and the fact that they have paid their entire lives to support this government and other governments. Jon Bickford said that he would say it is reasonable to assume that when you reach retirement age you move to a fixed income. Mayor Jones asked what if they are on a real high fixed income and they don't need a break. Jon Bickford said that he would not be opposed to some token amount, and what they have to compare and contrast is what we can do with our tax base at this point. Jon Bickford said that it will be hard to compare with the bigger cities because of their tax base versus what we have. Jon Bickford said that he would not have an issue with it, and he feels that it is important to recognize when people get of retirement age that most likely they are going to be on a fixed income.

Dave McCorquodale said that he was not totally opposed to it, but he thinks they need to also take into account, while he loves everyone in Buffalo Springs, but their houses cost twice as much as his. So they talk about a fixed income for someone over 65 living in a house that costs more. Dave McCorquodale said that there are shades of the argument, and like Rebecca Huss said, to him it just comes down to the revenue because they are going to spread that burden right back out if they need to, so if it is a token thing. John Champagne said that he was making a point that if it is \$5,000, which is not a windfall to anyone. Mayor Jones asked what that would accomplish. John Champagne said that they can go and get a McDonald's meal if they want during the year. Rebecca Huss said that the senior citizens, because they are over 65, especially here in the City, they have a lot of strong volunteers that the City relies on that they get a lot of value from and if this is what it takes to recognize them then she would rather do something bigger and splashier to say thank you than \$1,400 over 67 people. John Champagne said that he was open to suggestions. Rebecca Huss said that she does not necessarily feel that this is the best way, because the money comes out one way or the other.

John Champagne said that the point was made by some of our constituents that 70% percent of the City find the exemption something worthwhile to do, if we don't, I will respect that decision. Mayor Jones said that the County and the School District within our own City recognizes them. Dave McCorquodale said that he would guess that half of the 67 people would really benefit. John Champagne said that he was just correlating in to age.

Mayor Jones asked Mr. Yates whether the figures that he came up with included property owners, and not just residents. Mr. Yates said that was correct, property owners. John Champagne said that it would only be people paying the taxes that would get something back.

John Champagne moved to consider an amount of \$6,000 for age 65 and older. Dave McCorquodale asked if they were going to include disability. John Champagne said that if they wanted to include disability he was open to that amendment. Dave McCorquodale moved to amend the motion to include an exemption for disability at \$12,000. Jon Bickford seconded the motion.

Discussion: Jon Bickford asked how many tax payers were listed as disabled. John Champagne stated that there were six disabled. Jon Bickford said that would be a big help for them.

The motion carried unanimously. (5-0)

Mr. Yates advised that he would file the revised information that will be effective for next year's taxes.

7. Presentation of the Annual Water Plant Inspection Reports as presented by the City Engineers.

Mr. Fleming advised City Council that the only action that is needed for this item is acceptance of the reports as written.

- Mr. Fleming noted that there was a report on the inspection of Water Plant 3, they had inspected Water Plant 2 last year. Mr. Fleming stated that the site was in pretty good condition, with a handful of minor housekeeping items. The City's operator is already aware of the items that need to be taken care of and working on them. Mr. Fleming said that above ground there would be some minor blasting and recoating that would be done.

- Ground Storage Tank (GST) No.1 and Hydro Tank No. 1 both show signs of interior corrosion that should be addressed in the near future, but does not need to be done immediately. The Hydro Tank would be a blast and recoat, and the GST would be taken as it comes.

Rebecca Huss asked if Mr. Fleming had an overall dollar value for the work. Mr. Fleming advised that there was a cost estimate included in the back of the Report, but he believed the number was around \$40,000 that should cover the minor items. Mr. Fleming said that the one item that would not be included was treatment of the GST. Mayor Jones asked Mr. Fleming if he had looked in the GST. Mr. Fleming advised that they had drained the GST and looked inside. Mr. Fleming advised that GST No. 1 has been there since 2006-2007 and does show significant signs of corrosion on the interior. Mr. Fleming said that there were significant signs on the floor and below the waterline. Mr. Fleming advised that above the waterline and the roof of the structure looked fantastic.

Jon Bickford asked about the section of handrail that is missing at GST No. 1, and said that he found it very odd that a whole section would be missing. Jon Bickford said that it looks like whoever built the structure did not finish the job. Mr. Fleming said that he also noticed some corroded welds. Jon Bickford said that he was wondering how three square pieces of pipe are missing from a handrail, that looks like it was perfectly cut.

Mayor Jones asked if they needed to spend \$40,000 to take care of these items will they need to do it soon. Mr. Fleming said that he would not classify any of these items as pressing and felt that they could all be delayed until they do a larger project there, which is probably two or three years away. Mr. Fleming said that some of the minor blasting and clean up can be done as they go, but the larger items do not need to be addressed right now. Rebecca Huss asked if they could become significantly worse during the time before they are repaired. Mr. Fleming said that it would get worse in the time frame that they are talking about. Mayor Jones asked if the inspection included all the mechanical aspects, such as the pumps, ejectors, etc. Mr. Fleming advised that they conducted a full electrical inspection. John Champagne stated that the corrosion is pretty standard and asked whether the procedure to mitigate the corrosion would be standard as well. Mr. Fleming said that it was to some degree, but there were a couple things that are unique, such as vaulted galvanized tanks. Mr. Williams advised that in the last couple of months they started

adding phosphates to control corrosion. Mr. Williams stated that with corrosive water you will start getting more calls regarding dirty water. John Champagne asked whether they were using a bacteria eating phosphate. Mr. Williams said that it was not, the scaling is from the minerals that are pumped through the well. Mr. Williams said that the Catahoula Well produces much softer water. Rebecca Huss said that manufacturers were taking phosphates out of the environment, and the City is putting it back in. Mr. Williams said he had not heard anything about that.

Mr. Fleming said that under the Water Plant 2 checklist there is nothing new to report and they are including those as alternate items on the GST backfill project.

Jon Bickford stepped out at 7:35 p.m.

Rebecca Huss moved to accept the Annual Water Plant Inspection Reports. Dave McCorquodale seconded the motion, the motion passed unanimously. (4-0)

Jon Bickford returned to the meeting at 7:40 p.m.

8. Consideration and possible action regarding the Economic and Utility Feasibility Study for McCoy's as prepared by the City Engineers.

Mr. Fleming presented the Study to City Council and advised that no real action needed to be taken other than acceptance of the Study. Mr. Fleming said that this was a 10.4 acre tract on the southwest corner of Buffalo Springs and SH 105. Mr. Fleming said that the developer intends to have four platted reserves, one 6 acre reserve will be the McCoy's site and the other three will be commercial pad sites.

Mr. Fleming said that the City does have adequate water production and distribution capabilities to serve the tract. Mr. Fleming said that there is existing 12" inch water line on the south side of SH 105, so there will be no extension of public waterlines needed for this tract. There is also an existing 8" inch water line on the east side on Buffalo Springs. Mr. Fleming said that the City also has adequate wastewater treatment capacity to serve this tract. Mr. Fleming said that there is currently no sanitary sewer infrastructure in place so there will be an extension of a gravity sewer line, totaling approximately 2,000 feet along the southern right of

way, coming from the First Baptist Church east. Mr. Fleming said that the line would then hit the existing manhole on the corner of SH 105 and FM 2854.

Jon Bickford asked what assumptions were made on the other commercial pad sites. Mr. Fleming said that when an application for service is submitted, the applicant is asked to gauge their water and wastewater demands for the development. Mr. Fleming said that he ran his calculations paralleling with the City of Houston and Harris County's, and he came up with slightly lower demands of both water and wastewater. Mr. Fleming said that one other item of concern on the wastewater side was the performance of Lift Station No. 1, because it is operating at or above capacity. Mr. Fleming said that this development would accelerate the need to construct gravity sanitary sewer line on SH 105 and to begin aggressive planning to upgrade the Lift Station. Mr. Fleming said that all sanitary sewer flow for the City passes through that Lift Station.

Mr. Fleming reviewed some of the development costs for sanitary sewer extension to be in the \$80,000 to \$100,000. Mr. Fleming advised that this development could be served by an 8" inch line, however, they know that SH 105 frontage will begin to develop quickly, and from a future planning standpoint it would make sense for the City to consider participating in upsizing the line to 12" inches. Mr. Fleming said that they would like to see the developer participate in some degree with plant capacity costs.

Mr. Sam Walker, Eckermann Engineering, Engineer for McCoy's, said that he appreciated all the work that Mr. Fleming and Mr. Yates have done and they are looking forward to having the store in Montgomery. Mr. Walker said that they had just received the report today and they might have some concerns with the capacity fees, which they will discuss with the City once they have reviewed all the information. Mr. Walker said that they were aware of the offsite sewer extension and they have submitted preliminary drawings to Mr. Fleming. Mr. Walker said that they had received approval of the Preliminary Plat and Zoning from the Planning and Zoning Commission last night.

Mayor Jones asked if there had been any takers on the other pad sites. Mr. Walker said that all the uses that they had submitted were conservatively high for the feasibility study. Mayor Jones asked how Mr. Walker would define McCoy's and what they do. Mr. Walker said that they were a building and lumber supply store that is family owned and operated, that specializes

their stores to the needs of the community. Mr. Walker also advised that they will have a drive through lumber yard in the back of the store.

Jon Bickford asked whether the Capital Projects 3A, 3B and 3C for Lift Station No. 1 would have to be done in order to support this development. Mr. Fleming said that the Lift Station No. 1 expansion improvements, 3B, would be the direction that they would be headed, but would not have to be done because of this development. Mr. Fleming said that the extension of the sanitary sewer line would have to be done for this development.

Mr. Phil Hutchinson, 31 year employee with McCoy's, advised that he was happy to be here in Montgomery. Mr. Hutchinson said that they do not disclose per store overall sales, but do talk about record sales and they are hoping to break \$700 million in sales as a company. Mr. Hutchinson said that they are predicting that the store in Montgomery will be a higher volume store because there is a lot of building going on and a lot of need for a company like McCoy's. Mr. Hutchinson said that they would rather not discuss the sales tax predictions publicly. John Champagne asked how many stores they have. Mr. Hutchinson said that they have 86 stores with two under construction for a total of 88 stores located in Texas, New Mexico, Oklahoma and Mississippi. Mr. Hutchinson said that this is a fourth generation business. Mr. Hutchinson said that he really admires the beauty of Montgomery and they intend to construct the business as per the Code, and whatever is built on the three remaining tracts will also have to comply with the City's Code. Mr. Hutchinson said that there is no way of knowing what will be on those pad sites, but the conceptual uses were two restaurants and a hotel. Mr. Hutchinson said that they did have an interest for 2 acres from a non-restaurant, but there is no way of knowing what will come in. Mr. Hutchinson said that they did find terrible soil, which means a lot of excavation and will be one of the most expensive sites to build. Mayor Jones asked what percentage of sales are taxable. Mr. Hutchinson said that it was about 80% percent and it will be a high sales tax number.

John Champagne moved to accept the Economic and Utility Feasibility Study for McCoy's as prepared by the City Engineers. Dave McCorquodale seconded the motion, the motion carried unanimously. (5-0)

9. Consideration and possible action regarding a variance request from Corin Homes and the Buffalo Springs Architectural Control Committee regarding the required setbacks for lot 142 and lot 143 on Anna Springs Lane.

Mr. Fleming advised that the request was submitted by Mr. Parker on behalf of the Buffalo Springs Architectural Control Committee and the prospective home builder for Corin Homes. Mr. Fleming stated that he had a brief memo and three exhibits that he presented to the Planning and Zoning Commission yesterday evening.

Mr. Fleming said in a nutshell the request is thus, the platted setbacks are 45' and 50' feet prospectively per lots 11 and 12. Typically, the setbacks for the adjacent lots and Code of Ordinances is 25' feet. Mr. Fleming said that he was quite certain that these were platted that way by design. The Code also states that on radial lots, on the outside of the cul-de-sac, the front building setback is determined by how far back you have to go to achieve the minimum lot width of 75' feet. So if they had to go back, in the case of Lot 11, 45 feet from the right of way in order to get the radial width of 75' feet, and similar on Lot 12. Mr. Fleming said that the builder is requesting a reduction of the setback to 25' feet for both lots. Mr. Fleming said that it is his understanding that the Architectural Control Committee has offered no objections to the request.

Rebecca Huss asked if the Architectural Control Committee was made up of residents of Buffalo Springs. Mr. Parker said that was correct. Rebecca Huss asked whether the Committee felt that the 25' foot setback would not have any impact on the values of the homes or the enjoyment of the people that live adjacent to the lots. Mr. Parker said that they did not, and in the Committee's estimation it will be the same setback as the lots on either side of these lots.

Jon Bickford said if they allow the front setback to move forward, that will shrink the width of the home that they can put on those lots. Mr. Fleming said that the width would be approximately 25-30 feet. Mayor Jones said that they won't be building on the setback line. Mr. Fleming said that was correct, they are just asking for the 25' foot setback for platting purposes.

Dave McCorquodale asked about the implications of going into the Flood Plain, because if they move forward they stay out of the Flood Plain, which he presumed would save a whole

lot of steps that they would have to go through. Mr. Fleming advised that on the last sheet of the Exhibits shows the 100-year Flood Plain encroaching on the back of these lots. Mr. Fleming stated that this subdivision was originally platted in 2001. FEMA redrew the flood maps in 2014, and when they did the Flood Plain rose slightly. Mr. Fleming said that this does not mean that there can't be any activity on those lots, it just present an added challenge for development. They must make sure that they raise the finished floor of the development a minimum of one foot above the 100-year base flood elevation. Mr. Fleming said that as a participant in the National Flood Insurance Program, the City has a vested interest in seeing that is done and adhered to and that they obtain an elevation certificate for the finished structure. Mr. Fleming advised that if that property were to flood the City would have that documentation on file. Mr. Fleming said if they do go in with any construction activities or fill, in the 100-year Flood Plain it presents a unique challenge to them because they will have to get a third party engineer to design that and either come up with a mitigating solution or statement of no adverse effect.

Mayor Jones said that letting them move the setback line may help the problem. Mr. Fleming said that it may help.

Mr. Fleming said that from an engineering standing, there are no utilities in the area and he did not have any particular objections, it was just worth noting about the Flood Plain. Jon Bickford said that what he was saying is that the City has to watch it. Mr. Fleming said that was correct. Jon Bickford asked who at the City has the responsibility to make sure that is in compliance. Mr. Fleming said the City's Code designates the City Administrator as the Flood Plain Administrator. Mr. Yates advised that he was certified to perform that duty. Jon Bickford said he just wanted to make sure that it is done because it will be very easy for fill dirt to slip back and the next thing you know it is a mess. Rebecca Huss asked if the Flood Plain would dictate the type of fencing that can be used. Mr. Fleming said that it does have requirements for the type of material, height of the fence and the amount of openings. Rebecca Huss said it was a very complicated process. Jon Bickford asked if the Architectural Committee was aware of those requirements. Mr. Parker said that he did not and said that their fence standards did not apply to anything other than the home. Mr. Fleming said that any development in the Flood Plain would bear scrutiny to make sure they comply. Mr. Parker said that they would state that the Flood Plain requires a specific fence and then they would describe the fence required.

Mr. Parker stated that there needed to be a correction, because that was an address and was lots 10 and 11, so it will be 142 and 143 Buffalo Springs Lane.

Dave McCorquodale moved to approve the variance request to for the front building setback to be adjusted to 25' feet for 142 and 143 Buffalo Springs Lane. Rebecca Huss seconded the motion, the motion carried unanimously. (5-0)

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.

1. Convene into Closed Executive Session pursuant to the Texas Open Meetings Act at Section 551.071 of the Texas Government Code to meeting with the City Attorney to receive legal advice about pending or contemplated litigation.

Mayor Jones convened into Executive Session at 8:05 p.m.

2. Reconvene into Open Session and take possible action resulting from deliberations made during Closed Executive Session.

Mayor Jones reconvened into Open Session at 8:38 p.m.

Jon Bickford moved to instruct Jones & Carter to move forward in getting estimates and doing whatever other financial work they need to do in getting estimates for the Buffalo Crossing and Town Creek Bridge repairs, as well as looking at whatever funding sources are available to fund those repairs, along with the City Administrator and the City Attorney. T.J. Wilkerson seconded the motion, the motion carried unanimously. (5-0)

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.

No comments were made.

ADJOURNMENT

Jon Bickford moved to adjourn the meeting at 8:40 p.m. Dave McCorquodale seconded the motion, the motion carried unanimously. (5-0)

Submitted by:


Susan Hensley, City Secretary

Date Approved:

05/10/2016



Mayor Kirk Jones

