

**MINUTES OF REGULAR TELEPHONE/VIDEO CONFERENCE MEETING**

**August 25, 2020**

**MONTGOMERY CITY COUNCIL**

**CALL TO ORDER**

Mayor Sara Countryman declared a quorum was present and called the meeting to order at 6:00 p.m.

Present:	Sara Countryman	Mayor
	Kevin Lacy	City Council Place #1
	Randy Burleigh	City Council Place #2
	T.J. Wilkerson	City Council Place #3
	Rebecca Huss	City Council Place #4
	Tom Cronin	City Council Place #5

Absent:

Also Present:	Richard Tramm	City Administrator
	Susan Hensley	City Secretary
	Alan Petrov	City Attorney

**INVOCATION**

T.J. Wilkerson 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.

There were no comments made.

## CONSENT AGENDA:

1. Matters related to the approval of minutes of the August 11, 2020, Regular Meeting.
2. Consideration and possible action regarding the Renewal/Transfer Application for Cedar Crest Mobile Home Park.

Rebecca Huss asked Mr. Tramm regarding Item #2 on the transfer application if the new owner is aware of the ongoing obligations to annually recertify the conditions of the mobile home park. Ms. Lilly Golden, the new owner said she does realize they have this annual renewal process and is excited to be a part of the City of Montgomery and Ms. Golden said they have read through all the documents and understand what they need to do. Ms. Golden said if the City has any issues, please give her a call. Rebecca Huss said in the past relations have not been fabulous and thinks they have gotten better and said the last few renewals have been relatively good and thinks the last one had a few issues. Rebecca Huss said the City does not have a lot of lower-income housing options, but that does not mean the ones that they do have should be lower quality. Rebecca Huss said she would like to make sure that they keep the quality they have had in the last few years up to the standards they have set. Ms. Golden said just in the due diligence process, they replaced three residences and they want to take care of existing residences and make sure they can stay there because they do not want to displace anyone. Ms. Golden said through the natural attrition of people, they want to replace them with new units. Ms. Golden said one of their plans is to put in new lighting and to continue to upgrade the park and have it meet the standards of the City. Rebecca Huss thanked Ms. Golden.

T.J. Wilkerson asked if they must pay for a new permit or just transfer since it is a new owner and pay the transfer fees. Ms. Golden said you must pay for the transfer and the annual renewal. Mr. Tramm said after this transfer, on an annual basis going forward, they will conform to the annual renewal with the annual inspection that has been done in the past.

Randy Burleigh said he knows in the past they had problems with individual water meter accountability and the City installed a master water meter, and he thought they put that in the contract a couple of years ago but did not see it in there. Mr. Tramm said there is a separate contract regarding the master meter agreement. Mr. Tramm said Ms. Golden and he discussed the contract before the transfer because the contract was not made to be transferrable. Mr. Tramm said they have to circle back shortly to discuss a new agreement and he is sure they will be able to work it

out. Mr. Tramm said he told Ms. Golden they will continue to operate as they have been for the next several months to get the contract in place. Rebecca Huss said in terms of leverage on getting the contract done it seems that it makes sense to do them simultaneously. Mr. Tramm said there is always the annual application process. Rebecca Huss asked if Mr. Tramm feels that is adequate. Mr. Tramm said he does.

Mayor Countryman asked Ms. Golden if she has any other properties in mobile home parks in and around the area. Ms. Golden said they are in the commercial real estate business and their website is [www.evergreentx.com](http://www.evergreentx.com). Ms. Golden said they own several properties under different partnerships and several residential units, not necessarily mobile home parks, but several apartment units.

Rebecca Huss moved to accept the Consent Agenda as presented. Randy Burleigh seconded the motion, the motion carried unanimously. (5-0)

### **CONSIDERATION AND POSSIBLE ACTION:**

3. Consider and Accept the 2020 No-New-Revenue Tax Rate and Voter-Approval Tax Rate.

Mr. Tramm said there are a few items that are required by the State related to taxes. Mr. Tramm said one of them is to accept the No-New-Revenue Tax Rate and Voter-Approval Tax Rate. Mr. Tramm said this is to acknowledge the No-New-Revenue Tax Rate and Voter-Approval Tax Rate for 2020 are \$0.3843/\$100 valuations for the No-New-Revenue Rate and \$0.4525/\$100 valuations for the Voter-Approval Tax Rate. Mr. Tramm said the No-New Revenue Tax Rate is the rate that will collect the same amount of revenue as 2019 from properties taxed in 2019 and 2020. Mr. Tramm said the Voter-Approval Tax Rate is the highest tax rate that could be adopted without holding elections for voter approval.

Mr. Tramm said he prepared the City's draft Budget in keeping the Tax Rate at \$0.4000/\$100, which is what it was in 2018 and 2019. Mr. Tramm said what he wrote in the Agenda report is a bit incorrect as he stated it would raise approximately \$50,000 more than the No-New-Revenue rate, it will raise approximately \$50,000 more than what was raised last year, but approximately \$31,000 of that comes from properties added to the tax roll with the additional \$19,000 for properties that were on the tax roll for both years. Mr. Tramm stated the recommendation is to accept these rates. Mr. Tramm said Ms. McRae, Tax Assessor/Collector had advised she would be available for the meeting but did not see her tonight. Ms. Hensley advised Ms. McRae had confirmed she would attend tonight.

Rebecca Huss said the language needs to be that they understand that the tax rate the City would have needed to adopt to not bring in a penny more than last year on the same properties that were on the tax roll last year is \$0.3843 and the tax rate which we would need to go to an election is \$0.4525. Mr. Tramm said yes and just to be clear, the \$0.4525 is the highest rate you can charge without triggering an election, exceeding that would trigger an election. Rebecca Huss asked Mr. Tramm if he thinks they can live within the \$0.4000 that they have lived in for the last two years which is well within the Voter-Approval Tax Rate. Mr. Tramm said he has a conservative recommendation for sales tax with some expenditure cuts, and no major vehicle purchases planned. Mr. Tramm said they have several Public Works and Capital Projects, but he believes Council will see and consider a conservative budget in terms of revenue and expenditures, but one the City can live with. Mr. Tramm said as we get through these more difficult economic times, we will be positioned for increases in revenue from the sales tax side. Rebecca Huss said as Mr. Tramm said, there is very little increase in our property tax over last year, and the same properties that are on the tax roll, she guesses that a good portion of that is commercially driven. Rebecca Huss said the City does not control what assessed values are, that is controlled by the Montgomery County Appraisal District.

Randy Burleigh asked Mr. Tramm if they normally have the Budget Workshops finished by this stage. Mr. Tramm said his experience with the City is a bit limited and believes they are doing it in the same order as last year. Mr. Tramm said in the future they should try and have the Budget Workshop earlier so they can have this in the opposite order, and right now they are a bit handcuffed by trying to stay ahead of the State's guidelines. Mr. Tramm said he will plan to have the Budget Workshops earlier.

Rebecca Huss moved to accept the 2020 No-New-Revenue Tax Rate at \$0.3843/\$100 and the Voter-Approval Tax Rate at \$0.4525/\$100. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

4. Consider and discuss the Tax Rates needed to Fund the 2020-2021 Budget for Maintenance and Operations and Debt Service.

Mr. Tramm said Items 4, 5, and 6 are all linked. Mr. Tramm said as he has said before, some of the procedures related to the Tax Rate adoption have changed this year and he prepared the City's

Budget in keeping with the tax rate of \$0.4000, which is what it has been in 2018 and 2019 and feels it is consistent with the expectations he has received from past discussions with City Council and will work with the budget they need for this year. Mr. Tramm said this will raise approximately \$50,000 more than what they had last year and by comparison, the draft budget that will be presented in the upcoming Budget Workshop will have the sales tax revenue projected to be down between \$50,000-\$100,000 from the current year. Mr. Tramm said he projects the proposed split for Maintenance and Operation (M&O) is \$0.2805 and for I&S (Interest and Sinking) is \$.1195. Mr. Tramm said using this split will allow them to utilize some of the surplus funds that have increased in recent years in the Debt Service Fund for debt payments and some of that increase in M&O can go to the General Fund where they are projecting a decrease in sales tax revenues. Mr. Tramm said if Council would rather keep a split close to what they had last year, they could choose to utilize some of the prior year surplus for the General Fund if they would rather leave the excess funds in the Debt Service Fund for future use.

Mr. Tramm said the MEDC Fund in past years has been transferring money into the Debt Service Fund. Mr. Tramm said also, in the last several years the I&S rate was calculated and it seems to have been applied close to what the I&S rate would need to be if there were no outside money coming into the Debt Service Fund. Mr. Tramm said consequently, the Debt Service Fund has built up a surplus of over \$420,000 that was not being used to pay debt. Mr. Tramm is recommending using that money to pay down debt, thereby allowing some of the property tax money to go into the General Fund at a higher rate than it had been in past years to make up for the sales tax decreases that were projected. Randy Burleigh asked if they left the extra funds in the Debt Service Fund could they go back and transfer it over another year. Mr. Tramm said you can always take money from the General Fund and use it to pay debt, you can use it to add to the Debt Service Fund, you can use it to pay for projects, but once you put that money in the Debt Service Fund you really should not be taking it back out to transfer to other funds for other uses. Mr. Alan Petrov, City Attorney said you cannot take funds out once you put it in the Debt Service Fund. Mr. Tramm said by allowing that fund to accumulate a surplus, you have effectively handcuffed yourself even if you wanted to do that as part of a plan to use it for certain items, you can still do that from the General Fund. Randy Burleigh said the options are better with the first-mentioned plan. Rebecca Huss said and the economy has become much more unstable and uncertain which means you probably want a stronger surplus, so doing it this way would mean that you have access to funds that are only usable in one way and you don't spend down the surplus. Randy Burleigh asked if they do a transfer in the General Fund they can label it, so it will not get calculated into the surplus

like they do today. Rebecca Huss said no, using Mr. Tramm's greater percentage or using a lower I&S tax rate and a higher M&O tax rate will naturally draw down their Debt Service Fund and it will increase the funds they have available for the 2020-2021 operating budget which will allow them to leave the surplus alone. Rebecca Huss said they might have to draw down their surplus to keep operations at the level they might need to deliver services at the level that they would like. Randy Burleigh asked if it would affect surplus funds in the General Fund that they keep for six months to a year. Rebecca Huss said the way Mr. Tramm is talking about using a lower percentage going to I&S, means that more of our current tax dollars are spendable now, which means we keep more money in the bank for emergencies. Randy Burleigh said he is all for that and he always thought they were too low. Rebecca Huss said at least this way it does not make things worse.

Rebecca Huss said she does not see in this environment how they can raise taxes to make up the loss in sales tax because that is what they have been floating on in the past. Rebecca Huss said they have a fairly stable but low percentage of property tax and a bonanza of sales tax. Rebecca Huss said the question is do they raise taxes on property taxes to make up for downward pressure on sales tax, which to her the answer is no. Rebecca Huss said she thinks keeping it at \$.4000 is the only way to go.

Mr. Tramm stated the proposed budget has opportunities to make some reductions in expenditures and still provide satisfactory services without having to raise property taxes. Rebecca Huss said their tax rate is already quite low compared to other municipalities in the area and it should be a source of pride, but it also means that it can be difficult to keep it down when things get tight but thinks they have the opportunity to do that right now.

5. Consider and Vote on the Proposed Tax Rate for 2020.

Rebecca Huss moved to set the Proposed Tax Rate for 2020 at \$.4000/per \$100 of assessed value, with \$.2805 for Maintenance and Operations and \$.1195 for Interest and Sinking. Tom Cronin seconded the motion, the motion carried with the following record vote:

Randy Burleigh – Aye  
Rebecca Huss – Aye  
Tom Cronin – Aye  
Kevin Lacy – Aye

T.J. Wilkerson – Aye

6. Consideration and determine the Tax Rate needed to fund the City of Montgomery 2020-2021 FY Budget. If it exceeds this year's No-New-Revenue Tax Rate, schedule a Public Hearing to be held on September 15, 2020 at 6 p.m. via Zoom.

Mr. Tramm said since they are exceeding the No-New-Revenue Rate, the appropriate action would be to call a Public Hearing for September 15, 2020, at 6 p.m. via Zoom. Rebecca Huss said hopefully by then they will have the full budget as well so they can discuss that with their constituents to give them an idea of what they have done and why. Mr. Tramm said he expects they will have that worked through by then.

Rebecca Huss moved to schedule a Public Hearing for the tax rate discussion because we are at \$.4000/per \$100 valuation, which is above the No-New Revenue Tax Rate of \$.3843 to be scheduled for September 15, 2020, at 6 p.m. via Zoom. Kevin Lacy seconded the motion.

Discussion: Mr. Alan Petrov, City Attorney advised a record vote would need to be taken on this item.

The motion carried unanimously with the following record vote:

Kevin Lacy – Aye

T.J. Wilkerson - Aye

Tom Cronin – Aye

Rebecca Huss – Aye

Randy Burleigh - Aye

7. Receive a presentation on the Annual Service and Assessment Plan for the City of Montgomery Public Improvement District No. 1.

Mr. Tramm said Ms. Mallory Craig of Coats Rose Law Firm is attending the meeting tonight.

Mr. Tramm said the total assessed value of the properties is \$38,814.40. Mr. Tramm said the City has an agreement with the City of Montgomery Public Improvement District No. 1 and as part of this agreement, they will return the tax money to them with a small amount for services.

Ms. Craig introduced herself and said as she understands there are a couple of new members on Council from last year and said she was asked to join the meeting and give a presentation about the update of the PID. Ms. Craig said the PID was created in 2015 and they first levied an assessment in 2017, which runs for 15 years. Ms. Craig said for each active triggered tract the City includes a \$50 administrative fee. Ms. Craig said for this year since there are nine (9) tracts triggered, the City will receive \$450 of the total assessment levied meaning that all of the assessments that are collected, minus the \$450, are then returned to the developer to pay for the infrastructure that was constructed to serve the Montgomery Summit Business Park. Ms. Craig said they are expecting to have a couple more businesses in 2021. Ms. Craig stated the assessments from Mr. Tramm's statement are \$38,814.40. Ms. Craig asked if there were any questions or more information she could provide.

Randy Burleigh asked if it is 15 years total from what time. Ms. Craig said from the date it was triggered so it is not 2030, it is from 2017, so 2032. Randy Burleigh then asked will newly added tracts start triggering for 15 years or is it 15 years total. Ms. Craig said it is 15 years total from the first year it was triggered, so it is 15 years or until the developer is reimbursed. Ms. Craig said if they are fully reimbursed and all of the tracts and assessments equal out to what they have expended, then the reimbursements would end, but if it gets to 15 years and they haven't been reimbursed then it ends. Randy Burleigh said then it is to your advantage to get it done quickly. Ms. Craig said correct.

Mayor Countryman asked who is monitoring the payments and if they end up paying early or if they get the whole 15 years. Ms. Craig said she keeps up with part of it and then said she believes the City also keeps up with it too. Ms. Craig said between March and May she sends in a request for reimbursement and in that she includes what has already been disbursed and what they have left to be reimbursed and they can make sure they are all on the same page on what is left. Mr. Tramm said from that point they review the information and verify the taxes were paid before they refund them and if there are any issues they might disagree on they work through the issues before they finalize and make payment. Ms. Craig said correct and asked if there were any more questions.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY ACCEPTING AND APPROVING AN ANNUAL UPDATE TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR CITY OF MONTGOMERY PUBLIC IMPROVEMENT DISTRICT NO. 1; PROVIDING FOR PAYMENT OF THE ANNUAL INSTALLMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; AND PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

Kevin Lacy moved to adopt the ordinance and approve the Service and Assessment Plan as presented with the City's agreement with the PID. Randy Burleigh seconded the motion, the motion carried unanimously. (5-0)

9. 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. Tramm said attached are the Resolution, Amended Investment Policy including Appointment of Investment Officer, and updated List of Authorized Brokers for 2020.

Mr. Tramm said this is an item that City Council is required to act on each year. Mr. Tramm said there is a change in the Investment Officer, which is noted in the attached Policy, where Ghia Lewis replaces Katherine Turner as one of the City's Investment Officers and the List of Authorized Brokers has been updated.

Mr. Tramm said the Investment Policy was provided by Municipal Accounts and reviewed by the City Attorney. Mr. Tramm said he did want to add for reference that it has been about six months since they brought someone on staff to handle the City's bookkeeping. Mr. Tramm said in the long-term he does expect, when he has received the required training, they can move to appoint Mr. Anthony Lasky on staff to be the Investment Officer and if not him or someone else they can use in place of Municipal Accounts who may not be as costly in the long run.

Rebecca Huss said she does have some issue using somebody they are no longer engaged with to do something they do not have any verification they are doing anything at all in our interest. Rebecca Huss said there is a list of investments that any person could maintain, or you could obtain from TML, which they already pay for. Rebecca Huss said they have no verification that they are working for us or monitoring this on our behalf. Mr. Tramm said as, with any consultant, there is always an element of trust. Mr. Tramm said at the moment Mr. Lasky doesn't have the Public Funds Investment Act training so he is not prepared to be the Investment Officer, but that is something they are in the process of adjusting and getting Mr. Lasky that training, which he should have before the end of the next month. Rebecca Huss said she thinks he has been aggressive in terms of talking about what appropriate investments are, and being concerned about how our investments have been maturing, but it seems like he has been very proactive whereas she doesn't know if they have gotten any communication from our Chief Investment Officer (CIO) on these items at all. Rebecca Huss said somebody who is not engaged as our CIO has been operating in a much more proactive manner than somebody who is getting paid for said behavior. Mr. Tramm said he certainly understands Rebecca Huss's comment on the matter.

Kevin Lacy asked if this is something they must wait on until next year's budget to make the change or when Mr. Lasky is up and going they can change. Mr. Tramm said Council can make that change any time in the future. Rebecca Huss said her only comment which she made before is that she does prefer checks and balances if he is preparing our books and regarding the CIO, they might have to put something in place where there is an extra monthly review and a second set of eyes on it which never hurts in municipal finance. Mr. Tramm said he would also want someone available not just as someone available for a second set of eyes, but someone who if there was an emergency that took Mr. Lasky away for an extended period, someone who could assist them in the day-to-day operations for a short period. Mr. Tramm said that has been on his mind to have both of those filled. Rebecca Huss said it has been wonderful having Mr. Lasky here full-time not just from a budgetary perspective, but his work ethic is fantastic, and the quality is even better. Rebecca Huss said having a one-man band in such a critical area of the City's operation is something to consider in terms of risk even if he goes on an extended vacation. Randy Burleigh asked if it has always been this way. Rebecca Huss said no because they use to use Municipal Accounts and they had other people and so there was allegedly backup although it had its own shortcomings because the backup was useless. Rebecca Huss said they paid a lot and received some backup, but it was limited. Mr. Tramm said in addition to what he believes is better service by having Mr. Lasky on staff, ultimately he

believes it is also less costly to the City and thinks they win on both ends. Rebecca Huss said they do; they just must consider not only succession planning but cross-training. Mr. Tramm agreed.

Kevin Lacy 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. Tom Cronin seconded the motion, the motion carried unanimously. (5-0)

10. Update from BGE regarding the General Land Office Grant Project – Limited Master Drainage Study.

Mr. Tramm said Mr. Bill Kotlan from BGE was here to present an update.

Mr. Kotlan said BGE has done a hydrology and hydraulic study on Town Creek and Town Creek Tributary No. 1, which is the tributary of Town Creek that crosses Plez Morgan Drive, FM 149, and Dr. Martin Luther King, Jr. Drive and goes up to FM 1097. Mr. Kotlan said the purpose of this study was to identify locations with flooding problems that could be addressed through the City's GLO grant. Mr. Kotlan said they have identified three items that need to be addressed.

- Mr. Kotlan said one item is the area between FM 149 and Martin Luther King Drive along the creek channel. Mr. Kotlan said there is an area of thick underbrush and trees that is restricting the flow of the creek.
- Mr. Kotlan said the second item is the two 54" culverts under FM 149 that are much smaller than the culverts at MLK and Plez Morgan. Mr. Kotlan said these are also a constrictor of flow and when they did the study they found that even a two-year storm would flow over the top of FM 149.
- Mr. Kotlan said the third item they found was significant erosion downstream along Town Creek from Buffalo Springs Bridge all the way up to the confluence of Tributary No. 1 and Town Creek. Mr. Kotlan showed a profile of the creek bottom with the bottom part of the

diagram being Town Creek and the upper part as Town Creek Tributary No. 1. Mr. Kotlan said the place where the bottom part falls off like a waterfall is the place where the erosion ends. Mr. Kotlan said there was concrete slope paving on the side, but there was a big storm that washed that out and eroded all the soil out. Mr. Kotlan said the waterfall is continuing to work its way upstream, which is called a head cut because the velocity of the water as it goes over is such that it keeps eroding the bottom of the stream away. Mr. Kotlan said you can see where the flood plain use to be nice and wide because the channel was shallow and now the whole flood plain and floodway is within the channel because the channel is so deep.

Rebecca Huss asked why they would want to increase velocity by installing larger culverts under FM 149 and cutting brush and asked if faster water causes more erosion. Mr. Kotlan said faster water does cause more erosion, but they also recommended a detention pond to mitigate the increased velocity. Mr. Kotlan said the total amount of water coming down the creek is not going to increase the velocity by much, but they had a recommendation to put in some kind of structures downstream to stop the head cut and stop the erosion.

Mr. Kotlan said there are four solutions. Mr. Kotlan said one is to cut out the underbrush and possibly do some channel improvements, and another is to open up the culvert or make a small bridge on FM 149, the third was to create a detention pond to mitigate the increase in flow from the first two improvements, and the fourth was to install improvements to stop the head cut situation that would probably be drop structures in the channel.

Mr. Kotlan said the improvement under FM 149 is probably a TxDOT improvement, and not a City improvement, so that will be something to work with TxDOT on.

Mr. Kotlan said the fourth improvement is more of a private developer improvement that your City Engineer will work with the developers to mitigate what they are doing by stopping that head cut that is coming up the channel.

Mr. Kotlan said there are two things that are potential projects for the GLO grant project. Mr. Kotlan said their next steps are evaluating options and running the model for future conditions with

those options to confirm what effect they will have and then they will be putting together some high-level cost estimates for those options and the report to be turned into the GLO.

Rebecca Huss asked in terms of placement of the detention, was that private property. Mr. Kotlan said the place they were thinking about doing detention would be on private property between Plez Morgan and FM 149. Mr. Kotlan said it could also be placed on private property on the upstream side of FM 149 if they are not able to work out a deal with the developer downstream of FM 149. Rebecca Huss said if you did it upstream from FM 149, then you would not have to worry about the culverts under FM 149 and fixing under that. Mr. Kotlan said the constriction is fairly small compared to the other crossings and they could improve the situation by putting some volume upstream of that constriction without removing it, but he doesn't think they will be able to get enough volume to bring down the water surface significantly without opening it up. Rebecca Huss said in some ways it is nice to have that as a constrictor. Mr. Kotlan said if the two-year flow were not going over the top of the road, he thinks you could argue that it is great to have that. Mr. Kotlan said the difference between the extreme event and the capacity of those culverts is a lot, so the water is going over the roadway, and by leaving the constrictor in there they are not necessarily stopping that from happening. Mr. Kotlan said if they can prevent flooding on FM 149, arrest the erosion downstream, and provide the detention to mitigate it, there is plenty of capacity in the channel to carry that flow within the channel banks. Rebecca Huss said she is just thinking of private property and how valuable it is between FM 149 and Plez Morgan. Mr. Kotlan said there is a little pond there already in the area between Plez Morgan and FM 149 and most of it is not fronting one of those roads. Mr. Kotlan said he thinks it could be worked out with the developer to identify an area there to do that. Mr. Kotlan said he can't speak for the developer as to what compensation they would want, but he thinks it is a workable solution they should be able to be cooperative on and if they are not, there is an option of doing the same thing in a different place. Rebecca Huss asked if they could dig out something like that and make it an actual valuable water feature, even though they are talking about large quantities of stormwater you can turn it into an amenity. Mr. Kotlan said they do that a lot with retention ponds where they dig it deeper so that they always have water in them in a fountain so they are pleasing to look at and plant different types of vegetation around to make it look like a park. Rebecca Huss said what the students from A&M from the landscape architecture class did, some of their less viable ideas but more interesting ones, did have adding quite a bit of natural-looking features, that had water on it which added value to the property. Mr. Kotlan said they have been involved in private developments with different landscape architects where they have done the design part of the stormwater where the architects created

lakes, rivers, or even wetland type environments with bridges and pathways and different types of vegetation that create a very nice habitat that is beautiful and fulfills the stormwater function.

Mr. Kotlan said those things cost money and maintenance but that is very typical these days for developers to add that extra value in there for the customers. Rebecca Huss said it seems like that might be a solution if they are looking at valuable commercial land that someone is not going to want to give up, plus she's not sure if detention versus the kind of concept they are talking about is more of a retention, you want to keep the water and not have it creating cutting waterfalls, that might be a more viable long term solution.

Mr. Kotlan said he wants to emphasize that the velocity and volume of water are not what is causing the erosion, it is the elevation difference. Mr. Kotlan said what happened was that was a natural creek all the way down to Walden Road at one time and they dug channels to bring Lake Conroe closer and as they dug those channels, they kept decreasing the distance between the natural creek elevation and the water level of Lake Conroe, and the further out they dug that channel the more the elevation increased. Mr. Kotlan said they tried to mitigate it by putting concrete there to stop erosion, but the amount of water coming down there had more energy than the concrete could absorb and washed it out. Mr. Kotlan said it is the elevation difference that is causing the erosion and not the increase of the amount of water. Mr. Kotlan said most of the watershed is not developed and has not changed over the years, it is just that these canals created this waterfall condition that then eroded.

Randy Burleigh asked if the project goes back to FM 149 and the propane tanks. Mr. Kotlan said they studied up to FM 1097 along that road, so yes, FM 149 and the propane tanks are in the study area. Mr. Chris Roznovsky, City Engineer said the propane tanks off FM 149 south of Lone Star Parkway are on the main reach of Town Creek and this study focused on Tributary No. 1, also known as Anders Branch, which heads up to FM 1097. Mr. Roznovsky said that was not the main focus for the GLO funding, they focused on improving the Baja/MLK, Simonton, Lawson corridor. Randy Burleigh said not only do you have the problem just mentioned, but the water running over the road at FM 149, by the propane tanks is just as bad and said he thought it was in the scope. Mr. Kotlan said they had to study that part of the creek to evaluate the lower part of the creek, but the purpose of the study was to reduce flooding along the tributary. Randy Burleigh said in the section he is talking about past the propane tanks there is a large pipe that sits in the creek bed and the creek is totally plugged up with large tree trunks and has been that way for years. Randy Burleigh

said the second bad chokepoint is north of Lone Star Parkway where the creek bed is full of timber. Mr. Roznovsky said on the north side of Lone Star Parkway and the improvements of that channel, that suburb will be looked at as the developer continues his plans. Mr. Roznovsky said as far as the choke point downstream, that is something Mr. Muckleroy can look at and get with the property owner to see if there is something they can do to help.

Randy Burleigh said the developer built the five ponds along the side of the creek so hopefully, he would be wanting to enlarge them like Rebecca Huss mentioned and thinks he built them to enhance the value of his property and the solution may be in making them a little bit bigger and deeper to hold extra water. Mr. Kotlan said he thinks there is a real opportunity to cooperate with the developer and come up with a way he could develop his greenbelt to do the mitigation all along Town Creek utilizing those ponds.

Kevin Lacy asked what the next steps are for them regarding planning and acting on this study. Mr. Kotlan said as he mentioned, the next steps are to complete the study and get it to GLO to approve it and thinks the purpose for that is to identify projects the City can fund with GLO money and actually get done. Mr. Kotlan said those projects might include some work upstream of FM 149 to clear out underbrush and possibly a few trees that are in the way. Mr. Kotlan said there are some clarifications needed from GLO on how much work can be done on the creek channel. Mr. Kotlan said the second step that he thinks could be funded through this is some sort of cooperative contribution to doing something on detention to mitigate opening the FM 149 culvert, and to work with TxDOT as they improve FM 149 to demonstrate the need to improve that culvert, and also to work with the developer to demonstrate to them the need to stop the erosion with some structures in the creek. Mr. Kotlan said some things you can do directly and right away, and some things are going to be more of a cooperative long-term goal. Mr. Roznovsky said the contract for the funding of the grant has already been signed with the City so once this is done, the final scope of the drainage improvements will be ready to go forward and in that grant, there is money for some land/easement acquisition depending on what is actually needed. Mr. Roznovsky said when they originally asked TxDOT if they would improve that, TxDOT had their own study which told them they did not need to, but now with this, they have the backing of a study to take back to them and say please reevaluate this, here is the most recent study updated that shows that this is an issue that they would like TxDOT to take care of. Kevin Lacy asked if this caused flooding in the area in the past because of this. Mr. Roznovsky said yes, this is one of the areas and luckily they didn't have structure flooding

in the past but it got very close to some of those homes that back up to Anders Branch and the goal is to be able to reduce the impact on those residents with these funds.

Kevin Lacy asked what they can do to remedy the debris that is causing a separate choking issue. Mr. Roznovsky said the first step is to go out and take a look and get with the landowner and see what he can do to help clean that out or at a minimum, give access to be able to have some of that done. Mr. Roznovsky said he pulled up the plat and it appears the corner property that covers the corner of FM 149 and Lone Star Parkway and wraps around the propane tank site was all platted with Buffalo Springs and there appears to be a drainage easement that covers the creek, so at least they have some right to be able to get there with the easement access.

Randy Burleigh said he thinks this project's biggest challenge is working with the independent property owners to come to a common solution. Mr. Roznovsky agreed. Rebecca Huss said again when they were dealing with the National Guard, the property owners were interested in having things happen but with Anders Branch, they didn't have the money to make it happen so it all comes down to they couldn't use government funds on private property. Mr. Roznovsky said that was correct and in the budget originally they had in their part of the scope was to acquire easements from MLK to FM 149, along Anders Branch. Mr. Roznovsky said if the pond can squeeze onto the existing pond a lot is already flood plain, but they will need to have conversations with the property owners to see what they would be willing to participate in. Rebecca Huss said they need to be careful as well because they do not necessarily want to buy a lot of stuff because once you own it, that is something to consider long-term regarding responsibility and cost of maintenance. Mr. Roznovsky agreed.

City Council thanked Mr. Kotlan for the excellent update.

11. Consideration and possible action on Department Reports.

A. City Administrator's Report

Mr. Tramm said they have been following the COVID-19 cycle as it has gone up and down and they are still operating full services and operations for the public and taking precautions for staff to operate as safely as possible and will continue to do that as long as necessary.

Mr. Tramm said the intersection of Baja Road and MLK was completed to widen that intersection and they made sure good drainage flow was kept in that area, as well as widening

both sides of that intersection, which is much safer and you can tell the difference of what it was and what it is now. Mr. Tramm said it comes at a good time because there are several homes under construction on Baja Road, including one at the corner of Baja and MLK.

Mr. Tramm said they set the Budget Workshop dates for this coming Thursday as well as August 31<sup>st</sup>.

Mr. Tramm said the City is monitoring the hurricane and projected paths and forecasts and for the last couple days Hurricane Laura has been angling more toward our direction. Mr. Tramm said they are not expecting as much of a rain event as a heavy wind and storm event potentially needing clearing of roads, outages of power which also reverberates into their ability to provide services including on the utility side. Mr. Tramm said they do have generators including extra fuel set aside. Mr. Tramm said they believe they are as ready as they are going to be in storm preparation and will continue to monitor it as they go through this event.

Mr. Tramm said he also wanted to add that he was elected to and attended his first meeting with the Montgomery County Emergency Communication District and will continue that both through the remainder of the vacant term as well as the new term.

Mr. Tramm said as he mentioned some of the home construction on Baja Road earlier, one of those homes under construction is part of the Home Grant Program and that one is moving along nicely. Mr. Tramm said right now they have four homes that are in the permitting process, one of them being the one that is under construction through the Home Grant, three of those permits have been approved for construction and one he anticipates will be approved next week. Mr. Tramm said the reason that one is further behind is that it had some delays and has been lagging behind the other homes, but it has been approved with the program and is now in the process of getting the plans approved. Mr. Tramm said he spoke with the resident earlier today and she is fully aware of where she is in the process.

#### B. Public Works Report

Mr. Tramm said some of the highlights include a three-inch water main that was repaired on Liberty Street at Montgomery Elementary School, Public Works modified safety ends of the culvert at Berkley to improve drainage, faucets at City Hall were replaced with touchless

models and that is part of their responsibility for both the staff and public related to the COVID-19 pandemic.

Mr. Tramm said Public Works was able to perform an in-house auto repair on a truck's engine mounts with the crew that they have and that is one example of the City staff being able to perform some work that might otherwise cost more to have contracted out.

Mr. Tramm said if you have been near Cedar Brake Park recently you've seen that some of the wooden bollards for parking barriers have been painted with the Texas Flag theme which is part of the next step of getting color out in the City as well as in keeping with the City's heritage as the "Birthplace of the Texas Flag."

Mr. Tramm said Fernland reported 553 visitors and 32 guided tours during the month.

C. Police Department Report

Mr. Tramm said the main highlight he wanted to report is the online traffic reporting form is available on the City's website where residents can report traffic issues at any time and allow the Police Department to look into what is necessary which is part of their efforts to try and be more responsive to the community. Mr. Tramm said they have also been assessing their needs for the hurricane.

D. Court Department Report

Mr. Tramm said he does not have any specific updates other than Court is back on their regular sessions schedule.

E. Utility/Development Report

Mr. Tramm said they have cleared the arrears numbers and the report now shows 10 accounts at 120 plus days and those accounts are on payment plans. Mr. Tramm said that should be the normal case now going forward. Mr. Tramm said it wouldn't be normal for anyone to be on a payment plan that long, but in particular cases, he would be willing to approve plans up to six

months and if they are on a long plan, they are more than likely someone that is making satisfactory progress with us for an unusual circumstance.

Mr. Tramm said there was around \$25,000 worth of accounts and they have an upcoming appointment with a collections company regarding working on those older account monies. Mr. Tramm said the amount that was in that category previously was a larger dollar amount. Mr. Tramm said those accounts to be sent for collection were reviewed and several fees were carried through incorrectly in the past, and accounts that should have been closed were allowed to continue to assess fees before they were closed, then those amounts remained on the account. Mr. Tramm said that is why there is a difference in the amounts that you saw previously and what you see now.

Mr. Tramm said they are going to restart the Community Center rentals in September and will be advising groups there is some use “at your own risk” related to the COVID-19 pandemic and City staff does ensure based on the deposits they have collected, that people have cleaned the place. Mr. Tramm said they are advising people that they are not coming through and doing a full-scale disinfection job on the building and that is something they need to consider if they want to rent it. Mr. Tramm said they are also renting out pavilion space for those who would rather have a space such as Cedar Brake Park, but they would rather have an outdoor environment because they feel safer.

Kevin Lacy asked what the status was with the wall in front of the Community Center. Mr. Tramm said they are waiting on payment from the insurance company and then he will be looking at contractors for some options. Mr. Tramm said they had some internal discussion and TxDOT will be coming through and widening that road in the future, and while that is not imminent, ultimately it might be in the City’s best interest to look at moving the wall inward from its current location. Mr. Tramm said while that is something he would have been hesitant to discuss while the wall was in its original state, if they are going to have to do work on the wall anyway, this may be the best time to address that. Mr. Tramm said he thinks they can take steps to repair the wall and additional steps if they can move the wall back and put up some barrier space to have parking space there. Mr. Tramm said he thinks ultimately it accomplishes several goals for the City while still being able to protect the wall long-term. Kevin Lacy said then as soon as we get the payment we can talk about the next steps. Mr. Tramm said yes. Rebecca Huss said it makes sense since it is three quarters gone to make a

permanent solution given what our future needs are. Mr. Tramm said this is not the opportunity he would have wanted to have to solve that, but it is certainly the best opportunity they are going to have and not have to spend money twice. Ms. Susan Hensley, City Secretary advised it is taking a little bit longer because they are subrogating for the complete amount from the driver.

Randy Burleigh said he did have a comment for the future on the chart for the City Account Consumption for the City water, there are two, Memory Park and the Cooling Tower feed where the values are so large that the rest of them are useless. Randy Burleigh said you may want to have two charts, one showing the two high users to show it a bit differently. Ms. Hensley said she will work on that. Mr. Tramm said he sees his point and they can address that next month.

F. Water Report

Mr. Michael Williams, with Gulf Utility Service, Inc., stated all the district alerts were minor issues as they were able to go out and reset equipment. Mr. Williams said Lift Station 9 pump failure was a temporary malfunction.

Mr. Williams reported 5,035,000 gallons of wastewater for the month. Mr. Williams stated the daily peak flow was 399,000 gallons on July 25<sup>th</sup> and the daily average flow was 167,800 gallons, which is 42% of permitted capacity.

Mr. Williams said all samples were in compliance with the effluent monitor report for the month of July and reported a total of 4.75 inches of rain.

Mr. Williams said they pumped a total of 13.246 million gallons of water, used 217,000 gallons flushing, and sold a total of 11,931,000 giving a 92% accountability. Mr. Williams said it was a little bit lower, but he expected that to rebound back from last month's 104% so that averages out to normal accountability. Rebecca Huss asked since it has been so hot, should they be pumping more water out of Well 2 so everyone gets cooler water out of their faucets. Mr. Williams said they have been pumping water out of Well 3 to counteract Well 4 at the plant to try to keep the temperature down and have not been receiving any temperature issues. Mr. Williams asked if anyone has noticed any spikes in temperature. Rebecca Huss said she

would not say a spike. Mayor Countryman said she has had less hot water this summer than she had in previous summers and thinks it has been great. Mr. Williams said he was glad to hear that. Mr. Williams said they also recorded 959 connections in the City.

G. Financial Report

Mr. Anthony Lasky said in going over the account balances, currently you are just under five months reserve in the Operating Fund and they renewed the CD that was due on July 30<sup>th</sup> which will mature next January for the \$100,000 at 0.7% from Third Coast Bank.

Mr. Lasky said the rates right now for TexPool as of today is at 0.17%. Mr. Lasky said for MEDC there is a little over two years reserves and 10.5 months reserves in the Utility Fund. Mr. Lasky said if there is ever any point in time that there is money they can set off to the side and put into a CD because of the rates going down, it is another option to do at any point in time, putting it in a three month, six month or year-long CD, at least that rate will be locked. Rebecca Huss said unless you worry that rates are going up, in which case then you would lock yourself in lower. Mr. Lasky agreed.

Mr. Lasky said they did transfer \$365,000 for the FEMA reimbursement from the Capital Projects Fund and the City did receive the sales tax payment for the month.

Mr. Lasky said there is nothing out of the ordinary for disbursements, but then there were three pay periods compared to the normal two for the month. Mr. Lasky said they also transferred just over \$289,000 to debt service to cover the debt payment for the upcoming week. Mr. Lasky said due to the hurricane coming in, he went ahead and processed the debt payment today which will settle tomorrow, since it is due on September 1<sup>st</sup> he did not want to take any chances. Rebecca Huss said when interest rates are zero, there is no cost to paying three days early whereas the cost of having a hurricane wreck your transfer plans can be very high so that is a low risk/high return strategy.

Mr. Lasky said he updated the amended budget numbers into the annual budget, so they are current. Mr. Lasky said they received about \$375,000 in August for sales tax which leaves \$2,124,000 total for the fiscal year that is collected and three-quarters of that was \$281,000, the rest of it, \$93,000, was transferred into the MEDC fund.

Rebecca Huss noticed there were only 10 citations written last month. Mr. Tramm said it was definitely down and did not go unnoticed.

Randy Burleigh said he had a question on page 22 under Water Systems–Capital Projects, the year-to-date budget for the Downtown Waterline Project where they budgeted \$418,000, and \$502,000 for the year. Mr. Lasky said the \$418,000 is the year-to-date you would have as of July 31<sup>st</sup> and the \$502,000 is as of September 30<sup>th</sup>.

Mayor Countryman said David Mays who use to own the McDonald's in Montgomery bought the Police Department 10 emergency kits to put in their vehicles. Mr. Mays said he was very thankful for the City even though he is no longer a business owner and contributor to our tax base. Mayor Countryman said she thought it was a very thoughtful gesture and wanted to make sure it did not go unnoticed.

#### H. Engineer's Report

Mr. Roznovsky said the CDBG Project is still ongoing to get closed out, and as of the last update, it is still under desk review with the TDA to obtain the final draw release. Mr. Roznovsky said the corner work at Baja and MLK was completed by Laurel Paving with coordination by Mr. Muckleroy.

Mr. Roznovsky said regarding the Downtown Waterline Project, they are working with the Water Development Board on the final contract documents. Mr. Roznovsky said with it being the Water Development Board there is a lot of extra paperwork they are working through with the contractor to get it started.

Mr. Roznovsky said they do not have a pay estimate this month for Lift Station No. 1 Project and the contractor is substantially complete with the project, they are just waiting on power. Mr. Roznovsky said Entergy has been continuing to delay and/or not responding very quickly to requests to get the new power service set, and with the storm that is coming in he thinks that is going to further delay it. Mr. Roznovsky said they had a coordination meeting earlier today so once the power is ready everyone is ready to do the switch, but right now everyone is at a standstill.

Mr. Roznovsky said regarding developments, there have been a handful of plan reviews this month for the Townhomes, AutoZone, Hills of Town Creek, and Moon over Montgomery. Mr. Roznovsky said there is nothing new to update on the plat reviews.

Mr. Roznovsky said they had the final inspection for the waterline that is going between Starbucks and the retail center and they are addressing the final punch list items, the main thing left is the paperwork side of the bonds and guarantees that they have to submit.

Mr. Roznovsky stated they met with one of the property owners at the end of last week regarding TxDOT/Atkins Creek to discuss right-of-way donation and he was open to the process to provide it. Mr. Roznovsky said they asked TxDOT to lay that out again since the last time they went with the turn lane it took quite a long time for TxDOT to agree on what they wanted us to do, but it sounds like they are starting to move that way for the property owner to donate the right-of-way for those improvements to be made.

Mr. Roznovsky said they did get an update this month on the turn lane which was after this report went out and is on the schedule to complete in August 2021 versus waiting until the FM 149 Improvements Project. Mr. Roznovsky said as of last week, they had said they were internally doing some design work and moving a whole lot quicker than they had originally said.

Kevin Lacy said he mentioned to Mr. Tramm a few weeks ago that he met with Mr. Larry Jacobs with Moon Over Montgomery and Mr. Jacobs showed him what he has done so far. Kevin Lacy advised Mr. Tramm that he knows Mr. Jacobs was building a retention pond in the back toward his property that will be either Phase II or III and said he is concerned because he has already cleared all the way back to his driveway. Kevin Lacy said he is concerned with all that vegetation now being gone and plans of him not to put the retention pond in until the next phase, what is going to happen with that water.

Mr. Roznovsky said the first time they reviewed his plans was back in July and they have not heard from them since they returned the plans. Mr. Roznovsky said one of their comments was clarifying Phase I and Phase II and that would be one of the things they would want, at least a portion of that pond constructed to offset the development that is going on in Phase I.

Mr. Roznovsky said from a practical standpoint he knows it would make more sense for him to build the whole pond now. Mr. Roznovsky said when it comes back in for review they will be sure to look closely at that and they are going to require that he has at least a portion of the pond built to offset what he is doing. Mr. Roznovsky said concerning what he has already done, he will need to follow up to see. Mr. Roznovsky said he doesn't have approved plans from the City for any of the work so he doesn't know what he has done specifically, but they will take a look and get with Mr. Muckleroy and Mr. McCorquodale and make sure it is all in the right process. Kevin Lacy said he appreciates that because it is not just for himself, but also for his neighbors and Buffalo Springs. Kevin Lacy said they have already gone through and cleared from Clepper Street back to 15-feet from his driveway and it is just a runway of open space. Mayor Countryman said it was a concern.

Randy Burleigh said he noticed on the water project that he is getting ready for the Texas Water Development Board to review the final review, which he thought they already reviewed. Mr. Roznovsky said that what they require is once you bid and award the project, they then review those documents and there are additional documents, with it being federal funds, that the contractor submits and they review and approve prior to the City executing the contract. Mr. Roznovsky said they did the review and approval of the plans and specs and the draft contracts that were bid, and then they review all the documents that are submitted. Randy Burleigh said with Water Plant 3 he knows they reviewed it in 2019 and what you are saying then is a final review is made once the bid is approved. Mr. Roznovsky said that is correct and they have reviewed both of those projects and approved them for their scope, now it is just approving that the contractor and all the paperwork that is associated with it is in order for them to release construction funds.

Randy Burleigh asked regarding the bypass facilities they have for Lift Station No. 1, does the City have to pay extra to have those facilities or do they buy those. Mr. Roznovsky said they are not and those were bid as part of the project as a lump sum by the contractor so the contractor gave a lump sum price of around \$25,000-\$30,000 to set up, operate, and maintain that bypass system so it wasn't bid by day or by week, and he is not requesting a change order or additional compensation for that.

Rebecca Huss moved to accept the Departmental Reports as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

12. Consideration and possible action regarding authorization of Montgomery EDC approval to purchase radios for use by City Personnel during Festival Events.

Mr. Tramm said the MEDC took action at the August 17, 2020 meeting to approve the use of funds to purchase the radios. Mr. Tramm said these radios would be primarily used to provide communications among City staff and volunteers in organizing and safely setting up, operating, and taking down festival events. Mr. Tramm said these radios would allow direct communication with City Police personnel assigned to the event, thereby ensuring a direct line of communication for public safety. Mr. Tramm said in the past they have relied on cell phone communication, which when you have large groups together it can get a bit limited.

Mr. Tramm said as this item is for \$10,000 or greater, and it was not originally budgeted for the MEDC, this expenditure of MEDC funds must be approved by City Council. Mr. Tramm said within the MEDC budget they are looking at utilizing funds that otherwise would have been spent on City events and he thinks it is a consistent use of the funds because the radios will be used for events in the future.

Rebecca Huss said it is a line item that is not being utilized this year since the events that had money allocated towards them have been deferred due to COVID-19. Randy Burleigh asked between events, where will these radios be stored. Mr. Tramm said they would be kept at City Hall in a secured area that has limited access by primarily himself and the Police Chief, and this would be the primary use for the radios. Mr. Tramm said he could see where he might authorize their use in certain emergency situations if that became necessary, but these would be purchased for festival support.

Randy Burleigh asked if the batteries coincide with the same one the police force uses. Mr. Tramm said he does not know specifically regarding the police radios and the Chief may be able to answer that. Mr. Tramm said he does know it is being purchased as a set group so it's designed to work with itself and with regards to the repeater, the need for this frequency is separate from anything they have for the police. Chief Solomon said these batteries won't coincide with the batteries they have and they have spoken with the Fire Department and they agreed to let them use whatever they need to put on top of the antennas to get the range that they need with the radios, and as the City Administrator said, they will use these mainly for events and they won't come up under any other occasion unless they have what we are about to have now which is an emergency management

situation and we may use them at that time. Randy Burleigh said a lot of the batteries need to be cycled where you need to put them in a machine that cycles them through and keeps them fully charged. Chief Solomon agreed and said they will have all that set up here in a secure area and keep them charged up. Chief Solomon said the cost of those radios are not just the cheap ones that people will normally pick up just for those events, these are very good radios that are specifically for this purpose.

Tom Cronin stated he thinks it is a luxury they do not need, and they do not even know when the next festival is. Tom Cronin said he is not for this purchase at all. Kevin Lacy asked how they are communicating now. Rebecca Huss said either cell phones or you do not communicate. Rebecca Huss said the last event she was involved in was the Christmas Parade and there was a safety issue where communication was not possible and the security personnel that were there did not know who she was and she wasn't able to get in touch with Chief Solomon to rectify the situation. Rebecca Huss said they had civilian cars entering the Christmas Parade while people were walking ahead and behind and the security person who was not part of the Montgomery Police Department refused to close the gap. Rebecca Huss said to her \$15,000 is a lot of money except if you have an emergency you can avert and it is nothing compared to a lawsuit or somebody's life, and nothing compared to a public relations disaster. Rebecca Huss said they are looking to make things more convenient and she supposes they can rent but is not sure what the market is for that, they were not asked to find out what that was. Rebecca Huss said MEDC voted 5-1 in favor of this item and it is an expensive item, it comes with a 5-year warranty so you are looking at \$3,000 over five years for this thing that could be an important part of a security situation which has definitely changed over the last few years. Rebecca Huss said she thinks reliable communication with organizers of festivals, parades, and other events have been something that Chief Solomon has rightly demanded that they implement. Rebecca Huss said she personally saw the impact of not being able to affect that life.

Chief Solomon said they did save lives the first festival he worked for the City and they had approximately seven officers on duty in a crowd of 400-500 people and the people that were in charge of that festival had no way of getting in touch with them and said at one point there was a fight up by the bandstand. Chief Solomon said these radios are critical in getting them to those locations when those things happen and being there for those people. Chief Solomon said a lot of times you have these festivals like the Wine Festival and people are drinking and sometimes the drinks get to be too much for them and these radios will be an added plus for working at these

festivals. Chief Solomon said he understands they do not have any right now, but this is something they will need to help control those festivals.

Mayor Countryman said she sees the folks that are working the festival with a walkie-talkie versus their cell phones because of the fact that they can get in touch with other folks that are running the festival or security much more quickly than trying to use cell phone service. Chief Solomon said it is a lot quicker because last year the parade was the real test of that and it was really hard to get someone on the phone because everyone was busy doing what they needed to be doing and he looked at his phone and had several calls that he missed and had to start calling those people back again. Chief Solomon said they tried cell phones, but it is just not a proper or safe way of handling those festivals and parades.

Rebecca Huss said she thinks it is also helpful because the Police can hear what the organizers are talking about and lots of organizers deliberately go offline, but the Police can decide to move toward a certain direction because they are starting to talk about things they might be interested in, where it's not worth a call to 911 or not worth a call for our security as the civilians might be thinking that, but the Police might be saying this is something they are interested in. Rebecca Huss said different perspectives based on training might tell you something different than what the organizers are thinking and that is what happens when radios are on one frequency and the officers can add it into what they're hearing on their speakers. Rebecca Huss said they cannot call all of Montgomery County Sheriff's Department with these unless all of them tune in, but it is an interesting alternative and thinks it changes the dynamics of security quite a bit.

T.J. Wilkerson asked how many radios they were talking about purchasing. Chief Solomon said between 12-14 radios. Mr. Tramm said the order has 12 radios on it. T.J. Wilkerson said the organizers would have to sign them out. Chief Solomon said no one gets a radio without the radio being signed out first and the radios must be signed back in, so they know who has each one of those radios. Rebecca Huss said MEDC also talked about requiring a sizable deposit as well, these radios are not the walkie-talkies you send your kids to the backyard with. Chief Solomon agreed.

Kevin Lacy asked Chief Solomon if these are tools they need to help him, and the officers perform their jobs even better. Chief Solomon said absolutely, especially doing a festival as he has done many festivals and when it comes to communication between the people who are organizing these events and between the people who run security, this is probably the best communication and

everyone is on the same page of what is going on. Kevin Lacy said as far as he is concerned if it is a tool the Chief can use to help our security and safety, he is all for what the Chief needs and he just wants to make sure these are used for those purposes only. Chief Solomon said it is not a radio they can use in their daily routines. Rebecca Huss said MEDC did talk about they would never prevent it from being used by City staff in the case of an emergency and if Mr. Tramm felt that they all needed to have these radios, they certainly would not expect them to set unused at City Hall when they were needed for the safety and communication of our City employees.

Kevin Lacy asked Tom Cronin if he would be on board with this if we were currently still having festivals right now. Tom Cronin said no because personally he wants to prove their use, their necessity and he just thinks it's a \$15,000 luxury and he wouldn't mind renting radios for the next couple festivals just to see how they can put them to good use, but right now no. Chief Solomon said when you are talking about renting radios, you are looking at the maintenance that is being done on those radios and who they are renting those radios from. Chief Solomon said in his experience a lot of times when you start to rent the radios they do not have the same quality as the ones they have, and they must change their frequency. Chief Solomon said the Fire Department has already agreed to let them put those antennas on their tower to get the range that they need and so if they have to rent radios, you bring a different radio in each time and whatever that company has and they can't guarantee they will be able to spread in the area they need to communicate with. Chief Solomon said with these radios, they get a guarantee that they will be able to reach those areas every time. Kevin Lacy said he agrees. Chief Solomon said he has used them in the past and he understands what Tom Cronin is saying that he would like to see the proof and what is going to be the benefit to them, and said from his experience there really is no way to know that until they have their next festival and see how it goes compared to how it went last year with the cell phones. Rebecca Huss said she has the experience from last year where they did not have it and they had a security incident that was not solvable with cell phones.

T.J. Wilkerson made a motion to authorize the use of Montgomery Economic Development Corporation funds for purchase of radios for use by City during Festival Events for an amount not to exceed \$14,614.65. Rebecca Huss seconded the motion.

Discussion: Kevin Lacy asked if it would be possible to get pricing for rentals before they vote on this. Rebecca Huss said except Chief Solomon just said the rentals do not work because the whole point is having the repeater on the tower. Chief Solomon said it's that and the repeaters and the

antennas along the tower and each time you get a rental you are not guaranteed that you are going to get the same frequency, same air space, and same air coverage. Mayor Countryman said you know what equipment you are working with and we have already vetted it out with the Police and Fire so you know you are purchasing something that is approved and able to work. Mayor Countryman asked if they remembered at one of the festivals there was a gentleman on narcotics that drove into the grass and into people and cell phones didn't work then either as people had to run to go get help, so if there would have been someone with a handheld then that incident would have been handled a lot more quickly.

Kevin Lacy said that is true and after spending 15 years with Verizon Wireless that large gatherings and signals, the towers do get busy and phone calls do not go through and that is a fact. T.J. Wilkerson asked if these radios would be used more than just at the festivals. Chief Solomon said the only other time the radios would be used is at an event and for emergency management such as a hurricane and Public Works would need those radios, then they would use them at that time as well. T.J. Wilkerson said if you had something going on at the school, in some of those areas the phones do not work. Chief Solomon said the school has a lot of dead zones but those are things they will have to work out with their City radios because they did not put the right antennas in the schools so it makes communication bad in there, but these are radios we won't use for an event such as an active shooter or something that is going on in the school because at that point they would not be able to reach any other agencies. Kevin Lacy said he likes the idea if they are being used for those other purposes and remembers earlier in the year when T-Mobile was down for two days and the City needed something they could grab and keep going not just for festivals, but other situations. Kevin Lacy said he is on board with that. Rebecca Huss said the MEDC is planning on supporting and thinks the City is growing to more events and it is not just going to be the Wine Festival, Antiques Festival, and the Christmas Parade being the only things that are happening. Rebecca Huss said they intend to support and actively engage more events in the City.

The motion carried with 4-Aye votes and 1-Nay by Tom Cronin. (4-1)

13. Consideration and approval of the Proposed Montgomery EDC FY 2020-2021 Operating Budget.

Mr. Tramm said every year City Council reviews and approves the annual budget for MEDC. Mr. Tramm stated MEDC held a Budget Workshop on August 7, 2020, to prepare the draft budget and they also reviewed the draft budget at the MEDC Regular Meeting on August 17, 2020. Mr. Tramm

said September 1, 2020, is the planned date for the MEDC Budget Hearing that must be held before they adopt their budget. Mr. Tramm said attached is the Budget that was developed in the Budget Workshop and presented here for City Council discussion and approval. Mr. Tramm stated it will go back to MEDC for their Public Hearing and final approval.

Kevin Lacy moved to approve the Fiscal Year 2020-2021 Annual Budget for the Montgomery Economic Development Corporation. T.J. Wilkerson seconded the motion, the motion carried unanimously. (5-0)

14. Consideration and possible action regarding acceptance of the bid and award of the construction contract for Water Plant No. 3 Improvements.

Mr. Tramm said the base bid includes a second cooling tower and heat exchanger, equipment which cools the warm water pumped from the Catahoula Aquifer. Mr. Tramm said the base bid also includes replacing and upsizing the 100,000-gallon ground storage tank with a 210,000-gallon tank, the addition of a third 10,000-gallon hydropneumatic pressure tank, and miscellaneous recoating items.

Mr. Tramm said there is an Alternate Bid No. A2 which adds a 15,000-gallon hydropneumatic pressure tank in place of the 10,000-gallon one in the base bid. Mr. Tramm said the larger tank provides an increase in the total water plant capacity by 1,125 single-family connections for an additional cost of \$12,000 and is recommended by the City Engineer.

Mr. Tramm said there was a Bid Alternate No. A1 adding a 900-gallon booster pump which was not recommended by the City Engineer.

Mr. Tramm said this project along with the Downtown Waterline Replacement that was recently approved is 70% funded by the Texas Water Development Board Funds and partially funded by the City at 30%.

Mr. Roznovsky said the final estimate they put together for this project before it went to bidding with the Alternate No. A2 was \$922,900 with the actual bid coming in at \$996,550, which is an 8% difference from what they expected. Mr. Roznovsky said they had two bidders on the project, and they expected to have three to four. Mr. Roznovsky said in talking to those contractors it was just

a matter of timing and they also knew with COVID-19 things are very up in the air and prices are all over the place. Mr. Roznovsky said the two bids they did get from R&B Group, Inc. and W.W. Payton are both contractors they work with frequently and are very good contractors that have experience with this type of work.

Mr. Roznovsky said as far as the alternates go, from the 2015 study, he believes the booster pump was in there, at least it was added at some point in the past. Mr. Roznovsky said with the alternate to increase the hydro tank by an additional 5,000-gallons, that gets you to a rule that says if you have 30,000 total gallons between all your plants you can go up to 2,500 connections in your system. Mr. Roznovsky said your actual connection count is closer to the 900 range because you do not have to count irrigation connections.

Mr. Roznovsky said their recommendation is for the base bid plus the alternate of the 15,000-gallon hydro tank for \$12,000. Mr. Roznovsky said the additional \$90,000 to put in the booster pump they do not feel is advantageous right now because it does not get them as far down the road as putting the \$12,000 in the hydro tank.

Rebecca Huss asked Mr. Roznovsky if he was at the meeting where they were going to put the larger tank in as the primary bid instead of the alternate bid and was there a reason why that did not happen. Mr. Roznovsky said the reason they left it that way was because that is how it was submitted to the State.

Rebecca Huss asked if Mr. Roznovsky was at the meeting where John Champagne said it was important to work with TORC to resolve some of the issues that they had with this project. Mr. Roznovsky said he believes they did, and they met with TORC multiple times to talk about this project and go through the scope and changes. Rebecca Huss asked if this includes using chlorine gas instead of liquid chlorine. Mr. Roznovsky said it does not because the disinfectant does not end up being changed in this project and was not in the scope. Rebecca Huss asked is the answer yes it includes chlorine gas. Mr. Roznovsky said yes it includes chlorine gas, but they are not changing any of the disinfectant equipment with this project and it is a future capital project. Rebecca Huss asked if there is no added chlorine equipment in this. Mr. Roznovsky said he believes the only thing that would change is potentially where the existing lines are routed and he needs to go back and look specifically, but actual changing out of the equipment is not included. Rebecca Huss asked if chlorine gas is added to the water the same way liquid chlorine does. Mr. Roznovsky said no it

would be a different system that was not in this scope. Rebecca Huss asked then it is added because she feels what she is looking at when she looks at the 15,000-gallons as the secondary bid instead of the primary like they talked about at one of the meetings as a high priority to make sure they get the best bid and is wondering what else isn't included in this bid that was a priority. Rebecca Huss said safety is a big factor and chlorine gas is a big problem for her and knows it is already being used, but corrosion is a big thing and that is how they lost potentially 1,000,000-gallons of water last summer. Rebecca Huss said working out that whole problem which is something TORC has been working on and their huge list of issues that they had which she distinctly remembers John Champagne commenting about and he told us specifically that he wanted TORC included and all of these issues worked out. Rebecca Huss said she does not have confidence if the 15,000-gallon booster is not the number one priority on this bid. Rebecca Huss said since it is an alternate bid she also does not have any confidence that any of these other issues have been worked out and included in the specs of the bid. Mr. Roznovsky said one of the items they talked to the TORC committee about was corrosion protection and that was included in the project. Mr. Roznovsky said the other things discussed with the TORC Committee were regarding data collection and the ability to better monitor, measure, and record the functionality of the system and the cooling towers and so those additional readings and sensors and gauges were put on per their recommendation, so they can better track the performance and get ahead of maintenance, etc. by reviewing and tracking that with the committee.

Mr. Roznovsky said as far as the chlorine gas, they did have that discussion and that wasn't in the scope of this project and was something that they said they need to get on the long-term plan for the City to switch out the facilities to liquid. Rebecca Huss asked if they are saving money using chlorine gas. Mr. Roznovsky said no they are not changing out the disinfectant equipment. Rebecca Huss asked if we are spending money on the construction of this item anywhere that is specific to chlorine gas. Mr. Roznovsky said the only thing he can think of and he will need to confirm, is if there was re-routing of existing lines to tie in with the new layout. Rebecca Huss said she is not a fan of chlorine gas and would like to get rid of it and no one else uses it around here, and she thinks it is ridiculous that they would spend money on something else that creates more use of chlorine gas as a new project. Rebecca Huss said she thinks they should make it a priority to make the change to this so they are not spending new money on an old dangerous way of adding disinfectant to our water, and they should do it right the first time and even if it means they have to retrofit their old one at the same time to do it right this time with their new project.

Mr. Roznovsky said to let them look at the scope of what that would take to switch out with this project and they can get the contractor to give them a price and see if it makes sense to do it now or do it in the future, and then also for the approval from the State to make that change in disinfection. Rebecca Huss said she cannot imagine if they would be angry if they want to improve safety rather than using chlorine gas. Mr. Roznovsky said yes, and it is not an anger issue, it is a process of getting the change approved. Mr. Roznovsky said if there is room in the budget to get that changed out they can discuss that. Rebecca Huss asked if there is a breakdown of whether these projects can be modularized. Rebecca Huss said this is \$1,000,000, so how much do they have of the TWDB water for the grant and knows they have a portion that they must pay as well. Mayor Countryman said 30% will come out of the City's pocket. Randy Burleigh said 70% of \$1,000,000 is \$700,000. Mr. Tramm said he does not have the exact figure but essentially it is around \$700,000 that the TWDB has applied to this project. Rebecca Huss said we have around \$300,000 less in the TWDB of this borrowing fund so they must find \$300,000 plus the \$400,000 remaining. Mr. Roznovsky said between the two projects, both of these bid amounts with the alternate is in the budget as well as an additional \$90,000 contingency combined for both the projects is what is in the draft budget that Mr. Tramm will be presenting at the Budget Workshop. Rebecca Huss asked if it all must be done all at once. Mr. Roznovsky asked as far as this Water Plant Project. Rebecca Huss said of the \$1,000,000. Mr. Roznovsky said no, they would have to relook to see which items, with the cooling tower and the switching out of that, that is operational efficiency as it removes the recirculation on its own and reduces costs, and also the additional cooling that comes with having double the cooling capacity. Mr. Roznovsky said the replacement of the ground storage tank obviously is a capacity part so that gives you increased capacity in the plant and therefore able to serve more customers, but if you didn't do the ground storage tank, that would become your limiting factor.

Randy Burleigh asked what both groundwater storage tanks looked like when the inspection was done and said they emptied both. Randy Burleigh said his point of view is if they just inspected the tank they should have good current knowledge of what it looks like. Mr. Roznovsky said the last interior inspection of that tank was in 2016, and the second tank on that site was 2020. Mr. Roznovsky said back in 2016 it was not an issue. Randy Burleigh asked after they looked at it, was it coated again. Mr. Roznovsky said it was not because it was not bad.

Randy Burleigh said looking at this project he isn't sure why they didn't bid a 500-gallon booster pump because right now their capacity is 567,000 a day according to the TAC guidelines and they

chose not to bid on a 900-gallon booster pump so their capacity with the \$1,000,000 project the whole plant capacity has not been increased at all and the connection cap has been increased by the additional hydropneumatic tank but not the total plant capacity number. Mr. Roznovsky said he would need to go back and look at their cheat sheet as he does not have that information with him. Randy Burleigh said if they put in a 500-gallon booster pump like they have three or four of them out there, they will increase the capacity for that plant from 560,000 to 729,000 gallons by one pump. Randy Burleigh said to him that would be worthwhile doing by putting that kind of equipment in and maybe if the tank can last two or three more years, and while the facility is down they can recoat it or do the tank in a different stage and that will get them closer to doing an elevated tank on the west side of town.

Randy Burleigh asked if there was a way to put this on hold and give staff more time to look at more of these options and get back at a later time. Mr. Roznovsky said you can wait on awarding the project and let them relook at some of the questions and options and meet with staff and discuss it at a future meeting. Rebecca Huss said if they were to go to a liquid chlorine feed, would that reduce corrosion and maybe give Randy Burleigh the extra year or two that he is thinking about for the ground storage tank and extend the life of the equipment they already have in terms of corrosion. Mr. Roznovsky said the other options for getting more life out of the tank are recoating work inside and so then it is an option of what is the cost of that recoat and how many years does it get them versus tearing down and replacing it. Mr. Roznovsky asked to let them regroup and work with Randy Burleigh and staff and then come back to Council. Mr. Roznovsky said he thinks the development projections then versus the projections now are quite different. Mr. Roznovsky said he thinks over the past couple of years they have been working with the TORC Committee and Randy Burleigh, their projections are much different than the 2015 study and they are relatively close to each other. Rebecca Huss said a lot of changes can occur in five years.

Rebecca Huss moved to table Item #14 to be put on the Agenda for the next Council meeting. Randy Burleigh seconded the motion, the motion carried unanimously. (5-0)

15. Consideration and possible action to authorize the Termination of Lease Agreement by and between the City of Montgomery, Texas and Raymond L. Laughter, Executor of the Estate of Raymon M. Laughter regarding the premises of Montgomery Townsite 02, Tracts 24 and 25 and authorize the City Administrator to sign.

Mr. Tramm said the sale of the Laughter property triggered the early termination clause of the agreement and the City chose not to exercise its Right of First Refusal to purchase the property. Mr. Tramm said the title company processing the sale has requested the City formalize the action with the execution of the Termination of Lease document that is attached.

Mr. Tramm stated the item has been reviewed by the City Attorney who also recommends approval.

Rebecca Huss moved to authorize the City Administrator to sign the Termination of Lease Agreement by and between the City of Montgomery, Texas and Ramon L. Laughter, Executor of the Estate of Raymon M. Laughter regarding the premises of Montgomery Townsite 02, Tracts 24 and 25. T.J. Wilkerson seconded the motion, the motion carried unanimously. (5-0)

**EXECUTIVE SESSION:**

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

16. Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, in accordance with the authority contained in the following:
  - a) Section 551.071 (consultation with attorney); and
  - b) Section 551.072 (deliberation regarding real property).

Mayor Countryman adjourned into Closed Executive Session at 8:38 p.m.

Reconvene into Open Session.

Mayor Countryman reconvened into Open Session at 9:10 p.m.

**POSSIBLE ACTION FROM EXECUTIVE SESSION:**

17. Consideration and possible action(s), if necessary, on matter(s) deliberated in Closed Executive Session.

Rebecca Huss moved to authorize the City Administrator to continue to negotiate regarding real property and authorize the City Attorney to draft paperwork for same. Randy Burleigh seconded the motion, the motion carried unanimously. (5-0)

**COUNCIL INQUIRY:**

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

T.J. Wilkerson said there is a house on 1018 Martin Luther King Drive and asked if it was a Bed & Breakfast. Mr. Tramm asked if he was referring to the one on Martin Luther King Drive and Baja Road. T.J. Wilkerson said no it was further down by McGinnis Lane and on the other side of 1018 Martin Luther King Drive. Mayor Countryman said they have not received any hotel taxes. T.J. Wilkerson asked if they know who the owner of the house is. Mayor Countryman asked if it was on the south side of Martin Luther King Drive or the north side. T.J. Wilkerson said the south side and the reason he is asking is because there is always a lot of activity there on the weekends and people have been wondering what is been going on. Ms. Hensley asked if the address was 1018 Martin Luther King Drive. T.J. Wilkerson said he was told it is 1018 but he will check tomorrow to see. T.J. Wilkerson said he talked to the Detective Chambers today about it and they are going to investigate it also. Ms. Hensley said they can check and look at the records on that. Rebecca Huss said just an FYI if it is a former Bed & Breakfast they do have to register but if it is Air B&B that is not a City permitted activity, nor do they pay City taxes. Mayor Countryman said they voted against Air B&B's in the City or was that in Buffalo Springs. Rebecca Huss said maybe in Buffalo Springs, but she is pretty sure they are not allowed to in the City. T.J. Wilkerson said we need to know what is going on because it is curious. Mr. Tramm said he can understand the curiosity and they will follow-up on that. T.J. Wilkerson said he would double-check the address.

Randy Burleigh said he had a couple of items for staff to follow-up on at a later time. Randy Burleigh said one of them was how is Entergy doing as far as getting their isolation or looking at adding isolation to the north side of town.

Randy Burleigh said the other one was about where they stand on CenterPoint and moving forward with them coming into the City since they have a pipeline running through here and selling gas to Waterstone.

Mr. Tramm said he will see if they can try and contact them obviously he will wait until next week past the hurricane. Mayor Countryman said she was trying to remember what Entergy told them. Randy Burleigh said they were engineering it. Mayor Countryman said that was a great point. Mr. Tramm said enough time has gone on that it will be a good time to follow-up. Randy Burleigh said especially in this situation where the storm with no isolation on our side, any trees going onto the lines along FM 149 are going to shut the north side down and we are pretty high risk especially in a storm like this.

Rebecca Huss said the Appraisal District shows Billy Hoskins as the owner of the property T.J. Wilkerson asked about, but the last sale date was 1987 so there have been no recent transactions. Rebecca Huss said she is just looking at the address given and that is who it said the owner is, not looking at the map. T.J. Wilkerson asked if that person lives in Montgomery or is the address out of town. Rebecca Huss said Cross Drive is in Houston. T.J. Wilkerson said he will look and see what is going on. Rebecca Huss said hopefully Mr. Tramm will ask Chief Solomon to investigate it.

**ADJOURNMENT**

Rebecca Huss moved to adjourn the meeting at 9:17 p.m. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

Submitted by:   
Susan Hensley, City Secretary

Date Approved: 09/15/20

  
Mayor Sara Countryman

