


**NOTICE OF REGULAR
MEETING
Montgomery Economic Development Corporation
(MEDC)**

Notice is hereby given that the Board of Directors of the Montgomery Economic Development Corporation will hold a Regular Meeting at 6:00 p.m. on February 18, 2019 at the Montgomery City Hall, 101 Old Plantersville Road, in Montgomery, Texas.

1. Call to Order
2. Open Public Comment
3. Approval of Minutes of January 21, 2019
4. Monthly Financial Report (January, 2019)
5. Consideration and possible action regarding memberships/advertising:
 - a. Central East Texas Alliance
 - b. Texas Downtown Association
 - c. KOA Publication
6. Consideration and possible action regarding designating Amy Brown to be the MEDC liaison to the City website
7. Consideration and possible action regarding accounting practices regarding Internal festivals, events and miscellaneous income
8. Economic Development Reports: City Administrator Report, City Engineers Report, Tourism and Marketing Director Report
9. Board Inquiry
10. Adjournment





Jack Yates, City Administrator for
Rebecca Huss, President of MEDC

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 15th day of February, 2019 at 1:15 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

MINUTES OF REGULAR MEETING

January 21, 2019

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

President Rebecca Huss called the meeting to order at 6:06 p.m.

Present: Rebecca Huss - President
 Bob Kerr – Vice President
 Amy Brown – Secretary
 Tom Cronin – Board Member
 Bill Hanover – Board Member
 Julie Hutchinson – Board Member

Absent: Cheryl Fox – Board Member

Also Present: Jack Yates – City Administrator
 Katrina Moore – Director of Marketing and Tourism
 Sara Countryman - Mayor

OPEN PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES

Minutes of December 17, 2018 Regular Meeting –

President Huss asked for comments on the minutes as presented.

Mrs. Huss stated the minutes were "very thorough". She said, "I appreciate that, especially as per the discussion about the festivals, because I think that that could come up later and I think it is useful to be able to refer back to decisions that we made and be able to understand why we did what we did."

Mr. Kerr made a motion to accept the minutes as presented, seconded by Mr. Hanover. All in favor. (6-0)

MONTHLY FINANCIAL REPORT

Report for December, 2018

Mr. Yates explained the monthly expenditures, in the amount of \$7,710.33, went towards removal of blight, Christmas decorations, reimbursement of individual Distrx costs for one of the first ten businesses who signed up for the app. He stated nine more businesses will receive the same reimbursement. This reimbursement was agreed upon by the Board to incentivize businesses.

Mr. Yates pointed out that revenue was greater than expenditures for the year, but "we've had a slow start as far as expenditures go."

Mrs. Huss noted that sales tax revenue was below expectations.

Mr. Yates said the city receives a big quarterly payment in February.

Ms. Hutchinson asked if there was a plan for the CD which is going to mature on January 27th.

Mrs. Huss said that unless the EDC has expectations of a large capitol investment, Cathy Bronco automatically rolls over the CDs.

Mr. Yates said that he wanted to check with Ms. Bronco to see the rate of that CD and then decide what to do with the funds.

Ms. Huss suggested a look into bank rates and make sure we have efficient cash management procedures.

Motion by Mrs. Brown, seconded by Mr. Cronin to approve the December 2018 Financial Report as presented. All in favor. (6-0)

CONSIDERATION AND POSSIBLE ACTION

5. Annual Meeting.
 - (a) Report of Activities

Mrs. Huss noted that Mr. Yates compiled a list of MEDC accomplishments for 2018 and asked if anyone had comments on the list.

Mr. Hanover said the list states “decided not to support a sidewalk placement along S. Clepper Street.” He felt it “a little misleading”, because the MEDC vote was in favor of the sidewalk project, but the City Council did not support the project.

Mr. Yates agreed and said that he should probably just remove that item from the list.

Mrs. Huss said that she believed more important was the one-year goals and how the EDC is going to get those accomplished this year. She suggested parceling those out or setting the Board some interim deadlines.

Mrs. Huss asked Mrs. Brown if she had the list of goals available. Mrs. Brown did not, but suggested that the Board could address the item in February’s agenda.

Mrs. Huss agreed and also felt it would be a good idea to include the one-year goals in every month’s agenda to make sure that the Board is actively moving forward on the goals.

Mr. Yates said he had a copy of the goals and read them for the Board.

Mrs. Huss said Ms. Moore has already begun working on some of the goals. Mrs. Huss suggested that the Board start becoming proactive on three goals: the construction mitigation strategy for the 149 Project, the minor festivals, and the front foot assessments/special tax abatement district.

Mrs. Huss suggested Mr. Cronin become involved with the construction mitigation strategy and he agreed. She also stated that she would be interested in spearheading the tax abatement district.

Mrs. Hutchinson asked for an explanation of the front foot assessment/special tax abatement district.

Mrs. Huss replied that incentivizing downtown investments by landowners or investors could be accomplished by reducing property taxes and taxes from other taxing districts. This would also encourage landowners and builders to create more aesthetically pleasing buildings that fit into a historic area, instead of taking away rights of property owners.

Mrs. Brown asked what Mrs. Huss expects herself and Mr. Cronin to have ready for next month’s meeting.

Mrs. Huss said that she would like “just the parameters of issue, who the stakeholders are and maybe next steps. Just basically, identifying where to start.”

Mrs. Huss also said the minor festivals should be assigned to Ms. Moore. Ms. Moore agreed.

Mrs. Huss said that it would be a good idea to find another person on the Board to collaborate with as well as people outside the Board who have an interest.

Mr. Cronin asked if there was a liaison on the Board who is dealing with TxDot.

Mrs. Huss said that it is being handled by the City and possibly coordinate with Mr. Yates on that topic.

(b) Financial Report

No additional discussion.

(c) Items Planned for 2019

No additional discussion.

(d) Election of President

Mr. Kerr stated that he felt a Council person was the best person to serve as President of the EDC since the Board serves at the direction of the City Council.

Mrs. Huss said she felt if a Council person were elected President of the EDC, then in negotiations that include MEDC and MEDC funds, a non-Council member who is on the MEDC Board should sit in to insure there are no decisions made without MEDC knowledge.

Mrs. Brown nominated Mrs. Huss to remain as President. Mr. Kerr seconded the nomination. All in favor. (6-0)

(e) Election of Vice-President

Mr. Kerr requested that he not be nominated for another term as Vice-President in order to allow another Board member the opportunity.

Mr. Cronin nominated Mr. Hanover for the position of Vice-President. Mrs. Brown seconded the nomination. All in favor. (6-0)

(f) Election of Secretary

Mrs. Huss nominated Mrs. Brown to remain as Secretary. Mr. Kerr seconded the nomination. All in favor. (6-0)

(g) Election of Treasurer

Mrs. Brown nominated Mrs. Hutchinson for the position of Treasurer. Mr. Hanover seconded the nomination. All in favor. (6-0)

6. Consideration and possible action regarding Historic Montgomery Business Association Antiques Festival Funding

Kambra Drummond was present representing the Historic Montgomery Business Association.

Ms. Drummond stated the HMBA currently has fifty-five paid vendors for the upcoming Antique Festival in May of this year. This is half the number needed to fill the tents that are ordered at this time. She said the HMBA is planning on adding two additional tents which will allow for twenty-two more potential vendors. If all of the tents are full of vendors, this year's Antique festival will have approximately a 20% increase in vendors over last year.

The footprint of the festival will be changed this year by not using the parking lot on John A Butler because of issues in previous years with the business owners who rely on that parking lot to operate their businesses.

The Montgomery County Animal Shelter has asked HMBA for permission to do adoptions during the festival.

Ms. Drummond said the HMBA normally does not start planning the festival until February, but this year, planning was begun earlier and advertising flyers for the festival will be ready this upcoming week for distribution.

Mr. Cronin asked about the financials from the festival in 2018.

Ms. Drummond provided an expense report stating the total income for 2018 was \$30,085.00, expenses were \$18,717.20, leaving a profit of \$11,367.80.

Mrs. Brown asked the HMBA how the profits from the 2018 festival were used.

Ms. Drummond stated that the money pays for expenditures for the 2019 festival. The majority of those expenditures must be paid upfront. The profits from the Antique Festival also fund Sip and Stroll which is not self-sustaining when you account for replacement of supplies and proposed lighting for the event. Any remaining profits are spent on advertising including t-shirts, the billboard on 105 and magazine advertisements.

Ms. Brown asked if the city logo was on the HMBA's advertising for the Antique Festival.

Ms. Drummond stated that she did not believe so because there was never a request to do so.

Ms. Brown said the External Festival Guidelines now require that the city logo be used on all marketing materials.

Ms. Hutchinson asked if the HMBA planned on doing anything special this year since this is the 20th annual Antique Festival.

Ms. Drummond stated t-shirts are being made and the advertising has been updated to highlight the anniversary. She said the HMBA did not want to spend a great deal of money to create specific merchandise because it can not be reused after this event.

Ms. Huss reminded Ms. Drummond that support from the MEDC for this event was not to be used for scholarships or fundraising. The money is only to be used to fund this festival and "as collateral, other things that are economic development related."

Mr. Yates pointed out that even though this is the 20th anniversary of the Antique Festival, it is only the third year being run by the current organization. He also stated that even though the festival was profitable last year in the amount of \$11,367.80, those funds are the seed money for this year's festival which may or may not be profitable due to unforeseen events such as weather.

Mrs. Huss said she appreciates the effort from the HMBA to make strides toward increase the festival size and not continuing to do "just the same old thing."

Ms. Huss explained that planning this year's festival has been very difficult for the HMBA due to the unexpected, recent death of one of the festival's organizers.

Motion by Mr. Kerr, seconded by Mr. Hanover to approve the HMBA request of \$10,000 for financial support of the 2019 Antique Festival. All in favor. (6-0)

7. Consideration and possible action regarding the budget for the Lone Star Flag & Food Truck Festival.

Ms. Moore presented the festival cost estimate for the 2019 Lone Star Flag and Food Truck Festival.

Mayor Countryman gave an explanation of the reasoning behind organizing the new festival. She stated the fact that Montgomery has a unique historic significance in the state of Texas, in that Montgomery is the birthplace of the Texas flag. A flag that is recognized throughout the world. She expressed her desire for Montgomery to do more in promoting that badge of honor and one way would be to have a Texas Flag Festival.

The Mayor stated that because Texans are very proud of their state, this festival could potentially draw people from all over the state and bring in a "different crowd than might attend the Antique Festival or the Wine Fest." The goal is to be family oriented during the day and geared toward adults during the evening.

The Mayor also noted that food trucks "are a big deal" and with limited restaurant seating downtown, adding food trucks would allow more people to be fed without long wait lines at restaurants.

Ms. Moore said the plan is to have a vintage car and block party the evening of the first day. The second day would be the full day of the festival featuring "a couple of live bands", a DJ, a kid zone area and "shopping nestled downtown to draw people into the downtown area and into some of our shops that are downtown."

Mr. Kerr asked the date of the festival.

Ms. Moore said she believed it was April 12th and 13th.

Mr. Hanover said it was "too bad it couldn't be March 2nd, Independence Day."

Ms. Moore and Mayor Countryman said that could certainly be something to look at for next year.

Mayor Countryman also said she and Ms. Moore had discussed adding a 5K run to the event. They had also discussed adding a family bike ride through town in the evening.

Mr. Cronin asked if there were plans to have alcohol or beer booths during the event.

Ms. Moore said they did have plans.

Ms. Huss noted that alcohol changes the finances of a festival significantly and noted Ms. Moore's estimate worksheet which proposed revenue goals for beer and t-shirt sales at \$9,600.00 in addition to the festival revenue goal of \$25,000.00.

Mayor Countryman added the 5K run would bring in additional revenue not included in the spreadsheet. She said after expenses, the 5K run should have a profit in the amount of 70% of the registration fees.

Mr. Yates noted that potential sponsors could significantly decrease the cost of the festival. He said instead of local sponsors, it was possible to achieve large corporate sponsorship, such as Lone Star Beer.

Ms. Huss noted the budget does not include golf cart rental and insurance.

Ms. Hutchinson pointed out a line item in the budget did not carry over to the total, so the actual cost estimate should be \$10,375.00 instead of \$10,045.00.

Mr. Cronin suggested approving \$10,000.00 and having Ms. Moore come back if she needs additional funds. He said he felt as if the cost estimate was too low, and the festival may need a total of \$20,000.00 instead of \$15,000.00.

Ms. Brown noted the EDC budgeted line item for events is only \$35,000.00 and the Board just voted to give the HMBA \$10,000.00. If \$15,000.00 is promised for this event, the line item would be left with only \$10,000 for the remainder of the year and the Board still needs to consider the Wheat & Wine Festival which is next on the agenda.

Ms. Hutchinson added in the EDC's one-year goal was to add smaller festivals which would be another expense coming from the same line item.

Ms. Huss offered two options. One option would be to do a budget amendment. The second option would be to consider if the proposed net positive of the internal festivals goes back into the Events line item or into the General Revenue line item.

Mr. Yates said the money would go into the General Revenue line item.

Ms. Huss said in that case, she felt "perfectly comfortable doing a budget amendment" and get it approved by Council.

Ms. Moore said her goal is to get enough sponsors to offset cost of the events.

Mrs. Huss asked Mr. Yates if the sponsorship payment would be applied to the General Revenue line item.

Mr. Yates said separate line items may need to be created.

Mrs. Huss asked Mr. Yates if, theoretically, the Board could approve all three festivals presented today, be over budget for the Events line item and not need to immediately seek a budget amendment from Council.

Mr. Yates agreed.

Mr. Cronin asked Mr. Yates how alcohol sales were to be handled for a city funded event.

Mr. Yates stated the city would go through the same process as anyone else in getting a permit.

Motion by Mrs. Huss, seconded by Mr. Kerr to approve an amount not to exceed \$15,000.00 for the Lone Star Flag and Food Truck Festival. All in favor. (6-0)

8. Consideration and possible action regarding the budget for the Wheat & Wine Festival.

Ms. Moore stated that she does not have a specific date for this event and thought some of her numbers were a little low in this festival's cost estimate.

Ms. Huss said the initial discussion was to have this festival in March, and considering it is intended to be a huge event for the city, she asked Ms. Moore if there was a plan to schedule this event for 2020 and not try to accomplish it this year.

The Board agreed it would be a good idea in order to have time to plan and promote it well.

Ms. Moore stated she would be more comfortable if it was postponed until 2020.

Mr. Cronin noted Conroe has a craft beer festival and it would be important to make sure this festival was not at the same time.

No action was taken on this item.

9. Consideration and possible action regarding marketing materials for the Distrx walking tour.

Ms. Huss explained that previous marketing for Distrx has been focused towards the commercial side getting merchants to purchase advertisements from the company. Future advertising will now be focused on how to informing the public of the app.

Ms. Moore said the focus is putting advertising on the kiosk at the corner of McCown and Caroline Street. She said a metal poster is planned in order to withstand the elements and also have the option of moving it to another location in the future if desired.

There is no specific design at the moment.

Mr. Cronin suggested creating a brochure for businesses to hand out showing the different businesses in town.

Ms. Huss said Katrina was looking into making one.

Motion by Mr. Hanover, seconded by Mrs. Hutchinson to approve the request for up to \$200.00. All in favor. (6-0)

10. Tourism and Marketing Work Plan Update.

Ms. Moore presented status updates for the tourism and marketing plan which was previously presented.

Ms. Moore explained trademarking "Birthplace of the Texas Flag" would range between \$225 - \$400. She was not able to meet with the city attorney because he was ill, but she plans to meet with him in the near future. She said, generally, a response is received 6 months after filing the application, but the entire process usually takes around one year to complete.

Ms. Moore said that applying for variations is an option that should be considered.

Ms. Moore also discussed a recent workshop she organized for local business dealing with small business financing. She said twelve people attended, including 10 who were either owners or people interested in starting a business. Two bankers presented the seminar with positive feedback. All attendees were interested in attending more workshops such as this one.

Ms. Moore noted all of the attendees were women and Montgomery has a large number of businesses owned by women. She suggested this data may be used in the future to promote Montgomery.

Ms. Moore said another seminar is planned for February covering social media for small businesses.

Ms. Moore is planning a meet and greet with residents the beginning of February at the library.

Ms. Moore said she has been working on the social media channels and has been added as an editor to Fernland's Facebook page. She is also creating a Facebook page for the Lone Star Flag Festival and the Wheat and Wine Festival.

Ms. Moore informed the Board that she is working with the Houston-Galveston Area Council/The Gulf Coast Workforce Board to prepare economic/labor data for Montgomery to be included in the City prospectus. She is also exploring their workforce training programs and grant possibilities.

Ms. Moore met with Shannon Overby of Visit Conroe concerning regional tourism strategies. Ms. Moore was invited to attend the quarterly hoteliers meeting later this month.

No action was taken on this item.

11. Economic Development Report – Jack Yates

Engineer Report –

Mr. Yates said the Engineer Report is an update on the status of current projects.

Development Status Report –

Mr. Yates explained the CVS building is probably “three or four months away from opening” and the Bubble King Car Wash is scheduled to open in “two to three weeks.”

Mr. Yates said the strip center being built West of the car wash is beginning to put up walls. He said he was told there would be an AT&T store in the strip center.

Tourism and Marketing Report –

No additional information was given, as all items had been previously discussed.

12. 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: Section 551.071 (consultation with attorney) related to contemplated litigation.

Adjourned into closed Executive Session at 7:52 pm.

13. Reconvene into Open Session.

Reconvened into Open Session at 8:19 pm.

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

No action was taken on this item.

BOARD INQUIRY

Mr. Kerr asked for the Board to discuss the accounting on the internal festivals at the next meeting.

ACTION ITEMS FROM DECEMBER MEETING

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>RESULT</i>

ACTION ITEMS FOR FUTURE MEETINGS

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>DUE DATE</i>
Construction mitigation 149	Cronin	
Minor Festivals	Moore	
Front Foot Assessment/Tax Abatement	Huss	
Amend Budge for Internal Festival Revenue	Hutchinson/Yates	February meeting

ADJOURNMENT

Motion by Mrs. Brown, seconded by Mr. Cronin to adjourn the meeting at 8:21 p.m. All in favor. (6-0)

Submitted by: _____ Date Approved: _____

Amy Brown, MEDC Secretary

Rebecca Huss, MEDC President

CITY OF MONTGOMERY - MEDC
ACCOUNT BALANCES REPORT
Through January 31, 2019

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 245,439.22		\$ 245,439.22
TOTAL INVESTMENTS	\$ -	\$ 490,795.35	\$ 490,795.35
TOTAL MIDC	<u>\$ 245,439.22</u>	<u>\$ 490,795.35</u>	<u>\$ 736,234.57</u>

INVESTMENTS

	Issue Date	Maturity Date	Interest Rate	Balance
Texpool #00006			2.38%	\$ 240,795.35
Certificates				
Allegiance Bank CD #2047	6/6/2018	6/6/2019	2.00%	\$ 100,000.00
Bancorp South CD #4045	1/27/2019	1/28/2019	2.75%	\$ 150,000.00
Total Investment Balance				<u><u>\$ 490,795.35</u></u>

** Note: on 2/6/19 there was a transfer of \$153,000.00 to Texpool bringing the checking account to approx \$50,000 on that date, per request

City of Montgomery - MEDC

Cash Flow Report

As of January 31, 2019

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
51100 · MEDC Checking					269,800.85
1/11/2019	1940	Katrina Moore	Reimbursement	-67.80	269,733.05
1/23/2019	Trans...	City of Montgomery - General Fund	Admin Transfer per Budget	-26,875.00	242,858.05
1/23/2019	Trans...	City of Montgomery Debt Srv Fund	Admin Transfer	-40,000.00	202,858.05
1/23/2019			Sales Tax Transfer from General thru 1/19	196,121.17	398,979.22
1/25/2019	1941	Amy Brown	1/2 Rebate for first years Distrx subscription cost	-60.00	398,919.22
1/25/2019	1942	Bob Kerr	1/2 Rebate for first years Distrx subscription cost	-60.00	398,859.22
1/25/2019	1943	Claudina Cook	1/2 Rebate for first years Distrx subscription cost	-60.00	398,799.22
1/25/2019	1944	Jennifer Skinner	1/2 Rebate for first years Distrx subscription cost	-60.00	398,739.22
1/25/2019	1945	Kristen Billingsley	1/2 Rebate for first years Distrx subscription cost	-60.00	398,679.22
1/25/2019	1946	Larry Reiland	1/2 Rebate for first years Distrx subscription cost	-60.00	398,619.22
1/25/2019	1947	Rendy Kerr	1/2 Rebate for first years Distrx subscription cost	-60.00	398,559.22
1/25/2019	1948	Robert Peel	1/2 Rebate for first years Distrx subscription cost	-60.00	398,499.22
1/25/2019	1949	Tom Cronin	1/2 Rebate for first years Distrx subscription cost	-60.00	398,439.22
Total 51100 · MEDC Checking				128,638.37	398,439.22
TOTAL				128,638.37	398,439.22

City of Montgomery - MEDC
Actual to Budget Performance
 January 2019

	Jan 19	Budget	\$ Over B...	Oct '18 - ...	YTD Bu...	\$ Over Bu...	Annual ...
Income							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	35,309.50	47,916.67	(12,607.17)	194,766.61	191,666.64	3,099.97	575,000.00
Total 55000 · Taxes & Franchise Fees	35,309.50	47,916.67	(12,607.17)	194,766.61	191,666.64	3,099.97	575,000.00
55300 · Other Revenues							
55391 · Interest Income	487.65	266.67	220.98	1,822.18	1,066.64	755.54	3,200.00
Total 55300 · Other Revenues	487.65	266.67	220.98	1,822.18	1,066.64	755.54	3,200.00
Total Income	35,797.15	48,183.34	(12,386.19)	196,588.79	192,733.28	3,855.51	578,200.00
Expense							
56000 · Pub Infrastructure - Category I							
56000.6 · Downtown Dev Improvements	0.00	5,000.00	(5,000.00)	0.00	20,000.00	(20,000.00)	60,000.00
56000.8 · Utility Extensions	0.00	3,266.67	(3,266.67)	0.00	13,066.64	(13,066.64)	39,200.00
56430 · Tsf to Debt Service	0.00	0.00	0.00	40,000.00	40,000.00	0.00	160,000.00
Total 56000 · Pub Infrastructure - Category I	0.00	8,266.67	(8,266.67)	40,000.00	73,066.64	(33,066.64)	259,200.00
56001 · Business Dev & Ret -Category II							
56001.8 · Sales Tax Reimbursement	0.00	76,900.00	(76,900.00)	0.00	76,900.00	(76,900.00)	76,900.00
56423 · Economic Development Grant Prog	0.00	1,250.00	(1,250.00)	0.00	5,000.00	(5,000.00)	15,000.00
Total 56001 · Business Dev & Ret -Category II	0.00	78,150.00	(78,150.00)	0.00	81,900.00	(81,900.00)	91,900.00
56002 · Quality of Life - Category III							
56404 · Seasonal Decorations	0.00	0.00	0.00	5,211.44	7,600.00	(2,388.56)	7,600.00
56420.2 · Christmas Lighting(Civic Assn)	0.00			1,500.00	0.00	1,500.00	0.00
56423.1 · Walking Tours	540.00	0.00	540.00	600.00	0.00	600.00	6,000.00
56429 · Removal of Blight	0.00	1,250.00	(1,250.00)	3,661.83	5,000.00	(1,338.17)	15,000.00
56434 · Events	0.00	2,916.67	(2,916.67)	0.00	11,666.64	(11,666.64)	35,000.00
56439 · Downtown Enhancement Projects	0.00	1,666.67	(1,666.67)	0.00	6,666.64	(6,666.64)	20,000.00
Total 56002 · Quality of Life - Category III	540.00	5,833.34	(5,293.34)	10,973.27	30,933.28	(19,960.01)	83,600.00
56003 · Marketing & Tourism-Category IV							
56413 · Brochures/Printed Literature	0.00	833.33	(833.33)	19.50	3,333.36	(3,313.86)	10,000.00
56419 · Website	0.00	250.00	(250.00)	0.00	1,000.00	(1,000.00)	3,000.00
Total 56003 · Marketing & Tourism-Category IV	0.00	1,083.33	(1,083.33)	19.50	4,333.36	(4,313.86)	13,000.00
56004 · Administration - Category V							
56004.1 · Admin Transfers to Gen Fund	0.00	0.00	0.00	26,875.00	26,875.00	0.00	107,500.00
56004.3 · Miscellaneous Expenses	0.00	83.33	(83.33)	143.41	333.36	(189.95)	1,000.00
56004.5 · Internship Program	0.00	833.33	(833.33)	0.00	3,333.36	(3,333.36)	10,000.00
56327 · Consulting (Professional servi)	0.00	833.33	(833.33)	120.00	3,333.36	(3,213.36)	10,000.00
56354 · Travel & Training Expenses	67.80	166.67	(98.87)	67.80	666.64	(598.84)	2,000.00
Total 56004 · Administration - Category V	67.80	1,916.66	(1,848.86)	27,206.21	34,541.72	(7,335.51)	130,500.00
Total Expense	607.80	95,250.00	(94,642.20)	78,198.98	224,775.00	(146,576.02)	578,200.00
Net Income	35,189.35	(47,066.66)	82,256.01	118,389.81	(32,041.72)	150,431.53	0.00

Montgomery City Council
AGENDA REPORT

Meeting Date: February 18, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: Information on Central East Texas Alliance, Texas Downtown Association Information, Copy of KOA Guest Services Guide ad
Date Prepared: February 14, 2019	

Subject

This is to discuss:

- a. Participation/membership with the Central East Texas Alliance
- b. Participation/membership with the Texas Downtown Association
- c. Whether or not to run an ad in the KOA Guest Services Guide

Description

- a. The Central East Texas Alliance- is organized with the intent of promotion promoting and assisting economic development for communities near and along the I-45 corridor, The meetings are held once a quarter at one of the city's on I- 45. The cost is \$200 per year. This is more of a general economic development group then any specific industries or possibilities of businesses being attracted to the city.
- b. The Texas Downtown Association is organized with the intent to connect communities who are committed to downtown revitalization. One interesting aspect of this Association is that they will perform monsters downtown assessment visit which would bring a group of downtown professionals to our downtown to talk about challenges and issues were facing tour the downtown district to me with stakeholders and provide a report of the conditions for the different stages of revitalization short-term, mid-range and long-term (at an unknown cost, but probably less than \$3,000). The cost is \$180 per year.

Montgomery City Council
AGENDA REPORT

c. In and has been in the KOA Guest Services Guide for many years – at least five that I know of. The attached picture of the ad shows us in a prime location in the Guide across from the area map. Katrina has spoken with Distrx and they may help with part of the cost. This has been thought to be worthwhile/4th the hundred dollars because of the prime location in the Guide and the tourist trade of the KOA. The Guide is given to every person that rents a space at the KOA. The cost of the ad is \$900. Katrina and Distrx will be re-designing the ad but a decision needs to be reached at this meeting about whether or not you choose to run the and because at this point you are reserving the space in the Guide.

Recommendation

Motion a. to not join in the Central East Texas Alliance,
b. to join the Texas Downtown Association
c. to place an advertisement in the KOA magazine

Approved By

City Administrator	Jack Yates	Date: February 14, 2019
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117 South LaSalle • P.O. Box 530 • Navasota, Texas 77868
Phone 936.825.6600

December 14, 2018

VIA USPS

Re: 2019 Central East Texas Alliance ("CETA") Membership

Dear Former CETA Member:

We have missed you in our organization. We are hopeful that you will consider returning to CETA, an organization that was organized with the intent of promoting and assisting economic development for communities near and along the I-45 corridor.

While your interests in economic development may have changed, CETA has changed as well. We seek to present relevant programs to help with your economic growth, along with facilitating partnership opportunities among CETA members to help unite our communities and maximize our limited resources.

With the new year approaching, it is a good time for you to consider this action. You will simply need to pay the enclosed invoice to reinstate your CETA membership.

2018 Highlights

- Webinar information sessions were held.
- New CETA website was launched (www.cetx.org).
- Annual meeting was held in Huntsville.
- CETA was represented at the Texas Rural Challenge.

2019 Program of Work

1. Continue the Webinar Educational Series (three-times annually). The topics address issues that are relevant to all the member communities.
2. Encourage and Plan Events on a Regional Level. We will work with our members to partner up and host Realtor or Economic Development events specific to their areas.

There are significant advantages to working with CETA and taking a regional approach to economic development. CETA provides planning, training and a great network of resources. CETA also serves as a central point of contact for those interested in locating to our region. All of the members of CETA join me in hoping that you will give careful consideration to being reinstated. Please contact me if you have any questions or need additional information about CETA.

Sincerely,

A handwritten signature in black ink, appearing to read "Johnny McNally".

Johnny McNally, CETA President

Encl:



Promoting the economic and community development efforts of our member organizations

Date: 12/14/2018
INVOICE # [100]

TO Jack Yates
Montgomery Economic
Development Corporation
POB 708
Montgomery, TX 77356

		Payment Terms	Due Date
		Due on receipt	1/31/2019
Qty	Description	Unit Price	Line Total
1	CETA 2019 Membership Dues	\$200	\$200
		Subtotal	\$200
		Sales Tax	
		Total	\$200

Thank you for your CETA membership!



INVOICE

Date: October 1, 2018
To: City of Montgomery
For: Texas Downtown Association
Annual Membership Dues – October 2018 – October 2019
Amount due: \$180.00

Thank you for your support of Texas downtowns.

Mail checks to:
Texas Downtown Association
P.O. Box 546
Austin, TX 78767-0546

To pay by credit card, please login to our members' only section.

Haven't set up a password yet? Follow these steps:

1. Visit the TDA member login page: <https://secure.texasdowntown.org/tda-member-resources.html>
2. Select the 'Forgot or never retrieved password' link
3. A new window will open. Enter your email address and select 'Submit'
4. A temporary password will be sent to you from sender Texas Downtown Association with the subject line Your Account Information.
5. Copy & paste the password into the appropriate field on the login page.
6. Once you're in the system you can update your password and take care of any other business (membership, awards, conference, webinar and roundtable registration, etc.)

City of Montgomery

FUNXCLASS General Police P/W Utility Other

BANK ACCT# _____

BANK ACCT NAME _____

EXPENSE CODE # _____

EXPENSE CODE NAME _____

Approved By _____



In the late 1970s, only a handful of Texas communities had active downtown organizations. Spread throughout the state, their opportunities to learn from one another and share successes were rare. In 1985, the Texas Downtown Association was officially formed, connecting communities who were committed to downtown revitalization.

Today we represent cities and towns of all sizes, economic development corporations, nonprofit organizations, small businesses and individuals that care about downtowns.

The [Anice Read Fund](#), named for the founder of TDA, provides support for downtown projects and programs.

**BECOME A TDA
MEMBER
TODAY!**

Downtown Assistance Program

04:03 |



The Texas Downtown Association has expertise and experience in many areas of downtown revitalization. Whether you need a speaker for a merchants meeting or a facilitator for strategic planning, the Texas Downtown Association can meet your needs.

Downtown Assistance Program services are for TDA members only.

The service includes all preparation, on-site, and follow-up time and materials. Travel expenses (air and ground transportation, meals, lodging, and incidentals) are additional and are based on direct reimbursable expenses incurred.

Read below to learn about the impact of downtown assessments on other Texas communities:

Quitman

Almost three years ago, I made a major career change and began the journey to help revitalize Downtown Quitman, Texas. Here's a little back ground of my "why" - Quitman was the hometown to my husband and just 8 miles away from my family land that has been in our family since the very early 1900's. The little town was starting to grow weary of any new business in the area.

Procuring Speakers

Potential topics include, but not limited to: downtown organization and program development, downtown director orientation, downtown master planning, board member duties/orientation, economic development strategies, festivals, events & promotions, historic preservation and design, streetscape projects, tourism development and marketing and volunteer management.

Downtown Assessment Visits

The purpose of the downtown assessment is to bring a group of downtown professionals to your downtown, talk about challenges and issues you're facing, tour your downtown district, meet with stakeholders, and provide a report with recommendations for the different stages of revitalization - short term, mid-range, and long-term.

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that it's always best to associate with people who are better than you at what you are doing. There is a lot to be learned from the time-tested experience of others. I have always been an excellent manager of relationships. In the end - if you have the right people & processes in place, you will be successful if you stay focused. I did not have the first clue about what I was doing when I started - in fact, my manual said "start here" on a post-it note. I registered and went to a TEDC basic course and learned a lot about the 4B structure and how to maneuver in a municipality - which I might add is completely different from the private corporate space I was used to. Alysia Cook taught one of my courses. She was an incredible teacher, and she really taught me so much about what I was trying to do, but even more, she told me about the Texas Downtown Association. We have stayed in contact, and she truly has given me so much in such a short time.

After the TEDC conference, I contacted Catherine Sak and began my most valuable relationship in downtown revitalization. You see when your city is under 2,000, Economic Development and Downtown in my opinion go hand in hand. The first step - I had to do whatever I had to do to get TDA people down to Quitman. I had spoken with Kiki Bettis & Shane Shepard and they encouraged me to do have a site visit done. We did that and that visit is where everything started to really take off - because I had a plan. We took everything to heart from cleaning up our empty buildings, to having street dances and everything I between.

This past year has flown by since the last TDA conference. The conference in Killeen was the pivot point for Quitman. We met and began a relationship with Colonial Construction at the Anice Reed Silent Auction. This relationship grew fast and furiously. They came and attended a hard hat party in Downtown Quitman and that simple party for potential investors on a very cold November night sealed the relationship. That hard hat party was on an empty lot full of construction

This training varies with your needs, but TDA can help provide the tools necessary to make your association function more effectively.

Strategic Planning

This option is ideal for a downtown or Main Street program that is interested in developing an annual strategic plan with action items and steps.

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Development Corporation & Colonial Construction.

Today, 8 months later we have everything in place to move forward with our major renovation in Downtown Quitman - with Colonial Construction - because of Texas Downtown Association - because of a simple site visit - because by working with industry experts, we made our dreams reality. I'm proud to say that my affiliation with Texas Downtown Association was the key for our small town being able to begin a very successful revitalization program.

*Denea Hudman, Executive Director
Quitman Development Corporation*

El Campo

The City of El Campo was the recipient of a downtown assessment performed by TDA in 2014 and that was the catalyst that we needed to get our process started. Just organizing the merchants and creating the buzz about the efforts planned set us in a forward motion towards a collaboration that has paid off extremely well by getting all stakeholders involved. Many of the suggestions from TDA have been put into place and ultimately helped lead to the creation of a Planning Director position to help guide us with updating our ordinances. We have seen a great effort on the part of the merchants to clean up, renovate and create new spaces downtown. It has been very contagious and things are looking great with lots of activity occurring on a regular basis with Farmer's Markets that the City sponsors and Block Parties that a vendor has sponsored. Many of the buildings that had been vacant for many, many years are now housing a thriving business. It has been a great success story so far and we are still seeing it unfold as we go. We cannot thank TDA enough for offering a very affordable option to our community to assist us with the outside perspective, experience, and knowledge that we needed.

*Mindi Snyder, City Manager
City of El Campo*

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and community stakeholders. One of the first steps in any long-term goal is determining where to begin and who needs to be included in the endeavor. The TDA report prepared specific to our city helped give us that groundwork by pointing out our strengths, weaknesses, funding tools and assistance available.

From a staff viewpoint, having TDA visit our city helped kick off revitalization efforts by facilitating the conversation between city administrators, council members and community stakeholders to determine what our common goals and objectives were for Downtown. It was refreshing to have a new perspective on our community in regards to its strengths and weaknesses and to receive recommendations on how to improve from those who have been through this process before. The TDA report prepared specific to our city helped give us areas to focus on as we prepare our long and short term goals.

*Julie Hepler, Community Services Administrator
City of Crowley*

[Test](#)

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Experience Montgomery.com Annual Events 14

One Star 1st Saturdays
1st Saturday of Every Month
Market Days featuring all items that are homemade, handmade, and homegrown!
Historic Downtown

Antiques Festival
1st Weekend in May
Fine antiques from all over Texas!
Vintage, refurbished, repurposed and collectible items.
Wine, Food, Music, Shop!
Historic Downtown

Freedom Fest
July 4th
Experience a downhome community.
Parade, crafters market, kid zone, and BBQ cookoff.
Historic Downtown

www.experiencemontgomery.com

Wine & Music Fest
3rd Saturday in September
Discover Texas Wines and great Texas Music!
Experience Montgomery in a whole new way.
Historic Downtown

Texian Heritage Festival
October
Texas History Family Festival, Shootouts, Re-enactors, Kid's Area, Food and Vendors.
Ferland Historical Park

Christmas in Montgomery
2nd Saturday in December
Parade, Candlelight Home Tour, Breakfast with Santa, and Cookie Walk.
Historic Downtown

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936-856-0200
9521 FM 1097 Rd. West, Ste. B • Willis, TX 77318
(Across from Kroger, Next to Subway)

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Montgomery City Council
AGENDA REPORT

Meeting Date: February 18, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits:
Date Prepared: February 14, 2019	

Subject

This is to confirm the offer of Amy Brown to the MEDC coordinator and liaison with the City of Montgomery organization regarding the new city website and the MEDC page that is planned for that website. ^{be}

Description

As previously discussed the City is in the process of getting a new website, and on that website is an offer to the MEDC for a site page on that website. Amy has already been attending several planning meetings for the website. However, as the website gets closer to fruition/completion I think Amy just want to make sure that it was all right with the MEDC Board for her to make some decisions regarding the makeup of the website's MEDC page. Although I have not discussed this with Amy, I would think that she could make a presentation during the formation of the page and occasional other times afterwards just to show the MEDC Board what is on the page and how it is serving the MEDC.

Recommendation

Motion to designate Amy Brown as the MEDC liaison to the city's website page regarding the MEDC.

Approved By

City Administrator	Jack Yates	Date: February 14, 2019
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Montgomery City Council
AGENDA REPORT

Meeting Date: February 18, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits:
Date Prepared: February 14, 2019	

Subject

This is to inform the Board of the accounting practices that will be used to keep proper accounts for internal festivals, events and miscellaneous income.

Description

As discussed at last month's Board meeting, the question evolved regarding how to properly account for internal festivals, events and miscellaneous income. This was brought about because of the multiple vessels planned and how to keep track of the revenues and expenses for those in order to properly account for the funds and to make it easy to analyze the revenues versus expenses of each of the festivals/events. The miscellaneous income portion of this involves minor expenses or revenues that overlap in time and possibly subject matter of the revenue or expense.

Julie Hutchinson, the new MEDC Treasurer has met with Cathy Branco, the city's accountant, and will report on how she proposes to track these expenses, revenues and miscellaneous income.

A budget amendment is only necessary when the expenses are more, or expected to be more, than the budgeted total of expenses. However for reporting sake, once we have one or two or three of these festival separations it may be good idea to demand the line items in the budget just so it is easy to keep track of each of the festivals.

Montgomery City Council
AGENDA REPORT

Recommendation

Motion to agree to the accounting practices regarding internal festivals, events and miscellaneous income as discussed.

Approved By

City Administrator

Jack Yates

Date: February 14, 2019



CITY OF MONTGOMERY

Development Status Report

By: Jack Yates, City Administrator

February 15, 2019

 = New Information since 1-16- 2019 edition

KENROCK Property – This is the approximately 13-acre piece of property that lies immediately west of Pizza Shack and east of the property being developed on the northeast corner of Highway 105 and Lone Star Pkwy.

The Plat for this project has three pad sites on the Highway 105 frontage and one 16,000 ft. building in one 24,000 ft. building on the north side of this property.

They have started the erection of the walls part of construction in the middle part of this tract on what will be a stand-alone retail strip center. On the extreme west side of this development will be a Wendy's Restaurant- in very early stages of planning now.

Two accesses to the entirety of the property will be off Highway 105 and they will also share a driveway with the developer of the northeast corner of 105 and Lone Star Parkway for their Lone Star Parkway access.

Montgomery First Shopping Area- Northeast Corner of SH105 and Lone Star Parkway - This is a strip center of approximately 20,000 sq. ft. One third of the building is an emergency medical clinic and another one third a dentist office. The pet supply store between the dentist office in the clinic is in place and a Mammography testing clinic has finished this sites development.

Bubble King Car Wash – This is nearing an opening date. One interesting aspect of this will be an 80' high flag pole that was approved by the City Board of Adjustment after a public hearing was held. The approval was necessary because a flag pole is considered a structure and, in the B-Commercial zone 45' high is the maximum height. Welcome to Montgomery, Bubble King!

Southeast Corner of Highway 105 and FM 2854 – This is the HEB corner. HEB representatives met with the city engineers and myself about twenty months ago and said at that time that they were probably two years away from getting serious about building, so no speculation at all about when they may build.

Peter Hill Annexation – This is a 3.22-acre tract that is immediately south of SH 105 across from Pizza Shack. The total property is approximately 5 acres but 1.8 acres of the property is in the Conroe ETJ, and Conroe would not give up their right to annex.

That left the 3.22 to be annexed into the City of Montgomery. The plan is for businesses to be located on the total 5 acres. In the 3.22 portion located in the City, what is planned is an exercise gym and a tire repair/replacement shop. The owner, as of this date, has not obtained a building permit. The zoning of this property was approved for “B” Commercial by the Council

Kroger Site - They have approximately six pad sites on their property near Highway 105 and Lone Star Parkway. A Burger King restaurant is in the Kroger Center. The other businesses that is in the retail center next to Kroger is Great Clips, Halo and Coiffure, Malibu Nails and Spa, Massage Envy, Everbright Dental, Taste of China restaurant, and a Stoney’s Liquor. There are two empty spaces remaining.

West of Kroger/East of Buffalo Springs Road - The developers have placed their interior water and sewer and other interior property utilities now. Blu-Wave Car Wash has started turning dirt at the southeast corner of the tract. Otherwise the site plan shows a strip center similar to the Kroger strip center and three pad sites up closer to SH 105.

Southwest corner of FM 2854 and State Highway 105- This 26-acre property Developer is being developed in part due to a development agreement with the City Council. A CVS drugstore is getting built on the far east pad site. Construction work began in July with an **early March** completion date planned.

The City’s 380 Agreement includes relocation of the Lift Station #1 and getting about $\frac{3}{4}$ of an acre of land for an addition to the Sewer Treatment Plant. This is part of a 380 Agreement between the Developer and the city with their utility feasibility study amount of approx. \$430,000 with the Developer paying \$200,00 toward the relocation of L. S. #1 to open up more developable property since the LS is roughly in the middle of their property now. All totaled, the city is rebating one-half of one cent of the two cents sales tax generated by the entire development to total 1.1 million dollars, or ten years whichever comes first, while the city is receiving approximately \$850,000 of payments from the Developer. A major announcement regarding a much-anticipated restaurant is expected soon for this tract of land.

South Loop around State Highway 105 – As the city continues to grow, traffic on Highway 105 and FM 149 will continue to get more congested. The City and Montgomery County Commissioners agreed late summer of 2017 to pay for a Mobility Study for the City and the immediate area. The Mobility Study was accepted by the City Council in late-January, 2018. One of the items in the Study is

the need for a south loop extending from 2854 to Highway 105 west of the city. The loop would probably be outside the city south of the present city limits but could be annexed into the city as time/circumstances allow. The reason to do the planning for the loop now is as development occurs in area of the loop land can be set aside for the right-of-way for the ultimate paving of the road.

North Loop around SH 105 -- The City Council at its December, 2017 meeting directed the City Administrator and Jones/Carter Engineering to start coordination work with the Houston Galveston Area Council to get either the northern loop and/or the southern loop on the Transportation Improvement Program (TIP) that will provide either 80% funding or 90% funding for these projects. Getting on the TIP involves probably several years of planning to get into the multiyear planning program. The TIP program is how major funding happens for major roads in the region. The first of this this coordination work will began in late-February this week with a meeting at the Houston regional office with TxDOT, HGAC, Montgomery County and City representatives at the first planning meeting.

The first meeting went well with very broad discussions toward what will probably be a four-year program of planning and funding arrangements

Expansion of Sewer Plant Area – The City has received State Department of Environmental Quality approval of a discharge permit for the sewage treatment plant located at the end of Buffalo Springs Road south of Highway 105. At the same time a discharge permit was approved for what is called the Stewart Creek Treatment Plant, the former treatment plant site that has been taken out of operation for about 10 years.

The Sewer Master Plan completed in March 2016 - presented a scenario to where the Stewart Creek Plant was put back in operation. By obtaining will owe me know will both discharge permits that leaves that option open.

The need for additional treatment capacity, we think, is 3 to 5 years away -- allowing time to make a decision about whether or not to expand the Buffalo Springs site or to put the Stewart Creek Plant back into operation.

Part of the Texas Water Development Board borrowing that happened summer, 2017, is to improve lift station number one that now feeds all the city sewage into the Buffalo Springs site. The decision regarding the sewer plant expansion/Stewart Creek operating will probably be in the next 2 to 3 years.

Right now, the sewer plant has a permitted capacity of 400,000 gallons per day with a current usage of approximately 135,000 gallons per day. However, state regulations say that you need to be in the planning/designing stage at 60% of capacity (240,000 gallons per day) and in construction at 80% of capacity (320,000 gallons per day). With the addition of approximately 75 houses per year plus all the commercial development is not hard to imagine us doubling our flow in the next 3-4 years. How that will be paid for is another entirely different subject.

Spirit of Texas Bank -- Construction at the northeast intersection of 105 and Lone Star Pkwy. is moving along rapidly. They are supposedly shooting for an April /May opening.

McCoy's Lumber Development – McCoy's has developed into the #2 sales tax payer in the City. No movement on their other three pad lots around them.

Ransom's Area Development- Phillip LeFevre has developed an area for soccer fields immediately north of the Ransom's Restaurant. The Montgomery Soccer Club is having tournaments and league play there.

Ferland Historic Park - The Park continues to be popular. The individual visits are increasing as are tours – in December, 2018 there were 685 visitors and 38 tours were noted by the Docents at the Park.

Memory Park – The Lake Conroe Rotary Club continues to do an excellent job with making improvements, maintaining and essentially managing the Park. They continue to put tens of thousands of dollars into the park every year with the City funding the park maintenance/overall expenses of approximately \$20,000 per year.

Downtown Walk Ability/Improvement Plan – This will be an effort to plan for sidewalks, drainage, parking, landscaping with the ornamental lights and overall making it easier to park and get around downtown. Downtown is thought to be the heart and soul of the city and what will keep the Montgomery atmosphere after all of the new development happens. The plan is under way now, funded by the Montgomery Economic Development Corporation. Upon receipt of a plan the intention is to meet with the downtown property owners, the general public and others to decide on a street by street detailed plan of action.

The first of these projects is the downtown parking area South of the Cozy Grape Restaurant. The city leased the area all the way from Cozy Grape Restaurant South

to Caroline Street with the MEDC paying for the parking paving and landscaping around the area. The second project is the Jacobs/Rose parking area on the north end of that same block.

Hodge Podge Lodge – The owner, Jeff Angelo, has improved and enlarged his kitchen area for what is becoming an event center and has hired the Chef away from the Walden Yacht Club. He is now serving breakfast, lunch, and dinner, I believe, Tuesday through Saturday of every week.

Montgomery Trace Shopping Center –Brookshire Brothers has renewed its lease and also **has completed** several instore upgrades. I think we are all glad that they are able to carve out a market for themselves with Kroger so they can continue their excellent business that they have supported Montgomery with for all these years.

Heritage Senior Apartments – The next phase of the apartments, for seniors only is now under construction. There will be approximately 80 apartments and 6 to 8 “cottages” which are four-plex units at ground level.

Baja Street Project - A Community Development Block Grant has been awarded from the state for repaving of Baja Street, replacing a water line and improving the ditches along Baja - and replacing some water line on Martin Luther King Blvd. \$26,000 cash match is required for the \$350,000 our grant. The bid for this work was approved in October with work now in progress, **but the contractor has been slow and is past his time completion already (and he is approximately 35% completed) --- we are working with the contractor to try to get him to follow through on the project.**

Blight Removal in the Northwest Area – Over the past three years nine structures have been torn down and removed. All of these were with the permission of the owner and demolition costs were paid for by the Montgomery Economic Development Corporation, to the furthering of removal of blight for the overall economic improvement to the city.

HOME Grant --The City Council, at its May 9 2018 meeting approved an application to be made for the state of Texas HOME project. This will fund up to eleven new replacement houses or major renovation) for those who qualify. The qualifications are: have income below the 80% of the average income for the area, be the owner of the house where the person now lives, have a clear title to the

property where the new house would go. Preliminary review of the applications has three persons that have qualified for the new houses.

The grant has no local match, but MEDC has said that they will front any incidental costs and any cost required by the grant.

The timing of the project is (approximately - remember this is the government and there is lots of coordination that needs to happen): verify qualified awardees in December, 2018, coordinate house design in January, 2019, take bids for house builders in February, finish building in June, move-in of residents in July, paperwork compilation/project closeout in September, 2019.

Each house involves approximately \$100,000 in funding, administration, and cost of legal work, site preparation and construction of the house.

At this point it appears as though 3 to 4 people have qualified for the continuation of the process of getting approved for the new homes.

FM 149 Road Improvement –.

There have been meetings with TxDOT, individual property owners and businesses over the past several months.

The Council passed a Resolution on July 10th asking TxDOT to proceed as quickly as possible in the SH 1052 Caroline St. section that includes the addition of right-hand and left-hand turn Lane zone FM 149 as it approaches 105, and to start on the FM 149 project from Clepper Street north to the FM 1097/FM 149 intersection. For the Caroline Street to Clepper section of the project the Council is requesting TxDOT to wait on this portion of the project until the downtown development streetscape plan is approved by the Council. The Council has directed the City Planning Commission to work with the community to develop streetscape plan within the next 12 months.

Buffalo Springs Bridge – The status of the bridge repair is that the bridge is now open and work is complete, with their entering their one-year warranty period starting in late October, 2018.

The project is funded by FEMA based on FEMA share of 75% of the actual contract price of the project.

A Disaster Relief Community Development Block Grant application for \$300,000 has been awarded and used that goes towards the city's 25% share of the bridge repair.

Land-Use Plan - A land-use plan is an overall broad – based view of how the land use in and around the city in the ETJ area is to be planned. It is not a zoning map although it is often used as a basis for zoning. The City Council approved the Plan.

Another reason to do this process is to plan for where low density versus high density residential properties may be developed in the city. The Planning Commission and Council have discussed a pre-planned determination of where in the city they would be with agreeable to low density development. By doing this pre-planning the Council and the developer has an idea about how the area should be developed rather than on a one by one application/determination basis.

Comprehensive Plan –

The City of Montgomery is holding a Comprehensive Plan meeting on Thursday, February 28th at 6:00 PM at Montgomery City Hall. The City, in partnership with Texas A&M's Texas Target Communities program, is preparing a Comprehensive Plan. Walter Peacock, a community planning specialist with TAMU's Texas Target Communities program, will be delivering a State of the Community Report and facilitating a question and answer session.

“We are excited to start this process, as the Comprehensive Plan is a critical tool the City will use to plan for the future. Community input is vital to the success of the Plan, and we encourage community members to come take part in planning for Montgomery's future” ---City Administrator Jack Yates. This Plan will guide the City's decision-making process by identifying a long-term vision for how the City will grow and will outline goals and objectives to accomplish that vision. The Comprehensive Plan is based on the values and expectations of the community and will guide public policy and prioritize specific actions in areas such as transportation, utilities, land use, recreation, and housing.

“Accomplishing this Plan has been discussed for many years, and is very much needed now as we are entering such a time of growth in the city,” --- Mayor Sara Countryman.

This will be the first in a series of community meetings to gain insight from residents and local business owners. The meeting is expected to take about an hour and a half.

For more information, contact Dave McCorquodale, Assistant to the City Administrator, at 936-597-6434. Montgomery City Hall is located at 101 Old Plantersville Road, Montgomery, Texas 77316.

Town Creek Addition Section Three - This is the new 48 lot addition immediately west of Town Creek Apartments off Emma's Way. Style Craft builders are also building in Section Three.

Terra Vista Addition - This is the new 36 lot addition immediately south of Summit Business Park on FM 1097. There are now 20 housing starts in the subdivision.

Rezoning of Property inside the City - This is an action of the Planning and Zoning Commission to rezone five properties inside the city, primarily on the S H105, where the current zoning does not fit the current need for the development of the property. The Planning Commission has an idea of what they intend to rezone, but they are going to invite the property owners of the properties being considered to a discussion before starting the formal public hearing process. This discussion is planned for their March meeting. Then determining on the result of those discussions, the Commission will decide which properties to actually initiate rezoning.

Emma's Way –Extension to Lone Star Pkwy. – – The thought here is for Emma's Way some point the city and the MISD pay for the balance of the extension all the way up to Lone Star Pkwy. The cost of the city/school extension is estimated at \$600,000.

The discussion up to now has been that the school and the city would roughly split that \$600,000. With the basis for that being that Emma's Way will serve the football stadium facility running alongside their Western boundary. The City's desire is simply to get a through street direct from the high school to encourage traffic to Lone Star Pkwy. to relieve some traffic on State Highway 105. The discussions for this project will come back up now that extension of Emma's Way, has completed in January, 2019, for the purpose of serving Town Creek Subdivision Section III.

Shanon Salsbury New Office at Waterstone – Shanon is in a new office building for his insurance office with two additional lease spaces. Mr. Salsbury is immediately north and east of the Buffalo Springs Bridge on Buffalo Springs Road. His long-

range plan, he told me, calls for another strip office space center on the north side of Buffalo Spring Road across from his new office.

Texas Water Development Board – Funding -- The TWDB has provided funding of 2.8 million for water and sewer work. The projects are-- for water; connection of the 12-inch line north of Clepper to the 12-inch line immediately west of Cedar Brake Park (which should help the water pressure on the western side of the city and eliminates the six-inch bottleneck in the system), improvements at Well #3 the Catahoula well (that we think will increase production about 25%). For sewer: Lift Station #1 upgrades (all the sewage in the city goes through this station which is already operating beyond design capacity), Lift Station #3 Force Main Reroute will serve to eliminate the need for another lift station and secures capacity in the system). All of the projects are in engineering design now, with a start date for completion of the design and construction to be begin mid-April.

General Land Office possible grant – In late May, 2017 we found out about a 22 million dollar grant that had been offered to Montgomery County from the Texas General Land Office (GLO) for flood related damages. Montgomery was one of six Counties in the state that the GLO had selected because of having the worse flood damages in the past two years. The County organized the GLO offer within the county for how the funds should be allocated. The County, after discussing with the cities in the County and two or three housing groups in the County, decided that the funds should be distributed based on the amount of FEMA damages and the amount of low income in the area involved. The City of Montgomery had the most damage of any city in the County.

As such Montgomery was “allocated” \$2.2 million dollars of GLO dollars. This “allocation” is not a grant, the actual application is made by the City to the GLO, but the money set aside for the City so long as we apply for “correct” type of projects. The GLO grant funds can be used for drainage, water and sewer, generators, and the 25% City match monies spent already on FEMA projects.

The GLO application is prepared and was filed at the end of March, 2018. I was notified in early February that the City will receive a contract in mid-February. GrantWorks will be the grant writer and administrator of the grant and Jones/Carter is the engineer on the project.

Sales Tax – Montgomery is very much a “receiver” city for sales tax--- by that I mean that the sales tax collected in the city is very much provided by those who live outside

the City. To show you in figures how that is: take the \$2,298,289 collected for the 2017-2018 Fiscal Year. That amount of collections equals \$114,914,450 in sales inside our four-square miles with our 1,200 population and our approximate 88 physical businesses in the City. But, of course, what is the case is that the City's conservative figure of a 60,000 population trade area for the City, plus the approximate 1,500 out of city taxpayers through internet purchases that pay small to large amounts based on sales delivered/accepted inside the City greatly increase the gross sales amount produced by the 1200 City residents.

This increase in sales tax amount helps to pay for the growth in the city required by increased activity. Namely, the city has added one police officer for each of the last three years, and one public works person for each of the last three years and two administrative persons also during the last three years.

Sales Tax Rebate – The City Council agreed to a 380 Agreement for the Kroger area which calls for a rebate of the entirety of the one half of one cent MEDC sales tax, and .55% of the sales tax collected in the Kroger shopping center area. The Kroger shopping center area includes the Kroger store, the businesses to the west of the Kroger store, and the pad sites east of Gardner Drive (the street west of the Kroger center), but does not include the fuel center. All the property taxes collected from the same area is also rebated. For the 2017 – 2018 fiscal year the sales tax rebate of MEDC was \$52,833, and for the City was \$64,600 with the property taxes being rebated of \$43,118.

CITY OF MONTGOMERY SALES TAX

Fiscal Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
2019	141,162.59	303,708.43	192,957.46	141,238.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	779,066.48
2018	125,361.52	253,111.48	179,308.88	174,487.10	268,635.98	149,964.30	144,205.61	267,397.74	151,071.81	153,156.83	304,422.57	127,165.52	2,298,289.34
2017	94,652.13	207,611.58	134,305.68	145,488.55	204,006.24	139,225.65	123,234.01	182,757.15	153,336.53	132,394.32	190,648.43	181,625.33	1,889,285.60
2016	118,139.09	187,778.09	52,683.59	236,764.92	200,985.71	125,057.26	130,098.69	184,955.47	149,145.60	134,137.44	202,380.82	144,903.50	1,867,030.18
2015	132,291.80	166,880.00	128,470.68	107,238.81	184,183.00	108,979.46	140,275.54	168,012.24	145,485.26	118,871.30	164,234.26	135,004.07	1,699,928.42
2014	117,219.70	129,854.70	132,548.20	129,248.00	259,993.95	64,083.86	104,356.47	159,966.95	133,026.37	110,188.27	187,363.72	160,524.07	1,688,374.26
2013	94,399.86	152,797.88	125,252.31	114,935.59	182,499.74	110,162.80	116,374.93	174,982.13	135,704.57	140,092.14	188,704.14	189,403.11	1,725,309.20
2012	66,191.21	119,206.99	88,548.10	104,267.33	143,666.75	78,348.96	95,743.30	146,558.47	130,712.15	117,230.68	140,536.67	89,077.76	1,320,088.37
2011	97,092.27	122,908.84	81,851.80	82,197.80	144,122.77	85,543.72	79,390.20	140,236.41	101,274.92	96,574.66	116,445.82	76,525.47	1,224,164.68
2010	71,323.52	123,165.52	191,886.13	86,077.15	176,540.27	72,946.97	61,136.76	151,577.70	102,272.58	81,412.16	129,815.04	86,170.48	1,334,324.28
2009	61,921.86	134,439.91	115,692.52	117,103.70	173,515.17	79,619.28	84,594.36	123,138.23	99,458.28	107,616.96	115,866.14	76,874.07	1,289,840.48
2008	89,277.50	139,100.34	109,487.59	86,253.85	145,150.38	96,932.30	88,797.53	111,954.37	102,027.97	93,109.22	135,755.33	117,575.45	1,316,421.83

SALES TAX SPLIT

Fiscal Year	MEDC	CITY	TOTAL
2019	194,767	584,300	779,066
2018	574,572	1,723,717	2,298,289
2017	472,321	1,416,964	1,889,286
2016	466,758	1,400,273	1,867,030
2015	424,982	1,274,945	1,699,926
2014	422,094	1,266,281	1,688,374
2013	431,327	1,293,982	1,725,309
2012	330,022	990,066	1,320,088
2011	306,041	918,124	1,224,165
2010	333,581	1,000,743	1,334,324
2009	322,460	967,380	1,289,840
2008	328,855	986,566	1,315,422

SALES TAX IN LIEU OF PROPERTY TAX

Fiscal Year	1/2 Cent Sales Tax	Tax Rate Reduction *
2019		
2018	574,572	23.55
2017	472,321	19.36
2016	466,758	19.13
2015	424,982	17.42
2014	422,094	17.30
2013	461,327	18.91
2012	330,022	13.53
2011	306,041	12.55
2010	333,581	13.67
2009	322,460	13.22
2008	328,855	13.35

* using .0041 tax rate x2019 tax rate is .0040

Sales Tax Split -- The City gets a total of .02 cents on each dollar spent. The MEDC is allocated 1/4th of the total collected. The City receives the remaining 3/4 of the total collected

So: One cent to City General Fund
 one-half cent to City General Fund as Property Tax Reduction
 one-half cent to Montgomery Economic Development Corp.
 Equals two cents total

Sales Tax in lieu of Property Tax - City voters in approx. 2005 voted to increase the sales tax one-half cent and to include that amount in the property tax calculation. The Tax Rate Reduction amount shown above is how many cents/\$100 value is saved by the one-half cent collected through sales tax. For instance, in 2018 the tax rate would have been .0041, plus .002355 cents for a total of .006455. This reduction will increase as sales tax increases. The .002355 is worth \$471. a year in property tax on a \$200,000 house.



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January 17, 2019

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

Re: Engineering Report
Council Meeting: January 22, 2019
City of Montgomery

Dear Mayor and Council:

The following information summarizes our activities on your behalf since the December 11, 2018 Council Meeting:

Status of Previously Authorized Projects:

All projects discussed below are included in the enclosed master schedule and maps of active developments and capital projects.

a) Buffalo Springs Drive Bridge Repair (FEMA)

The project is complete. We submitted the Certificate of Construction completion and Pay Estimate No. 11 & Final to FEMA and GrantWorks for processing, as authorized at the January 8th Council meeting.

b) Water Distribution System Analysis and Master Plan - CP No. 2, 12-inch Waterline Across Town Creek Bridge

The contractor is substantially complete with construction and the waterline is in service. The contractor is continuing to address all punch list items.

c) Water Distribution System Analysis and Master Plan – CP No. 3 – Downtown and SH-105 Waterline Replacement

We received approval on the Engineering Feasibility Report from the TWDB on January 3rd and are finalizing the construction plans to submit for review. We submitted Outlay No. 3 on January 11th in the amount of \$45,185.50 for reimbursement, and we expect construction to begin in Spring 2019.

d) Water Distribution System Analysis and Master Plan – CP No. 9 - Water Plant No. 3 Improvements

As a reminder, this project is included in the TWDB DWSRF loan. This project has been delayed due other City projects taking priority but is moving forward again. As discussed in our water plant inspection report, we have identified significant recoating items to be completed at Water Plant No. 3. We recommend including these items in the scope of the Water Plant No. 3 Improvements project. We expect to complete the design and receive all plan approvals in spring 2019.

Status of Previously Authorized Projects (cont.):

- e) **Water Distribution System Analysis and Master Plan-CP No. 1, Water Plant No. 2 GST Backfill**
As a reminder, this project will be rebid with the Water Plant No. 3 Improvements project.
- f) **Sanitary Sewer System Analysis and Master Plan – CP No. 3b – Lift Station No. 1 Replacement**
As a reminder, this project is included in the TWDB Clean Water State Revolving Fund (“CWSRF”) loan. The design is substantially complete and we are working with the TWDB for final approval. We submitted the Engineering Feasibility Report for this project to the TWDB on January 10th and are coordinating with the TWDB to receive approval.
- g) **Sanitary Sewer System Analysis and Master Plan – CP No. 10 – Lift Station No. 3 Force Main Re-Route**
As a reminder, this project is included in TWDB CWSRF loan. The design is substantially complete, has received TxDOT approval, and is under final internal review before undergoing TWDB review. We expect construction to begin in Spring 2019.
- h) **18” Gravity Sanitary Sewer Extension**
We performed a final inspection of the project on December 12th, and it is our understanding the contractor is addressing all punch list items identified at the inspection. We received and approved Pay Estimate No. 3 in the amount of \$70,195.50 to Randy Roan Construction, Inc.
- i) **Baja Road Water and Drainage Improvements (CDBG)**
The contractor is proceeding with construction of the waterline but is working slower than originally anticipated. We have requested an updated construction schedule from the contractor to show a realistic construction completion date. Enclosed with this report is a copy of the behind schedule letter that was sent to the Contractor on January 14th. As a reminder, the contract period of performance will end on January 29, 2019. We are coordinating with the City Administrator to discuss potential options for Phase II of the project.
- j) **Baja Road Rehabilitation (FEMA)**
We received bids for the project on January 17th at City Hall. As a reminder, this is a re-bid of the project from the original November 29th bid date. Enclosed under separate cover is a letter to Council regarding the receipt of bids for the Baja Road Rehabilitation project. We plan to discuss the results of the bid opening as a separate agenda item.
- Agenda Item** – Consideration and possible action regarding award and execution of construction contracts for the Baja Road Rehabilitation project.
- k) **Atkins Creek Water, Sanitary, and Storm Sewer Repairs (FEMA)**
- i. As we previously discussed, the erosion of Atkins Creek has reached FM 1097 and TxDOT has mobilized to complete the emergency repairs to the erosion. We are working to schedule a meeting with TxDOT to discuss more long-term solutions to protect the City’s existing 12” waterline.
 - ii. We are finalizing design of the construction plans for the project and expect to be substantially complete by the end of the month. We expect to receive allocation of funding from FEMA by the middle of February, and we are prepared to begin the bidding process upon receipt.

Status of Previously Authorized Projects (cont.):**l) GLO Projects**

We did not receive a Request for Information this month. We are continuing to coordinate with GrantWorks to determine when funds will become available.

Existing and Upcoming Developments:**a) Feasibility Studies**

- i. **Woods of Town Creek** – As a reminder, at the January 8th meeting of the City Council, we were authorized to proceed with a Utility and Economic Feasibility Study for the Woods of Town Creek Single Family Development. We plan to present our findings at the March 12th meeting of the City Council.

b) Plan Reviews

- i. **Shoppes at Montgomery, Phase II** – We did not receive revised plans this month.
- ii. **Exxon Eva Street** – We received revised plans on January 14th and plan to return comments to the plans next week. It is our understanding the City Administrator plans to meet with the developer to discuss acquiring additional right-of-way for TxDOT.
- iii. **Wendy's (Haza Foods)** – We did not receive revised plans this month.
- iv. **Living Savior Lutheran Church** – We received revised plans on December 17, 2018 and returned plan approval on January 7th.
- v. **Best Donuts (Samdana Investments)** – We did not receive revised plans this month. We are coordinating with the Developer to execute an encroachment agreement for the proposed dumpster within a proposed public storm sewer easement.

c) Plat Reviews

- i. **Samdana Investments Minor Plat** – We did not receive a revised plat this month.

d) Ongoing Construction

- i. **Hills of Town Creek, Section 3** – The contractor has sufficiently addressed all punch list items identified at the final inspection held on December 4, 2018 and we recommend acceptance of the public infrastructure.

Agenda Item – Consideration and possible action regarding the Certificate of Acceptance for public water and sanitary sewer infrastructure to serve the Hills of Town Creek, Section 3 (Dev. No. 1019) Development, including acceptance of maintenance bond.

- ii. **Emma's Way Extension** – The contractor is continuing to address all punch list items identified at the final inspection held on August 27, 2018.

Ongoing Construction (cont.):

- iii. **Shoppes at Montgomery, Phase I** – We held a final inspection of the public water and sanitary sewer infrastructure on January 9th. It is our understanding the contractor is working to address all punch list items identified at the inspection.

e) One-Year Warranty Inspections

- i. **Lift Station No. 14** – We are working with Public Works and Gulf Utilities to bring the lift station to the proper specifications with the funds deposited by the developer for the replacement pumps.
- ii. **Lake Creek Village, Section 3** – We conducted one-year warranty inspection for the public infrastructure on October 19th. It is our understanding the Developer is working to address all punch list items. According to the Developer, the remaining punch list items will be addressed pending favorable weather.

Meetings and Ongoing Activities:

- a) **Lone Star Parkway Transportation Improvement Plan (TIP)** – We are working with the H-GAC to discuss planning for the possible acceptance Lone Star Parkway by TxDOT in the future. We attended a meeting with TxDOT on November 6th to discuss including the project on TxDOT's Regional Transportation Plan before including it on the H-GAC TIP.
- b) **2018 Annual Water Plant Inspection** – Enclosed under separate cover is a copy of our Annual Water Plant Inspection Report. We coordinated with Gulf Utility and Public Works to determine the items that can be completed in-house, as noted on the report.

Agenda Item – Presentation of Water Plant Inspection Report from Jones & Carter.

- c) **FM 149 Southbound Turn Lane** – It is our understanding the City Administrator is planning to meet with the owner of the Exxon at the northwest corner of the FM 149/SH-105 intersection to discuss obtaining the additional right-of-way required to construct a southbound right turn lane.
- d) **Weekly Operations Conference Call** – We continue hosting a weekly conference call with representatives from Gulf Utility Service, Inc. and City Staff. Items of note discussed during the previous month included receiving estimates for repairs to Lift Station No. 14, updates on various warranty inspections, general updates on all active design and construction projects, and general operations of the City's water and sanitary sewer facilities.
- e) **Well Performance Summaries** – We received and reviewed the results of the water well performance test completed in November 2018. The water wells are performing as designed and no action is recommended at this time.
- f) **Plez Morgan Rehabilitation** – It is our understanding that the City received a letter from FEMA on January 15th stating the allocation of funds for the project has been denied.

Meetings and Ongoing Activities (cont.):

- g) Sanitary Sewer Testing & Repairs** – We plan to present exhibits identifying testing and repairs that have been completed over the past two years, as well as an exhibit showing proposed future testing to take place throughout the year. We are working with Public Works to prepare a plan to continue smoke testing and repairs throughout the City, and will follow up testing with additional cleaning and televising as needed based on the results of Public Works' findings.

Please contact Katherine Vu or me if you have any questions.

Sincerely,



Chris Roznovsky, PE
Engineer for the City

CVR/kmv

K:\W5841\W5841-0900-00 General Consultation\Meeting Files\Status Reports\2019\Engineer's Report 1-22-19.docx

Enclosures: Baja Road Water and Drainage Improvements – Behind Schedule Letter
Active Capital Projects Map
Active Developments Map

Cc (via email): The Planning and Zoning Commission – City of Montgomery
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney



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January 14, 2019

Boretex, LLC.
902 Nean Dr.
Austin, TX 78758

Re: Construction of Baja Road and Martin Luther King Jr. Drive
City of Montgomery
TIN No. 74-2063592

Dear Mr. Larocque,

At the Preconstruction Meeting we discussed the importance of submitting a Construction Schedule and Schedule of Values per the project specification section 01010 2.0 WORK SEQUENCE which states:

"Within 10 days from the date of the Notice to Proceed, the Contractor shall submit a construction schedule to the Engineer for approval. The schedule shall be in the form of a Gantt Chart (bar chart) and shall indicate the order in which the work is to be performed. The sequence and interdependence of all major activities must be shown."

As of the date of this letter you are over 30 days past the deadline for submission (December 9, 2018). Therefore, you are hereby directed to provide a construction schedule showing the project's legitimate completion dates (substantial and final) in addition to the Schedule of Values. Failure to provide a construction schedule within 5 calendar days may result in you being declared in default in accordance with the General Conditions of the Contract, Section 9 (b) – Termination, Delays, and Liquidated Damages. We want to remind you that the Owner has the option of withholding payment when a construction schedule has not been submitted within the specified time frame per the project specification section 01010 2.0 WORK SEQUENCE.

Furthermore, after continuing to wait for your construction schedule to be submitted approximately sixty-eight percent (68%) of your Contract Period of Performance has expired yet only approximately thirteen (13%) percent of the work has been completed. There is concern that the project will not be complete by the contract period of performance end date of January 29, 2019. You are hereby directed to provide to us in writing the recovery schedule showing how you will complete the project by its original completion date of January 29, 2019 **by January 18, 2019**. If unforeseen conditions or outside influences are preventing you from completing the project by the contracted completion date the recovery schedule is to include any request for time extension for our review. The request should detail the reasons for delay to justify processing a time extension change order. Please note the City has the right to pursue Liquidated Damages for Delays in the amount of \$250 a day for every day past the ending of the period of performance, pursuant to General Conditions of the Contract, Section 9 (b) – Termination, Delays, and Liquidated Damages.



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As the Contractor, you are responsible for the safety of your employees, and other persons during construction operations. All work shall be done in accordance with Occupational Safety and Health Administration (OSHA). We have requested numerous times that the pot holes on the project be filled in or have a stable protective barrier placed around them to prevent accidents and you have continually failed to do so. These must be protected by **January 16, 2019 at 1:00PM** or we will have them repaired and recover cost through a deductive change order to the contract.

Your immediate attention to this situation is required. Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Carpenter', with a long horizontal flourish extending to the right.

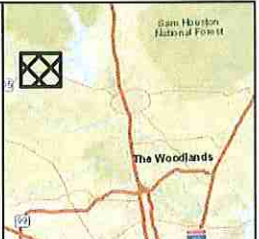
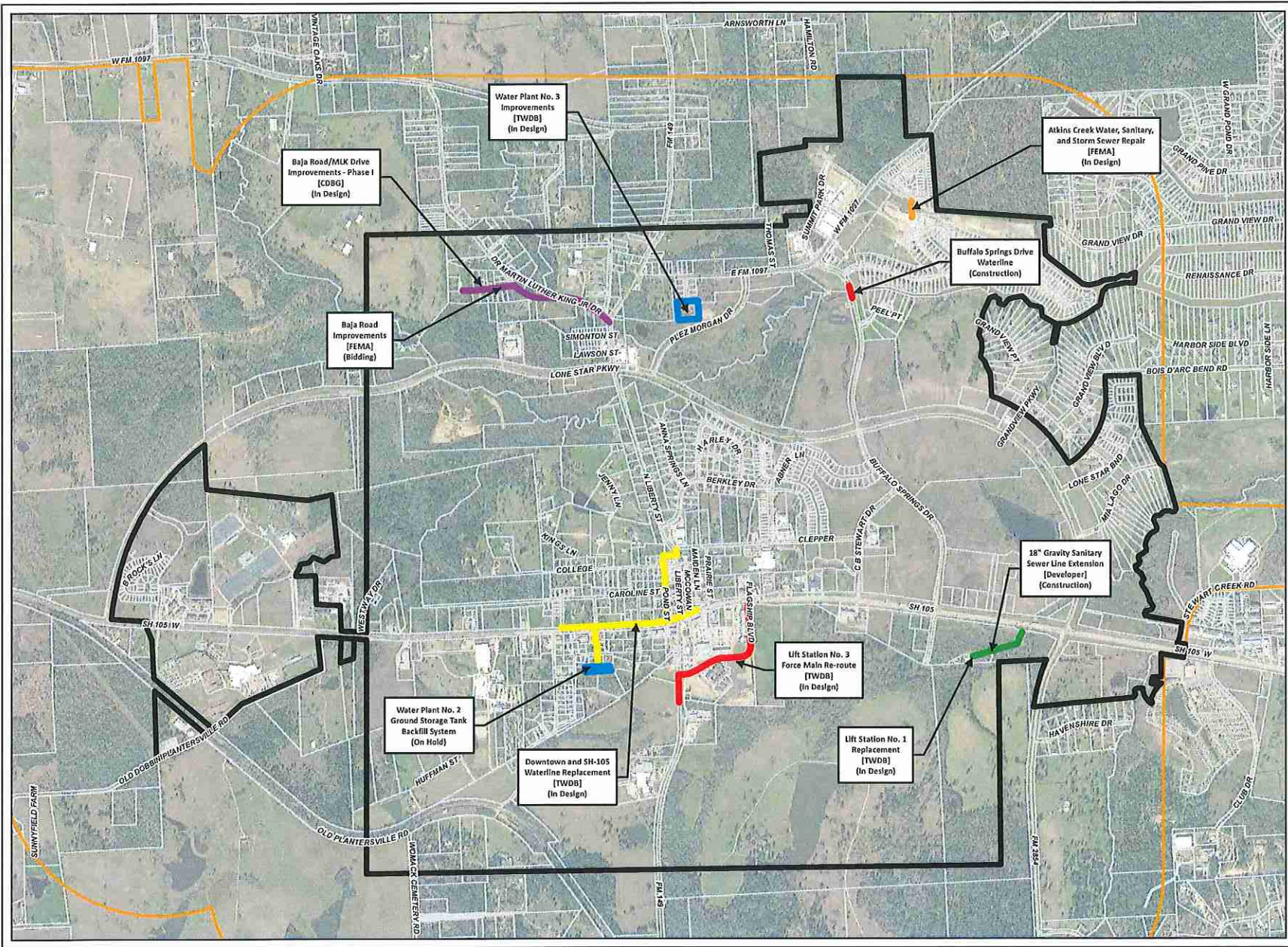
Michael Carpenter
Construction Manager

CVR/mdc

K:\W5841\W5841-0037-00 Baja Road and Martin Luther King Jr Driv\3 Construction Phase\3 Contract Documents\Working Documents

Enclosure

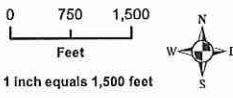
CC: Mr. Jack Yates – City of Montgomery, City Administrator (cc via email)
Ms. Susan Hensley – City of Montgomery, City Secretary (cc via email)
Mr. Chris Roznovsky – Jones|Carter, City Engineer (cc via email)
Ms. Rachel Nolley – GrantWorks (cc via email)
Mr. Ben Flamm – Cincinnati Insurance Company (Surety) (cc via email)



VICINITY MAP
Scale: 1 inch equals 20 miles

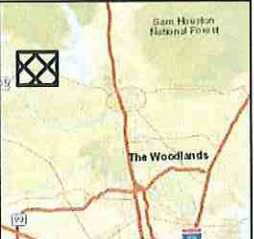
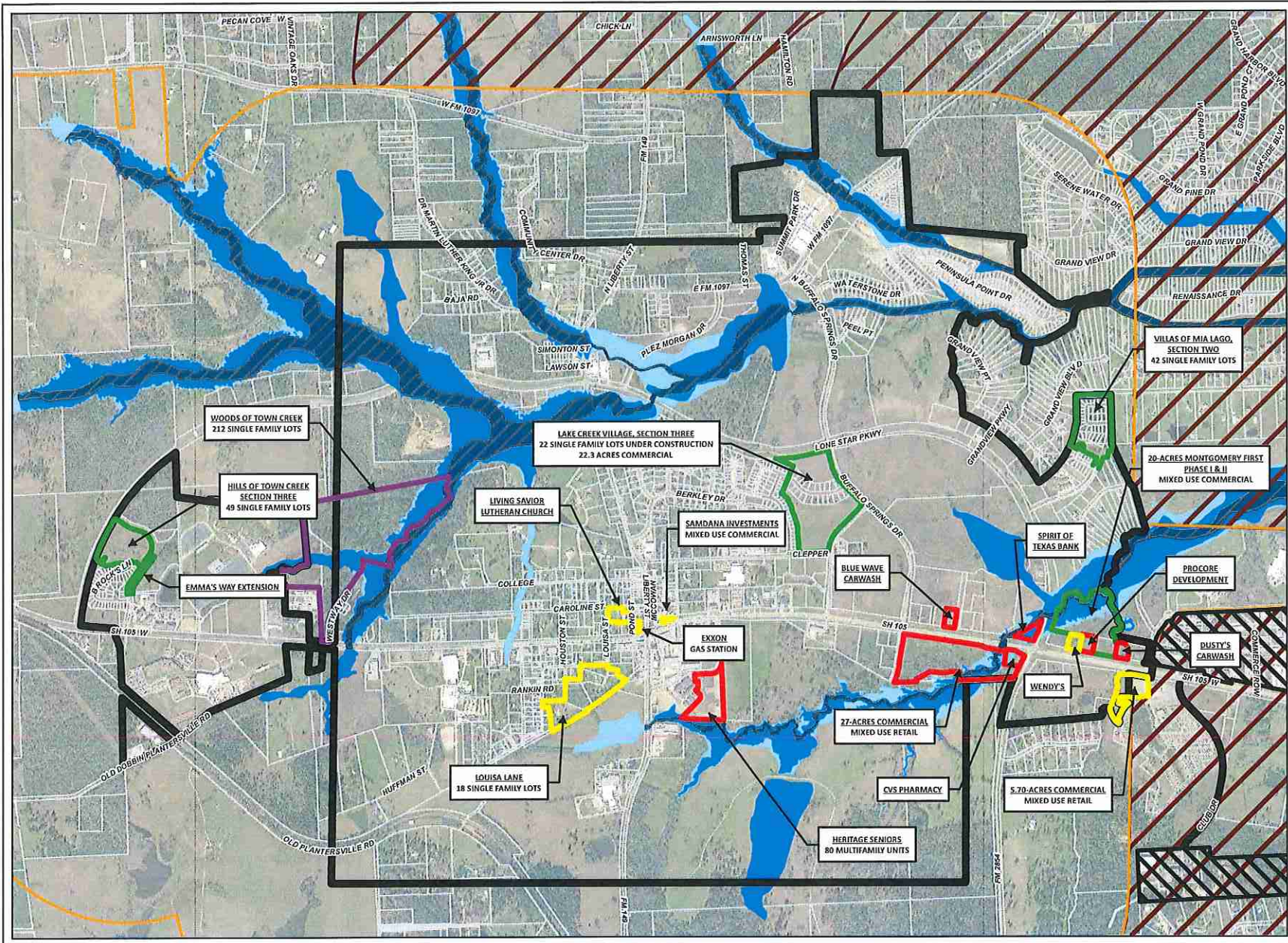
- LEGEND**
- City Limits
 - City ETJ
 - MCAD Parcels

ACTIVE CAPITAL PROJECTS
(JANUARY 2019)



Disclaimer: This product is offered for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property, governmental and/or political boundaries or related facilities to said boundary. No express warranties are made by Jones Carter Inc. concerning the accuracy, completeness, reliability, or usability of the information included within this exhibit.



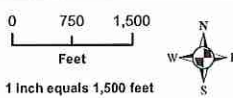


VICINITY MAP
Scale: 1 inch equals 20 miles

LEGEND

- Active Development (Phase)**
- Complete/Under Warranty
 - Under Construction
 - In Design
 - Planning/Feasibility
 - City Limits
 - Stanley Lake MUD
 - City ETJ
 - City of Conroe ETJ
 - Floodway
 - 100-year
 - 500-year
 - MCAD Parcels

ACTIVE DEVELOPMENTS (JANUARY 2019)



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Work Plan Report

First 30 – 90 days

Task	Activity	Status
Listening Sessions w/ Residents	Meet and Greet with residents on 02/14/2019	7 Residents attended. They are pleased with the direction Montgomery is going. They want more events, particularly family friendly events, in Montgomery. Also, would like to see more marketing of the city to bring increased awareness.
Meeting with Local Business Owners/Business Leaders	Social Media For Small Businesses	14 attendees: 14 Small Business Owners. 1 was from the Woodlands Feedback: All attendees found the information valuable wanted to have more seminar like this.
Meeting with Local Businesses Owners cont'd.	Small Business 101 Meeting for March	March's meeting is not finalized. Topics the business owners have suggested are: safety and security, and updates from the City

Three - Five Months

Task	Activity	Status
Social Media Channels	Distrx	<ul style="list-style-type: none"> Working with distrx to create content push through social media about downloading distrx.

Six Months – One Year

Task	Activity	Status
Marketing/Branding/Signature Events	Lone Star Flag and Food Truck Fest	<ul style="list-style-type: none"> Finalizing logo design. Finalizing event schedule. Working with music promoter re: live music for the Festival.
Event Sponsorship Opportunities	Recruit sponsors for Lone Star Flag Fest and/or multiple events.	<ul style="list-style-type: none"> Meet with Donnie Buckalew. We will follow up next week. Meet with Susan at Spirit Industries. We will follow up next week.
Build Regional Partnerships	Met with Conroe CVB and their hoteliers' group	Spoke with hoteliers about helping promote Montgomery and our events. They were all onboard. I will be meeting with some of the individual in the next couple of weeks to discuss details.
Build Regional Partnership	Met with Montgomery Chamber	Met with Shannon Reid. She shared information and contacts re: event logistics in Montgomery.