

City Council



Agenda Pack

for

*April 12, 2016
Regular Meeting*

NOTICE OF REGULAR MEETING

April 12, 2016

MONTGOMERY CITY COUNCIL

STATE OF TEXAS

AGENDA

COUNTY OF MONTGOMERY

CITY OF MONTGOMERY

NOTICE IS HEREBY GIVEN that a Regular Meeting of the Montgomery City Council will be held on Tuesday, April 12 2016 at 6:00 p.m. at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas for the purpose of considering the following:

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

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

CONSENT AGENDA:

1. Matters related to the approval of minutes for the Workshop Meeting held on February 16, 2016, and Regular Meeting held on March 22, 2016.

CONSIDERATION AND POSSIBLE ACTION:

2. Consideration and possible action regarding street closures for the Antiques Festival, to be held on Friday, April 29, 2016 through Sunday, May 1, 2016, including College, McCown, Caroline and John A. Butler.
3. Consideration and possible action to schedule a Public Hearing for rezoning of 10.36 acre site of McCoy's Center located at the SW Corner of Texas SH105 & Buffalo Springs Drive from Commercial, Single-Family and Multi-Family Residential to Commercial to be held on May 10, 2016 at 6:00 p.m.
4. Consideration and possible action to schedule a Public Hearing regarding a request for a Special Use Permit to allow a radio station and tower to be located on a 0.05474 acre tract of land situated in the John Corner Survey, Abstract Number 8, Montgomery County, Texas, and being out of a called 108.89 acre tract (Tract One) conveyed to LeFevre Development Inc., to be held on June 14, 2016 at 6:00 p.m. (*Property is immediately east of Rampy Lake and west of Lone Star Parkway.*)

5. Consideration and possible action to schedule a Public Hearing regarding a request from Michele Martin for a Special Use Permit to allow a micropigmentation tattoo business for eyebrows and eye shade exclusively at 14375 Liberty Street, Montgomery, Texas, to be held on May 10, 2016.
6. Consideration and possible action to schedule a Public Hearing regarding increasing the City's water and sewer tap fees to be held on May 10, 2016 at 6:00 p.m.
7. Consideration and possible action regarding vendor permits for large special events.
8. Report regarding the Mason Street Agreement.
9. Consider and possible action regarding Interlocal Agreement for the allocation of sales tax revenue with Montgomery County Emergency Service District #2.
10. Consideration and possible action regarding authorizing the purchase of lap top computers to convert to paperless agendas for City Council Meetings.
11. Consideration and possible action on a request for authorization to advertise for bids regarding a public utility and paving improvements project to serve the Kroger Development.
12. 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.
13. Consideration and possible action regarding the annual renewal of the MCCi /Laserfiche Records Management Software and support.

EXECUTIVE SESSION:

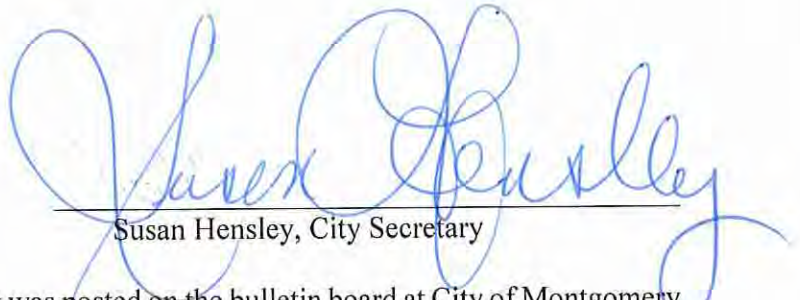
The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas. (No current items at this time.)

COUNCIL INQUIRY:

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

ADJOURNMENT




Susan Hensley, City Secretary

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 8th day of April 2016 at 3:20 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

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

To: Mayor and City Council members
From: Jack Yates *JY*
Subject: April 12th Council meeting
Date: April 8, 2016

Item #2 - Road Closure for Antiques Festival - This is a request from Tiffany Lockhart the HMBA representative for the Antiques Festival. She is asking for closure of McCown at 105, Carolina Street both sides of McCown and College Street at 105 and Maiden. A map is in your binder.

Tiffany has told me that they have an insurance binder naming the City as an additional insured up to \$1 million dollars and that she will give me a copy of the policy before the festival begins.

Item #3 - Rezoning of McCoy's Center - Setting a Public Hearing - This is a request by the McCoy's group to rezone what is now R-4 multifamily residential and R-1 single-family residential property to commercial property zoning. This is simply calling the public hearing. The Planning Commission has called a public hearing for this at their April 25 meeting. The recommendation is that you set a public hearing for May 10, 2016.

Item #4 - Radio Tower Special Use Permit - Setting a Public Hearing - This is setting a public hearing regarding a special use permit that is required under our zoning ordinance before a radio station and tower can be located in the city. The Planning Commission has not yet set a public hearing on this item. They cannot do that until their April 25 meeting. I am thinking the Planning Commission will set a public hearing for their May 23rd meeting date. The recommendation is that you set your public hearing for June 14, 2016, in order for you to have some time for deliberation after the Planning Commission meeting.

Item #5 - Tattoo Business Special Use Permit - Setting a Public Hearing - This is setting a public hearing regarding a special use permit as required in our zoning ordinance before a tattoo parlor can be located in the city. The applicant says that she will be doing what is called micro-pigmentation of the eyebrows and eye shades and not tattooing anywhere else on the body and that distinction/limiting factor can be written into the special use permit ordinance. The Planning Commission has set a public hearing for their April 25th meeting. The recommendation is that you set a public hearing for May 10, 2016.

Item #6 - Water and Sewer Tap Fee Ordinance - Setting a Public Hearing - This is setting a public hearing regarding adoption of an ordinance that will reset the water and sewer tap fees for the city. Because it is a fee ordinance it does require a public hearing. The recommendation is to set the public hearing for May 10, 2016 to allow time for publishing/notice.

Item #7 Vendor Permits for Large Special Events— Itinerant vendors— that is vendors who do not have a physical address in the city— currently are charged \$20 per day for a sales permit. The main reasons for the itinerant vendor permit is to keep track of who's doing business in the city, in case of any problems with the product after the sale. The other reason for the itinerant vendor permit is to allow the city to confirm sales tax is paid by the vendor for sales made in the city.

The issue now is how to handle the itinerant vendors that rent booths at the various festivals and events of the city. Does City Council want the City to enforce the required \$20 fee (for a period of 30-days) for the permit, or overlook the permit issue and fee completely and just require copy of the sales tax permit for each vendor without charging the \$20 fee? In the past, the City has simply not enforced the ordinance. However, I would like Council guidance on how you want this matter handled.

I have spoken with other cities and received a wide variety of responses. Most cities simply overlook the issue and not charge individual permits, while a few cities place the responsibility on the sponsor of the event to get a listing of the names and sales tax permit numbers of the vendors.

The options appear to be continue simply overlooking the issue, send a city staff member around on the festival day to ask the vendors for their sales tax permits, or require each festival sponsor to ask for a copy of the vendors sales tax permit and the festival sponsor will provide a copy of the permit and contact information for the vendor.

My recommendation is that we work with the festival sponsor to provide the City with a copy of the vendor's sales tax license and not charge vendor permit fees. With the information for the vendor police could track them down, if necessary, and the City can confirm with the sales tax commission that taxes were paid to as to the city for sells in the city. An ordinance stating the city policy can be added to the city code review process, not requiring a specific ordinance at this time.

The city's goal is to never make the permit process cost prohibitive to the event. Our goal is simply to know what is going on in our City and to regulate public safety, so that everyone can enjoy the event.

Item #8 - Mason St. Agreement - This is not the formal agreement yet. In your binder are the tentative terms and a map that Mr. Karl Brosch and I have discussed. The item before you is to make sure that these terms are tentatively agreeable with you.

Item # 9 - Intergovernmental Agreement with Montgomery ESD #2 - The IGA is in your binder. This is jointly proposed by the ESD #2 Board of Directors and myself. The ESD #2 Board has called an election for early May, asking voters to approve a two cent sales tax for the ESD area. The sales tax, if approved, would preclude the City from getting any sales tax from a business located beyond our existing city limits, because of matching the state imposed local limit on sales tax. City

residents are not allowed to vote in the election. The City Attorney can explain these elements of the issue.

After hearing of the impending ESD #2 election I contacted the City Attorney and learned that Willis has an IGA with their ESD, wherein Willis and their ESD evenly split the sales tax in an area that was ETJ (the area involved includes the FM 1097/I-45 Kroger store development area) before their ESD had a sales tax election just as the ESD #2 is to have here. I then contacted Brian Edwards, Montgomery Fire Department Chief, and asked him if the ESD #2 was interested in such an agreement similar to what Willis has, and he spoke to the Board and they were interested. I attended their February 24 Board meeting, asking personally for their interest, and they repeated their unanimous positive interest.

What you have before you is the proposed IGA with the ESD #2 that says that in the present or future ETJ areas of the city, following annexation by the city, that the sales tax will be split evenly one cent for ESD #2 and one cent for the city to be distributed by the state comptroller's office. The MEDC portion of the one cent sales tax would be one-fourth of the cent.

Attached is a copy of the city's ETJ area. I do not think that the ETJ has that much more commercial development area. I understand that the recent eastern commercial development area annexations have happened since the last time ESD #2 tried to get the sales tax approved.

My thought in proposing this IGA to you is in two directions.

1) If the ESD #2 election is successful that will completely, without an IGA, preclude any sales tax going to the city from any development not in the city limits at the time of the election.

2) A strong fire department is good for the city development - a better fire department means a lower ISO (fire insurance) rating for every resident and business and an excellent fire/rescue department promotes growth.

I suppose the alternative to the IGA is to not make a comment at all regarding the election or come out in opposition to the ESD #2 sales tax election. I understand that the question has not passed at least twice before. The ESD #2 area is much larger than just the City of Montgomery. I cannot speak with any knowledge as to their wisdom of spending their current tax dollars.

The ESD #2 Board is scheduled to consider the IGA at their April 27 meeting.

Note: City Attorney, Larry Foerster, is also the attorney for the ESD #2 District but is not assisting them in their election in any manner.

Item #10 - Laptop Computers/Paperless Agendas for City Council meetings- A memo from the City Secretary is in your binder. The request is for the Council to receive an agenda packet that would be emailed to you and there would not be a paper copy. You would be provided with a laptop computer that would be City

property, which would be assigned to the position of each Council member, and would have to be immediately returned when you leave the Council.

The cost for the computers and software is \$14,706.99, which includes all on-site repair with a low cost annual maintenance fee. The computer software will be Adobe Reader/Writer and Microsoft Office which includes Excel, with internet capability.

Your responsibility for the ownership/care of the computer is just as with any piece of city equipment used by an employee. Reasonable care, meaning if dropped or damaged by accident, you would not be charged for replacement. However, in the event of purposeful or negligent damage you could be charged for the cost of a replacement. The information that will be on your computer will be considered open records just as your city emails

The funds for this project can come from the budgeted amount of \$14,900 for the election that became unnecessary.

Item #11- Authorization to Advertise for Kroger Development Public Utility and Paving Improvements - A memo from the City Engineer is in your binder.

Item #12 - Verification of Exemption Information on 2016 Notices of Appraised Value and 2016 Assessment Rolls - This is a request from the Tax Appraiser asking if you want to give a Homestead exemption to an over 65 years of age or a disability exemption - and how much of an exemption if you want to give one.

The City does not presently, nor has it in recent years, have any exemptions. The form provided by the assessor is in your binder.

Item #13 - Renewal of Laserfiche Records Maintenance Software - This is the annual renewal of the software that allows staff to put files and records into the computer for storage/retrieval. This past year was the first year of use of the system and it is being used extensively.

The reason the item is before you is because the cost is \$5,168. It is over the \$5,000 City Administrator spending limit.

MINUTES OF REGULAR MEETING

March 22, 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
 John Champagne City Council Position # 2
 Rebecca Huss City Council Position # 4
 Dave McCorquodale City Council Position # 5

Absent: Jon Bickford City Council Position # 1
 T.J. Wilkerson City Council Position # 3

Also Present: Jack Yates City Administrator
 Larry Foerster City Attorney

INVOCATION

John Champagne gave the invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

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There were no comments made.

CONSENT AGENDA:

1. Matters related to the approval of minutes for the Regular Meeting held on March 8, 2016.

Dave McCorquodale moved to approve the minutes as presented. Rebecca Huss seconded the motion, the motion carried unanimously. (3-0)

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 advised that he had worked with the contractor and staff regarding the Automatic Meter Reading System installation and billing process. Rebecca Huss asked if InCode was going to start working with Badger Meters. Mr. Yates said that they had and they would be doing a test run in a couple of days. Mr. Yates advised that he had attended Public Funds Investment Act Training.

Mr. Yates advised that he had been contacted during the month by Michele Martin to ask that City Council set up a hearing date regarding zoning use request for a tattoo parlor that is in the zoning ordinance. Mr. Yates stated that she only does eyebrows, but it would still be a tattoo parlor under the Zoning Ordinance and require a Special Use Permit. The Special Use Permit would require a review by the Planning and Zoning Commission and then final approval by the City Council. Mr. Yates said that he was asking City Council to set a Public Hearing date for May 10, 2016. Mr. Yates said that the reason the date is so far away is because there are publication requirements and review by the Planning and Zoning Commission. Mr. Yates said that he did not want her to have to wait two more weeks because he forgot to put it on the Agenda. Mayor Jones stated that without an action item to set the Public Hearing, he asked the City Attorney if Council would be able to set the Public Hearing. Mr. Foerster said that since it is not listed as an action item, City Council cannot take action. Mr. Yates stated that it would be on the next Agenda. Rebecca Huss asked whether City Council

could place the item on the Agenda for the meeting next week. Mr. Yates said that he could add the item to the Workshop Agenda.

Dave McCorquodale asked the City Attorney whether the other cities that he works with have certain types of businesses that have to come to City Council for approval of a Special Use Permit. Dave McCorquodale said that he often wondered about the arbitrariness of the businesses that wind up on their Special Use Permit, and whether it was an undue burden on what uses they pick as needing them. Mr. Foerster said that Montgomery is the only one that has a special provision in zoning requiring a Special Use Permit. Mr. Foerster said that the City of Willis is zoned and he can't recall that Willis has ever had an occasion where a business had to come to City Council. Mr. Foerster said that it might be good for him to review our ordinance compared with the City of Willis and see if we need to make some changes to the Zoning Ordinance to accommodate those businesses.

Rebecca Huss said that she did not necessarily think that they are in a rush to relax all the rules of the Zoning Ordinance. Rebecca Huss said that while it is arbitrary it is what they want the town to look like as well. Mayor Jones said that part of where this action comes from is the addendum of permitted uses in the Subdivision Ordinance, where someone in the past tried to list all the possible businesses that could appear and listed the ones that were okay, and then there were ones that were okay with City Council approval. Mayor Jones said that some types of businesses do not even appear on the list and they approve it with a Special Use Permit. Mayor Jones said that it can be cumbersome in some ways, but like Rebecca Huss stated, it does protect the City. Dave McCorquodale said that his question was to the point of the legality of saying this type of commerce is okay in the City and whether the City would have a tough time justifying that action. Mr. Foerster said that you always want to avoid a situation where you are targeting certain businesses that you do not want in the community, or you want to limit their activity. Mr. Foerster said that in his experience he has never had that issue come up. Mr. Foerster gave the example that a lady has a specialty that does tattoo eyebrows, and asked how specific do you want to be on the Special Use Permit, such as allowing eyebrows but not allowing other tattoos. Mr. Foerster said that in those type of cases you would probably have to do it on a case-by-case basis.

Mr. Foerster said that you try to do the best you can and be fair not weighing one way or the other on the businesses, as long as they comply with all the other City rules and regulations.

Mr. Foerster said that he would go back and look at the information and said that it might be something that the City Council revisits in a workshop sometime, because there might be a few other zoning regulations that they need to review. Mr. Foerster said that the City is growing so rapidly, for example, they have issues with antennas and cell towers going up along with other things that are cropping up that the City did not think about several years ago. Mr. Foerster said that with the growth of the City, maybe it is time to revisit the zoning as a City Council and look at the list of approved businesses. Mr. Foerster said that it was hard for any attorney to second guess what could come up that they were not expecting. Dave McCorquodale thanked the City Attorney.

- B. Public Works Report – Mr. Mike Muckleroy presented his report to City Council. Mr. Muckleroy stated in response to the question regarding InCode. Mr. Muckleroy said he had spoken today with Jessica at Accurate Meters, who advised him that they had finished their end of the information and sent it to InCode. Mr. Muckleroy said that they were now waiting for InCode to finish their part. Rebecca Huss said that she thought they were waiting on InCode two weeks ago. Mr. Muckleroy said that they were waiting for InCode to get the information to Accurate Meters so that they could complete their part. Rebecca Huss said that since that did happen they are now one step further, and now they are waiting for InCode on another step. Mr. Muckleroy said that was correct.

Mr. Muckleroy advised that he had assisted Gulf with locating all the blow off valves. John Champagne asked what a blow off valve was. Mr. Muckleroy advised that a blow off valve is a device at the end of a dead end waterline to allow them to flush the line.

Mr. Muckleroy said that they had three water leaks and zero sewer stop ups during the month. Mr. Muckleroy said that they had replaced all the 14 watt and 26 watt CFL

lamp bulbs at the parks and Community Center with lower consumption 10.5 watt LED bulbs, which are now all the same color and look nicer.

Mr. Muckleroy advised that the Community Center lighting project was completed and they did an excellent job. Mayor Jones asked Mr. Muckleroy to advise City Council on some of the things that they found during the project. Mr. Muckleroy said that the biggest scare was when he went over one day to check on the progress and one of the electricians asked him to walk over to a trash can that contained the old wiring that they had removed from the ceiling and he told him to stand over the top of the garbage and see what he smelled. Mr. Muckleroy advised that it smelled like a burnt building and you could smell the burnt electrical smell. Mr. Muckleroy said that a lot of the conduit was basically welded onto the inside of the conduit when they were trying to pull the wire out and the conduit and everything came out with the wire, wires snapped in half; it was in very bad shape. Mr. Muckleroy said that the wiring had been completely redone with all LED lights inside.

John Champagne said the walkways in Fernland Park had washed out again. Mr. Muckleroy said that he was aware of the washout. John Champagne asked whether they had something in progress in terms of replacing cedar trees in Cedar Brake Park. Mr. Muckleroy said they don't have anything in place right now and he knew that the Mayor had mentioned something about planting some trees in the Park. John Champagne said that the reason he is bringing it up is because they have lost a lot of trees and he felt that it would be prudent to start putting trees back in the Park so that 50 years from now they will still have cedar trees in Cedar Brake Park. Mayor Jones said that he has been trying to convince some of the Boy Scouts that have come looking for Eagle Scout projects to make replacing the trees part of their project. Mayor Jones said if they ever get into a Tree Preservation Ordinance, where it would not be practical to replant trees on their property, they could plant at Cedar Brake Park or another City Park, or right of way. John Champagne said that they might want to identify exactly where they want to put those replacement trees. Rebecca Huss said that another option is a nonprofit group called TreesforHouston.org who have done some fruit trees for some organizations that are trying to repopulate trees. Mayor Jones said that they have probably lost about 30 trees in the last five years to drought and tornadoes. John

Champagne said that in winter or fall might be a good time to plant the trees. Mr. Muckleroy said that they will definitely look at that matter.

Mr. Yates said that he would like to point out that Mr. Muckleroy has received his Certified Water Professional Certificate, which takes several years and many classes and hard work. Mr. Yates said that the certificate was equivalent to an Associates college degree, which is really a step up for the City and for Mr. Muckleroy. City Council extended their congratulations to Mr. Muckleroy. Mayor Jones asked if Mr. Muckleroy got to put any letters after his name. Mr. Muckleroy said that he sure did "CWP". Rebecca Huss commented that Mr. Muckleroy had told her that it took him eight years to accomplish this level, and expressed that she thought his accomplishment was pretty impressive.

Mayor Jones stated that Mr. Yates also received a certificate of completion for Public Funds Investment Act Training. City Council complimented Mr. Yates for receiving his certificate.

- C. Police Department Report – In the absence of Chief Napolitano, Lieutenant Joe Belmares presented his report to City Council.

Rebecca Huss asked about the spreadsheet with the detailed call information. Lt. Belmares advised that the spreadsheet is related to all the information that he receives from the Sheriff's Office. Since the Sheriff's Office changed their system, they still have not come back online so that Lt. Belmares can obtain all that information. Rebecca Huss asked whether they were not providing that information for themselves. Lt. Belmares said that the Sheriff's Office did not have it set up where they could send it to him at this time. Lt. Belmares said that he used to receive the information automatically by email. Lt. Belmares advised that he had talked to them two weeks ago and they were still working out the kinks so that the outer agencies can receive the information. Lt. Belmares said that when he does finally receive the information he will have to backlog all the data and then he will have the actual final stats for City Council for the year 2015, then he will pick up again for the stats for 2016. Lt. Belmares said that as soon as he receives the information he will put it into place. Lt.

Belmares said that they were producing approximately 50 reports per month in the department, additionally he is not able to get all the information on the warnings that they have issued so they are lacking that information from the report.

Mayor Jones noted there were some officer's that had received training. Lt. Belmares advised that Officer Bauer had received on-line training in Missing and Child Exploitation, Officer Bracht attended an Intermediate Accident Reconstruction Course, Officers Bracht and Carswell attended the Definitive Field Training Officer and Program Administrator's Course, and Sergeant Lehn and he had attended Sex Offender Registration Training. Lt. Belmares advised that sex offenders used to register with the County, but the County has pushed it off to the cities.

- D. Court Department Report – In the absence of Ms. Rebecca Lehn, Court Administrator, Mr. Yates presented the report to City Council. Mr. Yates said that this month there were 351 cases filed with the total deposit to the City of \$35,743, which is down. The Court collected \$10,976 in warrants, which is up considerably from the last several months. Mr. Yates advised that the total collected for the month was \$67,466, which is one of their larger month's collections.

Mayor Jones asked what they attributed the increase in warrant fees collected. Mr. Yates said that it was due to the addition of the warrant officer in Court. Mr. Yates said that they were expecting the Deputy Court Clerk Krystal Gonzales back on March 28, 2016.

- E. Utility/Development Report – Mrs. Ashley Slaughter, Utility Billing Clerk, presented her report to City Council. Mrs. Slaughter advised that they had 34 permits that was average, four bookings for the Community Building that totaled \$665.

John Champagne asked about the fire stations and whether they reported their water usage on a monthly basis. Mrs. Slaughter said that they reported directly to Mr. Muckleroy. John Champagne asked if the fire department was metering their usage. Mr. Muckleroy said that it depended on the truck because some have the meters on them and some do not. Mr. Muckleroy said that the trucks that do not have meters are

giving the best estimate that they can. John Champagne said that they were having some training exercises on Clepper Street and they were throwing water all over the City and they have tankers that fill up, and said that it was pretty interesting, but it was a lot of water. Mr. Muckleroy said that the fire department is reporting to the City. Mayor Jones said that Mr. Muckleroy might check, because they used to have a meter that they would hook to the fire truck when they filled anything up. Mr. Muckleroy said that they might be doing that, but the trucks that he is not real sure about are the ones out of Plantersville area that come in to Emma's Way and do it there because he has seen them there training. Mr. Fleming said that they also have the ability to fill tanks from Rampy Lake and they used to fill up at Heritage Pond.

Mayor Jones said that another note, which will go to accounting, the general fund is paying the utility fund for City water. John Champagne said that he liked that.

- F. Water Report - Mr. Mike Williams presented his report to City Council. Mr. Williams advised that there was a typo on page 3 of the report and said that the dates should read January 20, 2016 - February 17, 2016. Mr. Williams said that they experienced over average accountability of 106% percent, which might be due to the new meters in town. Mr. Williams said that he thought that percentage would come down below 100% percent.

Mayor Jones asked what group was doing the smoke testing. Mr. Williams advised it was Mr. Muckleroy's group.

Mr. Williams said that they fixed the main break last month and since its repair, the flow to the sewer plant has reduced dramatically and they are at about one million gallons, which brings their percentage of permitted flow to 10% percent. Rebecca Huss asked Mr. Williams how long he thought the line was broken. Mr. Williams said that it was very hard to tell but looking at page 12 of the report, that shows water sold versus water treated, all the numbers were pretty consistent up until June.

John Champagne said that on page 12 it shows the unbilled water is negligible. Mr. Williams said that comes with the 106% percent accountable, so they accounted for 85,000 gallons more than they pumped, which could possibly be related to the meter reads when they are changing out the meters, or the time of the reading. John Champagne asked to confirm that they only treat a percentage of the water sold. Mr. Williams said that was correct because some is sent down to the sewer plant compared to what is used.

- G. Engineer's Report – Mr. Glynn Fleming, Associate Engineer, presented his report to City Council. Mr. Fleming said that the Kroger project continues to make progress on their site and they are finishing up the grading of the 52-acres, and preparing to move forward with utility construction. Rebecca Huss asked if there were issues with the matching grade of the road that the Texas Capital Fund is putting in with the rest of the land. Mr. Fleming said they have been through several plan revisions with their design engineer. Rebecca Huss said that it did not make sense to have a road that is only suitable for one parcel if there are small revisions that could be made during the construction process. Mr. Fleming stated that he agreed and it was duly noted. Mr. Fleming said that it had been called out on the drawings, and just based on topography, there is going to be a noticeable change at the end of that road, which will be in the 45% percent range that is pretty typical. Mr. Fleming advised that he was continuing to work with the design engineer LJA. Mr. Fleming said that as soon as they have a final set of drawings on the public side of the project, which expects to come back next month sometime to request authorization to advertise for bids on the project.

Mr. Fleming said that Pizza Shack has wrapped up their site plans, which are now approved. Mr. Fleming said that the design engineer has advised that they are still working through some issues with their building plans, but hopefully they are close to wrapping those up. Rebecca Huss said that the newspaper had said that they were able to adjust the location of their building to save the pecan trees, and asked if that was true. Mr. Fleming advised that was always part of their site plan because Mr. Simmons was pretty adamant that he wanted to incorporate those trees into the plan. Mr. Fleming said that he thought that they were trying to save some money on some of the architectural finishes, and he was expecting to receive notification that the building

plans have been finalized and then you will see progress at the site. Mr. Fleming said that he will probably be back in April to request authorization to advertise for bids for the utility expansion project.

Mr. Fleming said that the Capital Project for the GST Backfill project plans have been completed and submitted to the State for review on March 11, 2016, with a 30-45 day review period expected.

Mr. Fleming advised that the 12-inch waterline across Town Creek Bridge is currently advertised for bids, and there has been an alternate item added to the bid document, requesting permanent replacement of the slope paving on the northern abutment. Mr. Fleming said that he expected to open the bids on March 31, 2016, with the bid results and recommendation to City Council on April 12, 2016. Mayor Jones asked whether they had resolved the City's relationship with Mr. Bowen with regard to this project. Mr. Fleming said that at the last meeting that they had with Mr. Bowen, where he was present, the directive was that the City was going to move forward with advertising the project for bids. Mr. Fleming said that he did commit to supplying Mr. Bowen with the bid results once they were received.

Mayor Jones asked the City Attorney whether he was having any conversations with the Bowen group. Mr. Foerster said that he had received a phone call a week ago from Mr. Bowen's attorney, Steve Weisinger, and he had called him back and left a message. Mr. Foerster said he did not know why Mr. Weisinger had called him, and Mr. Weisinger never did call back. Mr. Foerster said that he had prepared a memorandum of the conversation of the meeting that they had with Mr. Shackelford, Mr. Fleming, himself, Mr. Bowen and Mr. Weisinger. Mr. Foerster said that once the City got the bids back they would report that information to Mr. Bowen, but the City planned on moving forward. Mr. Foerster said that a copy of the memorandum stating the narrative of what had occurred during the meeting was sent to Mr. Weisinger to make sure that he agreed with the narrative of what had transpired at the meeting, but he never got a reply back from Mr. Weisinger so he assumed that he was satisfied that the narrative was accurate.

Rebecca Huss said that there were really two issues, one being the pipe installation under the bridge, and the slope failure on both sides because it was not constructed as designed. Mr. Foerster said that they did discuss that matter with Mr. Bowen, and his position was he thought that it had been constructed properly and that there were City inspectors out there looking at the stages of construction.

Mr. Fleming said that they had added an alternate bid item requesting replacement of the slope paving. Mr. Fleming said that the eastern side is what has already failed. Mr. Fleming said that he was out at the site recently and the western side is starting to exhibit similar signs, and he saw some scouring around the slope paving, and down by the bulk head is starting to heave up and trying to lift up over the bulkhead, which is similar to what occurred on the eastern side. Mr. Fleming said that an alternate bid will give them an estimate of what that will cost.

Rebecca Huss said that if someone presents you with drawings and says this is what was built, the City would presumably accept that, which this was obviously not the case. Rebecca Huss said to the City Attorney that is what they needed to think about because it is going to cost more money now to fix the other side of the bridge, which they were not anticipating but required to do for safety purposes. Mr. Foerster said at this point Mr. Bowen has not declined to do repairs, he just wants more information and he says that he thought the project was all done well. Rebecca Huss said that knowing him it will be another 3-4 years before a decision gets made. Mr. Foerster said that we are going to comply with our agreement with Mr. Bowen, and having done that, if there is no other response from Mr. Bowen the City will bill him. Mr. Fleming said that there is also a secondary issue which involves performances required by the development agreement of which completion of the waterline is directly tied to that agreement.

Mr. Fleming advised that on March 7, 2016 he met with representatives of the developer for Heritage Place Medical Center, L Squared Engineering, Entergy and the City Administrator to discuss different options for improving Houston Street, and they are working with Entergy regarding relocating or eliminating utility poles along the eastern right of way.

Mr. Fleming said that they had met with representatives from John W. Cox, Partners, L Squared Engineering, and the City Administrator to discuss the potential for a revised land plan and possibly a development district for the Montgomery Forest development. Mr. Fleming said that they are looking at a revised land plan that would reduce the number of lots, and either reduce or eliminate the smaller townhome size lots. Mr. Fleming said that developer is still working on some issues with the current landowner, and is working on negotiating an extension to their contract. Mr. Fleming stated that if the developer is successful in extending the contract, then they have stated that they would like to come back to City Council to revise their land plan and lot counts.

Mr. Fleming advised that they had met with representatives from Eckermann Engineering, Inc. to discuss potential 15-acre development of a tract located on the southwest corner of SH-105 and Buffalo Springs Drive. Mr. Fleming said that it was their understanding that the developer intends to construct McCoy's Building Supply lumber yard with future build out to include a motel and two restaurant pads. Mr. Fleming said that they have submitted their request for service to the City, which is under a standalone Agenda item. Rebecca Huss asked whether this tract abuts the City's sewage plant. Mr. Fleming said that it did not, it was located on the opposite side of Buffalo Springs.

Rebecca Huss advised Mr. Yates that McCoy's sends a lot of lumber out to job sites and said that the tax should come to the City, but said that a lot of times the sales tax information is not set up properly. Rebecca Huss said that they needed to stay on top of the sales tax, because it would be easy for them to have the sales tax sent elsewhere instead of to the City. Mr. Yates said that he thought it was worth a conversation with McCoy's staff prior to them opening.

Dave McCorquodale asked about the abandonment of Mason Street and said that the last time that had come before City Council, he thought that City Council was not interested. Mayor Jones said that the way it was presented to City Council was not very palatable, but stated that if there is a different scenario and he would like City Council to take a look at the information. Mr. Yates said that they could discuss the

matter in Executive Session at the next City Council Meeting. Rebecca Huss said that potentially linking different sides of the City would push people down to Clepper or Caroline Streets, and that is something for them to consider before they completely fence the area off. Mayor Jones said that maybe they would allow pedestrian traffic. Rebecca Huss said that it could be during festivals, or things like that. Mayor Jones said that they have a historic marker on their home, which he would hate to hide and if anything else, they could ask them to move the marker. Mr. Fleming said that there had been no real expenditure of time on Mason Street.

Mr. Fleming concluded by stating that on March 14, 2016 they had conducted the annual inspections of Water Plants 2 and 3 and they will deliver the resulting inspection reports in advance of the May City Council Meetings.

H. Financial Report – Mrs. Cathy Branco presented her report to City Council. Mrs. Branco advised that the City has \$2,201,602 in available funds and of those funds, excluding debt service, MEDC and special accounts. The City has \$1,535,500 that it actually current usable spendable funds. Mrs. Branco stated that the water and sewer fund is still showing a deficit of \$13,000. Mrs. Branco said that there has been a lot of rain, and the budget should pick up in the summer months. Mrs. Branco said that the next debt service payment was due September 1, 2016, and with the transfers in from the utility fund and MEDC, that payment is already covered even if the City did not collect another dime in tax.

T.J. Wilkerson arrived at the meeting at 6:40 p.m.

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

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

A RESOLUTION SUPPORTING THE MONTGOMERY COUNTY THOROUGHFARE PLAN. (Item tabled on 02/23/16 and 03/08/16)

Montgomery County Judge Craig Doyal was present to discuss the County Thoroughfare Plan. Judge Doyal advised that he had also brought a copy of the H-GAC's presentation that they

had presented to the Montgomery County Commissioner's Court. Judge Doyal said that he wanted to answer any questions that City Council might have versus just giving a presentation.

Judge Doyal said that the original Plan was in 1979, then it was updated in 1985 and 2012, so this will be the fourth update of the Plan. Judge Doyal advised that the Plan is a living document that they continue to look at over time. Judge Doyal said that Montgomery County is estimated to be at one million people by 2035, and today they are just over 500,000. Judge Doyal said that it was imperative that they plan for future growth.

Rebecca Huss asked how they incorporated local controls and public feedback, because obviously The Woodlands has been very vocal about being on the receiving end of some of the road planning without having local say. Judge Doyal said that the roads The Woodlands is questioning are not within The Woodlands Township. Judge Doyal advised that H-GAC did the South Montgomery County Transportation Mobility Plan and they incorporated the information from the Mobility Plan into this Thoroughfare Plan. Judge Doyal said that a lot of the projects that they see on the Plan have been there for decades, including the ones that The Woodlands is opposing. There is a lot of traffic and congestion in The Woodlands, and as they continue to grow Judge Doyal said that he feels it is a mistake to start closing down those corridors. Judge Doyal said that as they grow there is always going to be an alternate route in and out of all areas of Montgomery County. Judge Doyal said that everyone always wants to protect the area that they live in, which he appreciates, but his job is to look out for all of Montgomery County. Judge Doyal said that he is afraid if they start restricting some of the roadways they are going to limit themselves.

Judge Doyal said that the Montgomery County that he grew up in is very different today, and there will always be changes and the challenge is whether they can get ahead of the changes so that they work for them. Judge Doyal said that he has said for a long time that the growth that they are seeing is either going to happen for us or to us depending on how we prepare for it. Judge Doyal said that dealing with a traffic issue after the fact is extremely difficult. Judge Doyal talked about the difficulty with FM1488 where they had to go in after the fact and buy right of way and it caused a lot of headache and heartache with individuals that owned the property. Judge Doyal said that without the expansion of FM1488 that entire area would have been a gridlock today.

Judge Doyal said that he knew that the City had talked to Commissioners Riley and Meador about a doing a Mobility Plan for Montgomery and said that they could incorporate that Mobility Plan into the County Thoroughfare Plan so that the impact to the residents in the future is minimized.

Rebecca Huss asked what would happen if the City has a Mobility Plan that does not match the H-GAC Plan. Judge Doyal said that the Thoroughfare Plan is a living document that has been through four different renditions and as they grow they need to be looking at revising on shorter intervals before the see more and more growth occur. Judge Doyal said that the City's Mobility Plan could be integrated into the County Thoroughfare Plan.

Rebecca Huss said that some of the roads are being built before there is development. They would not have the ability to ask the developer to partner or pay for the road and how would they deal with that. Judge Doyal said that the County has never built a road, the developer goes in and builds the road to County specifications, and then the County accepts the roads for maintenance. Judge Doyal said that they have never gone in and built a road in the middle of nowhere. Rebecca Huss asked whether Lone Star Parkway did not count. Judge Doyal asked whether Lone Star Parkway was built by Commissioner Meador or the developer. Rebecca Huss said that she thought it was Commission Meador. Mayor Jones said that it was built by the developer. John Champagne said that it was built by Mr. LeFevre, the developer.

Mayor Jones said that most likely the major thoroughfares that show up on the County Thoroughfare Map are outside the City limits. Dave McCorquodale commented that the City is roughly four square miles that is an identifiable historic town as opposed to a collection of rural residences. When he looks at the H-GAC Thoroughfare Classification Plan, if Walden Road is a major collector, a thoroughfare is a bigger road than a collector and within the City's four square miles it looks like there are three major thoroughfares. Dave McCorquodale said that a thoroughfare is two classifications higher than what Walden Road is classified.

County Judge Doyal said that the concerns of City Council could be addressed in the City's Mobility Plan. Dave McCorquodale said that if he is understanding correctly, the Mobility Plan will provide guidance on the local level, then he was a lot less nervous about the County

Thoroughfare Plan. County Judge Doyal said that he would encourage the City to do their Mobility Plan.

Judge Doyal said that there were a lot of lines on the Thoroughfare Map that have been there for 30 years and have never been developed and may never develop, but if it does, at least you will have an alternative or opportunity to discuss with the developer and make sure that you reserve those corridors for future possibilities. Mayor Jones said that there were two roads that would complete the loop to the south and the one that cuts from FM2854 over to 149 and beyond that would help relieve traffic through town, which he feels would be a benefit. Rebecca Huss stated that she felt it would depend on what the construction standards were because the current Lone Star Parkway has some very narrow lanes that are not appropriate for heavy traffic. Mayor Jones stated that roadway was built by the developer and is going to be redone by Commissioner Meador to meet higher standards and then he wants to give the road to the City.

Dave McCorquodale said that the City is a very small part of a very large County with a lot of issues that need to be addressed. His reason for wanting to address some of these issues was because it is not that he is opposed to any of it but knowing that there is an opportunity to work with the County on some of the roads that impact the City.

Judge Doyal stated that when they worked on the Fish Creek Thoroughfare there were people that thought he was the devil, but those very same people offered to have coffees for him when he ran for County Judge because they realized that the project did not destroy their livelihood it actually made things better. Dave McCorquodale said that he thought that the Plan was done with the sole goal of transportation in mind, and when he sits on Council his main goal is the benefit of the residents and trying to balance that is his main objective.

John Champagne said that part of his anxiety, from his point of view, is that the City signing over whatever opportunities or whatever the desire was to do this was forfeiting our ability to have some input, and what he is hearing it is not that. Judge Doyal said that the Plan is proposed and none of it is in stone, but they want to preserve corridors that run north, south, east and west, but as areas are developed they can make adjustments, which is where the City's Mobility

Plan would benefit the City and he would encourage the City to also include the ETJ in their Mobility Plan to avoid problems in the future.

Rebecca Huss asked if there could be some different wording included in the Resolution and if they would be able to put their thoughts out there. Rebecca Huss said that she would like to see some language that requires ongoing consultation prior to engineering and construction of roads within the boundaries to ensure that they conform to our esthetic and economic interests. Rebecca Huss also stated that since the City is undertaking their own detailed Montgomery Traffic Plan that might provide more specific direction for the transportation infrastructure that should not be supplanted by the information that is on the H-GAC Thoroughfare Plan. Rebecca Huss said that maybe instead of supporting the passing of the County Thoroughfare Plan we will include it when considering mutually beneficial and locally desired infrastructure expansions. Rebecca Huss said that they do not disagree with growth and roads, but the idea that local impact has to be considered in a way that would not necessarily be from some big downtown office, who would not understand some of the local problems. Mayor Jones said that he was pretty sure that the County would not build a road in or near our City limits without talking to the City.

John Champagne asked whether the Resolution was a standard form given to all the municipalities. Judge Doyal advised that the Resolution was actually written by the City of Shenandoah and made into the template for the municipalities.

Mayor Jones asked if the person accepting the Resolution would accept a differently worded Resolution. Judge Doyal said that they do not need the Resolution at all they would just like to have everyone's support in realizing that they are trying to plan for the future, which is all this really is a Plan. Judge Doyal said that was why they held meetings and invited everyone to come because they want that kind of input so that they can know the issues and road concerns. Mayor Jones asked whether this Plan would be in place whether or not the City approves the Resolution. Judge Doyal advised that the Plan was adopted by Commissioner's Court, they are just hoping that the City will support the Plan. Judge Doyal again strongly encouraged the City to adopt their own Mobility Plan and incorporate that Plan into the County Thoroughfare Plan.

Dave McCorquodale asked Rebecca Huss to state her requirements for the Resolution for clarification. Rebecca Huss said that she would like it to say that “they require ongoing consultation prior to engineering and construction within the boundaries of Montgomery to ensure that these roads conform to the City’s esthetic and economic interests, and we are undertaking our own detailed transportation survey and we expect this information to provide more detailed direction on meeting our goals of transportation.” Rebecca Huss said that it was more of a local issue and that “we will include the information provided by the H-GAC Plan in our decision making when it is mutually beneficial and locally desired.”

John Champagne said that they could adopt a Resolution supporting the Montgomery County Thoroughfare Plan that works in concert with the local Mobility Plan. Rebecca Huss said that she would like to see more wording about the expectations like a six lane highway running through our town. Dave McCorquodale said that the developer is going to be constructing the roadway, so when they come to City Council with their final plat that is the point where City Council can say how they feel about the roads.

Dave McCorquodale said that he liked the idea of adding that language about identifying the areas in our Mobility Study that dove tail with the County’s Plan. John Champagne said that to a large degree, his anxiety has been relieved. Dave McCorquodale said that he felt the same way. John Champagne said that if they have a local Mobility Plan that is in concert with and says that the Resolution supporting the Montgomery County Thoroughfare Plan is in line with what our expectations are in meeting our local Mobility Plan and asked if that pretty much covered Rebecca Huss’ concerns. Rebecca Huss said that it covered most of it, but the idea of the specifying language that “local control, local aesthetic concerns are important in addition to the greater good of the County. John Champagne asked if Rebecca Huss wanted to say that Montgomery’s Mobility Plan usurps the County’s desire to do what they need to do. Rebecca Huss said that she felt that it was important especially given a lot of the discussion that has been going on about this for quite a while, to be specific that we understand the value of mobility and acquired right of way before it becomes expensive, but we need local control. John Champagne said that they do, the developer can’t do anything unless City Council approves it. Rebecca Huss said unless it becomes a Farm to Market Road (“FM”), then they have no say about the road. Judge Doyal said that if it is a State road or FM road the County does not even have a say.

Mayor Jones asked the City Attorney if he had any comments. Mr. Foerster stated that in response to Rebecca Huss' questions and concerns, the Resolution in the final recital states "NOW THEREFORE BE IT RESOLVED, that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan" and said that if City Council wanted to they could add a phrase to that stating NOW THEREFORE BE IT RESOLVED, that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan that coincides with local municipalities' mobility plans.

John Champagne moved to adopt the Resolution with the addition of the City Attorney's recommended wording to include NOW THEREFORE BE IT RESOLVED that the City supports the efforts of the Montgomery County Commissioners Court in passing the Thoroughfare Plan that coincides with local municipalities' mobility plans. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

County Judge Doyal thanked City Council and invited them to come to Commissioner's Court. Judge Doyal said that he promised they were trying to make Montgomery County a better place each and every day. Judge Doyal said that he grew up here and his children went to school in Montgomery, he has a granddaughter here and he wants Montgomery to be a great place to live, raise your family and conduct business. City Council thanked Judge Doyal for attending the meeting.

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

A RESOLUTION OF THE CITY OF MONTGOMERY, TEXAS AFFIRMING ITS ANNUAL REVIEW OF THE POLICY FOR INVESTMENT OF MUNICIPAL FUNDS AND THE INVESTMENT STRATEGIES CONTAINED THEREIN HAS BEEN CONDUCTED AS REQUIRED BY SECTION 2256.005(e) OF THE TEXAS GOVERNMENT CODE.

Mr. Yates advised this is a standard policy that follows state law and has been reviewed by the City Attorney, City Auditor and the City Investment Officers. Mr. Yates stated that the policy should be renewed every year. Mr. Yates stated that it is required that the changes have to be marked to show what changes were made to the previous policy.

Rebecca Huss stated on page one of the policy there are two names listed instead of just one, Mark Burton, and said that if both of them are the designated officers it should be corrected to state “officers” in plural versus “officer” and there needs to be some discussion as to their relationship to each other. Rebecca Huss asked whether the Investment Officers did things with each other as co-signors or can everything be done by one of them. Mr. Yates said that it can be done by either one of the people listed as the Investment Officer. Rebecca Huss said that was not stated in the policy.

Rebecca Huss also noted that in that same paragraph “shall be and is designated” should be “shall be and are designated.” Rebecca Huss stated that either way the policy should specify that the Investment Officers can act on their own as opposed to jointly. Mayor Jones stated that it states that they are “individually designated.” Rebecca Huss said that if you have a co-CEO of a company, their rules have to be spelled out how they relate to each other and their responsibilities.

Rebecca Huss noted that in the section that details the disclosure of business representatives (Section 4(J) (1) (2) states that the investment officer owns 10% percent or more of the voting stock of the company, and said that she thought that was a really high hurdle. Mr. Yates advised that 10% percent is required by State law. Mr. Yates advised that he would not recommend changing that percentage because this is a State recommended policy.

Rebecca Huss moved to adopt the Resolution OF THE CITY OF MONTGOMERY, TEXAS AFFIRMING ITS ANNUAL REVIEW OF THE POLICY FOR INVESTMENT OF MUNICIPAL FUNDS AND THE INVESTMENT STRATEGIES CONTAINED THEREIN HAS BEEN CONDUCTED AS REQUIRED BY SECTION 2256.005(e) OF THE TEXAS GOVERNMENT CODE, as discussed and amended. John Champagne seconded the motion, the motion carried unanimously. (4-0)

5. Consideration and possible action regarding adoption of the following Ordinance:
AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS, AMENDING THE CITY CODE OF ORDINANCES, CHAPTER 2 (ADMINISTRATION), ARTICLE V (PUBLIC RECORDS), SECTION 2-162 (DEFINITIONS) BY CHANGING THE DEFINITION

“RECORDS CONTROL SCHEDULE” TO THE “RECORDS RETENTION SCHEDULES” AS ISSUED BY THE TEXAS STATE LIBRARY AND ARCHIVES; AND DELETING SECTION 2-168(3) (DUTIES OF RECORDS MANAGEMENT OFFICER) AND ADOPTING A NEW SECTION 2-168(3) PROVIDING FOR RECORDS RETENTION SCHEDULES ISSUED BY THE TEXAS STATE LIBRARY AND ARCHIVES COMMISSION; PROVIDING FINDINGS OF FACT; PROVIDING REPEALER AND SEVERABILITY CLAUSES; PROVIDING AN EFFECTIVE DATE UPON PASSAGE; AND PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE.

Mr. Yates advised that the City Secretary, Susan Hensley and the City Attorney, Larry Foerster, have proposed this Ordinance, which essentially adopts the Texas State Library standards for retention and will maintain the State standards of compliance rather than the City having its' own rules for records retention.

Rebecca Huss said that this would presumably protect the City with providing information that has accidentally been destroyed in the wrong period of time, etc. Ms. Hensley advised that every time the State Library updates their records retention schedule, the City will not be required to take any action in the Code, it will follow the State Library's action.

John Champagne moved to adopt the Ordinance as presented. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

6. Report regarding water and sewer tap fees charged by the City of Montgomery.

Mr. Yates advised that there was no specific ordinance to pass, and would only be a discussion item.

Mr. Yates said that the current tap fees are \$550 for a water tap and \$550 for a sewer tap. The new Gulf Utility agreement calls for \$550 for the water tap and the sewer is based on the actual time taken to install the tap, which averages around \$950 per sewer tap. Mr. Yates said that they have discussed this matter with Gulf Utility and they are proposing a \$1,300 standard sewer tap fee.

Mr. Yates said that as a minimum, the fee needs to be increased for a water tap to at least \$550 plus the actual cost of a meter, which is \$185. For a sewer tap the fee needs to be increased to \$1,300. Rebecca Huss said that what Gulf Utility is asking is significantly higher than what the other municipalities are asking. Mr. Yates said that is what the City is getting charged by Gulf and they have done three or four taps this year and \$1,300 has been the average for the bills for each of those taps.

John Champagne asked whether Gulf Utility was in line with others regarding their charges. Mr. Yates said that he was not sure how they do their taps. Mr. Foerster said that most of the time cities have their own department install the meters.

Mr. Yates said that his recommendation would be to go to \$550 for the water tap, plus \$500 as a capacity fee and the cost of the meter. Mr. Yates also recommended \$1,300 for the sewer tap fee with the same sort of capacity fee as the water tap. Dave McCorquodale said that it would total \$2,850 would be the fee for a residential water and sewer tap. Mr. Yates advised that was correct. Mayor Jones said he thought that was expensive.

Dave McCorquodale said that he thought that what Mr. Yates is saying that they either address the cost on the front end or we will be in a situation like we are now with the upside down water/sewer rates. Mr. Yates said that everything that is additional would have to go to a water/sewer rate fee. Mr. Yates said that the capacity fee would be part of the cost for new connections to the system. Rebecca Huss asked whether that would account for people with existing connections that want to have an irrigation meter. Mr. Yates said that the current fee for sewer tap is \$550, but they need to increase the sewer fee to \$1,850 just to stay even with the cost.

John Champagne asked how many taps are being installed per month. Mr. Muckleroy said that they are not doing very many. Mr. Muckleroy said that in the new developments the taps are installed by the developer. John Champagne asked how much it costs the City for the developer to install the taps. Mr. Muckleroy said that it does not physically cost the City anything. John Champagne asked what it cost the homeowner. Mr. Muckleroy said that right now the homeowner is paying \$550 for each sewer tap. Mr. Muckleroy said that currently the City does not have a set price from Gulf on the sewer tap. Mr. Muckleroy said that the homeowner pays \$550 but Gulf charges on a job-by-job basis. Mr. Williams, advised that they

go to the site and then submit a quote for the job. Mr. Muckleroy said that it all depends on the condition of the property where the tap is being installed, which is why they want to get a set price like they have with the water tap. John Champagne asked what the down side would be to ask the individual to pay the cost for their individual tap. Mr. Muckleroy said that without a set tap fee it will delay the process because when they come in now they pay a set amount for the tap fee, but if it is not a set fee they would have to come in and request the tap, then a quote would have to be prepared. John Champagne said that now we are going to inflate the price on average to cover any eventuality in cost for taps. Mr. Muckleroy said that the sewer tap would be the same principal that they used for the water tap fee.

Rebecca Huss said that if the fee is being charged to perform services by a subcontractor, the City has to recoup that fee directly from the person receiving the benefit rather than spreading the cost to all the existing account holders. John Champagne asked whether the developer could install the tap and then the City inspect it. Mr. Fleming said that the only way for the City to maintain absolute control of the water/sewer system is to maintain control of system.

Mayor Jones asked to confirm the proposed residential tap for a brand new residence. Mr. Yates advised that it would be \$1,850 for a sewer tap, and for a water tap is \$1,050 plus \$185 for the meter. Rebecca Huss said that City is currently losing money on taps. Mr. Yates said that was correct.

John Champagne asked whether the Gulf Utility was charging competitive fees and in line with the market. Mr. Fleming said that he did not feel the fees were exorbitant by any means compared to the other municipalities shown on the supporting information. Mayor Jones said that the prices across the board were all about the same. Mr. Fleming said that there is not much deviation in the price with any of the municipalities. John Champagne said that cost is never something that is looked at, it is just absorbed and passed along. John Champagne said that they were talking about at least a 30% percent increase. John Champagne asked why the City did not look at the cost instead of just saying it is comparable with everyone else, and asked whether they could lower the cost for providing a tap. John Champagne said that he understood the City was losing money, but was there a way to be more efficient and cost effective when installing taps. Mr. Fleming said that his question to John Champagne would be whether he would want to look at this on a case-by-case basis. John Champagne said that what he was saying that we are assuming because all these tap fees listed are because these

other cities did their homework. Mr. Yates said he has looked at whether the City was doing the taps efficiently and effectively, which is the standard that he used not what the other cities are charging. John Champagne asked what the average time for installation of a tap, because everything has an average. Mr. Muckleroy advised that a short tap was an average of 3-4 hours, and a long tap 6-8 hours. John Champagne said that was a considerable amount of time. Mr. Muckleroy said that he did not feel that the price was outrageous at all, and said that he thought the price the other cities are charging is extremely low, which is partly because they are doing the installation in house and absorbing a lot of the cost.

Rebecca Huss said that the other cities do not have a capacity surcharge on the information. Mr. Yates said that Ms. Carol Raica had called the cities and asked them about their capacity charges, but they did not have any. Mr. Yates said that the City of Tomball charges an impact fee beyond the tap fee shown. Mayor Jones said that he thought the City was not going to do impact fees. Mr. Yates said that the City Engineer is preparing a study of the information.

Mayor Jones confirmed that the bottom line was that if he built a new house the water and sewer tap fees would be \$2,985. Mr. Yates said that was correct, that includes the cost plus \$500 each for capacity costs for the water and sewer tap. Mr. Yates said that if you do not charge the new customers the capacity fee for the excess capacity for the wells and the sewer treatment system all the customers will have to pay it, and in his mind the new customers were creating the capacity issues and should pay it. John Champagne asked how many of these taps are done per year. Mr. Yates said that the report provided by the City Engineers stated how many taps would be required for the subdivisions, which included about 300 houses to be built in the City of Montgomery within the next two to three years. John Champagne said that would be approximately 100 per year. Mr. Yates said that they would advise them that the reason they are charging the fee is due to the increased demand on the wells.

Mr. Foerster asked if there would be another fee that might be included for the new utility extension areas, which is the pro rata extension rate that the City is charging any new commercial or residential that connects onto an extended line. Rebecca Huss said that would be more taking advantage of the infrastructure as opposed to Lake Creek, where they are responsible for everything until it hits the public line.

John Champagne asked whether Mr. Muckleroy needed three people to install the taps. John Champagne said that if Mr. Muckleroy had \$300,000 base line could he personally go into business and make a living installing taps with whatever equipment he needed, with just himself and hiring one more person. Mr. Muckleroy advised that doing it with two people could be done, but would be very tough. Mr. Muckleroy said that it was very standard to have two or more people on a crew. John Champagne said that he was saying that he wanted them to start thinking outside the box rather than "everyone does it this way." John Champagne said that his only problem, while he knows that everyone has done research investigation, but it sounds like to him that what is being said is "this is the way we have always done it, this is the way we do it, and this is what it costs." John Champagne said that it is so easy to pass the cost along, but in his business he has to find ways to reduce the cost, because he has people that will not take the "pass along." In government they have to take the "pass along" because we are the only game in town. Mr. Muckleroy said that a two man crew for construction or water/sewer maintenance is tough, which he has done it with one other person. Rebecca Huss said that when they were at her house installing the tap they had one person in the pit, and one making sure that they did not go through the water pipe or rip out the unmarked phone line and another person was manning the backhoe. Rebecca Huss said that while they were all doing that she was crimping the hose, so they could have used another person.

T.J. Wilkerson asked if he were building a new house on at a new location on 1-49 would he have to pay a deposit plus the \$2,850. Mr. Yates said that was correct. T.J. Wilkerson said that would be \$500 plus the \$2,850. Mr. Yates said that the deposit is \$150- \$200. Mr. Muckleroy said that the deposit for residential service is \$150. Mayor Jones asked how much a 4-inch commercial tap would be. Mr. Yates said that it would be the same fee, because the 4-inch is a standard size sewer tap.

John Champagne said that he was not here to tell the staff how to do their business, but he wanted to say that, if in fact, the City sets up a compensation situation, whereas the staff were compensated at the end of the year with a year-end bonus based on the amount of money they saved and maintained efficiency, sometimes I wonder if we would be a little more conscientious when raising prices. John Champagne said that he was not questioning staffs expertise, it is just so easy for government to say this is what it costs. Mayor Jones asked if the water operator was the only one that could install the taps. Mr. Muckleroy said that the

City has a contract with Gulf Utility, and stated that he and his crew can install the short taps, but not the long taps since they do not have the equipment. John Champagne asked staff to remember that cost affects everything and has a ripple effect within the organization and staff knows what he means. Mayor Jones asked what a 4-inch commercial water tap cost. Mr. Muckleroy said that the 4-inch lines are done on a case-by-case basis that does not have a set price. Mr. Yates said that there would also be the \$500 capacity fee added to that cost. Rebecca Huss said that capacity might be different if it has more than one single family equivalent then the capacity number should be different. Mr. Fleming said that the Code of Ordinances reads the tap fee is the cost plus either 200% or 500% percent, so in the case of a commercial connection that is being discussed it would most like be on a time and materials basis with administrative costs added, but capacity recovery fees would be a separate discussion all together. Mr. Fleming said that there was a very specific calculation to determine that fee, which will be included in the studies.

Dave McCorquodale said that as long as the City was not looking at double dipping, and as long as they were paying for their increased capacity one time, then to him he defers to staff to determine what it takes to get the job done. Dave McCorquodale said that he did not believe that they were double dipping and he is not suggesting that either, but feels that they need a clear and readily available explanation that would be helpful when people question why they are paying the fees they are paying. Mr. Fleming said that they were actively working on eliminating that problem and to have the procedure set in stone as much as possible to make it fair and equitable for everyone involved.

John Champagne asked whether they needed a public hearing regarding this increase. Mr. Yates said that they did not, they will just bring an Ordinance to City Council for adoption.

7. Consideration and possible action regarding authorization to proceed with Utility and Economic Feasibility for McCoy's Building Supply.

Mr. Fleming said that they had received an application for service from McCoy's. Dave McCorquodale asked if the studies laid out the cost to the developer in terms of capacity. Fleming said that currently they do not have a set system in place for looking at a commercial account and saying your capacity costs for water plant and sanitary sewer but they are actively working to correct that. Mr. Fleming stated that in the utility feasibility they would be

guaranteeing that the City had capacity to serve the client. Mr. Fleming said that water was not an issue with servicing McCoy's, but sewer was another issue because there is not a gravity sewer line to serve them, so they will have to run a gravity line. Mr. Fleming also stated that the economic study will include information on how their business will affect the City's sales tax revenue. Mr. Fleming said that McCoy's said that they would like to break ground in July and open by spring 2017.

After discussion, John Champagne moved to authorize the City Engineer to proceed with Utility and Economic Feasibility for McCoy's Building Supply. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

EXECUTIVE SESSION:

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas. (No current items at this time.)

COUNCIL INQUIRY:

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

ADJOURNMENT

Rebecca Huss moved to adjourn the meeting at 8:12 p.m. T.J. Wilkerson seconded the motion, the motion carried unanimously. (4-0)

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

Mayor Kirk Jones

MINUTES OF WORKSHOP MEETING

February 16, 2015

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Pro Tem Rebecca Huss declared a quorum was present, and called the meeting to order at 6:08 p.m.

Present: T.J. Wilkerson Position # 3/Mayor Pro-Tem
Rebecca Huss Position # 4
Dave McCorquodale Position # 5

Absent: Kirk Jones Mayor
Jon Bickford Position # 1
John Champagne Position # 2

Also Present: Jack Yates City Administrator
Ed Shackelford City Engineer
Glynn Fleming Associate Engineer

T.J. Wilkerson gave the invocation.

WORKSHOP:

1. Presentation and discussion of the Water/Sewer Analysis Reports by the City Engineer.

Mr. Fleming presented the Water/Sewer Analysis Reports to City Council.

Rebecca Huss asked about the progress of the capital projects that are ongoing. Mr. Fleming reported on the following:

- GST/Backfill Project – the construction drawings are 90% percent complete, they conducted a conference call with the City’s Public Works and Water Operator to resolve any last minute questions on the project. Mr. Fleming stated that they should have 100% construction drawings in the next week or so. There will be one more internal review and then it will go off for review by TCEQ. Rebecca Huss asked whether they were purchasing or ordering necessary equipment now, so that when the bids are received they will be ready. Mr. Fleming confirmed that was being done.
- Waterline Across the Bridge - Mr. Fleming advised that he and Mr. Shackelford had conducted one more meeting with Mr. Bowen, Waterstone developer, where counsel for the City and Mr. Bowen were both present. Mr. Fleming said that they really did

not have any definitive action come out of the meeting other than the City is going to proceed with bidding the project and once they receive the bids he will be happy to share them and give Mr. Bowen one more opportunity to take some action. Mr. Fleming advised that they were on their way with the project and begin advertising for bids in the Conroe Courier. Rebecca Huss asked whether any of the other water projects had a change in priority. Mr. Fleming advised that there were no changes at this time.

Mr. Fleming reviewed the sewer report with City Council. Mr. Fleming stated that there were three different options, A, B and C that needs to be determined before they can move forward.

Wastewater Treatment Plant – Mr. Fleming advised that City Council needed to determine what they need to do:

- a) Option A – The City has two active permits, but only one functioning plant. One permit is for the Stewart Creek Plant (operations plant) and the other is for the Town Creek Plant (decommissioned). Stewart Creek Plant is permitted for 400,000 gallons, which is the current functioning capacity of that plant. Town Creek Plant is permitted for 175,000 gallons, but the plant is not currently operational. Option A will be to expand the Stewart Creek Plant and continue to operate only that facility. The design team has said that they feel the ultimate treatment capacity would be 760,000 gallons. Mr. Fleming advised that would be the ultimate capacity that they would need for that plant for the next ten years. Mr. Shackelford said that if the current Stewart Creek Plant site is not big enough and the City has to purchase land, the challenge would be where and how much land to buy.

Mr. Fleming advised TCEQ in the last year or so has come out with new rules pertaining to Wastewater Treatment Facilities. A lot of the City's current infrastructure will be grandfathered. Routine maintenance will not change anything, but when the City goes out to significantly rehabilitate and/or expand facilities they will also have to look at upgrading according to the new TCEQ rules. Mr. Fleming stated that one new requirement of a 150 foot buffer around the treatment plant, so once they have expanded to accommodate their new operations they will need additional land acquisition for the buffer zone. Mr. Fleming advised that he believed that this is an expanded buffer zone to the existing requirement.

Rebecca Huss asked if they were to do Option A would that trigger the new TCEQ requirements. Mr. Shackelford said that was correct as well as any new facilities. Mr. Fleming said they would be able to go in and do a lot of routine maintenance at an operational level at Stewart Creek. Rebecca Huss said that if they had an offsite facility it would not require them to make a lot of changes

at Stewart Creek. Mr. Shackleford advised that the new requirements would only be for the site that they are working on. Rebecca Huss said those new requirements could add cost to the \$7.9 million dollars for Option A. Mr. Fleming said that the \$7.9 million dollars was probably a good figure and that the only item not included in that figure is land acquisition, otherwise it is a very good estimate.

Mayor Kirk Jones arrived at 6:21 p.m.

Jon Bickford arrived at 6:35 p.m.

Mayor Jones asked about the redundancy requirement and asked why they did not adjust the capacity. Mr. Shackleford said that some of their clients will operate one clarifier for three months and then switch over to the other clarifier, while they do routine maintenance on the clarifier. Rebecca Huss asked whether two plants side by side would satisfy redundancy requirements. Mr. Shackleford said that as long as they matched the capacity.

Mr. Shackleford said that the following equipment life is:

- Clarifier – 25-30 years;
- Pumps moving solids and liquids in plant – 15-18 years;
- Aeration tank – 50-100 years; and
- Diffusers – 10-15 years.

Jon Bickford stated that every time the City allows more density in developments they exacerbate the capacity problem. Mr. Shackleford advised that there were 1,700 developable acres in the City. Mr. Fleming said that the largest share of that land is single family.

Mr. Fleming advised that the City currently has 642 connections, which includes the apartment development on the west side of town. Mr. Fleming said that the City has already committed to 80 units in Heritage Plaza, Phase I, 250-300 homes completed, active and underway. Mr. Fleming said that Lake Creek Village One and Two, Waterstone Section Two, and Terra Vista Section One, Town Creek Section Two and Three are all underway. Mr. Fleming said that as soon Council approves a plat the City has committed to capacity and they are obligated to serve them.

Mayor Jones asked what items were eligible for bonds. Mr. Fleming stated that all of the projects were eligible to be paid with bonds, except general maintenance items, such as manhole covers, etc.

City Council discussed the number of homes that would be on an acre of land and they estimated that it would be 3 homes per acre, with 1,000 acres that would equal 3,000 connections, but with the smaller homes it could be 5,000 connections. Jon Bickford stressed that he did not want the smaller lots and he would not be in favor of granting any variances for them. Mr. Fleming said that even if the City paused development today, what is already committed to and underway includes 80 units in Phase 1 at Heritage Plaza, and there are 250-300 homes in Lake Creek Village Sections 1 and 2, and Waterstone Section 2, Terra Vista Section 1, Town Creek Section 2 and 3. Mr. Fleming advised that when City Council approves a final plat they are committing to capacity. Mr. Fleming said that they have added another 300 single family connections that will be coming on line over the next two year.

Mayor Jones asked if it was time to meet with the Bond official to discuss figures and timing. Mr. Fleming said that it was time to discuss financing the bonds. Rebecca Huss said that it made sense to borrow as much as they could early, because the cost of borrowing is in the issuance of the bonds. Jon Bickford said that the rates are very low right now.

- b) Option B – looks at the possibility of leaving the Stewart Creek Plant as it is today, and then they will clean and perform minor maintenance issues. They will demo at the existing Town Creek Plant and come back with a new plant at that site to provide 540,000 gallon capacity.

After discussion, Rebecca Huss asked if the City Engineers had an option that stood out to them as the best choice. Mr. Fleming said that at this point he honestly did not know that there is one that stands out, but they are very close to where they will make a decision one way or the other.

Jon Bickford said that if Stewart Creek today can support 400,000 gallons and the \$8 million dollar Stewart Creek expansion would take them up to 760,000 gallons. Jon Bickford then stated that for \$9.5 million dollars it would provide 540,000 gallons. Jon Bickford said that he would add the figures up. Mr. Shackelford said that the cost for the Stewart Creek Expansion would be 22.00 per gallon, and Town Creek would be \$17.30 per gallon, and that cost does not include the land for the Stewart Creek Expansion.

Rebecca Huss asked how long a package treatment plant would last. Jon Bickford asked what the cost would be per day. Mr. Shackelford advised that typically package plants are leased. Mr. Shackelford said that they have discussed the package plant and they have concerns that it can't get the water quality required to discharge into Lake Conroe. Rebecca Huss asked whether

it could sit ahead of the existing plant and perform the first scrub and then the water would go through the plant. Mr. Shackleford said that they would ask about that. Mr. Shackleford said that another question with the Stewart Creek option, would be whether they have enough land for the expansion. Mr. Yates advised that a package plant would cost approximately \$300,000 to \$400,000 to purchase.

Dave McCorquodale said that when he looks down the list of Capital Projects there is \$900,000 in lift station rehab and of that, how much have they deferred through negligence. Mr. Shackleford said that it is hard for him to know that answer due to the amount of time that they have been with the City. Mr. Shackleford said that they know what has not occurred during the time that they have been with the City, and the photos that they have from the onsite inspection it would appear that it had been a while.

Mr. Fleming said that a lot of the lift stations are aged facilities. Mayor Jones asked if some of the projects could be budgeted through general fund or utility rather than the capital fund. Jon Bickford asked when Stewart Creek would be paid off from MEDC. Dave McCorquodale said that he thought they had rolled over the bond and refinanced and said that in seven or eight years the \$117,000 was going to be done.

Dave McCorquodale asked what they should be looking for as they move forward for maintenance per year and was there a general number that the Engineers could advise, such as how much a lift station needs a year for maintenance. Mr. Shackleford said that they could develop a number per lift station for Council. Mr. Shackleford said that the City might be able to save a third of the cost if they put in deep trunk lines for gravity. Dave McCorquodale asked the City Engineers if they saw things that were done in the past, like the 1990's, that the City is living with now. Mr. Shackleford said that there was some of that obviously just because of the way that they developed, and not one developer is going to put out \$2 million dollars for an offsite trunk line. Jon Bickford said that moving forward they could require them to put in the trunk line if they want to hook up to the system. Rebecca Huss said that it could be similar to the upsize of the water line, where they would pay the difference.

Mr. Fleming said that in addition to the treatment facility, City Council also needed to think about addressing equally concerning things on the water side that they have to watch as they grow. Mr. Fleming advised that a lot of the lift stations are simply aged facilities, not saying that they are neglected and somebody has been remiss in their duties, they are just old. Mr. Fleming said

that the City runs 12 public lift stations, 4-5 semi-public, of those 8 are at or beyond their functioning design capacity and will need to be addressed in the near future. Mr. Fleming said that the lift stations will need to be addressed in certain areas of town, particularly with all the growth on the west side of town. Lift station 5 by Napa Auto Parts is a facility that they will have for a long time and it is stressed right now.

Mayor Jones asked the City Engineers to look into a Lift Station Bond so that they can get the Lift Stations fixed. Mr. Fleming said that they have also been asked to work on a study to identify what capital recovery fees could potentially be assessed to the developer.

Jon Bickford said that they need to put the capacity fee in place right away.

Rebecca Huss said that they need to decide whether they go with Town Creek or Stewart Creek, and whether that needs to be an official policy or can happen now as a matter of direction by Council. Mr. Yates said that they could not take any action at this time because this is a work session.

Mr. Shackelford asked City Council if they would like to see some sort of layout what an expansion at each location would look like before they make their decision. Jon Bickford said that based on the math he did not need that information and he did not want to spend any more time on the Stewart Creek location. Rebecca Huss said that she disagreed and felt that they should work in parallel to see if the landowner would consider donating land for a future expansion, plus the required buffer zone so that would be an option for 10-years in the future. Mayor Jones said that they do need to find out how much land they will need for the facility.

Mr. Fleming advised that what needs to happen in the next 30-60 days would be to look at financing options, and for their part they need to take the number back and hone them and look closely on what is involved with land acquisition, etc.

Mayor Jones said that he would like to schedule a meeting with Mr. Jim Gilley, and would like one or both of the engineers to attend. Mayor Jones asked Mr. Shackelford to check on how much money the City would need to borrow right now, and then how much they would need to ask for in two years for the meeting with Mr. Gilley. Mr. Shackelford said he would work on that. Mayor Jones asked Mr. Yates to set up the meeting with Mr. Gilley. Mr. Yates advised that he would schedule the meeting. Rebecca Huss said that she would also like to have some information from the Water Board because that is essentially

a lender by a different name. Mr. Fleming said that he and Mr. Yates spent half a day at one of the Water Board's financing workshops and there are some revolving schedules that they will need to look at for next year.

Rebecca Huss said that it sounds like everyone is more interested in expanding the Plant at Town Creek rather than at Stewart Creek. Mr. Fleming said that he had gotten the sense from the conversation tonight that Town Creek would be the preferred option. Jon Bickford said that he did not understand how they could pick another option when it is \$17 a gallon versus Stewart Creek at \$22, and there was no need to purchase land.

Jon Bickford said that the proposal is to tear up the existing Town Creek site, and asked what would happen if they did not touch the existing facility and just built the new one. Mr. Shackelford said that he would have to look at the land plan. Mr. Shackelford said that they estimated that the demolition of the plant would be just under \$200,000. Mayor Jones said that unless it is going to be put to use, it needs to go away.

Mayor Jones said that in the past Mr. LeFevre had offered a site on his property for the City to build a Wastewater Treatment Plant. Mr. Fleming said that it was written into Mr. LeFevre's Development Agreement that if for any reason the City can't serve him, and there are some more qualifiers that he can't recall, then with permission from TCEQ the City is free to build a plant on his land. Mr. Shackelford advised that the plant option was only for Mr. LeFevre's use.

Mayor Jones asked if it was the consensus of City Council that they will need to formally vote on pursuing the Town Creek Site. Mr. Shackelford said that it sounded more like it was a policy decision. Mayor Jones said that he wanted the decision to be on the next Council Agenda.

2. Presentation and discussion regarding the Water/Sewer Rate Review by the City Engineer.

Mr. Flemings said that they have determined that the City was not covering their costs for water production and sewer collection and treatment, and were not adequately covering the costs for ground water reduction.

Mr. Yates reviewed rate information stating that they needed to make sure and cover the costs for operation and maintenance. Mr. Yates said that currently they have \$200,000 in surplus over expenditures. Jon Bickford asked Mr. Yates if his recommended additional fee of \$13.25 was for both a 10,000 gallon per month user and a 15,000 gallons per month user for the first year. Rebecca Huss said that the increase was based on an average.

Jon Bickford said that a customer that uses 12,000 gallons in a month, his bill would increase \$13.25, plus \$7.00, plus \$4.50, plus \$2.50 and \$1.00. Mr. Yates advised that it would only

increase \$13.25. Dave McCorquodale asked if these numbers cover what it costs the City now and do they reflect what it should be now. Mr. Shackelford said that in some larger population cities they have a different set up, but they could bring those numbers for Council to review.

Mr. Shackelford said that the City sewer rate is probably the highest he has seen for collection and treatment on a cost per 1,000 gallons at \$9.34, depreciation and maintenance of existing facilities is also included in that figure. Mayor Jones said that if the City recoups that much money, with the additional fees of \$360,000 plus, funds, they could afford maintenance costs. Mr. Fleming agreed and said that any surplus will allow the City to start to care of routine maintenance that has either been delayed or put off.

Jon Bickford said that the average household in the summer should be able to get away with 10,000 a month, with sprinklers, and he felt that high volume users should have to pay a higher rate.

Mr. Shackelford said that the City's historical water production for the month of August, in 2011 it was 11.6 million gallons, 2012 it was 8.5 million gallons, August 2013 it was 7.7 million gallons, and in 2014 it jumped up to 10.7 million gallons. Jon Bickford asked how many homes they had come on between 2013 and 2014. Rebecca Huss said that the City needs to encourage irrigation meters so that people don't have to pay sewer costs on water used for their lawns. Jon Bickford said that the sewer capacity is going to cause the City to hit 75% percent is not based on the fresh water being pumped, it is based on affluent flowing into the system.

Mr. Shackelford advised City Council that they are going to have to add another cooling tower and some infrastructure in the future, so to build a financial reserve would be beneficial for the City. Mayor Jones asked if City Council liked the numbers that have been presented. Jon Bickford said that this was the way to do it. Rebecca Huss said that a gradual plan seems to be the best plan, and it is good to know that 30-50% percent of the City will see a minimal increase in their bill.

Jon Bickford said that he would honestly propose to consider splitting the rate category for accounts from 10,000-15,000 gallons per month usage rate to the following:

10,001-12,500 gallons per month

12,501 – 15,000 gallons per month

Mr. Muckleroy advised that the rates are billed by 1,000 gallons. Mr. Shackelford said that average number of customers in that higher range is about 40 customers.

Mr. Shackelford said that he liked the idea of anything over 20,000 gallons at a higher rate. Jon Bickford said that once they get to year two and three if they are still using 20,000 gallons they need to be charged more.

Rebecca Huss said that she felt that they should be moving toward people paying what the service actually costs for the system per 1,000 gallons. Jon Bickford said that after year three, if someone is using 20,000 gallons per month the rate should be \$8.00, year three using 12,001 – 15,000 should be at \$7.00.

After discussion, Mr. Shackleford asked to confirm the following increment schedule:

8,000 - 12,000 gallons

12,001 - 16,000 gallons

16,001 - 20,000 gallons

20,000 + gallons

Mayor Jones said that there are four schools and each of them are over 100,000 gallon users. Mr. Fleming said that there are nine institutional accounts that are averaging 155,000 gallons. Rebecca Huss said that in September, 2015 the schools had the following water usage:

Middle School – 277,000 gallons

Bus Barn – 32,000 gallons

Elementary School – 165,000 gallons

High School - 739,000 gallons

Stadium – 384,000 gallons

Mr. Shackleford asked if the stadium usage was a consistent number. Rebecca Huss advised that for the full year the high school used 4.5 million gallons and the stadium used 2.1 million gallons of water. Jon Bickford asked how many gallons a typical household uses in a month. Mr. Shackleford advised that a typical household uses 7,500 gallons per month. Jon Bickford said that the one high school uses as much water as the entire residential population of the City and they are being charged less. Mayor Jones said that the City will need to have a conversation with the schools before increasing rates. Mr. Yates said that he did an incremental increase to allow them to budget for the increase.

After discussion, Mayor Jones said that they will need to schedule a public hearing on the next Council Agenda. Mayor Jones asked when the water/sewer bills will be sent out. Mr. Muckleroy said that the bills would be done on the 30th of the month.

Mayor Jones asked when Mr. Yates wanted to implement the increase. Mr. Yates said that he would like to wait about one month. Mayor Jones said that he wanted to go ahead and schedule the public hearing. Mr. Shackleford said that the school district is starting to prepare their budget for next year, so now is the time to advise them that you want a rate change. Mayor Jones said that the start date can be when they accept the rates. Mr. Yates said he would like

to wait one more month to schedule the public hearing so that he can talk to the school. Jon Bickford said that the amount of water that the school is using is stunning and they are paying less for their water. Jon Bickford said what is going on right now is not fair.

3. Presentation and discussion related to an ordinance regarding connection charges to the City to reflect cost to the City

ADJOURNMENT

Mayor Jones adjourned the meeting at 9:05 p.m.

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

Mayor Kirk Jones

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

Dear Council,

It is our pleasure once again to bring the Antiques Festival to Historic Downtown Montgomery! As with any festival we host, logistics of street closures are necessary.

Please see our attached map of impacted road closures for the duration of our festival.

The dates of the festival are Friday, April 29 through Sunday, May 1. We will be filling the streets with tents and vendors during this Festival weekend. We are asking permission to close the following streets to through traffic for that time: College, McCown, Caroline, John A. Butler.

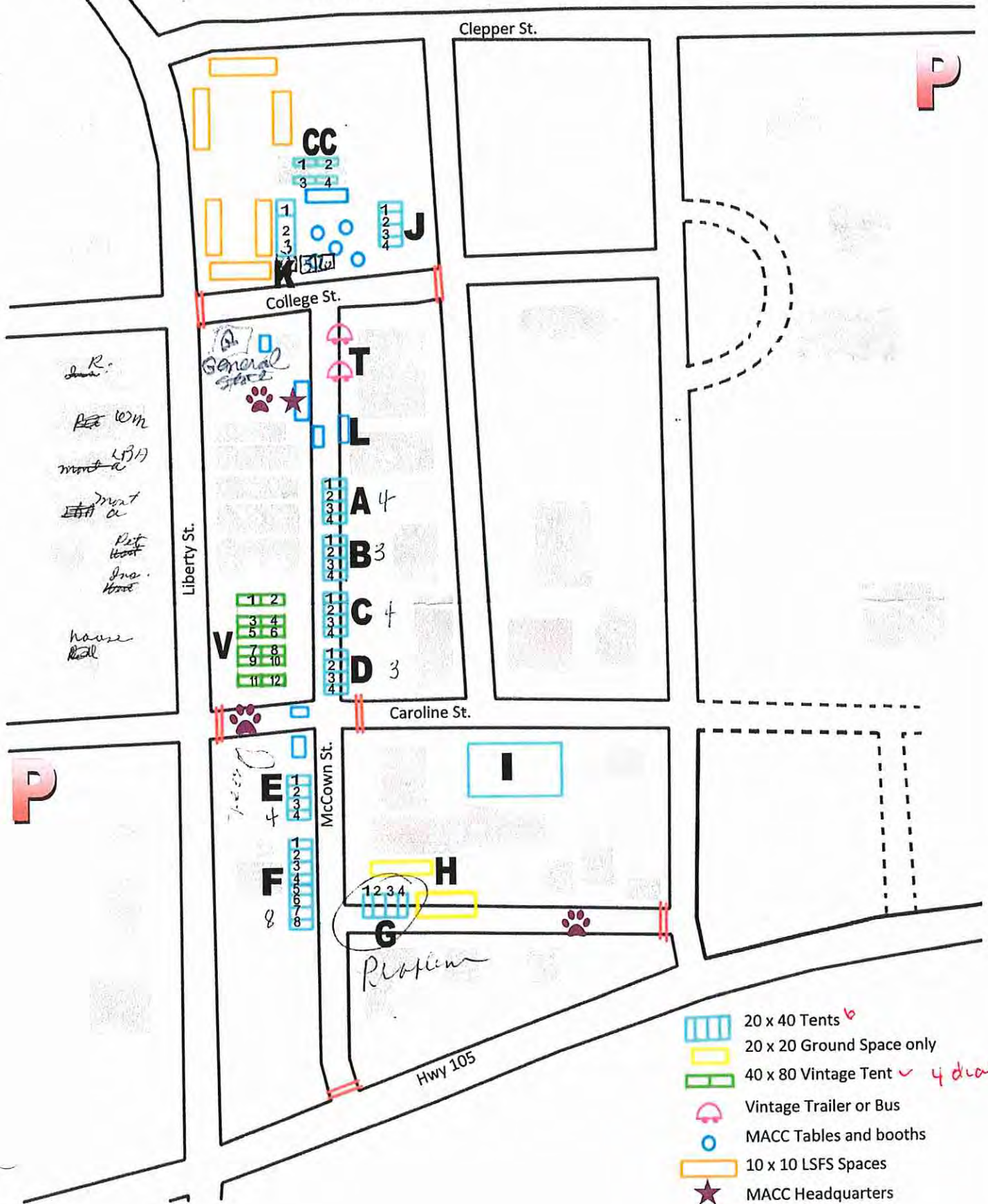
To put on a festival of this magnitude, it requires an entire day of set up and unloading by our vendors. On Thursday, April 28, our tents will be going up mainly along McCown and John A. Butler beginning at 6am, so we will work with traffic throughout the Historic District as people are trying to get to our downtown businesses. We are not requesting any road closures for Thursday, but simply making you aware of the logistics we encounter for move-in day.

We have Property Use forms and insurance for the event as we do with all our festivals, and we will be communicating with our downtown merchants regarding the plans for traffic flow and parking.

Thank you for your support!

Tiffany Lockhart
Chairman of Antique Festival

Montgomery Antiques Festival

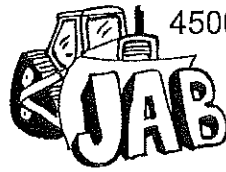


-  20 x 40 Tents ^b
-  20 x 20 Ground Space only
-  40 x 80 Vintage Tent ^{v 4 dealers}
-  Vintage Trailer or Bus
-  MACC Tables and booths
-  10 x 10 LSFS Spaces
-  MACC Headquarters

26x30 - 5

10x10 B+W, CE & --

JAB ENGINEERING, LLC.



4500 Williams Dr., Ste. 212-121

Georgetown, TX 78633

512-779-7414

josh.baran@jabeng.com

March 4, 2016

Jack Yates
City Administrator
City of Montgomery
P.O. Box 708
Montgomery, TX 77356

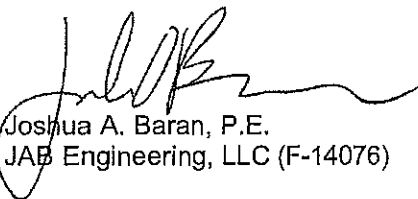
RE: McCoy's Center – Montgomery, TX
SW Corner of Texas 105 & Buffalo Springs Drive, Montgomery, TX 77356
Zoning Request Letter

Mr. Yates,

Please accept this Zoning Request Letter, written legal description for the subject property, and current zoning layout for the city as formal request to modify the existing zoning for the subject property. The property is currently zoned Commercial, Multi-Family, and Residential according the Zoning Layout adopted January 26, 2016. The proposed McCoy's Center will consist of a four lot, 10.36 acre Commercial subdivision. This request is for a rezone of the entire 10.36 acre property to Commercial. The surrounding zones vary; however, they are generally Commercial along Texas 105 and Residential along the southern portion of the property.

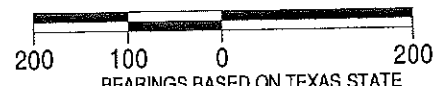
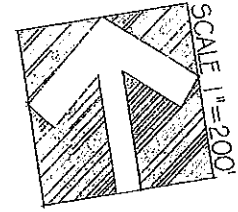
Please let me know if you have any questions or concerns. Thank you for your assistance.

Sincerely,

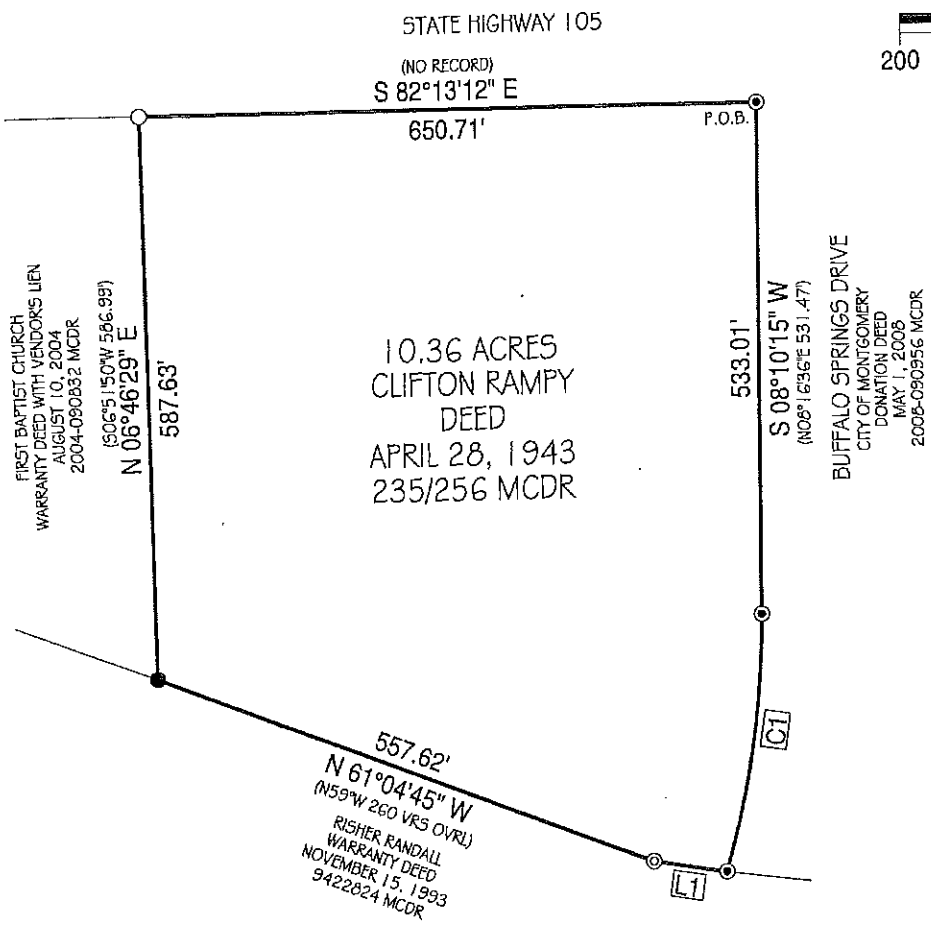


Joshua A. Baran, P.E.
JAB Engineering, LLC (F-14076)

10.36 ACRES OUT OF THE JOHN CORNER SURVEY, ABSTRACT NO. 8, MONTGOMERY COUNTY, TEXAS.



BEARINGS BASED ON TEXAS STATE
PLANE COORDINATE SYSTEM,
CENTRAL ZONE NAD 83(93)



- LEGEND**
- 1/2" IRON PIN FOUND ORANGE CAP INSCRIBED "JEFF MOON 4639"
 - 1/2" IRON PIN SET YELLOW CAP INSCRIBED "CCC 4835"
 - 1/2" IRON PIN FOUND - NO CAP
 - ⊙ 5/8" IRON PIN FOUND - ORANGE CAP



Witness my hand and seal this the
21st day of October, 2015.

PAGE 1 OF 2
FIELD NOTES ATTACHED

Triple C Surveying Co.

21214 FM 963 - Lampasas, Texas 76550
(512) 845-5440 email: admin@triplecsurveying.com
www.triplecsurveying.com Firm No. 10193916

LINE TABLE		
Id	Bearing	Distance
L1	N 73°01'31" W	76.99'

RECORD LINE TABLE		
Id	Bearing	Distance
L1	N 71°30' W	160 VRS OVRL

CURVE TABLE					
Id	Delta	Radius	Arc Length	Chord	Ch Bear
C1	16°13'48"	960.00'	271.94'	271.03'	S 16°24'40" W

RECORD CURVE TABLE					
Id	Delta	Radius	Arc Length	Chord	Ch Bear
C1	16°14'15"	960.00'	272.06'	271.15'	N 16°23'44" W

10.36 ACRES

BEING 10.36 acres of land out of the John Corner Survey, Abstract No. 8, Montgomery County, Texas, and being a portion of that tract described in a Deed to Clifton Rampy dated April 23, 1943 and recorded in Volume 235, Page 256 of the Montgomery County Deed Records and described by metes and bounds as follows:

BEGINNING at 1/2" iron pin with an orange plastic cap inscribed "Jeff Moon 4639" found at the intersection of the south line of State Highway 105 and the west line of Buffalo Springs Drive and being the northwest corner of Buffalo Springs Drive as described in a Donation Deed to the City of Montgomery dated May 1, 2008 and recorded as Document No. 2008-090956 of said deed records and being the northeast corner of this tract;

THENCE: with the west line of Buffalo Springs Drive the following courses and distances:

1. S 08°10'15" W 533.01 feet to a 1/2" iron pin with an orange plastic cap inscribed "Jeff Moon 4639" found at the beginning of a curve to the right,
2. 271.94 feet along said curve (delta=16°13'48", r=960.00 feet, lc bears S 16°24'40" W 271.03 feet) to a 1/2" iron pin with an orange plastic cap inscribed "Jeff Moon 4639" found in the north line of that tract described in a Warranty Deed to Risher Randall dated November 15, 1993 and recorded as Document No. 9422824 of said deed records for the southwest corner of Buffalo Springs Drive and being the southeast corner of this tract;

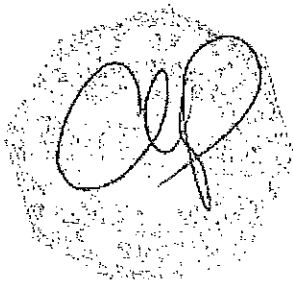
THENCE: with the south line of said Rampy tract and the north line of said Randall tract the following courses and distances:

1. N 73°01'31" W 76.99 feet to a 5/8" iron pin with an orange cap found,
2. N 61°04'45" W 557.62 feet to a 1/2" iron pin with no cap found for the southeast corner of that tract described in a Warranty Deed with Vendor's Lien to the First Baptist Church dated August 10, 2004 and recorded as Document No. 2004-090832 of said deed records and being the southwest corner of this tract;

THENCE: N 06°46'29" E 587.63 feet to a 1/2" iron pin with a yellow plastic cap inscribed "CCC 4835" set in the south line of State Highway 105 for the northeast corner of said First Baptist Church tract and being the northwest corner of this tract;

THENCE: S 82°13'12" E 650.71 feet with the south line of State Highway 105 to the POINT OF BEGINNING.

Bearings based on Texas State Plane Coordinate System, Central Zone NAD 83(93).



10/21/15

Clyde C. Castleberry, Jr.
Registered Professional Land Surveyor No. 4835

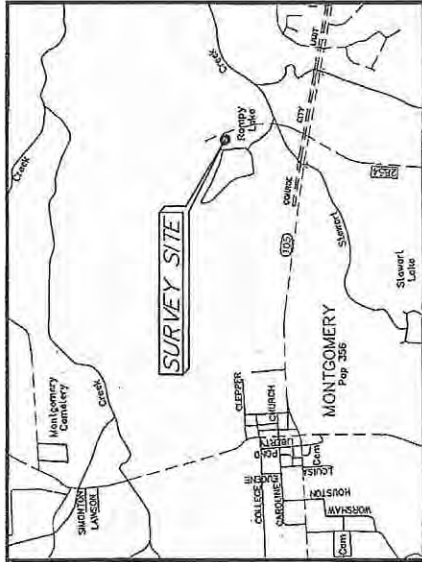
Triple C Surveying Co.
21214 FM 963
Lampasas, Texas 76550
www.triplecsurveying.com
Firm No. 10193916

VICINITY MAP
Scale: 1 inch equals 10 miles

LEGEND

- Base Layers**
- City Limits
 - P.D.D., No. 1 (LeFevre) - 2014
 - Bowen Development Agreement - 2006
 - Cheatham Development Agreement - 2011
 - P.I.D No. 1 (Ogerchock) - 2014
 - Historic District
 - Zone Classification
 - Unknown
 - Commercial
 - Floodplain
 - Industrial
 - Institutional
 - Multi-Family
 - Multi-Use
 - Residential
 - Stanley Lake MUD
 - City ETJ
 - City of Conroe ETJ
 - Dobbins-Plantersville WSC
 - MCAD Parcels





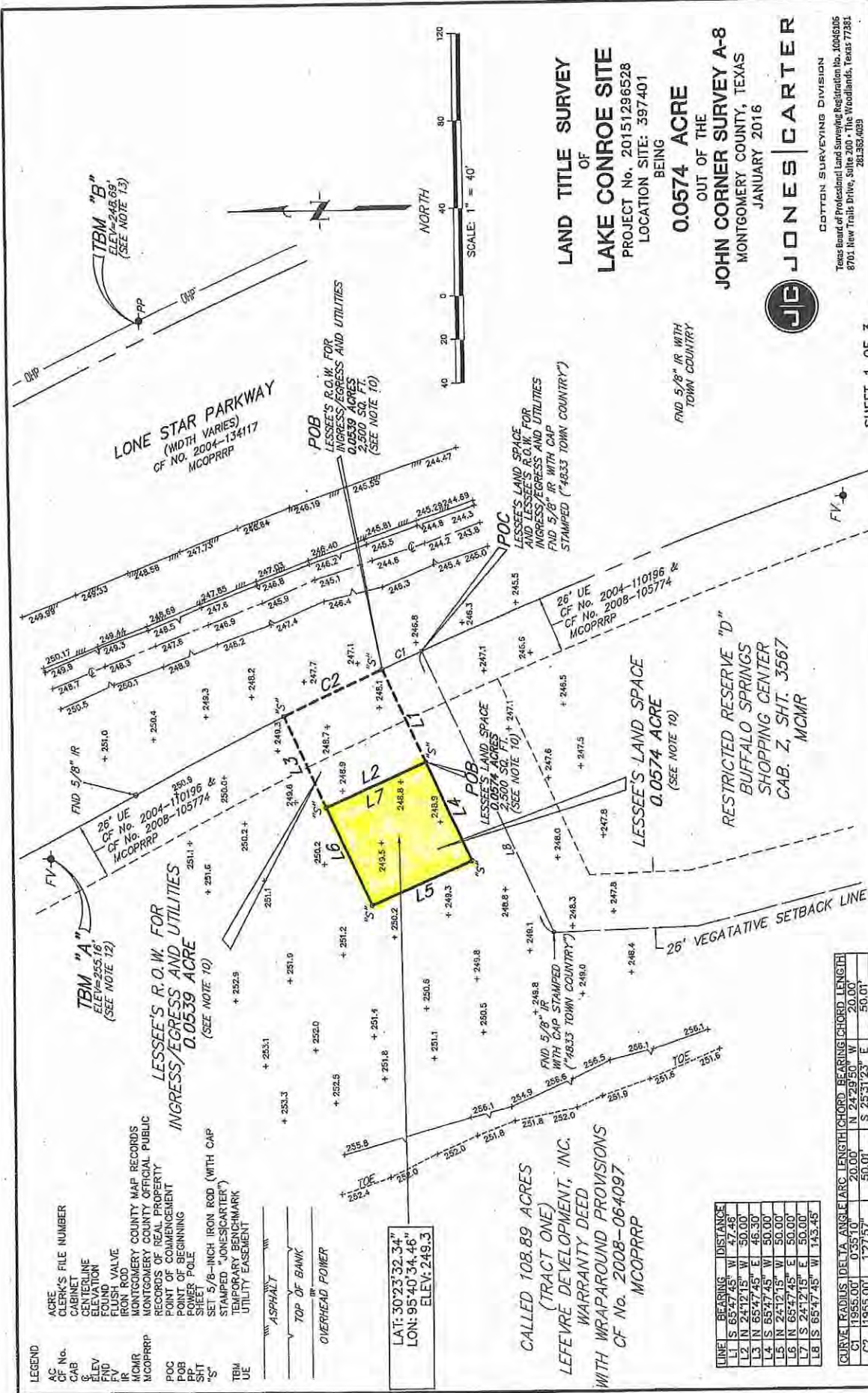
LAND TITLE SURVEY
OF
LAKE CONROE SITE
PROJECT No. 20151296528
LOCATION SITE: 397401
BEING
0.0574 ACRE
OUT OF THE
JOHN CORNER SURVEY A-8
MONTGOMERY COUNTY, TEXAS
JANUARY 2016



COTTON SURVEYING DIVISION
Texas Board of Professional Land Surveying Registration No. 30046106
8701 New Trails Drive, Suite 200 • The Woodlands, Texas 77381
281.369.4089



SHEET 3 OF 3



LEGEND

- AC No.
- CLERK'S FILE NUMBER
- CABINET
- CENTERLINE
- ELEVATION
- FV
- FLUSH VALVE
- IRON ROD
- MCMR
- MONTGOMERY COUNTY MAP RECORDS
- MONTGOMERY COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
- POINT OF COMMENCEMENT
- POINT OF BEGINNING
- SPHERICAL POLE
- SET 5/8-INCH IRON ROD (WITH CAP STAMPED "JONES/CARTER")
- TEMPORARY BENCHMARK
- UTILITY EASEMENT
- ASPHALT
- TOP OF BANK
- OVERHEAD POWER

LAT: 30°23'32.34"
 LON: 95°40'34.46"
 ELEV: 249.3

CALLED 108.89 ACRES
 (TRACT ONE)
 LEFEVRE DEVELOPMENT, INC.
 WARRANTY DEED
 WITH WRAPAROUND PROVISIONS
 CF No. 2008-064097
 MCOPRRP

LINE	BEARING	DISTANCE
L1	S 65°47'45" W	47.46
L2	N 24°12'15" W	50.00
L3	N 65°47'45" E	46.30
L4	S 65°47'45" W	50.00
L5	N 24°12'15" W	50.00
L6	N 65°47'45" E	50.00
L7	S 24°12'15" E	50.00
L8	S 65°47'45" W	143.45

CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	BEARING	CHORD LENGTH
C1	1955.00'	0°35'10"	20.00'	N 24°29'50" W	20.00'
C2	1955.00'	1°27'57"	50.01'	S 25°31'23" E	50.01'

LAND TITLE SURVEY
 OF
 LAKE CONROE SITE
 PROJECT No. 20151296528
 LOCATION SITE: 397401
 BEING
 0.0574 ACRE
 OUT OF THE
 JOHN CORNER SURVEY A-8
 MONTGOMERY COUNTY, TEXAS
 JANUARY 2016



GOTTON SURVEYING DIVISION
 Texas Board of Professional Land Surveying Registration No. J0485405
 8701 New Trails Drive, Suite 300 - The Woodlands, Texas 77381
 281.588.0653

KEY MAP 123-U R7/H JOB No. 07946-0384 DWG No. 3871
 SHEET 1 OF 3

LESSEE'S RIGHT-OF-WAY FOR INGRESS/EGRESS AND UTILITIES
0.0539 OF AN ACRE
STATE OF TEXAS

COUNTY OF MONTGOMERY

A METES AND BOUNDS description of a 0.0539 acre tract of land situated in the John Corner Survey, Abstract Number 8, Montgomery County, Texas, being out of and a part of a called 108.89 acre tract (Tract One) conveyed to Lefevre Development, Inc. by Warranty Deed with W/repurposed Provisions dated June 20, 2008 and filed for record under Clerk's File No. 2008-084037 of the Montgomery County Official Public Records of Real Property, said 0.0539 acre being more particularly described as follows with all bearings based on the Texas Coordinate System of 1983, Central Zone:

COMMENCING at a found 5/8 inch iron rod (with cap stamped "4833 Town Country") in the southwest right-of-way of Lone Star Parkway (width varies) filed for record under Clerk's File No. 2004-13417 of the Montgomery County Official Public Records of Real Property, and the northeast line of said 108.89 acres for the southeast corner of said 108.89 acres and the northern-most corner of a Restricted Reserve "D" of Buffalo Springs Shopping Center as shown on plat filed for record in Cabinet Z, Sheet 3567 of the Montgomery County Map Records, beginning a non-tangent curve to the left, from which a found 5/8" iron rod (with cap stamped "4833 Town Country") for a north corner of said Restricted Reserve "D" bears South 65°47'45" West, 143.39 feet;

THENCE, in a northwest direction, along the southwest right-of-way of said Lone Star Parkway and the northeast line of said 108.89 acres with the arc of said non-tangent curve to the left, having a radius of 1955.00 feet, a central angle of 0°03'51.0", an arc length of 20.00 feet; and a chord bearing North 24°29'50" West, 20.00 feet to set 5/8 inch iron rod (with cap stamped "Jones[Center]"), same being the POINT OF BEGINNING of the herein described tract;

THENCE, South 65°47'45" West, 47.46 feet, departing the southwest right-of-way of said Lone Star Parkway and the northeast line of said 108.89 acres to a set 5/8 inch iron rod (with cap stamped "Jones[Center]") for the southwest corner of the herein described tract;

THENCE, North 24°12'15" West, 50.00 feet to a set 5/8 inch iron rod (with cap stamped "Jones[Center]") for the northwest corner of the herein described tract;

THENCE, North 65°47'45" East, 45.30 feet to a set 5/8 inch iron rod (with cap stamped "Jones[Center]"), in the southwest right-of-way of said Lone Star Parkway and the northeast line of said 108.89 acres, for the northeast corner of the herein described tract, beginning a non-tangent curve to the right;

THENCE, in a southeast direction, along the southwest right-of-way of said Lone Star Parkway, and the northeast line of said 108.89 acres, with the arc of said non-tangent curve to the right, having a radius of 1955.00 feet, a central angle of 0°23'17.27", an arc length of 20.00 feet; and a chord bearing North 24°29'50" West, 20.00 feet to the POINT OF BEGINNING, CONTAINING 0.0539 acre of land in Montgomery County, Texas.



LESSEE'S LAND SPACE
0.0574 OF AN ACRE
STATE OF TEXAS

COUNTY OF MONTGOMERY

A METES AND BOUNDS description of a 0.0574 acre tract of land situated in the John Corner Survey, Abstract Number 8, Montgomery County, Texas, being out of and a part of a called 108.89 acre tract (Tract One) conveyed to Lefevre Development, Inc. by Warranty Deed with W/repurposed Provisions dated June 20, 2008 and filed for record under Clerk's File No. 2008-064037 of the Montgomery County Official Public Records of Real Property, said 0.0574 acre being more particularly described as follows with all bearings based on the Texas Coordinate System of 1983, Central Zone:

COMMENCING at a found 5/8 inch iron rod (with cap stamped "4833 Town Country") in the southwest right-of-way of Lone Star Parkway (width varies) filed for record under Clerk's File No. 2004-13417 of the Montgomery County Official Public Records of Real Property, and the northeast line of said 108.89 acres for the southeast corner of said 108.89 acres and the northern-most corner of a Restricted Reserve "D" of Buffalo Springs Shopping Center as shown on plat filed for record in Cabinet Z, Sheet 3567 of the Montgomery County Map Records, beginning a non-tangent curve to the left, from which a found 5/8" iron rod (with cap stamped "4833 Town Country") for a north corner of said Restricted Reserve "D" bears South 65°47'45" West, 143.39 feet;

THENCE, in a northwest direction, along the southwest right-of-way of said Lone Star Parkway, and the northeast line of said 108.89 acres, with the arc of said non-tangent curve to the left, having a radius of 1955.00 feet, a central angle of 0°03'51.0", an arc length of 20.00 feet; and a chord bearing North 24°29'50" West, 20.00 feet to a point;

THENCE, South 65°47'45" West, 47.46 feet, departing the southwest right-of-way of said Lone Star Parkway and the northeast line of said 108.89 acres to a set 5/8 inch iron rod (with cap stamped "Jones[Center]"), same being the POINT OF BEGINNING of the herein described tract;

THENCE, South 65°47'45" West, 50.00 feet to a set 5/8 inch iron rod (with cap stamped "Jones[Center]") for the southwest corner of the herein described tract;

THENCE, North 24°12'15" West, 50.00 feet to a set 5/8 inch iron rod (with cap stamped "Jones[Center]") for the northwest corner of the herein described tract;

THENCE, North 65°47'45" East, 50.00 feet to a set 5/8 inch iron rod (with cap stamped "Jones[Center]") for the northeast corner of the herein described tract;

THENCE, South 24°12'15" East, 50.00 feet to the POINT OF BEGINNING, CONTAINING 0.0574 acre of land in Montgomery County, Texas.

Subject to the General Notes shown hereon:

The undersigned hereby certifies that the hereinbefore described and depicted plat, map, or diagram was prepared by me or under my direct supervision and that I am a duly Licensed Professional Land Surveyor in the State of Texas, License No. 10033, dated December 4, 2015, and as to matters of record rely upon the documents listed in the dedication plat, map, or diagram. This statement is subject to the exercise of power of the governmental authority to limit, control or deny access, ingress or egress.

Surveyed: January 14, 2016

Steven Jares
Registered Professional Land Surveyor
No. 10033

GENERAL NOTES:

- Reference on Abstractor's Certificate prepared by Texas Abstract Services, Control No. 19893, dated December 4, 2015.
- Tract subject to Restrictive Covenants set out in Texas Water Quality Border Order No. 70-1120-13, dated November 20, 1970, recorded in Volume 741, Page 445 of the Montgomery County Dead Records and in Amortization Ordinance No. 2007-10, recorded under Clerk's File No. 2008-039648 of the Montgomery County Official Public Records of Real Property.
- According to said Abstractor's Certificate, the tract is subject to an easement granted to Gulf States Utilities and is subject to the record in Volume 1122, Page 85 of the Montgomery County Dead Records. Said easement does not affect subject tract.
- The tract is subject to a 26-foot easement granted to Gulf States Utilities Company filed for record in Clerk's File No. 9857970 of the Montgomery County Official Public Records of Real Property. Said easement is blanketed in nature and therefore cannot be plotted.
- Bearings shown hereon are based on the Texas Coordinate System of 1983, Central Zone.
- This survey does not provide any determination concerning wellheads, fault lines, toxic waste or any other environmental issues. Such matters should be directed by the client or prospective purchaser to an appropriate consultant.
- According to Map No. 48339C0200C of the Federal Emergency Management Agency's Flood Insurance Rate Maps for Montgomery County, Texas, with a date of August 8, 2014, the subject tract is situated within Unshaded Zone "X" defined as areas determined to be outside the 500-year flood plain.
- This flood statement does not imply that the property or structures thereon will be free from flooding or flood damage. On occasion floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.
- Research for Adjoiner Tracts was performed by Texas Abstract Services.
- The surveyor has not been provided with construction plans showing the location of underground utilities. Underground utilities may exist which are not shown hereon.
- This survey has been prepared for the sole purpose of the transaction described in the above referenced Abstractor's Certificate and the parties listed therein. This survey is not to be used for any subsequent transactions.
- Latitude, Longitude and Elevations were obtained with Global Positioning Satellite Equipment.
- Temporary Benchmark A being the top of nut of a flush valve located along the southwest right-of-way of Lone Star Parkway and further shown hereon.
Elevation = 255.16, NAVD 88.
- Temporary Benchmark B being a 100d nail set in a power pole located along the northeast right-of-way of Lone Star Parkway and further shown hereon.
Elevation = 248.69, NAVD 88.
- The Lessee's Right of Way for Ingress/Egress and Utilities abuts Lone Star Parkway and such street is paved and limited, controlled or denied access, ingress or egress.
- Visible Improvements/Utilities were located with this survey; no subsurface probing, excavation or exploration was performed for this survey.
- A metes & bounds description of this tract is available in the offices of Jones[Center] in Houston, Texas.

LAND TITLE SURVEY
OF
LAKE CONROE SITE
PROJECT No. 20151296528
LOCATION SITE: 397401
BEING

0.0574 ACRE
OUT OF THE

JOHN CORNER SURVEY A-8
MONTGOMERY COUNTY, TEXAS
JANUARY 2016

SHEET 2 OF 3

KEY MAP 123-U RT/41 JOB No. 01946-0386 DWG No. 3871

*Agenda Item 5 – See
City Administrator’s Notes.*

***Agenda Item 6 – See
City Administrator’s Notes.***

*Agenda Item 7 – See
City Administrator’s Notes.*

That Mr. and Mrs. Brosch are willing to transact to the City approximately seventeen feet of the east side of your property lying north of the drip line of the large tree at the northeast corner of Maiden and College Streets extending north to Clepper Street, if:

-That the parking spaces or any pavement created in the area of either side of Maiden Street that can only be placed north of the drip line of the large oak tree to Clepper Street. Any parking spaces created by this transaction, are to be considered tied to the remaining property of Mr. & Mrs. Brosch in case of future development of their property,

-That an irrigation tap be placed on Mr. and Mrs. Brosch's property at city cost and then the monthly charge to be paid by Mr. and Mrs. Brosch. (Cost to city-- \$550)

-That shrubs, of a variety mutually agreeable, be paid for and planted on Mr. and Mrs. Brosch property along the rebuilt fence by the city on city property, at the time parking or a roadway is built. The number of shrubs should be sufficient to within two years of growth to form a visible barrier. (city cost \$300)

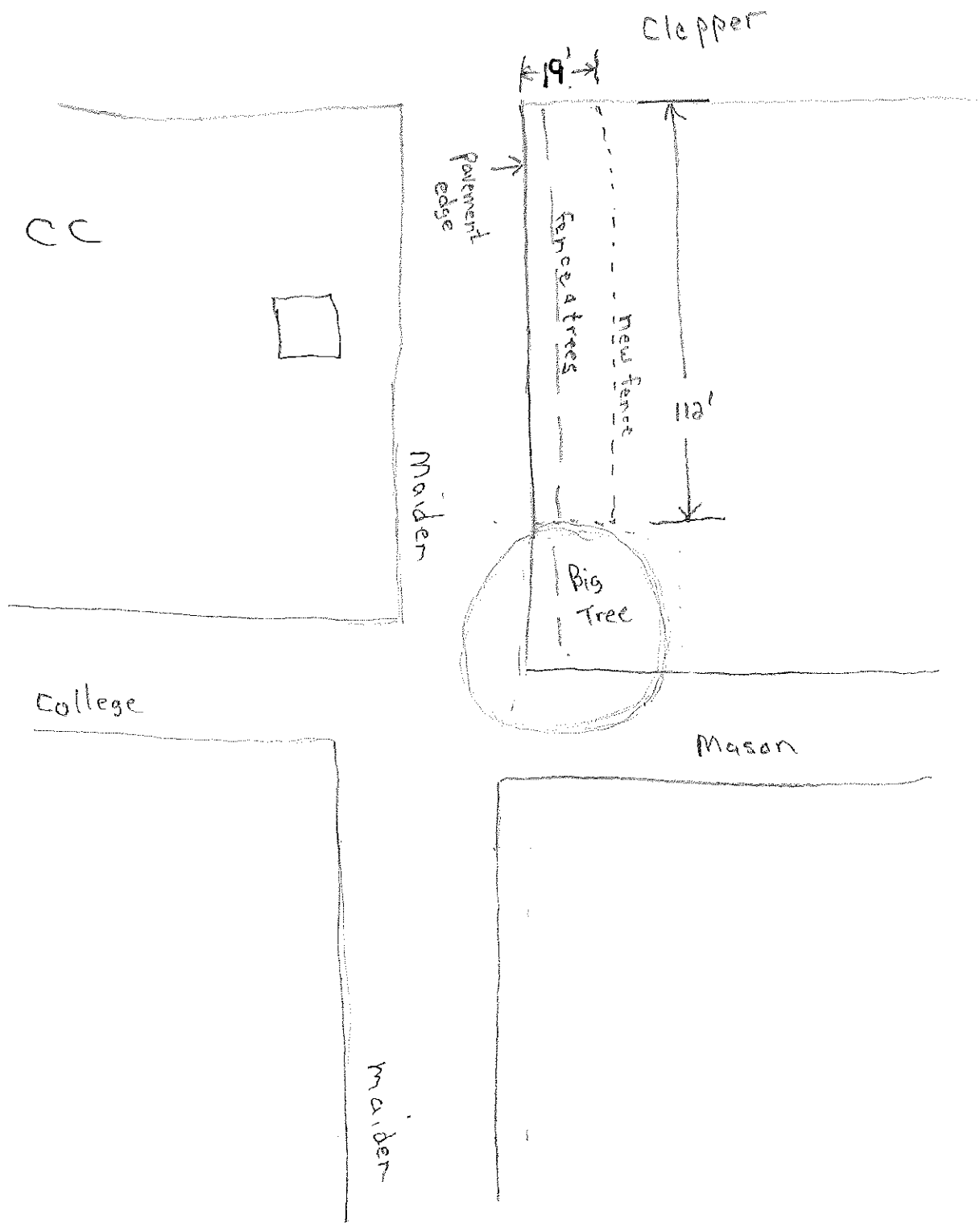
-The replacement of the fence on the Brosch property, that will be torn down for the parking spaces or roadway will be like the wooden fence currently on Mason Street. Following placement, the fence is Mr. & Mrs. Brosch's responsibility to maintain and replace. (Cost to city-\$1600)

-The City in return agrees to vacate the portion of Mason Street lying between Maiden Street and Prairie Street to Mr. & Mrs. Brosch.

-- That drainage storm water from Mr. Brosch's property north of the present Mason Street that naturally flows to the west will be accepted and dealt with by the city.

--The Mr. Brosch can access Prairie Street to a garage in line with the present paving of Mason Street through a driveway permit. Said garage to be placed on Mr. Brosch's property.

-The two areas to be transacted, from Mr. Brosch to the city and the property vacated by the city shall be surveyed and a map drawn. Surveying to be paid by the city. (city cost \$4,000)



Not to scale

**INTERLOCAL AGREEMENT FOR
THE ALLOCATION OF SALES TAX REVENUE**

STATE OF TEXAS §
COUNTY OF MONTGOMERY §

THIS AGREEMENT is made and entered into effective as of the _____ day of _____, 2016, by and between **THE CITY OF MONTGOMERY, TEXAS ("City")**, a body politic and corporate and municipal corporation of the State of Texas, and **MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 2 ("MCESD 2")**, a political subdivision of the State of Texas.

PRELIMINARY MATTERS

1. The City has been created, established, organized and exists as a Type A general law municipal corporation under the laws of the State of Texas;
2. MCESD 2 has been created, established, organized and exists under the authority of Article III, Section 48-e of the Texas Constitution and Chapter 775, Texas Health & Safety Code;
3. The City has, among its powers, the power of annexation and the power of imposing a local sales and use tax within its jurisdiction, subject to all applicable provisions of the Texas Tax Code and other applicable laws;
4. MCESD 2 has, among its powers, the power of imposing a local sales and use tax within its jurisdiction, subject to all applicable provisions of the Texas Tax Code, Chapter 775, Texas Health and Safety Code and other applicable laws;
5. The City has the power to undertake improvement projects separately or jointly with other persons or entities, including development agreements under Chapter 380 of the Texas Local Government Code, to pay all or part of the costs of improvement projects, including improvement projects that improve, enhance, or support, among other matters, road construction, public utilities construction, building development, and the availability of public safety and security, fire protection, emergency medical services, or law enforcement in the City;

6. The City and MCESD 2 have overlapping boundaries and jurisdictions, and the City is located entirely within the boundary of MCESD 2;
7. The City and its Montgomery Economic Development Corporation currently collectively impose a 2% local sale and use tax;
8. MCESD 2 currently has called a May 7, 2016 election for the approval of a 2% local sales and use tax in the area of its jurisdiction that does not include the City as the corporate boundary of the City exists at this time;
9. Pursuant to Chapter 321 of the Texas Tax Code (Sec. 321.102), when a municipality annexes for full purposes territory contained within an emergency services district that had theretofore imposed a local sales and use tax and where the local sales and use tax in the annexed area is thereby at the 2% maximum rate for local sales and use tax, the local sales and use tax imposed by the emergency services district remains allocated to the emergency services district and is not allocated by the State Comptroller to the municipality;

FINDINGS

1. The Parties find that Texas Health and Safety Code Sec. 775.0754 allows MCESD 2 to agree to allocate sales and use tax revenue collected in areas annexed by the City subsequent to the implementation of the MCESD 2 sales and use tax, if such tax is approved by the voters in the May 7 election;
2. The Parties find that the City requires additional sales tax revenue from post May 7, 2016 to provide services and foster development to such areas as the City may annex thereafter, and to provide funding and tax incentives to promote future development projects in both the City and MCESD 2;
3. The Parties find that the future development within the City's current and future full purposes annexed areas contained within MCESD 2 will be of benefit to MCESD 2, in terms of (a) providing additional revenue and (b) enhancing the capability of delivering emergency services by MCESD 2 to the annexed area by virtue of the municipal services to be provided by the City, including but not limited to additional revenue, additional sales tax revenue, road and access development, police protection and the like;

4. The Parties find that due to the provisions of the Texas Tax Code (Sec. 321.102), if the MCESD 2 sales and use tax election proposition passes on May 7, the City will not have authority to impose its sales tax or to receive any sales tax revenue from any areas contained within MCESD 2 which were annexed for full purposes by the City after May 7, 2016;

5. The Parties find that it is in the best interests and for the common benefit of the City and MCESD 2 that the City and MCESD 2 enter into this Agreement to allocate, as provided herein, the sales tax revenue generated under the MCESD 2 sales and use tax in the areas contained within MCESD 2 that may be annexed for full purposes by the City at a later date;

6. The Parties find that the Interlocal Cooperation Act, codified as V.T.C.A., Government Code, Chapter 791 (the "Interlocal Act"), provides authorization for any local government to contract with one or more other local governments to perform governmental functions and services under the terms of the Interlocal Act and funding thereunder; and

7. The City and MCESD 2 jointly find that each are local governments as provided under the Interlocal Act and the agreements and provisions herein relate to the respective government functions of each,

NOW THEREFORE, FOR AND IN CONSIDERATION of the mutual covenants and conditions hereinafter set forth, the City and MCESD 2 agree as follows:

I.

1. MCESD 2 agrees to allocate to the City on a quarterly basis certain sales and use tax revenue under the terms of Texas Health and Safety Code Sec. 775.0754 as follows:

(a) Fifty per cent (50%) of the local sales and use tax revenue collected by the State Comptroller and derived from sales tax payers which make initial reports of taxable sales to the State Comptroller on or after May 7, 2016, and which are located within the territorial jurisdiction of MCESD 2 and being not contained within the corporate boundary of the City prior to May 7, 2016, and which subsequent to the effective date of this Agreement is annexed by the City after May 7, 2016.

(b) The payment under 1(a), above, of such allocated local sales and use tax revenue collected by the State Comptroller shall be paid by the State Comptroller under policies and procedures that the Comptroller considers reasonable to MCESD 2 and the City as provided by Section 775.0754(c), with the City and MCESD 2 each receiving 50% of the sales and use taxes collected from the sales tax payers in the areas subsequently annexed for full purposes by the City.

2. The term of this Agreement shall be for twenty (20) years from the effective date hereof, and, except as specifically provided herein, neither of the Parties shall have any further obligation or liability to the other Party herein. The City and MCESD 2 may, by addendum hereto, agree to extend the term of this Agreement.

3. This Agreement is intended for the benefit of the named Parties only, and is in no way intended to benefit any other person, either directly or indirectly, including members of the public. Nothing in the Agreement shall or shall be construed to create a partnership or other type of joint enterprise, the sole intent being to create a contractual relationship between the Parties.

4. Nothing in this Agreement is intended to expand any liability that any Party to this Agreement may have to any other person other than a named Party to this Agreement.

5. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

6. Any suit brought to enforce, interpret, or receive damages under any provision of this Agreement shall be brought in Montgomery County, Texas, where venue for all matters hereunder is stipulated.

7. Neither this Agreement nor any term or provision of it, may be changed, waived, discharged, amended, or modified orally, or in any other manner than by an instrument in writing signed by all the Parties.

8. This Agreement is not assignable by any Party without the written consent of the other Party.

9. Notwithstanding the provisions of the Texas Government Code or the Texas Local Government Code, and unless prohibited by Texas law, each Party shall defend, indemnify, and hold harmless the other Party and its officers, agents, employees and representatives from any and all losses, liability, damages, claims, suits, actions and administrative proceedings, and demands and all expenditures and cost relating to acts or omissions of the indemnitor, its officers, agents or employees arising out of or

incidental to the performance of any of the provisions of this Agreement. No Party assumes liability for the acts or omissions of persons other than each Party's respective officers, agents or employees. This indemnification clause shall survive this Agreement.

10. By entering into this Agreement, neither Party waives any of the immunities provided by the Texas Government Code or the Texas Local Government Code or other applicable provisions of law. This Agreement is not intended to confer any legal rights or benefits on any person or entity other than the Parties of this Agreement.

11. All notices hereunder shall be sent certified mail, return receipt requested to the addresses set forth below the signatures of the Parties to the Agreement. Notices are deemed given and completed upon deposit in the United States Mail. Either Party may change its address by providing ten (10) days written notice of such change to the other Party in the manner provided for above.

EXECUTED in duplicate originals for and on behalf of the Parties on _____, 2016.

ATTEST:

By: _____
Name: _____
Title: _____

COUNTERSIGNED:

By: _____
Name: John Peeler
Title: District Counsel

ATTEST:

By: _____
Name: _____
Title: _____

COUNTERSIGNED:

By: _____
Name: Larry L. Foerster
Title: City Attorney



MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 2

By: _____
Name: _____
Title: _____
Address: _____

THE CITY OF MONTGOMERY, TEXAS

By: _____
Name: Kirk Jones
Title: Mayor
Address: _____

MEMORANDUM

TO: JACK YATES, CITY ADMINISTRATOR 
FROM: SUSAN HENSLEY, CITY SECRETARY 
SUBJECT: PURCHASE OF LAP TOP COMPUTERS FOR PAPERLESS AGENDAS
DATE: APRIL 6, 2016

Currently, the City Council agenda pack is scanned and reproduced in paper form. The Police Department delivers the packs during their shift to each Council Member. The Agenda Pack is also distributed via email to City Council and staff. In order to streamline the process and the use of reams of paper and time taken to prepare the books, I am requesting to go to a paperless agenda.

The Agenda Packs would be scanned into a pdf document, which would have an index of all the Agenda items. In the past, documents have been scanned in as one large pdf. The new Agenda Packs will have each Agenda item scanned and numbered to correspond with the Agenda. This will allow City Council to click on each individual item in the index instead of scrolling through the entire pack. Agenda Packs will be emailed to City Council and staff, thereby eliminating the need to have a Police Officer deliver the materials.

There are nine laptops being purchased for a total of \$14,706.89 to be issued to the City Council, City Administrator, City Attorney and City Secretary. The laptops have the larger screens (15" inch) to make it easier to view maps and graphics, along with Microsoft Office and Adobe programs. The Microsoft Office software is a monthly subscription costing \$8.25 per month, per user.

A 3-year hardware service coverage is provided for the laptops, with onsite repair when necessary, following a remote diagnosis. There is an option to purchase either a plugin mouse (\$10-\$20 each) or a wireless mouse (\$40).

The cost analysis and quote for the laptops have been attached for your reference.

City of Montgomery

Agenda Preparation Cost

March 17, 2016

Agenda Packs Prepared	Per Meeting
City Council	6
Staff	3
Number of Books Prepared per Meeting	9

Cost to Produce and Deliver Printed Agenda Packs	Monthly Cost	Annual Cost
Cost of Reproduction	\$2.58	\$31.00
Binders & Indexes	\$13.75	\$165.00
Paper	\$29.25	\$351.00
Staff Hours for Production (2 employees x 4 hours each meeting)	\$368.00	\$4,416.00
Police Officer to Deliver Books (1 hour twice per month)	\$44.00	\$528.00
Fuel Costs for Patrol Vehicle	\$10.00	\$120.00
Total Cost	\$467.58	\$5,611.00

GTIN

7 Switchbud Place, Ste 192-210,
 (281) 681-0606
 billing@gtinservices.com



INVOICE

BILL TO

City of Montgomery
 101 Old Plantersville Road
 Montgomery, TX 77356

INVOICE # 5682

DATE 03/04/2016

DUE DATE 03/04/2016

TERMS Due on receipt

ACTIVITY	QTY	RATE	AMOUNT
Goods Latitude E3570 (15.6 inch Powerful Laptop) Intel i7-6500 CPU Windows 7 Professional English, French, Spanish 64bit (Includes Windows 10 Pro License) 15.6" FHD (1920 x 1080) Anti Glare (16:9) WLED 8GB (1x8GB) 1600MHz DDR3L Memory 500GB 7200RPM Hard Disk Drive Nvidia(r) GeForce(r) GT920M Dell Wireless(tm) 1802 802.11AGN Dual-Band Wi-Fi + BT 4.0 Wireless Card (2x2) Internal Single Pointing Backlit Keyboard 65 Whr 6-cell Li-Ion (Cylindrical) with ExpressCharge(tm) Adobe Acrobat Standard DC 3 Year Hardware Service with In-Home/Onsite Service After Remote Diagnosis	9	1,245.21	11,206.89
Service-GTIN-Labor Labor: (Option 1) \$500 Install Each x 9 = \$4500 \$1000 Discount if paid in advance (with this invoice) \$4500 - \$1000 = \$3500 Total Labor (Option 2) 12 Monthly Payments w/ Service Agreement \$500 Discount \$4500 - \$500 = \$4000 / 12 mo. = \$333.33 per mo.	1	3,500.00	3,500.00

BALANCE DUE

\$14,706.89



Hensley, Susan <shensley@ci.montgomery.tx.us>

Re: New Laptop Quotes

1 message

Rhese Hoylman <rhese@gtinservices.com>
To: "Hensley, Susan" <shensley@ci.montgomery.tx.us>
Cc: Marelize Hoylman <marelize@gtinservices.com>

Wed, Mar 9, 2016 at 11:11 AM

Hi Susan:

I know that you have not been directly involved with the management of our Service Agreement, and as a result I wanted to make sure you have a complete picture of the costs associated with this project. The estimate sent to you is for the hardware only, and does not include the install labor. You currently do not have PC Installs included in your current service agreement, so that would be billable time.

Our standard charge is \$500 per PC for complete install and setup (8 x \$500 = \$4000), however, since you have so many PC's I'll provide you with some options:

- Pay labor up front on order - \$1000 discount - total install charges \$3000.
- Spread labor over next 12 months - \$500 discount - \$292 per mo added to Service Agreement (\$3500 total)

Additionally, if these PC's are going to be "added to the network" and not replacing existing computers, then you will see an increase in your monthly service agreement amount to cover the licenses and support of these new PC's. That would be roughly a \$468 per month increase in the monthly service agreement fees.

Just wanted to make sure that all of this was being taken into account in your budget. Please let me know if you have any questions or if we need to discuss further.

Thanks Susan!

--

Rhese Hoylman IV**Partner**

281.681.0606 - GTINservices.com

GTIN - Managed IT & Cloud Solutions

Confidentiality note: The above email contains information that is confidential and/or privileged. The information is for the use of the individual or entity originally intended. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of this information is prohibited.

On Fri, Mar 4, 2016 at 8:59 AM, David Vanderstoep <david@gtinservices.com> wrote:
Hi Susan,

I spoke with Rhese after our phone conversation yesterday and we discussed the criteria you had for your order. Although we do not offer government pricing, ours is low enough that it should be competitive with what you are looking for. I created a new quote that features 4 new laptop builds (14" Laptop Standard, 14" Laptop Powerful, 15" Laptop Standard. and 15" Laptop Powerful.)

A wired mouse will cost about \$10-20. A wireless mouse will run up to \$40. Please let me know which you prefer, or if you would like to purchase these yourself.

For Microsoft Office, Rhese suggested Office365 as it would be cheaper for you moving forward. It is an \$8.25 subscription per user/per month to access all Microsoft Apps (Besides Mail).

Please review the attached information and let us know if you have questions. These quotes will expire 4/3/2016.

Thank you,

--

David Vanderstoep

Support Specialist

281.681.0606 - GTINservices.com

GTIN - Managed IT & Cloud Solutions

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8701 New Trails Drive, Suite 200
The Woodlands, Texas 77381-4241
Tel: 281.363.4039
Fax: 281.363.3459
www.jonescarter.com

April 7, 2016

The Honorable Mayor and City Council
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Public Utility and Paving Improvements to Serve the Kroger Development
The City of Montgomery

Dear Mayor and Council:

Key Construction is finalizing building pad placement and expects to commence with on-site utility construction within the month. LJA Engineering is completing final revisions of construction drawings for the off-site utility and paving improvements, and preparing bid documents and specifications for our review. As such, on Tuesday evening we will be requesting your authorization to advertise the public utility and paving improvements project for bids.

As always, should you have any questions or desire additional information, please do not hesitate to contact Glynn Fleming or myself.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ed Shackelford', written in a cursive style.

Ed Shackelford, P.E.
Engineer for the City

EHS/gef:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-0900-00 General Consultation\2016\Letters\Kroger, Authorization to Advertise.doc

cc: The Planning and Zoning Commission – The City of Montgomery
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler and Creighton, LLP, City Attorney



MONTGOMERY CENTRAL APPRAISAL DISTRICT

MARK A. CASTLESCHOULD, RPA, RTA, CTA
CHIEF APPRAISER

March 17, 2016

MAR 24 2016

Jurisdiction: **City of Montgomery**
Tax Assessor/Collector: **Montgomery Co Tax Ofc**

Request for Verification of Exemption Information For Use on the 2016 Notices of Appraised Value and 2016 Assessment Rolls

If the exemptions shown are correct for your jurisdiction, **please write "correct" on the form and return to MCAD.**

If your jurisdiction has adopted new exemptions, **please indicate the new exemption amount(s) and attach a copy of the governing body's Resolution or Minutes authorizing the change(s).**

Exemptions:	Currently on File	Adopted Changes for 2016
Homestead	0	0
Over 65	0	0
Disability	0	0

- Changes or corrections must be received at MCAD by **April 1, 2016** to be included on the Preliminary Rolls. Unless changes/corrections are received by this date, we will assume our records are correct.
- Any action regarding changes in the *percentage homestead exemption* must be taken by the governing body **before July 1st, Texas Property Tax Code, Section 11.13(n).**

Signature of Person Completing This Form

Your Name Printed

Date



Please return verification by **April 15, 2016** to:
Montgomery Central Appraisal District
Attn: Jaclyn Smith
P. O Box 2233
Conroe TX 77305
FAX to 936-539-8695

Scanned & Emailed to: JaclynS@MCAD-TX.ORG

SERVICE, EXCELLENCE AND EQUITY IN AD VALOREM TAX ADMINISTRATION

(936) 756-3354 CONROE • (936) 441-2186 METRO • [www.mcad-tx.org\[website\]](http://www.mcad-tx.org[website]) • P.O. BOX 2233 • CONROE TEXAS 77305-2233

MEMORANDUM

TO: JACK YATES, CITY ADMINISTRATOR 
FROM: SUSAN HENSLEY, CITY SECRETARY 
SUBJECT: ANNUAL RENEWAL MCCi/ LASERFICHE
DATE: APRIL 6, 2016

The annual renewal of MCCi is due for the City's records management software system in the amount of \$5,168.80 on May 28, 2016. This renewal will include use of the software, system support, and access to the Laserfiche Training Center. The Training Center provides training to the users with over 200 training videos.

MCCi/Laserfiche software allows documents to be scanned, indexed and managed electronically. The software allows documents scanned into the system to be searched either by using general text or dates. Storage of records electronically is extremely valuable not only because it is searchable, but in the event of a disaster our system backup would provide access to the documents already scanned into the system.



P.O. Box 2235 Tallahassee, FL 32316
 FEIN: 33-1069550
 Questions: finance@mccinnovations.com

INVOICE

Bill To:

MONTGOMERY, TEXAS
 CAROL LANGLEY
 PO BOX 708
 MONTGOMERY, TX 77356

Invoice Number	00008435
Invoice Date	3/18/2016
PO Number	
Customer Id	60-61076
Payment Terms	Net 30

Shipped	Description	Unit Price	Extended Price
1	LF MANAGED SERVICES - RENEWAL	\$1,890.000	\$1,890.00
1	LF - SERVICE LEVEL AGREEMENTS RENEWAL	\$585.000	\$585.00
1	LF SUPPORT RENEWAL	\$1,279.800	\$1,279.80
1	3rd PARTY SUPPORT RENEWALS	\$192.000	\$192.00
1	MCCI SUPPORT RENEWAL	\$297.000	\$297.00
1	LF TRAINING CENTER RENEWAL	\$925.000	\$925.00
ANNUAL SUPPORT RENEWAL COVERAGE: 5/28/2016 - 5/27/2017			

Subtotal	\$5,168.80
Discount	\$0.00
Freight	\$0.00
Tax	\$0.00
Total	\$5,168.80

Please remit one copy with payment