

MINUTES OF REGULAR TELEPHONE/VIDEO CONFERENCE MEETING

April 28, 2020

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Sara Countryman declared a quorum was present and called the meeting to order at 6:01 p.m.

Present: Sara Countryman Mayor
John Champagne, Jr. City Council Place # 2
T.J. Wilkerson City Council Place # 3
Rebecca Huss City Council Place # 4
Tom Cronin City Council Place # 5

Absent: Vacant City Council Place # 1

Also Present: Dave McCorquodale Assistant City Administrator
Susan Hensley City Secretary

INVOCATION

John Champagne gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

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

Mayor Countryman read the following comment into the record, which was received via email, stating that she thought the same email was read at the Montgomery EDC Meeting last week. Mr. McCorquodale stated he thought this was a new comment, but he did not know that for sure.

Mayor Countryman read the following statement by Efrain Lucas, General Manager of the Cozy Grape “if the City really cares about helping why don't you set up a fund to assist financially strapped citizens that are struggling to pay their water and sewer bill. Why doesn't the City waive late fees during this pandemic? The way to help local businesses is to buy their products and support them personally, not tear them down in some want to be newspaper or rag that only cares about destroying reputations. If businesses grow, tax revenues grow and then the City and MEDC can invest in our streets and sidewalks. Right now, some of our streets look like they are in a third world country. Huss and the Mayor don't care about local business in the City of Montgomery, it is obvious from Huss' actions since she accursed the owner of Cozy Grape, two City Council Meetings ago, of taking advantage of his City Council status to enrich himself financially from the parking lot arrangement. If Huss would read the lease there is nothing that benefits Cozy Grape financially from the arrangement, not the rent of dollar annually or the 20- year term, which was 15 years longer than the other property owner that the City leased from. Cozy Grape offered the 20 years lease, not the City Council, not MEDC, then Jack Yates had the audacity to try and tow our customers' cars off our lot during the last Antique Festival. This is why Cozy Grape hired a lawyer for \$7,500 to protect our rights as a business owner, so the City and certain elected officials won't try to screw us in the future. In the eight years that Cozy Grape has been open, I don't remember seeing your faces in there to support us.”

CONSENT AGENDA:

1. Matters related to the approval of minutes of the Regular Telephone/Video Conference Meeting held on April 14, 2020.
2. Consideration and possible action regarding approval of an Approval of the Mixed Beverage, Caterer's Permit and Beverage Cartage Permit Application for Karla Throws a Party, LLC dba Chandlers Event Venue and Shindig Event Rentals located at 304-308 Caroline Street, Montgomery, as submitted by Karla Nash.
3. Consideration and possible action regarding completion of a one-year warranty period for the 18-Inch Gravity Sanitary Sewer Line Extension (Phase 1) project.
4. Consideration and possible action regarding completion of a one-year warranty period for The Shoppes at Montgomery Public Infrastructure project and release of the maintenance bond.

John Champagne asked about The Shoppes Public Infrastructure project for clarification. Mr. Roznovsky, City Engineer advised this was a public water and sewer line that was constructed along FM 2854 next to CVS.

T.J. Wilkerson moved to accept the Consent Agenda items as presented. Tom Cronin seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

5. Consideration and possible action on Department Reports.

- A. City Administrator's Report and COVID-19 Update – Mr. McCorquodale stated he would be presenting the Departmental Reports except for the Finance Report and the Water Report. Mr. McCorquodale advised Mr. Tramm, City Administrator, asked him to let City Council know that in May he plans to come back to City Council with a budget amendment that will take into account the point that John Champagne had raised about some of the existing numbers in the budget, as well as having data from the COVID-19 situation and seeing some of the sales tax revenue numbers. Mr. McCorquodale said there would be either a budget amendment or at least discussion of a budget amendment. Mr. McCorquodale said Mr. Tramm is monitoring what other cities are doing and staying in tune with what the State is putting out as they start this process of reopening various segments of the economy and they look forward to getting things back up and going.

Mr. McCorquodale said one thing they did want to mention, they have approximately \$47,000 in the budget for repaving streets, with the arrangement with Precinct 1, using their labor and the City supplies the materials. Mr. McCorquodale said Precinct 1 can get the City on the schedule in early May 2020, and one thing they want to do is come back to City Council and get their position as to whether or not they should delay some of the repaving of various streets around the City or whether they should move forward. Mr. McCorquodale said if left to Mr. Tramm, he would probably hold off until they see what the implications were on the City budget regarding COVID-19, but he did want to get some direction from City Council.

John Champagne said his position was that any essential items that are in the budget that have been approved should be done, and in his opinion, the streets are essential. John Champagne said for the sake of what Mr. McCorquodale said, he stated he wants the streets fixed. Rebecca Huss said she would have to say that she disagreed, and said she thought they need to look at the full scope of what our priorities are and what has to be paid, and what they would like to pay, and unfortunately while the streets are high

on the priority list, they are not a must. Rebecca Huss said when they are looking at how much the revenues are going to contract and what their cuts are going to have to be, she thought they need to look at the matter in totality. Rebecca Huss said she felt the need to wait until they know the full scope of what they are looking at. John Champagne asked Rebecca Huss what would be higher on her priority list. Rebecca Huss said paying essential employees. John Champagne said that would be wrong because the stockholders in the City have paid for services, and to be in balance in terms of expenditures on employees and services rendered to the stockholders, that being the citizens, is the imbalance. John Champagne said the employees do not trump the citizens, in his opinion. Rebecca Huss said the employees provide services that the citizens value, so when they are looking at it again in totality they have to weigh what priorities there are and how to make our revenues line up as best they can with the expenditures. Rebecca Huss said they cannot make a decision about one item in a vacuum. John Champagne said that was wrong, this is not a vacuum. Rebecca Huss said it is because you do not know what other things are on the cutting block. John Champagne said he does know that a 50% reduction in revenue is what he knows, and it is coming. Rebecca Huss said they need to look at all the expenditures together at the same time. John Champagne said their mandate is to provide services to the citizens that have paid for the services, he is talking about balance, which is what he has always talked about. John Champagne said the employees do not trump the services to be rendered to the citizens. Rebecca Huss said it depends on what services they are providing. John Champagne said it is all services. Rebecca Huss said she did not think so and she was trying to present that in a slightly more balanced fashion. Rebecca Huss said Mr. McCorquodale was asking for an opinion and John Champagne provided his, and she was providing hers, and perhaps the other members of City Council would provide theirs. Tom Cronin said he felt also that as much as they need the City employees, the citizens elected City Council, not the City employees. Tom Cronin said they did the same thing last year; they blew off streets and they are blowing off sidewalks and making excuses for not getting it done. Mayor Countryman said she thought that was part of the overall master plan that they have been working on, and those were definitely on the priority list, and they were also waiting to see what TxDOT did in the overall Master Plan and Comprehensive Plan, which she did not know when now because of COVID-19. John Champagne asked Rebecca Huss if it were coming

out of her hip pocket, how would she do it. Rebecca Huss said it would depend on the specific services they are talking about. Rebecca Huss said she lives on a street that she has actually, since she has been on City Council, pushed to not have repaved because she does not see the value in it, so she is putting her money where her taxpayer dollars are. John Champagne said their mandate is to do very few things in terms of government, it is not to hold hands and coddle people, it is to provide services. Rebecca Huss said it is to provide toilets and to provide safety is two of those services, so if it comes down to it and those services require people in order to get it right. Rebecca Huss said those two services are the ones she is thinking of that they need to look at when you look at what must be done to cut one million dollars out of their budget. Rebecca Huss said she was elected by the most people voting ever on the slogan that she cared about how much it costs to flush your toilet, people care how much it costs to flush their toilet and doing it successfully is a service the City provides and people expect it to do so. Rebecca Huss said you might like to hold their hands, but she would think people would prefer to flush. John Champagne said he totally agreed. John Champagne said his point was they have a 50% reduction in revenue. Rebecca Huss said not this year, and she was guessing that it is only a 25% reduction off the top line for this year. John Champagne said he was not saying they should have a wholesale reduction in personnel, what he was saying was the pain they are experiencing is to be realized by everyone. John Champagne said he was also saying the people that are paying the bills need to have a return on investment in balance. John Champagne said he was not saying they should severely cut personnel; he was saying we should look at both sides of the ledger. Rebecca Huss said she agreed with that in totality, if not in tone, and said they need to look at this in its totality rather than one piece at a time because when you get to the end and you have not looked at the whole picture, you have things that you wished you had the money to spend. John Champagne said they have four or five mandates, the first, in his opinion, is to protect the citizens, the second is to make sure the water is at the faucets, the toilets flush and the roads work. John Champagne said after that he asked Rebecca Huss to tell him what was important. Rebecca Huss stated she had just said she cared about toilets and police because when she was saying about the things that she was going to prioritize, water and sewer and public safety were her top two. Rebecca Huss said she was saying she would like to look at the streets in the context of our entire obligation to the City. John Champagne

asked about the other obligations. Rebecca Huss said they have three pages of line items in the budget in just the general account alone. John Champagne said he was asking specifically what obligation is giving Rebecca Huss angst regarding the four items he just mentioned. Rebecca Huss said they obviously must pay the contractually obligated debt on their notes, 380 Agreements, stating that is a problem if the topline is shrinking. John Champagne said those are uncontrollable obligations. Rebecca Huss said she wanted to look at everything as a whole picture rather than making one headline inducing decision about streets today in opposition to the man you hired to micromanage the City.

John Champagne said he was saying if he is running this City, if this was his business, he would look at all his department heads and he would say how can they reduce costs and asked if that has been done. Mayor Countryman said that has been done, asking if he talked to Mr. Tramm. John Champagne said he had, but he had yet to see a specific. Mayor Countryman said all department heads have had the directive of only essential procurement should take place and they have put purchasing on hold. John Champagne asked what that meant. Mayor Countryman said that meant making sure the City is running, but not buying extras, stating she thought they all know what essential means. John Champagne said he wanted a number or a percentage, that is platitudinal speech and means nothing. Mayor Countryman said she thought they need to look at what money the City has coming in and ask if they can afford the expenditure or not. Mayor Countryman said she understood given on the last budget the money was there and projected in the budget, but now with the change of times, we do not know what the change will be and said she did not know how much money would be coming in and what the loss looks like. Mayor Countryman said how about stepping back and looking at what actually comes in and then work the budget accordingly. Mayor Countryman said she agreed some streets need attention, without a doubt, but she was saying to make sure they are affording it properly because they are not essential, you are able to travel on the streets, while they are not the best looking streets, she agreed. John Champagne said he was not looking at their appearance he was looking at safety. Mayor Countryman asked if there has been a wreck on the streets they are looking at repaving. John Champagne asked if that was what they were going to wait for a wreck. Mayor Countryman asked what the difference is between now and three months from

now, once they get a full understanding of the impact of this pandemic and asked if it was that big. John Champagne said his answer was, what is keeping them from a proactive plan, assuming there is a 50% reduction in revenue and asked what is keeping the City from doing that? Mayor Countryman said that it was an assumption, stating she would like to see real numbers because they can assume anything. John Champagne said the Mayor would like to wait until the reduction hits us in the face. Mayor Countryman said she would like to look at the information. John Champagne said he would like to plan in the event of the 50% reduction, there is the difference, the Mayor wants to wait until it happens, and he wants to anticipate it happening. Rebecca Huss asked John Champagne why he was so ready to spend \$46,000. John Champagne said he was done discussing the matter. Rebecca Huss said she would like to leave the road fund decision up to Mr. Tramm, his advice is to wait. John Champagne said he has; he has given Mr. Tramm all his opinions and he has left it up to him. John Champagne said his question to Rebecca Huss was where this falls in her priority list. Rebecca Huss said she had told John Champagne somewhere after public safety as in the police department and clean water. Rebecca Huss said to be clear, they are talking about her own road in front of her house, which she has pushed back for six years. John Champagne said he cares about the roads in total in the City and he could care less about her road. Mayor Countryman asked which roads were included for the \$47,000 repaving. Mr. Muckleroy, Public Works Director, advised the roads included were Baja Street, Worsham Street, Old Plantersville Road, West Way, and McGinnis Lane are the streets that City Council approved for the County to pave for an estimated total of \$47,515. Mayor Countryman said there was no doubt these streets need repaving, but she did not think they would get any worse for ninety days so they could assure the City can afford to pave them and get a better look at what funds they have available.

Mr. McCorquodale said the second half of Mr. Tramm's report was regarding development. Mr. McCorquodale mentioned there were two new subdivisions with about 230 home sites that are in the early stages of development, both existing developers in town, one on the west side, and the other just north of Buffalo Springs. Mr. McCorquodale said he was talking with several commercial developers who are

looking at parcels on the east side of town. Mr. McCorquodale said that development is not slowing down.

- B. Public Works Report – Mr. McCorquodale presented the Public Works Report advising that at Cedar Brake Park they have added some parking on the west side of town, with Public Works employees installing the culverts, stabilized sand and most of the excavation work, and they had the paving contractor in this past week. Mr. McCorquodale said Public Works installed a manhole on the corner of Old Plantersville Road in-house instead of using a contractor for a savings of approximately \$8,200, which has stopped the sewer backups at his house and the neighbor's house because they are located at the bottom of the hill as well as keeping everything on the south side of town flowing.

- C. Police Department Report – Mr. McCorquodale said some of the main changes are their operational stance in relation to COVID-19. Mr. McCorquodale said the Chief wanted him to reiterate is that while the arrests made and detainment of suspects is at a minimum right now, there are going to be warrants and they are not letting anyone go at this time, there is just a delay in when they are going to be addressed. Mr. McCorquodale said the department is trying to maintain the distance they can in a job where their entire focus is making interactions with people.

Tom Cronin asked if the Investigator position was filled. Mr. McCorquodale said it was filled this week and he started on Monday and they are in the final stages of getting his office space squared away so he can get to work. Tom Cronin asked the name of the Investigator. The City Secretary advised his name is Albert Chambers. John Champagne asked when the Investigator was brought on staff. Mr. McCorquodale advised it was Monday, April 27, 2020, stating the process started a couple of months ago.

John Champagne posed a question asking if they modified our personnel utilization regarding our anticipated reduction in revenue in terms of utilization of police officers, asking if they had done any of that specifically? Mayor Countryman said she spoke to Chief Solomon today and he did have four open spots and these hires were done prior

to the COVID-19 and he is not filling the other two spots currently. John Champagne said he wanted to ask the question again as to whether they have adjusted our utilization of existing personnel assets regarding police officers anticipating the reduction in revenue. Mr. McCorquodale asked Ms. Hensley to unmute the Chief. Ms. Hensley unmuted the Chief, but he was not present. John Champagne asked if everyone understood the question he just asked. Mr. McCorquodale said he understood and while he did not know the specific answer to the question, he would get that answer. John Champagne said it was not Mr. McCorquodale, who was doing a great job, he meant everybody else. Tom Cronin said he understood the question. Tom Cronin asked if the Chief was available. Mr. McCorquodale said he may be having microphone problems. Ms. Hensley advised he was calling in on another line that she can't get to, but stated he was unmuted on the computer. Mr. McCorquodale moved to the Court report until they can get the Chief online.

- D. Court Department Report – Mr. McCorquodale advised the big challenge for the Court is the technology bridge between the people that are getting the citations and getting to Court. Mr. McCorquodale said at times it is very difficult to get the citations taken care of either online or over the phone. Mr. McCorquodale said they were 47% down on citations and 32% down on revenue since January. Mr. McCorquodale said the Court was doing a fantastic job educating folks to get into compliance who want to take care of a citation online.

Rebecca Huss said the March revenue is about the same as the January revenue, which she was going to ask about. Mr. McCorquodale said he did not know specifically why those are the same, but he was looking at the totals from last year.

- E. Utility/Development Report – Mr. McCorquodale said the utilities brought in about \$162,000, permits just a little over \$38,000, with total revenue at \$212,842. Mr. McCorquodale said they have a total of 818 water accounts. Mayor Countryman asked if the City was helping residents if there is a late fee. Mr. McCorquodale said the City is not charging late fees during this time nor are they making disconnects for individuals that are living in their homes or for a business. Mr. McCorquodale said if there was someone that would not fall into the non-cutoff status, such as homebuilders

who have seven or eight accounts with the City, if they are going to fall into arrears they will need to pay those fees. John Champagne asked why the difference in applying this for homebuilders, asking where the differential was. Mr. McCorquodale said if there was a homebuilder that has not paid on a couple of his homes that he is working on since early January, to him that is different than this past month or six weeks. John Champagne asked what was the limit that the City has set in terms of our allowance. Mr. McCorquodale said he did not know specifically what that is. John Champagne said that was a subjective inference that Mr. McCorquodale just made in terms of the builders, but nothing objective and definitive regarding where that line is and where is the line for residential. John Champagne said his point was, he has no problem with the desire to give people leniency, and by the way, they should be getting federal money from the superfluous money that has been created by the federal government to give to each of us, so the way they spend it is none of his business. John Champagne said what is his business is when they pay their utilities, so he asked Mr. McCorquodale to tell him what the objective line is of demarcation and asked if we have one. Mr. McCorquodale said he would bet they do, unfortunately, he did not know it because he is not in the utility department, but that was probably a question for Mr. Tramm that he could answer. John Champagne said that should be a question for Mr. Muckleroy. Mr. McCorquodale said he was over Public Works. John Champagne asked who the billing person works for. Mr. McCorquodale said she ultimately works for Mr. Tramm. Rebecca Huss said ultimately that is a policy issue on how City Council is reacting to what is going on and what kind of decisions we are making to support our residents and businesses. John Champagne asked for some specifics on this information. Rebecca Huss said the question is on how far the City is going to go to try and keep people on a payment plan and what kind of arrears are we going to allow, which is something City Council needs to decide. John Champagne asked what that decision is based on. Rebecca Huss said she supposed it would be based on what they can agree upon. John Champagne said no, it was based on what this organization has coming in and what it can do to sustain itself. Rebecca Huss said that is true, but that is a decision that City Council would need to decide. John Champagne said he was asking for specifics, not whether people are not sure, or they don't know, because they need to be sure. Rebecca Huss said it is a policy decision that ultimately City Council needs to decide how much they will allow people to accrue and how long they can allow people

to remain on a payment plan, which are City Council decisions they need to be comfortable with because the arrears is something they ask about all the time. John Champagne asked why the differential between builders and residents. Rebecca Huss said her personal view is that residents are long term contributors to the City's profitability and quality of life, whereas the builders are much more short term. John Champagne asked if the builders contribute to the quality of life in the City. Rebecca Huss said not in the long term, they are here to build the product and then leave after they sell the product. John Champagne said they have left an asset that lends itself to the quality of life to this City and asked for an objective answer to the difference in the way these subjective ordinances are applied because he did not get it. Rebecca Huss said they are being practical, a builder is trying to get the building built and sold and if they are not working on it and paying their bills they are probably not going to be selling anytime soon, so they don't care whether the water is on or not. John Champagne said if a resident is not working and is buying whatever he believes is more important than his water, what is the difference? Rebecca Huss said there is nothing more important than water. Mr. McCorquodale advised it was less of a COVID-19 and more of an accounting situation they have wrestled within the last month. John Champagne said he was just saying this is superfluous and subjective with no specifics, and he is struggling as to why the City is not dealing with specifics. Mr. McCorquodale said in terms of specifics, they have about 10 months of operating in the utility account, so as you start to consider from a policy perspective in the coming months, keep that in mind.

- F. Water Report – Mr. Michael Williams, Vice President of Operations with Gulf Utility Services, reported for March they had several district alerts, which he wanted to point out on one alert they had an alarm for Well 4 failing to prime and they had C&C Water Well go out and look at it and the well motor had failed. Mr. Williams said the reasoning on that was due to an insulation failure on the motor itself, they were able to install a temporary rental and reinstall the motor on April 2, 2020. Mr. Williams said they did not have too many charges from Well 4 being down because they were able to get it repaired so quickly. Mr. Williams advised the effluent trend, with the flow for February through March was 4,964,000 gallons, with the daily peak flow on February

24, 2020, at 314,000 gallons and the daily average flow was 171,200 gallons. Mr. Williams reported that all the samples for the month of March were in compliance.

Mr. Williams said the water report shows we sourced a total of 8.276 million gallons, flushed 1.068 million gallons, which is slightly higher than normal because they drained some tanks for interior inspections bringing them to a 97% accountability.

- G. Financial Report – Mr. Anthony Lasky, Senior Accounting Clerk, introduced himself and stated he was looking forward to working with everyone. Mr. Lasky then presented his report to City Council. Rebecca Huss asked Mr. Lasky to skip the bank balances and get to the more interesting information. Mr. Lasky said right now the general fund as of March 31 they have about five and a half months reserve, but currently, Mr. Tramm was asking about that information earlier and there is about four-and-a-half-month reserve now. Mr. Lasky said there was no sales tax received for March due to the overpayment from September 2019 and then there was a \$2,700 payment for April but starting in May they should be back to normal again. John Champagne asked about the sales tax payment and what would the net payment have been. Rebecca Huss said they did not receive sales tax due to the overpayment. Mayor Countryman said they discussed this information at the last meeting. Rebecca Huss said this is something they have discussed several times and in great depth, this is money that is not the City's and was not recorded as ours. John Champagne said he was not talking about that; he was asking what the residual amount that is going to be realized by the City of Montgomery. Mayor Countryman said the funds have been paid back to the State and they had put those funds in an account that they accrued interest on and now they will be able to replenish it, but for two months the City did not receive any sales tax. John Champagne said he would just like to know what the net value of the revenue was for sales tax for March and asked if he could get that answer. Mr. Lasky said it would have been roughly \$217,000. John Champagne asked what the City's obligation for that month in terms of expenses was. Mr. Lasky said he was just trying to get a little more specific on that information. John Champagne said he would guess it would be about \$350,000 and asked if that amount was correct. Mr. Lasky said it was \$396,000 and then the rest is getting paid back for this month, leaving roughly \$2,700 collected for April in total. John Champagne asked everyone what they needed to wait for.

Rebecca Huss said they are talking about two separate things. John Champagne said no they are not they are talking about revenue and expenditures. Rebecca Huss said Mr. Lasky was talking about the HEB expense. John Champagne said he was talking about money coming in and money going out, which is all he is talking about. John Champagne said he just asked the question, what revenue for the City of Montgomery for March, which he was just given, the shortfall was obvious, and asked how this has become complicated because this is simple stuff. Mr. McCorquodale said he could speak to the ad valorem taxes, but he thought the \$217,000 that Anthony mentioned. John Champagne said that it does not even make a dent. John Champagne said he runs a business and he must meet payroll and he knows what it is like and so does Tom Cronin as well. John Champagne asked Mr. Lasky if that information was for March and since it is too early for April, he asked Mr. Lasky if he sees any tendencies or recovery in April. Mr. Lasky said everything should be paid back, which is why they got the \$2,700 for April, and then by next month in May they should see the regular amount come back. John Champagne asked Mr. Lasky if he was talking about specific individuals and said he was talking about net revenue and trends. John Champagne said Mr. Lasky gave him March and he is asking about April, for the trends, and asked if the trends seem to be going up or down. Mr. Lasky said it will go back to normal. John Champagne asked what that prediction was based on. Mr. Lasky said it was based on the City paying back the HEB amount that was accidentally deposited back in September. John Champagne said he was talking about net and not the HEB payment or anything else. Rebecca Huss said she was not sure that was Mr. Lasky's area of expertise. John Champagne said he understood it was a bit of an unfair question, but he is asking for an opinion in terms of trends and asked if anyone else wanted to answer. Tom Cronin asked Mr. McCorquodale if he and Mr. Tramm have done any forecasting for the fiscal year. Mr. McCorquodale said he knew that Mr. Tramm has but right now there is not enough data to do much forecasting from. Mr. McCorquodale said they should be seeing something in the next two to three weeks, so when they look at something like sales tax, as all of you know that is two months behind so to understand any real hit on the sales tax they are going to be into June seeing the information that comes in April. John Champagne asked Mr. McCorquodale what he thought the trend is. Mr. McCorquodale said his guess is somewhere around 20% down and said a lot of that is based on the composition of the City's retail. Mr. McCorquodale said if the

City had a lot of big box stores he would be looking at that totally different, such as a Shenandoah who relies heavily on a Portofino Center or something like that, that is a whole different animal. Mr. McCorquodale said the City of Montgomery received a good portion of its sales tax from grocery stores. John Champagne said he was not asking for hard numbers; he was asking what the indications were and what they see for the City. John Champagne said we pay you guys to look ahead, not behind, ahead.

- H. Engineer's Report – Mr. Roznovsky, City Engineer, presented his report to City Council. Mr. Roznovsky advised the Baja Road Project that is complete, they are still working on the corner, which they got proposals a couple of weeks ago and sent it to staff, and they wanted to get a couple more proposals to make sure the price was fair. Mr. Roznovsky said they were waiting until the first meeting in May to get proposals is the goal. Mr. Roznovsky said they are closing out the final documents with GrantWorks, and the reimbursement to the City will be processed soon.

Mr. Roznovsky said regarding the Water Plant 3 Improvements, they had met with the TORC on April 9, 2020, and went over the comments and will have those addressed in the next few days to submit for final approvals, and then they will update the costs for the project and sit down with staff to see how they want to bid the project. Mr. Roznovsky said he felt they should bid it with alternates, which is how they planned to give them some flexibility when the prices come in, based on what they have today.

The Water Plant Backfill Project is one that has been listed for years and was completed and bid back in 2016 a couple of times and the prices never were correct on it that was received. Mr. Roznovsky said with the changes in Lone Star rules, the need for it has decreased substantially since they are not going after credits, and they are really the City's reduction requirement for Catahoula water has gone away. Mr. Roznovsky said the recommendation between us and staff is to put this item on indefinite hold. Mr. Roznovsky said the plans are done and the bidding documents are done and on the shelf, so they can see how the Lone Star rules change in the future and if something becomes more advantageous they can bid it at that time.

Mr. Roznovsky said Lift Station #1 Replacement wet well structure is complete and they are now working on the above-ground items as well as the electrical at this time. Mr. Roznovsky said they did have two pay estimates since the last meeting totaling \$103,167, which all comes from the TWDB Loan and the developer contribution of \$200,000, of the \$1.1 million project. Mr. Roznovsky said the contractor is behind schedule and right now they are not expected to be complete until late May. Mr. Roznovsky said they are working with the contractor on the damages that are in the contract for late delivery.

Mr. Roznovsky advised Starbuck plans have been reviewed and approved, which will be in the same center as Chick-Fil-A. Mr. Roznovsky said the Heritage Parking expansion plans are ready to be approved along with the development plat and the building lines are recorded.

Mr. Roznovsky said Town Creek Crossing, Sections 1 and 2, which is Philip LeFevre's development between Buffalo Springs, Plez Morgan and Lone Star Parkway, so he will be going to the Planning and Zoning Commission next week for his preliminary plat and Depado Development is on the north side/west side of Lone Star Parkway, and are commercial reserves. Mr. Roznovsky said in total between those two developments is eight commercial reserves and around 200 homes. Mr. Roznovsky said on the map there is a townhome development on Plez Morgan, and they are starting with their design slowly but surely.

Mr. Roznovsky said the Hills of Town Creek, Section Four, has also submitted a preliminary plat for another 30 homes north of the apartment complex on Emma's Way.

Mr. Roznovsky said Lake Creek Village, Section 3 has completed their work last week by regrading the ditch on Buffalo Springs, so they will be going out in the next couple of days to make sure it is draining like it was intended.

Mayor Countryman asked if they found out if the one-year warranty for the Buffalo Springs Bridge work starts from the day or if it starts from the original date, which was

leftover from a previous meeting. Mr. Roznovsky said they are still working through that warranty and said they have been in conversation with the contractor on it and he is fighting his responsibility to go back out there, so it is on him to get with the City Attorney to discuss options for the City. Mr. Roznovsky said one thing he discussed with Mr. Muckleroy is getting a second opinion contractor out there so they understand the magnitude of the scope of the repairs and to have an actual price and to understand how much they are fighting over, whether it is a \$5,000 repair or a \$25,000 repair. Mayor Countryman asked to confirm that the contractor Fuqua hired a third party to do the work. Mr. Roznovsky said that is correct, but the contract that the City had was with Glenn Fuqua, and this was one of his subcontractors and the City did not have a separate contract with them and it is still Fuqua's obligation. Rebecca Huss said she went over there on Sunday and said it looks worse than it did a few weeks ago. Mr. Roznovsky said that is correct and said Mr. Muckleroy has gone out there and done some minor patching to try and keep expenses down and keep it from being undrivable, but it does not look good.

Mr. Roznovsky advised the right-hand turn lane documents were completed at the last meeting for the donation of the right-of-way. Mr. Roznovsky said in following up with TxDOT, they are now saying that it is still tied to construct those with the whole of FM 149 improvements. Mr. Roznovsky said TxDOT recalled that the City had a conversation years ago that this would be done under maintenance, so TxDOT is going back and checking their records. Mr. Roznovsky said TxDOT is also going through the Mobility Study, and Ms. Vu was also checking to see what other data they can pull from there to start to bolster the case for moving this forward.

Mr. Roznovsky stated the Annual Water Plant Inspections were completed back in March, which all came back with generally everything being okay, with a handful of items that were noted that were in the scope of the Water Plant 3 Improvements Project, and then some recoating at Water Plant 3 to extend the life of one of those tanks, which they are getting a proposal with the work to be done in the fall.

Rebecca Huss asked if Mr. Roznovsky knew the approximate value of the Starbucks building site. Mr. Roznovsky said he did not know that information and advised they

did not have a separate Escrow Agreement; they are tied in with The Shoppes development but said he would get that information.

Chief Solomon was not able to communicate during the meeting. John Champagne said for the sake of time, he would like to sum up what he was going to address with Chief Solomon. John Champagne said the last time he checked the Police Department represents about 54% of the total payroll of the City and said his question was “have we changed the utilization of existing assets, our most important assets personnel, to reduce our costs in terms of payroll and increase our utilization of existing personnel.” John Champagne said that was what he wanted to get an answer. Mr. McCorquodale said he would get with Chief Solomon to make sure they follow up and get it out to City Council.

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

6. Consideration and possible action regarding acceptance of the construction bid for the TWDB - Downtown Waterline Replacement project and authorize the project to be re-bid.

Mr. Roznovsky advised on March 16, 2020, the City received bids for the Waterline Replacement Project, which was right at the beginning of COVID-19. Mr. Roznovsky said they estimated the project to be approximately \$780,000, but the one bid they received from D.L. Glover was for approximately \$1.35 million for the project. Mr. Roznovsky said the City has worked with D.L. Glover in the past and was currently working on the 18-inch sewer line and is a fine contractor, but the price is way out of line of what it is estimated to be. Mr. Roznovsky said they went back and called all the contractors who have pulled the bidding documents to submit. Mr. Roznovsky said there was a lot of interest in the project and they were trying to figure out why they did not receive more bids. Mr. Roznovsky said the contractors advised there was a high number of bids at the time, which is always their excuse, they were unfamiliar with a product that was specified, so with being a waterline replacement, they recommended a PVC pipe that fuses together versus other materials they were more commonly open to, and then COVID-19 was a big item on their list and they did not want to lock themselves into a large project when COVID-19 was just starting. Mr. Roznovsky said

they looked at that and what parts of the contract they could make as alternates in a rebid to give more flexibility in bid prices. Mr. Roznovsky said the ultimate goal is there is a 12-inch waterline on FM 149 that stops by Jim's Hardware and then all goes down through six and eight-inch pipes to get to a 12-inch line across the street from City Hall and SH 105. Mr. Roznovsky said the goal is to connect those two pipes, so they have a continuous 12-inch pipe through the City. Mr. Roznovsky said this project also included was taking the line further east of Pond Street, across FM 149 in front of Brookshire Bros., and taking it down Houston Street to get to the Water Plant site. Mr. Roznovsky said those two pieces are not as critical as the majority of the water comes from the Water Plant #3 so getting that loop closed, the proposal is to make those alternate pieces of the project as well as providing flexibility and giving an alternate for different pipe materials. Mr. Roznovsky said their recommendation is to accept the bid and not award the project to D.L. Glover and authorize the project to be rebid, and then assuming the project is authorized, they would bid and have the bids at the June 9, 2020 meeting. Mr. Roznovsky said the contractors they spoke to said if they provide a rebid, they would generally be open to resubmitting.

Rebecca Huss said she appreciated them looking at why it did not work, rather than recommend they just go for a much higher cost.

Rebecca Huss moved to accept the construction bid and authorize the project to be rebid. Tom Cronin seconded the motion.

Discussion: John Champagne asked to confirm they are accepting a bid and requesting a rebid. Mr. Roznovsky said yes, they are accepting the receipt of the bid, but you are not awarding that bid to the contractor who submitted the bid. Mr. Roznovsky said City Council is saying yes, they received the bid, and they are rebidding. John Champagne said, in his opinion, there is a difference between received and accepted. Mr. Roznovsky said that is correct. John Champagne said the motion made is to accept or receive the bid. Rebecca Huss said she was doing what Mr. Tramm recommended in the document they have on the tablet. John Champagne said he was not disputing that. Rebecca Huss said, to clarify, she is not advising they pay for it, she is just acknowledging receipt of the bid and to clarify this is for the Texas Water Development Board Downtown Waterline Replacement Project. John Champagne said thank you for helping him understand.

Ms. Hensley confirmed for the minutes that the motion Rebecca Huss moved was to accept receipt of the bid and to authorize going out for rebid on the TWDB Downtown Waterline Replacement Project. Tom Cronin said he was comfortable with the clarification and seconded the motion. The motion carried unanimously. (4-0)

7. Consideration and possible action regarding calling a Public Hearing to be conducted by City Council, acting as the Zoning Board of Adjustment, regarding a variance request for a front building line of 25-feet instead of the required 35-feet for the proposed Heritage III development along SH 105, west of the Louisa Street intersection, as submitted by Cheatham Management to be held on May 26, 2020 at 6:00 p.m.

Mr. McCorquodale advised this was on the March 10, 2020 Agenda and due to a lack of a supermajority of City Council in attendance, which is required for a Zoning Board of Adjustment action, it was postponed until the next meeting, which was not held due to COVID-19 situation. Mr. McCorquodale said out of an abundance of caution to comply with notification laws, they would like to recall this meeting so they can publish notices and send out the notification.

John Champagne moved to accept the variance request for a front building line of 25-feet instead of the required 35-feet for the proposed Heritage III development along SH 105, west of the Louisa Street intersection, as submitted by Cheatham Management. Rebecca Huss asked to confirm they were only calling the Public Hearing for this item. Mr. McCorquodale said that is what they need to be doing and said they will act on the item after the Public Hearing on May 26, 2020. John Champagne said he thought they had already done that. Rebecca Huss said they did, both she and John Champagne were in complete agreement on the item. Mr. McCorquodale said there was a quorum at the meeting, but there was not a supermajority, which is what you must have. John Champagne said they are just calling the Public Hearing. Mayor Countryman said she hoped they would be in City Hall, but asked Ms. Hensley if that motion should be via Zoom or at 101 Old Plantersville Road. Ms. Hensley said yes.

John Champagne moved to call calling a Public Hearing to be conducted by City Council, acting as the Zoning Board of Adjustment, regarding a variance request for a front building

line of 25-feet instead of the required 35-feet for the proposed Heritage III development along SH 105, west of the Louisa Street intersection, as submitted by Cheatham Management to be held on Tuesday, May 26, 2020 at 6:00 p.m. at 101 Old Plantersville Road or by Zoom. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

8. Consideration and possible action regarding calling a Public Hearing for a rezoning request from R1-Single-Family Residential to B-Commercial for Lot 16, Area D, Montgomery Townsite Section Four, a vacant lot behind 21105 Eva Street, as submitted by Cheatham Management to be held on May 26, 2020 at 6:00 p.m.

Mr. McCorquodale said this was the same as the previous item, a supermajority was not present, so they are asking to recall the Public Hearing.

9. Rebecca Huss moved to call a Public Hearing for a rezoning request from R1-Single-Family Residential to B-Commercial for Lot 16, Area D, Montgomery Townsite Section Four, a vacant lot behind 21105 Eva Street, as submitted by Cheatham Management for City Council acting as the Board of Adjustment to be held on Tuesday, May 26, 2020, at 6:00 p.m. to be held at 101 Old Plantersville Road or via Zoom. T.J. Wilkerson seconded the motion.

Discussion: Mr. McCorquodale said City Council would not be acting as the Board of Adjustment, they will just be acting as City Council.

The motion carried unanimously. (4-0)

10. Consideration and possible action to appoint Kevin Lacy to fill the vacancy on City Council, Place 1, created by the resignation of Jon Bickford.

Mr. McCorquodale advised when there is a vacancy on City Council, such as they did when they had to postpone the Zoning Public Hearing. Mr. McCorquodale advised Mr. Lacy was the only candidate running unopposed in a race for the upcoming Election, which has been postponed to November. Mr. McCorquodale said the idea would be to have someone who could gain some experience and be involved in the budget and be able to fill a seat to give a

supermajority. Mr. McCorquodale said he did not have much knowledge of the item, so he would turn it over to City Council.

John Champagne asked Mr. Petrov if this information has been reviewed by him. Mr. Petrov said yes, he has. John Champagne said he was making a humble request to table this item and that they appoint for Place 1 an individual that City Council agrees upon and at that point he would resign and Kevin Lacy would take his place. John Champagne said he has done a little bit of investigation and he can say point blank that Mr. Randy Burleigh has agreed to serve for seven months in Place 1, although that does not preclude them from getting more applicants, he would ask they consider appointing someone for Place 1 at the next meeting, at which point Kevin Lacy would take the position that he has been elected to since he was unopposed and be consistent to what he believed were the wishes of the City, which is his request.

Rebecca Huss stated City Council all run at-large, so it is not like they are representing one particular group or another, and she thought part of having Kevin Lacy, in particular, on is to get experience with the rest of us who have served longer and John Champagne has been on the longest, so whether you leave or stay, having him be around with people that have more experience is better. Rebecca Huss said the item is for him to serve with the rest of City Council, and she thought that is the way the item should go. Rebecca Huss said if John Champagne wants to resign and have Mr. Randy Burleigh take his place, that is fine, she did not think the voters would be confused when it comes to pulling the lever for someone running unopposed in Place 2 if Kevin Lacy has to move down one seat in November. Rebecca Huss said she would like to get this taken care of so they can keep moving forward regardless of whether John Champagne changes his mind in two or four weeks or if he decides to serve out his term in November, then Kevin Lacy can get the experience. Rebecca Huss said they have a lot going on in the budget, obviously John Champagne has a lot of opinions of what they need to do and whether or not she agrees with him, that is not necessarily the worst thing to have John Champagne's experience as part of the process. Rebecca Huss said they should get going and appoint the person who is unopposed to this position now. John Champagne did not dispute the logic and said he is going to resign, so to Rebecca Huss' point they can do it this way, or they can do it another way, it does not matter to him. John Champagne said his only request was that it seems to him to be consistent with the Election process, two weeks to him is not going to hurt anything in terms of Kevin Lacy's experience. Rebecca Huss said she

thought it was personally risky because we can't appoint somebody to John Champagne's position until he is gone. John Champagne said they cannot appoint anybody to his position because his position has been filled.

Mr. Petrov advised if they have two vacancies on City Council at one time then they are kicked over into where you cannot fill the vacancy by appointment it can only be held by a Special Election. John Champagne asked the City Attorney if they appoint the open position, Place 1 and at that point, he resigns, what will happen. Mr. Petrov said if they keep it at one vacancy at a time and no more, then City Council can do exactly that. Rebecca Huss said she prefers to do it this way, get done what they were going to do and said she would love to see John Champagne stay and participate, but if he does not want to that is fine, Mr. Burleigh is certainly an able, efficient, inspiring budgetary wonk and would be great. Rebecca Huss said she was sure other people would want to participate, and then whoever they choose, but she would like to get it done so there are five people and they could get back to business. John Champagne said this is totally against what Rebecca Huss has said in the past, she has been against filling positions in the past, that being said, it does not matter, he sees the logic, but he will vote no, the City Council will have its way. Rebecca Huss said Kevin Lacy is running unopposed, they are not confusing things because he is running unopposed, all he is getting is six months' worth of experience. Rebecca Huss said Mr. Burleigh could end up here two weeks from now if John Champagne resigns and Mr. Burleigh submits his application.

Mayor Countryman asked John Champagne if that was his official resignation. John Champagne advised it was not.

Rebecca Huss moved to appoint Kevin Lacy to fill the vacancy on City of Montgomery City Council, Place 1, that was created by the resignation of Jon Bickford. Rebecca Huss said, as a side note, this Place 1 will be filled by the Special Election that will be held in November 2020. T.J. Wilkerson seconded the motion.

Discussion: Rebecca Huss stated Kevin Lacy will not be on the ballot for the Special Election, two other candidates are signed up for that Election.

The motion carried with 3- Ayes and 1-Nay by John Champagne. (3-1)

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. (There are no items at this time.)

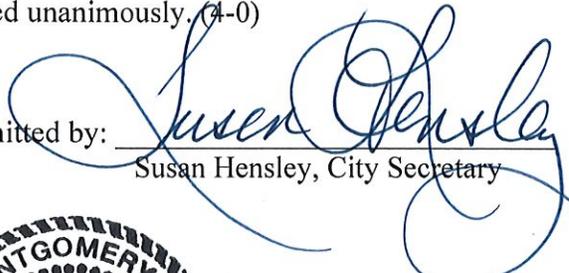
COUNCIL INQUIRY:

Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to the 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.

Rebecca Huss asked John Champagne if he was going to resign, she felt it would be helpful to do it and get it on the Agenda because she has been uncomfortable having four of us during the middle of a pandemic and someone gets ill during this time. John Champagne said he appreciated the question but stated he would decide one way or the other and said he failed to see what the pandemic had to do with this. Rebecca Huss said having a quorum is an important part of conducting business at a time when the City needs that. John Champagne stated they have a quorum. Rebecca Huss said that is while they are all healthy.

ADJOURNMENT

Rebecca Huss moved to adjourn the meeting at 7:33 p.m. Tom Cronin seconded the motion, the motion carried unanimously. (4-0)

Submitted by: 
Susan Hensley, City Secretary

Date Approved: 05/12/2020




Mayor Sara Countryman