

**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 January 21, 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 December 17, 2018
4. Monthly Financial Report (December, 2018)
5. Annual Meeting of MEDC:
 - a. Report of 2018 activities
 - b. Financial Report
 - c. Planned for 2019
 - d. Election of President of MEDC
 - e. Election of Vice-President of MEDC
 - f. Election of Secretary of MEDC
 - g. Election of Treasurer of MEDC
6. Consideration and possible action regarding HMBA Antiques Festival Funding – Kambra Drummond
7. Consideration and possible action regarding budget for Lone Star Flag & Food Truck Festival
8. Consideration and possible action regarding budget for the Wheat & Wine Festival
9. Consideration and possible action regarding marketing materials for the Distrx walking tour
10. Tourism and Marketing Work Plan Update
11. Economic development report: Tourism and Marketing, City Administrator Report, Engineer Report

EXECUTIVE SESSION:

The MEDC Board of Directors 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.

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:

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

13. Reconvene into Open Session.

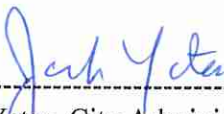
POSSIBLE ACTION FROM EXECUTIVE SESSION:

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

15. Board Inquiry

16. 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 18th day of January, 2019 at 4:00 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
December 17, 2018
MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

President Rebecca Huss called the meeting to order at 6:04 p.m.

Present: Rebecca Huss - President
 Bob Kerr – Vice President
 Randy Moravec - Treasurer
 Amy Brown – Secretary
 Cheryl Fox – Board Member
 John Champagne – Board Member
 Bill Hanover – Board Member

Absent: None

Also Present: Jack Yates – City Administrator
 Katrina Moore – Director of Marketing and Tourism

OPEN PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES

Minutes of October 29, 2018 Regular Meeting –

President Huss asked for comments on the minutes as presented. Mr. Moravec stated that he disagreed with the wording in Item #7 concerning the discussion on the purchasing authority of the City Administrator in regards to EDC funds. He requested the minutes include mention that the debate on

the matter centered around the spending threshold for the City Administrator regarding MEDC funds. Mr. Moravec requested the minutes reflect the motion made by Mr. Champagne would require the City Administrator seek Board approval of all expenditures. Mrs. Huss asked if changing the first sentence to read "spending limit" instead of simply "limit" would suffice. Mr. Moravec agreed.

Mr. Moravec made a motion to approve the minutes as presented with the change requested, seconded by Mr. Champagne. All in favor. (7-0)

MONTHLY FINANCIAL REPORT

Reports for October and November, 2018

Mr. Moravec stated there was nothing of significance related to the October report that deserved any type of review, and recommended approval.

Concerning the November report, Mr. Moravec questioned Mr. Yates about the sales tax funds in the City's General Fund account. Mr. Moravec stated that occasionally it appears that the funds are not transferred into MEDC's account for three to four months.

Mr. Yates replied that he would speak to Cathy Bronco about transferring the funds monthly.

Mrs. Huss reminded Mr. Moravec that the city does not receive all of the payments monthly, and some payments are made quarterly.

Mr. Moravec recommended approval of the November Financial Report.

Motion by Mr. Hanover, seconded by Mrs. Brown to approve the October and November 2018 Financial Reports as presented. All in favor. (7-0)

CONSIDERATION AND POSSIBLE ACTION

5. Consideration and possible action regarding Montgomery Historical Society funding for Christmas in Historic Montgomery event.

Mr. Yates explained that the Montgomery Historic Society submitted a request for \$5,000 for funding for the 2018 Christmas in Historic Montgomery event. He stated the Historic Society had included financial reports, for previous years, with the request. Mr. Yates reminded the Board that the Events category in the EDC's budget allowed \$35,000 for events, and the Board could grant more than the requested amount, less than the requested amount or deny the request.

Mr. Kerr asked if the requested amount was to fund the event for the current year. Mr. Yates said that was correct.

Mrs. Huss commented that the Board's External Festival Guidelines focused on fundraising, use of the city's logo and the number of years that the EDC should fund a specific festival or event.

Mr. Moravec asked how many years the EDC has supported the Historic Society's Christmas event.

Shirley Schneider, from the Historic Society, said that it has been about eight years.

Mr. Moravec stated that the financial reports, that the Historic Society provided, show that they have had a net income, where income exceeds expenses, prior to the EDC's contribution. He asked Mrs. Schneider if those funds carry forward to the next year's event.

Mrs. Schneider responded that the profits from the event go towards scholarships and maintenance of seven different properties owned by the Historic Society.

Mr. Moravec asked if the Historic Society was a non-profit organization. Mrs. Schneider responded that they are a non-profit organization.

Mr. Moravec asked what amount of funds the organization had on hand. Mrs. Schneider responded that she was not at liberty to say, but would be willing to provide that figure to the Board.

Mr. Moravec stated that it appears that the \$5,000 from the MEDC is not needed for the actual event, but instead it is used for other purposes. He noted that the External Festival Guidelines state that grants will not be used for fundraising events, prize money, or scholarships.

Mrs. Schneider stated there are expenses to having a festival.

Mr. Moravec agreed, but noted that according to the information the Historic Society provided the Board, their income exceeds those expenses that are directly associated with the event. He said it appeared that the Historic Society did not need the \$5,000 to actually conduct the festival.

Mrs. Schneider asked if the city wants to continue an event such as this that brings in money to the local businesses.

Mr. Moravec said he personally believed that the city wants such events, but it does not appear that the Historic Society needs the city's financial support to put on such an event.

Mr. Champagne stated that the premise is that the EDC funds are going to the actual event, when in actuality it is not.

Mrs. Fox asked Mr. Champagne if he did not believe that it costs the Historic Society \$5,000 to have Christmas in Montgomery.

Mr. Champagne replied that he did not say that. He stated that he was pointing out that the premise for this donation is to put on the event, when by all indications, it is not used for that purpose.

Mrs. Huss noted that the EDC's budget did not have a large amount of money in the Event line item, and with plans to expand the number of events, the Board needs to husband it carefully. She stated there will be new events that do not have a history with attendance, marketing and volunteers; and she was hesitant to spend so much of the budget on something that is already successful.

Mr. Moravec said this event does not appear to meet the guidelines as adopted.

Mr. Champagne asked Mr. Moravec if it would be more appropriate for the Historic Society to ask for funding for the items for which the money is actually used.

Mr. Moravec replied if the Historic Society is using the money for maintenance of buildings than that should be a separate grant request. He said he believed the EDC should not be funding scholarships that have nothing to do with economic development.

Mrs. Fox noted these External Guidelines are relatively new and unknown to the Historical Society. She believed the Historical Society had based their budget on the expectation of the funds that they have been receiving for several years. Mrs. Fox said she believed the event costs more than \$5,000.

Mr. Moravec stated the income from the event offset the expenses. He noted that according the Historic Society's financial report, the expenses ranged between \$5,700 and \$7,800, and their income has exceeded those expenses each year.

Mr. Hanover asked Mrs. Schneider if MEDC received any recognition from the Historical Society during the Christmas in Montgomery event.

Mrs. Schneider stated that usually at the end of the tour, they put out a little press release thanking the city, the fire department and the police department.

Mr. Hanover stated he believed that this is one of the most visible events in Montgomery.

Mrs. Huss agreed and stated the Historic Society makes money doing the festival. She said the EDC is trying to promote economic development and use the resources to promote more events such as this one.

Mr. Moravec said the EDC has developed a policy and it should not make exceptions to that policy.

Mrs. Schneider said people putting on events need to know the guidelines.

Mr. Moravec asked Mrs. Schneider why the Historic Society needs the EDC funds since their income exceeds their expenses.

Mrs. Schneider said the Historic Society is maintaining their buildings and bringing business into the city, and she believed it is the city's responsibility to help them.

Mr. Moravec said the city would help if the Historic Society needed the money to conduct the event, but the information provided to the city shows that money is not needed to conduct the event. He said if the Historic Society is using the money for maintenance of buildings, that would be an appropriate request and should be made separately from the event.

Motion by Mr. Moravec, seconded by Mrs. Brown to deny the funding request for the Historic Society's Christmas in Montgomery Event. All in favor. (7-0)

6. Consideration and possible action regarding the amendment of the bylaws.

Mr. Yates explained that this has been discussed several times, but the Board has never acted upon the two recommendations. The first recommendation came from the Board and concerns item 3.04. The recommendation would change the Annual Meeting of the Board from the last month's meeting of the Corporation's fiscal year to the January meeting of each year. The second recommendation came from the City Attorney who suggested under item 3.03, that the words "as appointed by City Council" be added.

Mr. Yates reminded the Board there was also a previous discussion concerning ethics and the City Attorney would be able to provide an ethics presentation to the City Council, Planning Commission and the EDC.

Mr. Yates said if several groups attended the meeting, it would save the EDC several hundred dollars in attorney fees for the cost of the presentation.

Mr. Moravec asked if all Board members had attained the certificates for the Public Information Act and the Open Meetings Act.

Mr. Yates said that all Board members did have the certificates.

Mr. Moravec noted those certifications related to ethics.

Mrs. Huss said it did not hurt to have additional discussions about being ethical and subjects may be brought up which were not previously considered. She felt the City Attorney's presentation would be worthwhile.

Mr. Moravec did not disagree.

Mr. Yates said he would inform the Board when and where the presentation would be held.

Motion by Mr. Champagne, seconded by Mr. Kerr to approve the By-Laws by changing section 3.03 to say "A vacancy occurring on the Board of Directors shall be filled for the unexpired term as appointed by City Council"; and changing section 3.04 to say "the annual meeting of the Board of Directors shall be held in January of each year." All in favor. (7-0)

7. Consideration and possible action regarding approval of the Assignment of Economic Development Agreement between Milestone Properties, Inc., Kroger, Texas L.P., the City of Montgomery and the Montgomery Economic Development Corporation.

Mr. Yates explained this item refers to Milestone Properties, the developer of the Kroger property, and the original party in the 380 Agreement with the EDC. He said Kroger now owns the property and manages the 380 Agreement. Milestone Properties has created a document requesting reassignment of the property and sales taxes reimbursements from Milestone Properties to Kroger.

Mr. Yates said the City Attorney has stated this transfer of who is to receive the payments really does not make a difference for the city, as long as we follow the original agreement.

Mr. Yates said that Kroger and Milestone Properties have requested this new agreement and because the EDC was a signor of the 380 Agreement, it is necessary for the Board to agree if the city is to sign the document.

Mr. Moravec asked if either Milestone or Kroger made application for the first payment of the 380 Agreement.

Mr. Yates said that they do not need to make an application. The city is supposed to pay as agreed.

Mr. Moravec asked if they had provided the information needed before payments are made.

Mr. Yates said they had provided the all the information that they need to provide.

Mr. Moravec asked if this was public information to which Mr. Yates stated that it was public information.

Mr. Moravec requested a copy of the information.

Mr. Yates explained this only applies to the sales tax information and does not apply towards the grant they received.

Mr. Moravec asked if they had to make annual reports regarding the grant.

Mr. Yates said they completed all of their obligations concerning the grant and did not need to make annual reports.

Mr. Moravec asked if the grant had been paid out of the MEDC budget.

Mr. Yates said it had not been paid. Kroger and Milestone were waiting for this agreement to be signed first.

Mr. Yates said the fuel center was not part of the 380 Agreement and he was working with the sales tax person to figure how much sales tax came from the fuel center, and that amount would be subtracted from Kroger's payment.

Mr. Moravec asked if anyone on the Board had seen the application for the sales tax and property tax reimbursement.

Mrs. Huss questioned why he would ask that question.

Mr. Moravec said he asked because it is a lot of money. He also asked if the \$65,000 in the budget was for the grant or the sales tax reimbursement.

Mr. Yates said it was for the sales tax reimbursement.

Mrs. Huss said the EDC does not pay anything for the grant.

Mr. Moravec stated that, as Treasurer of the Board, he would like to look at the information to see how it is compiled.

Mr. Yates stated he has a report from the sales tax person that he can provide to Mr. Moravec.

Mr. Moravec said he would like the report before the EDC pays the sales tax reimbursement.
Motion by Mr. Moravec, seconded by Mr. Champagne to approve the Assignment of the Economic Development Agreement. All in favor. (7-0)

8. Consideration and possible action regarding Katrina Moore's Work Plan Formulation.

Ms. Moore gave the Board a brief presentation of her view for the future of Montgomery as it pertained to marketing and tourism.

The topic of the presentation was "How to Put Montgomery on the Radar." The main points covered building awareness, keeping people coming back and defining success.

She suggested enhancing the city's "curb appeal", keeping Montgomery beautiful, revitalization of Main Street in order to bring more businesses into downtown, and community investment.

Ms. Moore plans on meeting with residents, business owners, groups and organizations in order to get input from them on the direction they would like to see the city head towards. She said it was important for these groups to work together.

Ms. Moore would like to focus on the city's branding, maximizing social media presence, advertising, non-traditional marketing, increasing engagement with visitors, and utilizing Distrx.

Ms. Moore said the first sixty days will be dedicated to identifying targeted industries and businesses; target audiences of visitors; establishing goals; and meeting with local organizations, residents and business leaders.

Ms. Moore has already partnered with the Gulf Coast Workforce Board to put together an education seminar for local businesses. This seminar will be held January 9th and focus on helping small businesses find resources to help them expand.

Ms. Moore said the next three to five months, she will focus on establishing social media. She said that she has already begun addressing the Historic Montgomery Facebook page. She stated that just in the past two weeks the page has gained one hundred new followers. She is also helping the Police Department set up their own Facebook page.

Mr. Champagne said the Police Department needs to go through City Council before setting up a page.

Ms. Moore said she has already begun gathering information to create marketing materials.

Ms. Moore said her six to twelve month plan is to develop a comprehensive branding and marketing strategy to highlight signature events; look for additional financial resources for new events; and working with the Texas Forest Trail Regions to promote Montgomery.

No Action was taken on this item.

9. Consideration and possible action regarding spending plans of the MEDC budget line items.

Mr. Yates presented the Board with a description, and his proposed spending plan, for each line item in the budget. He stated this was in response to a previous conversation on the City Administrator's spending authority over MEDC funds.

Mr. Yates said this plan would show when funds would be spent and when the items would come before the Board for approval. He said his intention is to follow the Board's direction when it comes to spending any funds.

Mrs. Huss said she appreciated Mr. Yates taking the time to create the document.

Mr. Moravec asked about the possibility of having the City Engineer attend quarterly meetings with the EDC.

Mr. Yates stated that each meeting the Engineer attends costs the EDC three hundred dollars.

Mrs. Huss noted that the reports are the same ones that are given at City Council meetings. She said the EDC receives the written report without the cost, and unless the EDC is being asked to spend money on a particular project that would require input from the Engineer, she did not see the justification of the expense.

No action was taken on this item.

10. Economic Development reports – Jack Yates

Engineer Report – No discussion on the presented report.

Development Status Report –

Mr. Yates all projects in the report are in the active stages. He said the sewer projects and water projects are coming along slowly, but he expects work to begin by the end of March. He said Spirit of Texas Bank and CVS are moving along smoothly. Mr. Yates also stated that the Chick-fil-A plans are expected in March or April, with construction not beginning until June or July.

Mr. Yates said the area behind the CVS is being prepared for underground electric line. This will prevent the electrical lines from running along 105 in front of the property.

BOARD INQUIRY

Mr. Moravec stated that his term is ending, but he would love to continue serving on the EDC Board.

ACTION ITEMS FROM DECEMBER MEETING

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>RESULT</i>
Amend October Minutes	Brown	Completed

ACTION ITEMS FOR FUTURE MEETINGS

<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>DUE DATE</i>

ADJOURNMENT

Motion by Mr. Moravec, seconded by Mr. Hanover to adjourn the meeting at 7:38 p.m. All in favor.
(7-0)

Submitted by: _____

Date approved: _____

Amy Brown, MEDC Secretary

Rebecca Huss, MEDC President

**CITY OF MONTGOMERY - MEDC
ACCOUNT BALANCES REPORT
Through December 31 , 2018**

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 269,800.85		\$ 269,800.85
TOTAL INVESTMENTS	\$ -	\$ 490,307.70	\$ 490,307.70
TOTAL MIDC	<u>\$ 269,800.85</u>	<u>\$ 490,307.70</u>	<u>\$ 760,108.55</u>

INVESTMENTS

	Issue Date	Maturity Date	Interest Rate	Balance
Texpool #00006			2.18%	\$ 240,307.70
Certificates				
Allegiance Bank	6/6/2018	6/6/2019	2.00%	\$ 100,000.00
Icon Bank CD #7731	1/27/2018	1/27/2019	1.25%	\$ 150,000.00
Total Investment Balance				<u><u>\$ 490,307.70</u></u>

City of Montgomery - MEDC
Cash Flow Report
As of December 31, 2018

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
51100 · MEDC Checking					277,511.18
2/07/2018	1934	China Chapel	Blight Removal in the City	-2,037.94	275,473.24
2/07/2018	1935	Dittert Rubber Stamp, Ltd.	2-2X8 Names Plates Inv. 254013	-19.50	275,453.74
2/13/2018	1936	Arnette Marketing	Seasonal Decorations 2018 Inv 7502	-5,007.57	270,446.17
2/21/2018	1937	Jim's Hardware	Christmas 2018	-203.87	270,242.30
2/21/2018	1938	Waste Management of Texas, Inc.	30 yard roll off @ 14855 Liberty- Acct#20-90434-73...	-381.45	269,860.85
2/21/2018	1939	Miles Marks	Reimbursement of Districts	-60.00	269,800.85
Total 51100 · MEDC Checking				-7,710.33	269,800.85
TOTAL				-7,710.33	269,800.85

City of Montgomery - MEDC
Actual to Budget Performance

December 2018

	Dec 18	Budget	\$ Over Bud...	Oct - Dec 18	YTD Budget	\$ Over Bud...	Annual Bu...
Income							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	0.00	47,916.67	(47,916.67)	111,217.74	143,749.97	(32,532.23)	575,000.00
Total 55000 · Taxes & Franchise Fees	0.00	47,916.67	(47,916.67)	111,217.74	143,749.97	(32,532.23)	575,000.00
55300 · Other Revenues							
55391 · Interest Income	465.93	266.67	199.26	1,334.53	799.97	534.56	3,200.00
Total 55300 · Other Revenues	465.93	266.67	199.26	1,334.53	799.97	534.56	3,200.00
Total Income	465.93	48,183.34	(47,717.41)	112,552.27	144,549.94	(31,997.67)	578,200.00
Expense							
56000 · Pub Infrastructure - Category I							
56000.6 · Downtown Dev Improvments	0.00	5,000.00	(5,000.00)	0.00	15,000.00	(15,000.00)	60,000.00
56000.8 · Utility Extensions	0.00	3,266.67	(3,266.67)	0.00	9,799.97	(9,799.97)	39,200.00
56430 · Tsf to Debt Service	0.00	0.00	0.00	0.00	40,000.00	(40,000.00)	160,000.00
Total 56000 · Pub Infrastructure - Category I	0.00	8,266.67	(8,266.67)	0.00	64,799.97	(64,799.97)	259,200.00
56001 · Business Dev & Ret -Category II							
56001.8 · Sales Tax Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	76,900.00
56423 · Economic Development Grant Prog	0.00	1,250.00	(1,250.00)	0.00	3,750.00	(3,750.00)	15,000.00
Total 56001 · Business Dev & Ret -Category II	0.00	1,250.00	(1,250.00)	0.00	3,750.00	(3,750.00)	91,900.00
56002 · Quality of Life - Category III							
56404 · Seasonal Decorations	5,211.44	2,533.33	2,678.11	5,211.44	7,600.00	(2,388.56)	7,600.00
56420.2 · Christmas Lighting(Civic Assn)	0.00	0.00	0.00	1,500.00	0.00	1,500.00	0.00
56423.1 · Walking Tours	60.00	0.00	60.00	60.00	0.00	60.00	6,000.00
56429 · Removal of Blight	0.00	1,250.00	(1,250.00)	3,661.83	3,750.00	(88.17)	15,000.00
56434 · Events	0.00	2,916.67	(2,916.67)	0.00	8,749.97	(8,749.97)	35,000.00
56439 · Downtown Enhancement Projects	0.00	1,666.67	(1,666.67)	0.00	4,999.97	(4,999.97)	20,000.00
Total 56002 · Quality of Life - Category III	5,271.44	8,366.67	(3,095.23)	10,433.27	25,099.94	(14,666.67)	83,600.00
56003 · Marketing & Tourism-Category IV							
56413 · Brochures/Printed Literaturc	0.00	833.33	(833.33)	19.50	2,500.03	(2,480.53)	10,000.00
56419 · Website	0.00	250.00	(250.00)	0.00	750.00	(750.00)	3,000.00
Total 56003 · Marketing & Tourism-Category IV	0.00	1,083.33	(1,083.33)	19.50	3,250.03	(3,230.53)	13,000.00
56004 · Administration - Category V							
56004.1 · Admin Transfers to Gen Fund	0.00	0.00	0.00	0.00	26,875.00	(26,875.00)	107,500.00
56004.3 · Miscellaneous Expenses	0.00	83.33	(83.33)	143.41	250.03	(106.62)	1,000.00
56004.5 · Internship Program	0.00	833.33	(833.33)	0.00	2,500.03	(2,500.03)	10,000.00
56327 · Consulting (Professional servi)	0.00	833.33	(833.33)	120.00	2,500.03	(2,380.03)	10,000.00
56354 · Travel & Training Expenses	0.00	166.67	(166.67)	0.00	499.97	(499.97)	2,000.00
Total 56004 · Administration - Category V	0.00	1,916.66	(1,916.66)	263.41	32,625.06	(32,361.65)	130,500.00
Total Expense	5,271.44	20,883.33	(15,611.89)	10,716.18	129,525.00	(118,808.82)	578,200.00
Net Income	(4,805.51)	27,300.01	(32,105.52)	101,836.09	15,024.94	86,811.15	0.00

Montgomery City Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: MEDC accomplishments 2018, MEDC plans for 2019 MEDC budget for 2019 fiscal year
Date Prepared: January 18, 2019	

Subject

This is the basis of an annual report for the Annual Meetin. The bylaws did not state what should be reported/presented at the Annual Meeting, other than to say that the election of officers as is accomplished at this meeting.

Description

The presentation of the MEDC accomplishments for 2018 and the MEDC goals for 2019 can be presented by the President or by me.
The election of officers is, I think, self-explanatory.

Recommendation

Elect a President, Vice-President, Secretary and Treasurer.

Approved By

City Administrator	Jack Yates	Date: January 18, 2019
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MEDC Accomplishments – 2018

Built the parking lot immediately South of College between McCown and Liberty Streets.

Agreed with the ESD #4 sharing of sales tax in future annexation areas.

Supported the Wine and Music Festival with a financial contribution.

Supportive the Homecoming Event with a financial contribution.

Decided not to support a sidewalk placement along S. Clepper St.

Supported Montgomery Originals Snowballs deck construction with a financial contribution.

Helped in the removal of blight by funding two building removals and one general cleanup and general improvements conducted by China Chapel church.

Supported the HMBA Antiques Festival with a financial contribution.

Chose not to renew the Chamber of Commerce and MEDC agreement for economic development services.

Amended the MEDC Mission and Goals statement.

Began giving quarterly reports to City Council.

Held workshops and adopted a 2018 – 2019 MEDC budget.

Adopted 1,3- and 5-year goals.

Supported the city utilities by financial contribution to city utility fund debt service.

Adopted Internal and External Festival Guidelines.

Wrote job description, advertised and selected a Tourism and Marketing Director.

Approved a workplan for the Tourism and Marketing Director.

Amended bylaws with two minor changes regarding Annual Meeting date and vacancy appointment.

Supported seasonal decorations on city property with a financial contribution.

Heard presentation from Floyd Montgomery regarding Montgomery memorabilia.

MEDC plans for 2019

Budgeted \$60,000 for physical improvements to the downtown historic district..

Budgeted \$39,200 for utility extensions—specific sites determined as of now.

Budgeted \$15,000 for economic development grants to individual businesses.

Budgeted \$6,000 for Distrx promotion.

Budgeted \$15,000 for removal of blight throughout the city.

Budgeted \$35,000 for events—which events to be funded to will be determined.

Budgeted \$107,000 to city for general administration and for salary, benefits of Tourism and Marketing Director.

Budgeted \$160,000 to continue support of utility fund debt.

Budgeted \$10,000 for internship program.

It is expected that the downtown streetscape design will be approved during this midyear making and expenditure from the budget likely.

Planning on sponsoring/promoting two new events by Tourism and Marketing Director: Wheat and Wine Festival and Lone Star Flag Festival.

Economic development page will be added to the city website for promotion of MEDC activities.

Tourism and Marketing Director will promote retail business throughout the city with special promotions and advertising.

Montgomery Economic Development Corporation
Statement of Income, Expenditures, and Changes in Net Assets

	2016-17	2017-18	2017-18	2018-19
	Actual	Budget	Estimated	Adopted Budget
Beginning net assets (fund balance)	\$ 834,815	\$ 648,220	\$ 786,030	\$ 748,230
Income				
Sales tax (one-half of one percent)	500,557	530,000	575,000	575,000
Interest income	2,979	950	3,000	3,200
Miscellaneous	-	-	-	-
Total Income	<u>503,536</u>	<u>530,950</u>	<u>578,000</u>	<u>578,200</u>
Total Appropriable Funds	<u>1,338,351</u>	<u>1,179,170</u>	<u>1,364,030</u>	<u>1,326,430</u>
Expenditures				
Public Infrastructure (Category 1)				
Downtown development improvements	83,295	55,000	66,000	60,000
Utility extensions	159,987	180,000	150,000	39,200
Flagship development improvements	9,800	8,000	4,500	-
Transfer to debt service	130,500	160,000	160,000	160,000
Total Infrastructure	<u>383,582</u>	<u>403,000</u>	<u>380,500</u>	<u>259,200</u>
Business development and retention (Category 2)				
Sales tax reimbursement	-	35,000	47,500	76,900
Economic development grant program	-	20,000	20,000	15,000
Total business development	<u>-</u>	<u>55,000</u>	<u>67,500</u>	<u>91,900</u>
Quality of life (Category 3)				
Seasonal decorations	9,940	6,000	1,300	7,600
Christmas lighting, civic association	2,543	1,600	2,500	-
Walking tour	500	4,000	6,000	6,000
Downtown enhancement projects	-	20,000	10,000	20,000
Removal of blight	10,791	15,000	12,000	15,000
Downtown signs	-	1,000	-	-
Fernland improvements	-	4,000	-	-
Heritage village detention pond improvements	10,450	-	-	-
Events	-	-	-	35,000
Total quality of life	<u>34,224</u>	<u>51,600</u>	<u>31,800</u>	<u>83,600</u>
Marketing and tourism (Category 4)				
Promotional video	1,900	1,500	3,000	-
Website	7,976	2,000	3,000	3,000
Brochures / printed literature	5,626	5,000	7,500	10,000
Events	-	-	-	-
Christmas in Montgomery	5,000	5,000	5,000	-
Wine and music festival	9,500	10,000	10,000	-
Antique show and festival	10,000	10,000	10,000	-
Texan heritage festival	16,000	8,000	-	-
Total marketing and tourism	<u>56,002</u>	<u>41,500</u>	<u>38,500</u>	<u>13,000</u>
Administration (Category 5)				
Reimbursement of General fund expenses	37,500	37,500	37,500	107,500
Montgomery area chamber of commerce office	30,800	32,000	32,000	-
Internship program	-	10,000	2,500	10,000
Miscellaneous expense	4,372	6,000	9,000	1,000
Consulting (professional services)	2,667	10,000	15,000	10,000
Travel and training	3,174	2,800	1,500	2,000
Total administration	<u>78,513</u>	<u>98,300</u>	<u>97,500</u>	<u>130,500</u>
Total expenditures	<u>552,321</u>	<u>649,400</u>	<u>615,800</u>	<u>578,200</u>
Net income (loss)	<u>(48,785)</u>	<u>(118,450)</u>	<u>(37,800)</u>	<u>-</u>
Ending net assets (fund balance)	<u>\$ 786,030</u>	<u>\$ 529,770</u>	<u>\$ 748,230</u>	<u>\$ 748,230</u>

Montgomery City Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: Letter of Request, MEDC application form, Event financial report, External Festival guidelines
Date Prepared: January 18, 2019	

Subject

This is a request from the HMBA for \$2000 toward the funding of Antiques Festival

Description

The Antiques Festival is celebrating its 20th year anniversary, however it is the third year under HMBA operation. They have traditionally received \$10,000 per year, that amount is their request for this year also.

The event, I believe, brings in around 3 to 4000 people over three days operation. I have heard several of the downtown businesses say that they get one core other entire years business during the Antiques Festival

Recommendation

Consider the information before you and act as you think appropriate.

Approved By

City Administrator

Jack Yates

Date: January 18, 2019



Historic Montgomery Business Association
HMBA

P.O. Box 170
Montgomery, TX 77356

To Whom It May Concern:

On behalf of the Historic Montgomery Business Association, I am writing to request the monetary donation from MEDC for the 10th Annual Montgomery Antiques Festival. The 2019 show dates are May 3, 2019, through May 5, 2019. The \$10,000 sponsorship will be used for the tent rentals for this ever-growing event. We are very grateful to have the city's continued support for this event. Thank you.

Sincerely,

Kambra Drummond
Event Chairman

**City of Montgomery, TX
Economic Development Corporation
Grant Application**



Company Name: HMBA	
Company Contact: Kambra Drummond	Title: Vice President
Best Phone: 281-541-3426	Alt. Phone:
Email Address: kamdrummond46@gmail.com	
Physical Address: 14363 Liberty St	City, State, Zip: Montgomery, TX 77356
Mailing Address (if different):	City, State, Zip:
Applicant's years of experience in this business: 3	How long has his business been located in Montgomery? 3

Do you own or lease this facility?	If leased, please provide owner information and a copy of lease agreement.	
<input type="checkbox"/> OWN <input checked="" type="checkbox"/> LEASE	Owner Name: Kelly Cook	Owner Phone: 936-525-7683

Provide a detailed description of the proposed project as "Exhibit A" attached

What is the estimated total cost of the project? (Include supporting information, ie estimates/quotes as "Exhibit B" attached)	\$ 20,000.⁰⁰
How much funding are you requesting from the MEDC for this project? (Typical grants are awarded at 1/3 the total project cost or up to \$5,000)	\$ 10,000.⁰⁰
Are you requesting an exception for additional funding on this project? (Please provide additional supporting evidence for this request as "Exhibit C")	\$ /

When will this project begin? May 2, 2019	What is the estimated completion date? May 5, 2019
---	--

Attach all drawings of planned improvements as "Exhibit D"

Include a description of expected commercial revitalization impact & sales tax revenue impact as "Exhibit E"

If this project will employ Montgomery vendors, please supply details as "Exhibit F"

Applicant's Signature: **Kambra Drummond**
 Title: **Vice President**
 Date: **1-15-19**

OFFICE USE:			
Date Application Received:	Date Presented to Board:	<input type="checkbox"/> APPROVED	<input type="checkbox"/> DECLINED
Performance Agreement Received:	Project Completion Date:	Funding Date:	Check Number:

**Montgomery Economic Development Corporation Grant
PERFORMANCE AGREEMENT**

THIS PERFORMANCE AGREEMENT is made and entered into as of _____, (date) by and between THE MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION (MEDC) and

HMBA
14363 Liberty St. (Grant Awardee), whose business address is _____.

In consideration of the mutual covenants herein contained and, intending to be legally bound hereby, the MEDC and Grant Awardee agree as follows:

1. Grant Awardee will complete the grant application.
2. MEDC will notify Grant Awardee by U.S. Mail.
3. In the event that the property covered by the grant is leased, the Grant Awardee must provide the city with a letter of approval from the property owner for said improvements to commence.
4. Grant Awardee must submit plans to city for proper approvals and proper city permits.
5. A proposed project must start after grant approval and be completed within six (6) months of the date of this agreement or according to the terms of this agreement.
6. When the project is complete, the Grant Awardee must request the MEDC to verify completion and costs.
7. Grant Awardee must agree to maintain said enhancements/improvements for a period of time not less than twelve (12) months.
8. Upon notification by staff that the project has been completed and a satisfactory Performance Agreement has been executed by both parties, the MEDC will transfer awarded funds to the Grant Awardee for reimbursement of costs up to the awarded amount at the specified matching ratio.
9. Only costs from a vendor for purchased labor or materials will be recognized for matching funds. Costs for the applicant's employee labor or in-stock materials are not eligible for reimbursement.
10. MEDC may, at its sole discretion, extend the period of performance.
11. The MEDC Representative will verify start of work and completion of work.
12. No grant reimbursement funds will be paid until the project is complete. Cost incurred prior to the date of the grant approval may not be recognized for matching funds.

Date of Completion. The date of completion of the project is established as May 5, 2019.

Payment. At completion of project MEDC agrees to make the following payment in U.S. funds to Grant Awardee, provided Grant Awardee complies with all of the covenants and stipulations contained in this Agreement.

A set fee of up to _____.

Grant Awardee

MEDC President

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

Re: Antiques Festival May 3-5, 2019

Dear Jack:

Historic Montgomery Business Association will now be hosting the 20th Annual Antique Festival on May 3-5, 2019 in downtown Montgomery. Over the past years, this event has grown and developed a tradition within the community.

As in the past, this event would not be possible without the generosity of our sponsors, and in particular MEDC. We hope that MEDC will once again sponsor this event with a \$10,000.00 contribution. We would welcome the opportunity to discuss this sponsorship should you desire.

If you have any questions, please do not hesitate to contact us.

Kambra Drummond
Chairman of Antique Festival
(281) 541-3420

Expense Report 19th Annual Montgomery Antiques Festival 2018

Income

\$19,235.00 - Booth /space rental
\$850.00 - local Business Sponsorship
\$10,000 - MEDC contribution

Total \$30,085.00

Expenditures

-\$500.00 – refunds (dealer illnesses)
-\$2660.00 – security
-\$2661.50 – advertising
-\$40.00 – cleaning community center fee
-\$452.58 - Port-a-Cans
-\$2460.00 – golf carts
-\$9161.30 – Tents
-\$749.00 –insurance
-\$32.82 – cable ties
-\$500.00 – banner installation

Total expenditures \$18,717.20

Total: \$11,367.80

Montgomery Economic Development Corporation

The MEDC festival grant program is designed to encourage organizations to bring new festivals and events to the city or to substantially improve existing ones

External Festival Guidelines

- A new application must be submitted each year, with a maximum of 5 years of funding for the same festival
- Application information is to include: project summary, grant request, use of funds, target audience and public benefit, expected number of visitors, advertising budget and plan, required city resources, additional funding sources.
- Festivals must be free admission events.
- All marketing material for festivals must include City of Montgomery logo and grantees must distribute Montgomery brochures at their event.
- Grants will not be used for fundraising events, prize money, or scholarships.

Montgomery Economic Development Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount: Not to exceed \$15,000
Department: Tourism	
Prepared By: Katrina Moore Marketing and Tourism Director	Exhibits: Lone Star Flag and Food Truck Fest
Date Prepared: January 17, 2019	

Subject

Lone Star Flag and Food Truck Fest Budget which includes costs and revenue.

Recommendation

To approve the budget to not exceed \$15,000 or present completed budget to the MEDC Board at the February 2019 Board Meeting.

Discussion

Budget is not complete as I am waiting on two additional quotes. I do not anticipate that the budget will exceed \$15,000.

Approved By

Marketing and Tourism Director	Katrina Moore, Marketing and Tourism Director	Date: January 18, 2019
City Administrator	Jack Yates, City Administrator	Date: January 18, 2019

Montgomery Economic Development Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount: Not to exceed \$15,000
Department: Tourism	
Prepared By: Katrina Moore Marketing and Tourism Director	Exhibits: Wheat and Wine Fest
Date Prepared: January 17, 2019	

Subject

Wheat and Wine Fest Budget which includes costs and revenue.

Recommendation

To approve the budget to not exceed \$15,000 or present completed budget to the MEDC Board at the February 2019 Board Meeting.

Discussion

Budget is not complete as I am waiting on two additional quotes. I do not anticipate that the budget will exceed \$15,000.

Approved By

Marketing and Tourism Director	Katrina Moore, Marketing and Tourism Director	Date: January 18, 2019
City Administrator	Jack Yates, City Administrator	Date: January 18, 2019

Wheat and Wine Fest

FESTIVAL COSTS :: ESTIMATED FOR 2019			
Item	Cost	Number	Total
Total Cost of Talent	\$2,000.00	1	\$2,000.00
DJ	\$500.00	1	\$500.00
Foam Pit	\$1,500.00	1	\$1,500.00
Kids Zone Inflatables	\$1,000.00	1	\$1,000.00
Waste Management (Dumpster and Trash Bins)			
		1	
Overnight Officer (\$40 * 10 hours)	\$400.00	1	\$400.00
2 Friday Night Officers (\$40 * 4 hours / each)	\$320.00	1	\$320.00
2 Saturday Officers (\$40 * 10 hours/ each)	\$800.00	1	\$800.00
		1	\$0.00
Generators	\$110.00	3	\$330.00
Portable Toilets (Standard)	\$70.00	14	\$980.00
Portable Toilets (Wheelchair accessible and changing table)	\$100.00	4	\$400.00
Service Fee (Clean/Restock Portable Toilets)	\$25.00	18	\$450.00
Hand Sanitizer Station	\$70.00	4	\$280.00
Delivery/Set Up/ Pick Up Charge	\$330.00	1	\$330.00
Tables	\$8.75	40	\$350.00
Tents		1	\$0.00
Chairs	\$1.25	300	\$375.00
		1	\$0.00
Marketing/Signage/Logo	\$2,500.00	1	
Face Painter	\$200.00	1	\$200.00
		1	\$0.00
Total Cost of Festival			\$10,215.00

REVENUE :: GOALS FOR 2019			
Item	Revenue	Number	Total
			\$0.00
			\$0.00
			\$0.00
Wristbands	\$40.00	1800	\$72,000.00
Food Truck Vendors	\$250.00	25	\$6,250.00
Shopping Vendors	\$75.00	50	\$3,750.00
Sponsors	\$20,000.00	1	\$20,000.00
			\$0.00
Revenue Goal			\$102,000.00
	Beer/ T-Shirts Revenue		\$11,100.00
	Total Est. Revenue		\$113,100.00

REVENUE :: BEER/T-SHIRTS			
Item	Revenue	Number	Total
T-Shirts	\$15.00	300	\$4,500.00
Beer Friday	\$3.00	200	\$600.00
Beer Saturday	\$3.00	2000	\$6,000.00
			\$11,100.00

Montgomery City Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits:
Date Prepared: January 18, 2019	

Subject

This is a request to spend up to \$200. for a poster type of signage it would be placed in the kiosk at the corner of Caroline and McCown Street.

Description

The thought is that we need one more marketing piece for the district Something to tell the people that the district that can bring them to the various historic places the Montgomery and that it is a walking tour. Presently the kiosk is empty, but HEPA is about to replace the business placards in that kiosk. Suggestion is that we put together a design on metal, which is currently selling on shoulder \$580 for 24 x 36 size poster. This should make it durable to the elements and also movable to another location much that UBA has their placards in place.

Katrina will have some ideas down on paper at the meeting. If you have any ideas, you are welcome to suggest them.

Recommendation

Motion to allow up to \$200 expenditure from the brochure/printed literature category of the budget.

Approved By

City Administrator	Jack Yates	Date: January 18, 2019
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Montgomery Economic Development Council
AGENDA REPORT

Meeting Date: January 21, 2019	Budgeted Amount:
Department: Tourism	
Prepared By: Katrina Moore Marketing and Tourism Director	Exhibits: Work Plan Report, marketing for seminar, sponsorship prospectus
Date Prepared: January 17, 2019	

Subject
Marketing and Tourism Work Plan Updates with supporting documents.

Recommendation

Discussion

Approved By		
Marketing and Tourism Director	Katrina Moore, Marketing and Tourism Director	Date: January 18, 2019
City Administrator	Jack Yates, City Administrator	Date: January 18, 2019

Work Plan Report

First 30 – 90 days

Task	Activity	Status
Work with MEDC	Trademark “Birthplace of the Texas Flag”	<p>Application Process: Fees: \$225 - \$400 Timeframe: Initial response after filing in 6 months. Approval within one year. In the application, must show how we plan to use the trademark and examples of preexisting use prior to the trademark application. The City would be using “Birthplace of the Texas Flag” in its marketing/advertising campaign. Birthplace of the Texas Flag should be exclusively used by the City of Montgomery.</p>
Listening Sessions w/ Residents	Meet and Greet with residents	Finalizing date for meet and greet either the last week of January or the first week in February.
Meeting with Local Business Owners/Business Leaders	Financing for Small Business Seminar held January 9 th .	<p>12 attendees: 10 Small Business Owners/People interested in starting a business.</p> <p>2 Bankers – Kevin Bass with Spirit of Texas Bank and Stephen Benner with Mercantile Bank.</p> <p>Feedback: All attendees found the information valuable wanted to have more seminar like this.</p>

		<p>Stephen with Mercantile Bank enjoyed the seminar and asked to be included in similar events. Advised that Mercantile Bank has provided educational seminars that would be beneficial to small business owners.</p> <p>Helen Terry w/ Soma Ranch said that The City could also use her meeting room which hold 30 people at no cost to the City.</p>
<p>Meeting with Local Businesses Owners cont'd.</p>	<p>Social Media for Business Seminar</p>	<p>Finalizing date to host seminar to help effective use social media platforms to help grow their business. Tentative date is for the first week in February.</p>

Three - Five Months

Task	Activity	Status
<p>Social Media Channels</p>	<p>Establish/Manage FB pages</p>	<ul style="list-style-type: none"> • Added as editor to Fernland's FB Page • Creating FB Page for Lone Star Flag Fest and Wheat and Wine Fest.
<p>City Prospectus/Tourism</p>	<p>Data for City Prospectus</p>	<p>Working with Houston-Galveston Area Council/The Gulf Coast Workforce Board to prepare economic/ labor data for Montgomery, TX be included in the City prospectus.</p>

Six Months – One Year

Task	Activity	Status
Marketing/Branding/Signature Events	Lone Star Flag and Food Truck Fest	<p>Date: April 12 – 13th. Friday Night: 6 pm – 10 pm Friday: Event Kickoff with night market, block party, and 105 Cruisers' Vintage Car Show.</p> <p>Saturday: All day festival (10 am – 10 pm) with Kids' Zone, contests, DJ, live music.</p>
Event Sponsorship Opportunities	Recruit sponsors for Lone Star Flag Fest and/or multiple events.	<ul style="list-style-type: none"> • Sponsorship Prospectus Attached • Spoke with and sent sponsorship packet to Demontrond, Munday Chevy, Gullo, McCoy's, Kroger, Spirit of Texas Bank.
Additional Funding Opportunities	Funding for Downtown Beautification Projects	During the Funding for Small Businesses seminar, Houston-Galveston Area Local Development Corp stated that they offer grants for downtown beautification projects to small cities located in their 13-county region. Staff to provide information about the grant process and uses.
Build Regional Partnerships	Meeting with Visit Conroe	Met with Shannon Overby w/ Visit Conroe about regional tourism strategies. Talked about wanting Conroe hoteliers to help market events in Montgomery. Shannon invited me to the quarterly hoteliers meeting on January 30 th .

JANUARY 9, 2019
8:00 AM

FINANCING FOR SMALL BUSINESSES

PRESENTED BY HOUSTON-GALVESTON AREA LOCAL DEVELOPMENT CORPORATION

HISTORIC DOWNTOWN MONTGOMERY
COMMUNITY BUILDING
14420 LIBERTY ST.



LONE STAR FLAG AND FOOD TRUCK FEST

FLAG ★ FOOD ★ FUN

SPONSORSHIP PROSPECTUS

The City of Montgomery, TX, Birthplace for the Texas Flag, is proud to announce its signature event, The Lone Star Flag and Food Truck Fest.

The Lone Star Flag and Food Truck Fest is a free event that brings people together to celebrate the Lone Star Flag and the spirit and heritage of Texas.

While The Lone Star Flag and Food Truck Fest is an inaugural event, here is a snapshot of visitor and events demographic for Montgomery, TX.

WELCOME TO *Montgomery*

WHO ARE OUR VISITORS



50% travel 250 miles or less



62% are married



38% are visiting family



22% seek libation/ culinary experiences

EVENTS BY THE NUMBERS



ANTIQUES
FEST

3000
attendees



FREEDOM
FEST

2000
attendees



WINE
FEST

8000
attendees



LIGHT UP
THE PARK

400
attendees



CHRISTMAS
IN
MONTGOMERY

2500
attendees

NUMBERS ARE
APPROXIMATE

The Inaugural The Lone Star Flag and Food Truck Fest

The Lone Star Flag and Food Truck Fest includes:

- Shopping Vendors
- Kids' Zone
- Vintage Car Show
- Contests
- Texas Heritage
- And Much More!

Event Highlights

- Friday night Block Party Kick-off which includes a night market and entertainment.
- Saturday's festival has something for everyone!

Sponsorship Opportunities

The Lone Star Flag and Food Trust Fest is the City of Montgomery's signature festival celebrating the Lone Star Flag and Texas heritage which is expected to attract thousands of locals and visitor to Montgomery, TX.

We are offering the following sponsorship levels:

Title Sponsorship - \$10,000

Presenting Sponsorship - \$7,500

Elite Sponsorship - \$5,000

Supreme Sponsorship - \$2,500

Gold Sponsorship - \$1,000

Friends of Lone Star Flag Fest - \$200

Sponsorship comes with varying levels of flexibility. We can also design a sponsorship experience customized for your budgets and specific requirements. There are numerous ways sponsorships impact your business including:

- Promoting a positive brand image throughout the community,
- Discovering new markets,
- Widening your audience reach,
- Networking opportunity with other sponsors.

Lone Star Flag and Food Truck Fest Sponsorship Summary

	Title Sponsor	Presenting Sponsor	Elite Sponsor	Supreme Sponsor	Gold Sponsor	Friends of the Festival
Naming Rights Options						
Lone Star Flag Fest Brought To You By	x					
Stage Presented By		x				
Dining Pavilion						
Beer Garden			x			
Entertainment					x	
Kids' Zone					x	
T-Shirt Sponsor					x	
Contest						x
Pre-event Marketing						
	x	x	x	x	x	
Branded Visibility						
Event Title Banner	x					
Event Banner on Naming Right Option		x	x	x		
Verbal Acknowledgments Throughout Festival	x	x	x	x	x	x
Logo/Name on Website	x	x	x	x	x	x
Logo/Name on Social Media Platforms	x	x	x	x	x	x
Logo/Name on Official T-Shirt	x	x	x	x	x	x
Festival Perks						
2 - 10x 10 Booths	x	x	x			
1 - 10 x 10 Booth				x	x	
Post-event Marketing						
Recognition at Other City Sponsored Festivals	x	x	x			
Prominent Display on Website and Social Media	x	x	x			

Ready to Sponsor?

On behalf of the City of Montgomery, TX , thank you for considering being a sponsor of The Lone Star Flag and Food Truck Fest!

The Lone Star Flag and Food Truck Fest is not only a live event experience of celebration and festivity, but also an economic driver for our community and partners.

To secure your sponsorship or if you have additional questions, feel free to contact:

Katrina Moore
Marketing and Tourism Director
936.597.4291
kmoore@ci.montgomery.tx.us

MEDC Economic Development Updates

Financing for Small Businesses Seminar:

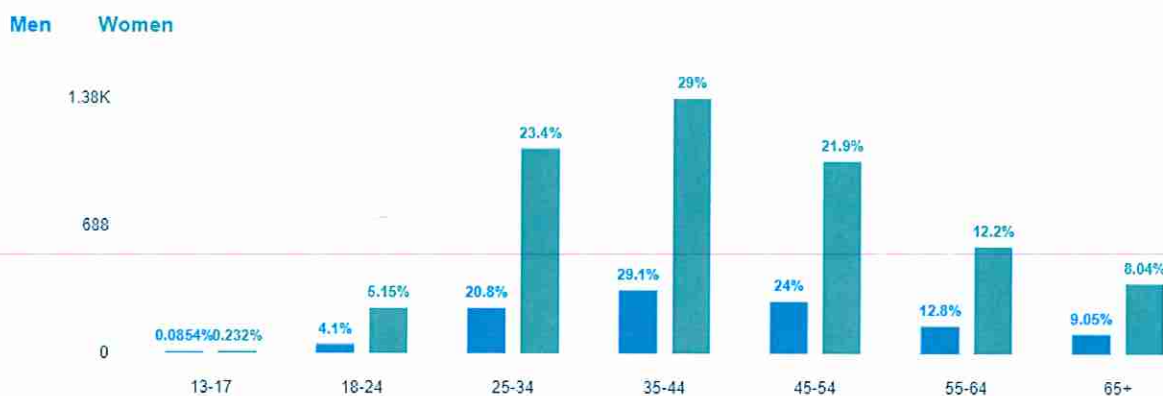
12 Attendees: 10 Small Business Owners, 2 Bankers (Mercantile Bank, Spirit of Texas Bank)

Feedback was positive: All of the Small Business Owners found the information provided valuable and wanted to have more seminars like this.

Interesting note: All of the small business owners who attended were women. The FB stats from the event also showed that overwhelmingly more women engaged with the event post than men. (See graph below)

From an economic development standpoint, we may want to explore marketing Montgomery as good for women business owners.

Demographics



Mercantile Bank attended the seminar. The rep really enjoyed the seminar and wanted to be included in future similar events. He also forwarded a list of presentations that Mercantile Bank provide that would be beneficial to small business owners.

Trademark:

The Original Slogan: Birthplace of the Texas Flag

Variations of the slogan:

Birthplace of the Lone Star Flag

Home of the Texas Flag

Home of the Lone Star Flag

Application Process:

Fees: \$225 - \$400

Timeframe: Initial response after filing in 6 months. Approval within one year.

In the application, must show how we plan to use the trademark and examples of preexisting use prior to the trademark application. The City would be using "Birthplace of the Texas Flag" in its marketing/advertising campaign.

Regarding having the variations trademarked, the US Patent and Trademark Office does not recommend applying for trademarks that will not be used.

Economic Development:

Meeting with Gulf Coast Workforce Board/ Houston- Galveston Area Council re: new business development. Susan Dixon and Pedro discussed services they provide such as retailers upskills training, on the job training, pre-apprenticeship and apprenticeship programs as well as provide economic and labor market information for the county and/ or city that can be used in city prospectus for businesses wanting to relocate to Montgomery.

Attended Houston-Galveston Area Council's Annual Meeting on January 18th to hear regional outlook for 2019.

Houston-Galveston Area Local Development Corp. offers grants for downtown beautification projects to small cities located in their 13-county region. Staff to provide information about the grant process and uses.

Houston-Galveston Area Local Development Corp also offer Bring Back Main Street, which is an initiative that, through roundtables and workshops, provides resources and guidance on how to implement revitalization projects for creating a n economically vibrant Main Street.



CITY OF MONTGOMERY

Development Status Report

By: Jack Yates, City Administrator

January 16, 2019

 = New Addition since 11-16-2018 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 sq. ft. building in one 24,000 sq. ft. building on the north side of this property. The development of Dusty's Car Wash is now in the construction stage. It is a \$2 million dollar improvement according to their building permit.

They have started the dirt moving 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 had their opening in mid-May. A Mammography testing site will finish out 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 a March/April 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 1 to 2 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 underway. 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, to be completed by the end of February, 2019.**

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.

In and will 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 Contractor was over his allotted time to complete the project and was assessed a reduction of payment of approximately \$21,000.

The project is funded by FEMA based on FEMA share of 75% of the actual contract price of the project. No city funds were necessary to be spent on this approximately \$1.4 million project due to the FEMA payment and CDBG-DR (state of Texas) grant..

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.

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 18 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. Little action has been taken by the GLO with the applications since March. GrantWorks will be the grant writer and administrator of the grant and Jones/Carter is the engineer on the project.



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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.):**I) 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 'Michael Carpenter', with a long horizontal line 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

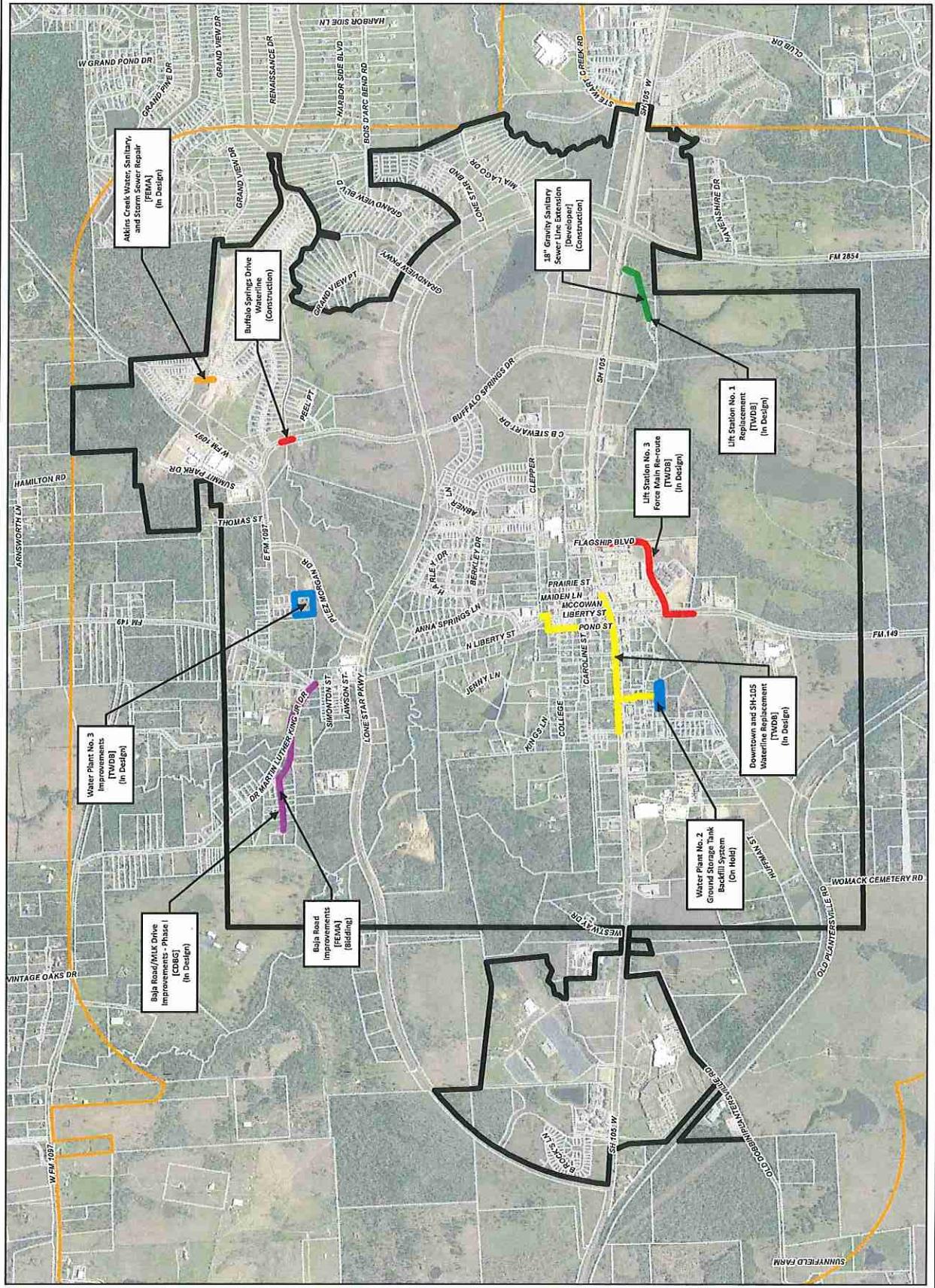
- City Limits
- City ETJ
- MCAD Parcels

ACTIVE CAPITAL PROJECTS (JANUARY 2019)

0 750 1,500 Feet

1 inch equals 1,500 feet

Disclaimer: This product is offered for informational purposes and does not constitute a contract. It is intended for use as a guide only and does not constitute a warranty. The user assumes all liability for any use of this product. The user agrees to hold Jones Carter, Inc. harmless from any and all claims, damages, or liabilities, including reasonable attorneys' fees, arising from any use of this product.



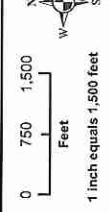


VICINITY MAP

Scale: 1 inch equals 20 miles

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

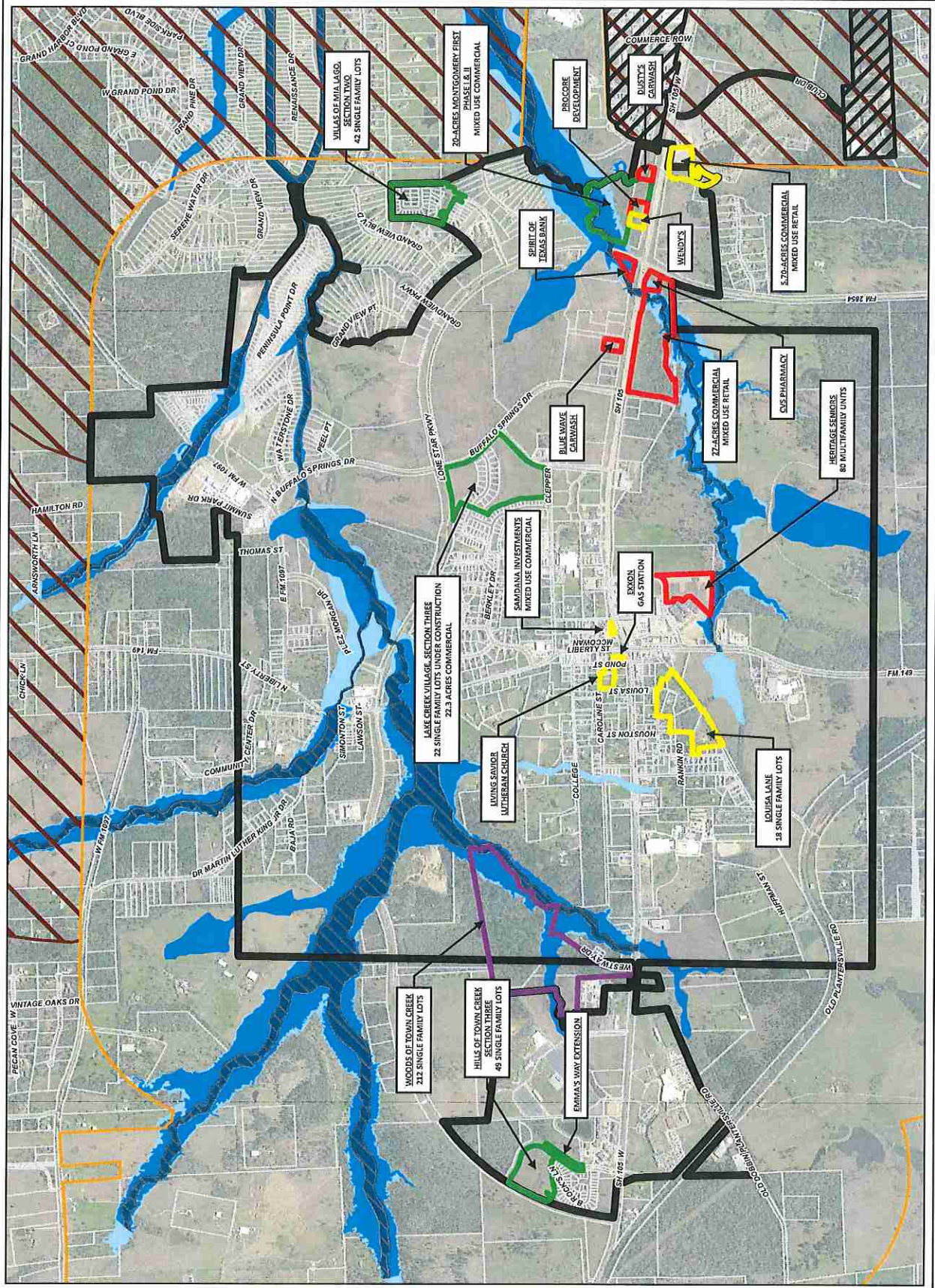
ACTIVE DEVELOPMENTS (JANUARY 2019)



Disclaimer: This project is offered for informational purposes and is not intended to be used for any engineering, surveying, or other professional services. The location of the survey and the approximate relative location of the project are shown for informational purposes only. Jones Carter, Inc. does not warrant the accuracy, completeness, or timeliness of the information included within this exhibit.



JONES CARTER
 Texas Board of Professional Engineers Registration No. 4439





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 blue ink, appearing to read "Johnny McMally".

Johnny McMally, 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

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

FUNDCLASS General Police P/W Utility Other

BANK ACCT# _____

BANK ACCT NAME _____

EXPENSE CODE # _____

EXPENSE CODE NAME _____

Approved By _____