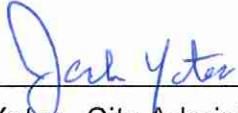


**NOTICE OF MEETING**  
**Montgomery Economic Development Corporation**  
**(MEDC)**

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 15, 2018 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 October 16, December 5 and December 14, 2017
4. Monthly Financial Report (November and December, 2017)
5. Consideration and possible action regarding Rendy Kerr Request for financial assistance for a parking area on College Street
6. Presentation of Development Report - Philip LeFevre
7. Consideration and possible action regarding funding for Wine and Music Festival
8. Presentation of proposed Economic Development Report to City Council
9. Consideration and possible action regarding paving of parking lot immediately south of College Street between Liberty Street and McCown Street
10. Consideration possible action regarding MEDC position: on Intergovernmental Agreement with ESD#2
11. Economic Development Report –Shannan Reid, Jack Yates and Katherine Vu
12. Convene to 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:
  - b. 551.087 (deliberation regarding economic development negotiations regarding commercial or financial information)  
Reconvene into Open Session
13. Possible action resulting from Executive Session
14. Adjournment



Jack Yates, City Administrator for  
Kirk Jones, 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 12th day of January, 2018 at 1:30 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

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

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION  
MINUTES  
OCTOBER 16, 2017

Present were: Kirk Jones, Amy Brown, Bill Hanover, Cheryl Fox, Randy Moravec and Bob Kerr and John Champagne. Also present were, Shannan Reid, Chris Roznovsky, Katherine Ferry and Jack Yates

Call to Order - President Jones called the meeting to order at 6:00 p.m.

Open Public Comment – – Mr. Tom Ward, Club President of Montgomery Soccer Club spoke saying that his last time he spoke to the Board was in February of this year and that since that time the Soccer Club had been doing quite well. There are presently 120 people ages 5 to 9, and 30 people ages 10 to 15 participating. A barrier is the inadequate infrastructure of grounds maintenance. Mr. Ward said they was focused on quality of life for kids and families and the community. He also said 500 people often will come on Saturday morning to watch the matches. He then said that he was gathering information for a request of the MEDC for irrigation financial assistance for the fields. The Board asked questions involving; his lease term, the type of irrigation system needed and the projected cost.

Approval of Minutes of September 18, 2017 -- Motion by Moravec, seconded by Fox to approve the minutes of September 18 as presented. All in favor.

Monthly Financial Report (September 2017) – – Motion by Moravec, seconded by Hanover to approve the September financial report. All in favor.

Discuss/take action regarding presentation of finances:

a. Montgomery Historic Society - Christmas in Montgomery – – Shirley Schneider was present and said she appreciated and needed the \$5000 MEDC contribution. She said that the Society's total annual net is less than might be expected, even with the MEDC's contribution, because of other expenses.

b. Montgomery area Chamber of Commerce – Wine and Music Festival -- Shannan Reid reported on the Wine and Music Festival saying that the event has sponsorships, vendors and day of sells as revenue sources. Shannan also said that the use of the Festival's net goes to the Montgomery Area Chamber of Commerce general operating budget. Amy Brown asked for a copy of the expenses in line item form, and the Board asked about marketing and how the wine sells occur.

Discuss/take action regarding Pizza Shack request for funding for sign – John Simmons – – Jack Yates said that no MEDC funds has gone directly to Mr. Simmons for construction of his building. However, the MEDC did contribute \$75,000 toward the placement of water and sewer line serving his property – – as well as to the area between Lone Star Pkwy. and Lake Creek Road. The Board discussed the \$75,000 and

asked questions regarding; the increase of business at the new location, the number of employees at the new location, and the location and type of sign to be placed. There was discussion regarding the investment in this property that the MEDC had already made in the \$75,000 participation in the grant funds.

Mr. Simmons requested \$28,550 his entire signage cost for his building. Mr. Moravec suggested that due to the number of jobs being added due to the expansion of the business, that the Board fund one-third the cost of the sign, or \$9,520.

Motion by Moravec seconded by Kerr to grant \$9,520 to Mr. Simmons for the Pizza Shack monument sign. Board members Fox, Kerr, Hanover, Jones and Moravec voted aye, with Board members Brown and Champagne voting no. Motion passed.

Discuss/take action regarding long-term business recruitment and retention efforts and goals of the MEDC – Shannan Reid – – Shannan Reid presented an economic overview that involved employment and wage trends. Shannan also presented the Primary Retail Trade Area Report, including the notation that the city had 196 sq. mi. of trade area. She also briefly reported on the Community Demographic Profile Report.

Discussion/take action regarding report to City Council regarding job creation/MEDC activities – – Shannan Reid presented the draft report. The Board asked questions regarding capital investment account amount sources of information, MEDC activities listed, adding the number of developer meetings by Shannan and Jack and the RFP's item. Shannan said she would amend the report as directed.

Economic Development Report – Shannan Reid and Jack Yates ---TxDOT/149, Downtown Parking Lot Project, Home Focus Report on Projects, Misc. Updates – – Jack Yates reported on the October 13 TxDOT meeting saying that the only item that had been changed materially was that TxDOT was now saying that there would be no parallel parking on the highway after the new project. Jack also reported that he had spoken with TxDOT regarding the traffic light operation and State Highway 105 and FM Road 149 and that they would review the operation of the light. Shannan Reid reported on the Distrix project, saying that the narrative was written and that we are now looking for the person to handle the voiceover.

Katherine Ferry reviewed the city engineer's development report by giving a brief review of the report. The Board responded with a request for a visual schedule and also asked about Lone Star Bend Street and Houston Street construction.

Adjournment-- Motion by Kerr seconded by Fox to adjourn the meeting at 7:55 p.m.

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Jack Yates, Recording Secretary

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION  
MINUTES  
DECEMBER 5 , 2017

Present were: Kirk Jones, Amy Brown, Bill Hanover, Cheryl Fox, Randy Moravec and John Champagne. Bob Kerr was absent. Also present were, Shannan Reid, Katherine Ferry and Jack Yates

Call to Order - President Jones called the meeting to order at 6:00 p.m.

Open Public Comment – There was no public comment

Approval of Minutes of October 16, 2017 – Motion by Moravec seconded by Hanover to table until next meeting with two changes to be made to the minutes. All in favor

Monthly Financial Report (October 2017) – Motion by Moravec seconded Hanover to approve the report as presented. All in favor

Consideration and possible action regarding sign funding request -Amanda Hall for 312 John A. Butler Street – Mr. champagne reported that he had spoken with Amanda Hall and Amanda Hall had requested this item to be removed from the agenda.

Consideration and possible action regarding Montgomery Soccer Club request for funding of irrigation system for soccer fields –Jack Yates reported that the application submitted was for \$15,607 including water tap for \$4,350, pipe and installation cost of \$2,012.23, irrigation equipment for \$8,017.24 and storage shed for \$1,209.09 totaling \$15,588.56. He said that he did not know the difference between the requested amount and the total of the individual items. Jack went on to say that the purpose of this equipment is to improve and maintain the leased fields for the safety and durability of the fields and to hold tournaments and to get more use of the fields.

Tom Ward, President of the soccer club was present, and said that with the Saturday morning games and practice during the week will bring hundreds of people into the city on those days and a tournament could easily bring 1,000 or more visitors into the city on a particular day.

Mr. Jones asked about the durability of the irrigation equipment to which Mr. Ward replied saying that they will maintain the equipment well and that it is solidly built equipment and that the MEDC expenses would not include any future maintenance costs.

Philip LeFevre was present, and said that an expansion of Montgomery business due to the soccer club activities would occur.

Mrs. Fox asked about the soccer season time and Mr. Ward response was that the prime season was fall and spring with a brief winter break and mid-summer break.

Mr. Moravec said that he supported the project but that he would like to remain with the \$5,000 limit of MEDC grants for such projects. Mr. Jones replied that the \$5,000 grant limit was for downtown façade projects. Mr. Moravec said that he did not disagree with the reasoning for the request but that he disagreed with the amount.

Motion by Champagne seconded by Brown to approve \$6,900 for the tap, pipe installation and \$3,000 toward the irrigation equipment for a total of \$9,900 grant with right of ownership of the irrigation equipment prior to its removal from the city limits. Voting yes were; Jones, Fox, Champaign, Hanover, Brown. Voting no was Moravec.

Consideration and possible action regarding MEDC Meeting Schedule for December 2017. – Jack Yates reported that there is not usually a December meeting for the MEDC Board unless an emergency arose. Motion by Jones, seconded by Fox to cancel the December MEDC meeting. All in favor.

Consideration and possible action regarding funding: Jack Yates reported that the Board had previously told him that they wanted to hear a financial report before approving the individual contributions to various events that are in the budget.

- a. Christmas in Montgomery - Motion by Moravec seconded by Hanover to approve the Christmas in Montgomery amount as budgeted. All in favor
- b. Wine and Music Festival – Ms. Brown asked for the expenses listings for the Wine and Music Festival. There was no action regarding funding of the Wine and Music Festival.

Consideration and possible action regarding authorization to proceed with preparation of construction plans and technical specifications for the FM 149 Pedestrian Lighting Plan, to be included in the TxDOT FM 149 Improvements Project – Jack Yates said this was to consider the hiring of the Jones and Carter Engineering firm to perform the pedestrian lighting plan designed in conjunction with the FM 149 paving project. The \$18,000 proposal, he said, is a “not to exceed” amount. A concern he said is doing a final layout of the conduit for the lighting plan and then to have TxDOT change their plans, but he said he would manage it so that does not happen. Motion by Moravec seconded by Fox to recommend to the City Council up to \$18,000 for design of the lighting plan as presented. All in favor.

Economic Development Report – Shannan Reid and Jack Yates ---TxDOT/149, Home Focus Report on Projects, Misc. Updates -- Mrs. Reid gave a brief report regarding the property located at FM 149 and SH 105 that is up for sale . Mrs. Reid gave a brief report regarding the possibility of a hotel being built inside the city and that she was working with three parties regarding such a development. She then said that she was working with Magnolia, Navasota and Montgomery to create a consortium that is planning a meeting on February 1st with Realtors in the area.

Jack Yates said he had nothing to report.

Katherine Ferry then gave a brief report on projects regarding development and also provided maps showing active development projects and capital projects.

Adjournment – Motion by Moravec, seconded by Hanover to adjourn at 7:31 p.m. All in favor.

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Jack Yates, Recording Secretary

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION  
SPECIAL MEETING  
MINUTES  
DECEMBER 14 , 2017

Present were: Kirk Jones, Amy Brown, Bill Hanover, Cheryl Fox and John Champagne. Bob Kerr and Randy Moravec were absent. Also present were, Shannan Reid and Jack Yates

Call to Order - President Jones called the meeting to order at 4:31 p.m

Open Public Comment – No one spoke.

Convene to 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:

- b. 551.087 (deliberation regarding economic development negotiations regarding commercial or financial information for a possible Chapter 380 Agreement regarding The Shoppes of Montgomery)

Reconvene into the Open Session to act if necessary on matters discussed in Executive Session – Motion by Champagne seconded by Fox to enter into regular session. All in favor.

Consideration and possible action resulting from the item listed under Executive Session – Ms. Brown stated that she felt that the Board was given this Agreement too late in the negotiation process and emphatically stated that she thought this was incorrect and wrong.

Motion by Champagne seconded by Fox to approve the agreement as written.

Voting yes were Fox, Jones, Hanover, Champaign. Voting no was Brown.

Motion passed.

Adjournment - Motion by Champagne seconded by Hanover to adjourn at 5:04 p.m. All in favor.

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Jack Yates, Recording Secretary

CITY OF MONTGOMERY - MEDC  
ACCOUNT BALANCES  
November 30, 2017

*November*

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 101,186.98		\$ 101,186.98
TOTAL INVESTMENTS	\$ -	\$ 485,743.84	\$ 485,743.84
<b>TOTAL MIDC</b>	<u>\$ 101,186.98</u>	<u>\$ 485,743.84</u>	<u>\$ 586,930.82</u>

**INVESTMENTS**

	Issue Date	Maturity Date	Interest Rate	Balance
Texpool #00006			0.90%	\$ 235,743.84
Certificates				
Allegiance Bank	5/1/2017	12/17/2017	0.55%	\$ 100,000.00
Icon Bank CD #7731	1/27/2017	1/27/2018	0.90%	\$ 150,000.00
<b>Total Investment Balance</b>				<u><u>\$ 485,743.84</u></u>



City of Montgomery - MEDC  
**Cash Flow Report**  
 As of November 30, 2017

*November*

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>	<u>Balance</u>
<b>51100 · MEDC Checking</b>					112,875.43
11/10/2017	1842	Houston Press	Weekly Digital Advertising - 10/17 InvD10127273	-200.00	112,675.43
11/10/2017	1843	Montgomery Area Chamber of Com...	Partnership Grant for Director Services & Office S...	-2,566.67	110,108.76
11/10/2017	1844	Texas Downtown Association	2017-18 - Membership	-180.00	109,928.76
11/17/2017	1845	Gabriel Tree Service	Tree Trimming and clean up - 14340 FM 149 Inv ...	-400.00	109,528.76
11/17/2017	1846	McCoy's Building Supply	Removal of Blight - Inv 2429, 2311, 2433, 2428	-1,376.78	108,151.98
11/22/2017	1847	New World Botanical	Inv 379- Trees, Shrubs, Flowers - Flagship Blvd arc...	-6,965.00	101,186.98
Total 51100 · MEDC Checking				-11,688.45	101,186.98
<b>TOTAL</b>				<b>-11,688.45</b>	<b>101,186.98</b>

City of Montgomery - MEDC  
**Actual to Budget Performance**

*November*

November 2017

	Nov 17	Budget	\$ Over Bu...	Oct - Nov ...	YTD Bud...	\$ Over Bu...	Annual Bu...
<b>Income</b>							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	63,277.87	56,709.45	6,568.42	94,618.25	85,179.04	9,439.21	530,000.00
<b>Total 55000 · Taxes &amp; Franchise Fees</b>	<b>63,277.87</b>	<b>56,709.45</b>	<b>6,568.42</b>	<b>94,618.25</b>	<b>85,179.04</b>	<b>9,439.21</b>	<b>530,000.00</b>
55300 · Other Revenues							
55391 · Interest Income	203.37	67.25	136.12	409.60	143.19	266.41	950.00
<b>Total 55300 · Other Revenues</b>	<b>203.37</b>	<b>67.25</b>	<b>136.12</b>	<b>409.60</b>	<b>143.19</b>	<b>266.41</b>	<b>950.00</b>
<b>Total Income</b>	<b>63,481.24</b>	<b>56,776.70</b>	<b>6,704.54</b>	<b>95,027.85</b>	<b>85,322.23</b>	<b>9,705.62</b>	<b>530,950.00</b>
<b>Expense</b>							
56000 · Pub Infrastructure - Category I							
56000.6 · Downtown Dev Improvements	400.00	13,702.36	(13,302.36)	5,400.00	13,702.36	(8,302.36)	55,000.00
56000.8 · Utility Extensions	0.00	5,003.13	(5,003.13)	137,875.50	5,003.13	132,872.37	180,000.00
56000.9 · Flagship Dev Improvements	0.00	0.00	0.00	4,465.00	0.00	4,465.00	8,000.00
56430 · Tsf to Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	160,000.00
<b>Total 56000 · Pub Infrastructure - Category I</b>	<b>400.00</b>	<b>18,705.49</b>	<b>(18,305.49)</b>	<b>147,740.50</b>	<b>18,705.49</b>	<b>129,035.01</b>	<b>403,000.00</b>
56001 · Business Dev & Ret -Category II							
56001.8 · Sales Tax Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	35,000.00
56423 · Economic Development Grant Prog	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
<b>Total 56001 · Business Dev &amp; Ret -Category II</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,000.00</b>	<b>(20,000.00)</b>	<b>55,000.00</b>
56002 · Quality of Life - Category III							
56404 · Seasonal Decorations	0.00	0.00	0.00	0.00	6,000.00	(6,000.00)	6,000.00
56420.2 · Christmas Lighting(Civic Assn)	0.00	0.00	0.00	0.00	1,600.00	(1,600.00)	1,600.00
56423.1 · Walking Tours	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56429 · Removal of Blight	1,376.78	2,142.84	(766.06)	1,376.78	2,142.84	(766.06)	15,000.00
56433 · Downtown Signs	0.00	0.00	0.00	0.00	1,000.00	(1,000.00)	1,000.00
56435 · Fernland Improvements	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56439 · Downtown Enhancement Projects	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
<b>Total 56002 · Quality of Life - Category III</b>	<b>1,376.78</b>	<b>2,142.84</b>	<b>(766.06)</b>	<b>1,376.78</b>	<b>38,742.84</b>	<b>(37,366.06)</b>	<b>51,600.00</b>
56003 · Marketing & Tourism-Category IV							
56408.1 · Promotional Video	0.00	1,500.00	(1,500.00)	0.00	1,500.00	(1,500.00)	1,500.00
56409 · Antique Show & Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56413 · Brochures/Printed Literature	2,350.00	0.00	2,350.00	3,150.00	0.00	3,150.00	5,000.00
56414 · Wine & Music Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56415 · Texian/Heritage Festival	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00
56418 · Christmas in Montgomery	0.00	0.00	0.00	0.00	5,000.00	(5,000.00)	5,000.00
56419 · Website	0.00	166.67	(166.67)	0.00	333.34	(333.34)	2,000.00
<b>Total 56003 · Marketing &amp; Tourism-Category IV</b>	<b>2,350.00</b>	<b>1,666.67</b>	<b>683.33</b>	<b>3,150.00</b>	<b>6,833.34</b>	<b>(3,683.34)</b>	<b>41,500.00</b>
56004 · Administration - Category V							
56004.1 · Admin Transfers to Gen Fund	0.00	9,375.00	(9,375.00)	0.00	9,375.00	(9,375.00)	37,500.00
56004.2 · MACC Administration & Office	2,566.67	2,666.67	(100.00)	5,133.34	5,333.30	(199.96)	32,000.00
56004.3 · Miscellaneous Expenses	0.00	1,068.14	(1,068.14)	2,680.00	1,428.54	1,251.46	6,000.00
56004.5 · Internship Program	0.00	833.33	(833.33)	0.00	1,666.70	(1,666.70)	10,000.00
56327 · Consulting (Professional servi)	286.00	1,666.65	(1,380.65)	1,262.00	3,333.32	(2,071.32)	10,000.00
56354 · Travel & Training Expenses	0.00	560.00	(560.00)	0.00	1,120.00	(1,120.00)	2,800.00
<b>Total 56004 · Administration - Category V</b>	<b>2,852.67</b>	<b>16,169.79</b>	<b>(13,317.12)</b>	<b>9,075.34</b>	<b>22,256.86</b>	<b>(13,181.52)</b>	<b>98,300.00</b>
<b>Total Expense</b>	<b>6,979.45</b>	<b>38,684.79</b>	<b>(31,705.34)</b>	<b>161,342.62</b>	<b>106,538.53</b>	<b>54,804.09</b>	<b>649,400.00</b>
<b>Net Income</b>	<b>56,501.79</b>	<b>18,091.91</b>	<b>38,409.88</b>	<b>(66,314.77)</b>	<b>(21,216.30)</b>	<b>(45,098.47)</b>	<b>(118,450.00)</b>



December

Yates, Jack <jyates@ci.montgomery.tx.us>

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**MEDC Report for December 2017**

1 message

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**Branco, Cathy** <cbranco@ci.montgomery.tx.us>

Wed, Jan 10, 2018 at 3:41 PM

To: "Moravec, Randy" <rmoravec@ci.montgomery.tx.us>, Randy Moravec <rcmoravec@gmail.com>, Jack Yates <jyates@ci.montgomery.tx.us>

Randy and Jack,

When reviewing the December Report, please note that checks 1851, 1854 and 1863 are paying for prior months invoices.

Should you have any questions, please call,

Have a Blessed day,

**Catherine A. Branco**  
*Financial Consultant*  
City of Montgomery  
936-597-4491

CITY OF MONTGOMERY - MEDC  
ACCOUNT BALANCES  
December 31, 2017

*December*

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 127,571.55		\$ 127,571.55
TOTAL INVESTMENTS	\$ -	\$ 485,979.34	\$ 485,979.34
TOTAL MIDC	<u>\$ 127,571.55</u>	<u>\$ 485,979.34</u>	<u>\$ 613,550.89</u>

**INVESTMENTS**

	Issue Date	Maturity Date	Interest Rate	Balance
Texpool #00006			1.02%	\$ 235,979.34
Certificates				
Allegiance Bank	12/17/2017	1/6/1900	0.85%	\$ 100,000.00
Icon Bank CD #7731	1/27/2017	1/27/2018	0.90%	\$ 150,000.00
Total Investment Balance				<u>\$ 485,979.34</u>

## City of Montgomery - MEDC

## Cash Flow Report

As of December 31, 2017

Date	Num	Name	Memo	Amount	Balance
51100 · MEDC Checking					101,186.98
12/01/2017	1848	Montgomery Area Chamber of Com...	Partnership Grant for Director Services & Office S...	-2,566.67	98,620.31
12/08/2017	1849	A&A Plants and Produce	Plants - 6 7gal Wax M, 2 3gal Wax M	-409.60	98,210.71
12/08/2017	1850	Arnette Marketing	Seasonal Decorations Inv 7075, 7119, 7125	-1,190.41	97,020.30
12/08/2017	1851	JK Graphics, Inc.	Inv 33558 - 5,000 brochures	-2,150.00	94,870.30
12/08/2017	1852	Montgomery Historical Society	MIDC Portion of MHS - Christmas in Historic Mo...	-5,000.00	89,870.30
12/08/2017	1853	Weisinger Materials, Inc.	Inv 062046 - W-Black Dye Mulch	-138.00	89,732.30
12/15/2017	1854	Houston Press	Weekly Digital Advertising - 11/17 Inv D10127749	-200.00	89,532.30
12/15/2017	1855	Cheryl King	Christmas 2017	-150.00	89,382.30
12/15/2017	1856	Hodge Podge Lodge	Christmas 2017	-150.00	89,232.30
12/15/2017	1857	Jennifer Olson	Christmas 2017	-200.00	89,032.30
12/15/2017	1858	Jim's Hardware	Christmas 2017	-400.00	88,632.30
12/15/2017	1859	Lisa Martin	Christmas 2017	-250.00	88,382.30
12/15/2017	1860	Montgomery Emporium	Christmas 2017	-100.00	88,282.30
12/15/2017	1861	Skinner Carpet	Christmas 2017	-250.00	88,032.30
12/22/2017	1862	Trophy House, LLC	Christmas Plaques 2017	-122.00	87,910.30
12/22/2017	1863	Jones & Carter, Inc.	255538,7075	-1,332.00	86,578.30
12/29/2017	Tsf	City of Montgomery - General Fund	Quarterly Transfer thru 12/31/17	-18,750.00	67,828.30
12/29/2017	Dep		Maintenance Tax Revenue thru 11/17	94,618.25	162,446.55
12/29/2017	Tsf	City of Montgomery Debt Srv Fund	Admin Transfer to Debt Service thru 9/30/17	-34,875.00	127,571.55
Total 51100 · MEDC Checking				26,384.57	127,571.55
<b>TOTAL</b>				<b>26,384.57</b>	<b>127,571.55</b>

City of Montgomery - MEDC  
Actual to Budget Performance

December 2017

	Dec 17	Budget	\$ Over Bu...	Oct - Dec 17	YTD Bud...	\$ Over Bu...	Annual Bu...
<b>Income</b>							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	44,827.22	38,382.97	6,444.25	139,445.47	123,562.01	15,883.46	530,000.00
<b>Total 55000 · Taxes &amp; Franchise Fees</b>	<b>44,827.22</b>	<b>38,382.97</b>	<b>6,444.25</b>	<b>139,445.47</b>	<b>123,562.01</b>	<b>15,883.46</b>	<b>530,000.00</b>
55300 · Other Revenues							
55391 · Interest Income	235.50	90.75	144.75	645.10	233.94	411.16	950.00
<b>Total 55300 · Other Revenues</b>	<b>235.50</b>	<b>90.75</b>	<b>144.75</b>	<b>645.10</b>	<b>233.94</b>	<b>411.16</b>	<b>950.00</b>
<b>Total Income</b>	<b>45,062.72</b>	<b>38,473.72</b>	<b>6,589.00</b>	<b>140,090.57</b>	<b>123,795.95</b>	<b>16,294.62</b>	<b>530,950.00</b>
<b>Expense</b>							
56000 · Pub Infrastructure - Category I							
56000.6 · Downtown Dev Improvments	547.60	0.00	547.60	5,947.60	13,702.36	(7,754.76)	55,000.00
56000.8 · Utility Extensions	0.00	0.00	0.00	137,875.50	5,003.13	132,872.37	180,000.00
56000.9 · Flagship Dev Improvements	0.00	0.00	0.00	4,465.00	0.00	4,465.00	8,000.00
56430 · Tsf to Debt Service	34,875.00	0.00	34,875.00	34,875.00	0.00	34,875.00	160,000.00
<b>Total 56000 · Pub Infrastructure - Category I</b>	<b>35,422.60</b>	<b>0.00</b>	<b>35,422.60</b>	<b>183,163.10</b>	<b>18,705.49</b>	<b>164,457.61</b>	<b>403,000.00</b>
56001 · Business Dev & Ret -Category II							
56001.8 · Sales Tax Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	35,000.00
56423 · Economic Development Grant Prog	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
<b>Total 56001 · Business Dev &amp; Ret -Category II</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,000.00</b>	<b>(20,000.00)</b>	<b>55,000.00</b>
56002 · Quality of Life - Category III							
56404 · Seasonal Decorations	1,190.41	0.00	1,190.41	1,190.41	6,000.00	(4,809.59)	6,000.00
56420.1 · Christmas in Montgomery	100.00	0.00	100.00	100.00	0.00	100.00	0.00
56420.2 · Christmas Lighting(Civic Assn)	1,522.00	0.00	1,522.00	1,522.00	1,600.00	(78.00)	1,600.00
56423.1 · Walking Tours	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56429 · Removal of Blight	0.00	2,142.86	(2,142.86)	1,376.78	4,285.70	(2,908.92)	15,000.00
56433 · Downtown Signs	0.00	0.00	0.00	0.00	1,000.00	(1,000.00)	1,000.00
56435 · Fernland Improvements	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56439 · Downtown Enhancement Projects	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
<b>Total 56002 · Quality of Life - Category III</b>	<b>2,812.41</b>	<b>2,142.86</b>	<b>669.55</b>	<b>4,189.19</b>	<b>40,885.70</b>	<b>(36,696.51)</b>	<b>51,600.00</b>
56003 · Marketing & Tourism-Category IV							
56408.1 · Promotional Video	0.00	0.00	0.00	0.00	1,500.00	(1,500.00)	1,500.00
56409 · Antique Show & Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56413 · Brochures/Printed Literature	200.00	0.00	200.00	3,350.00	0.00	3,350.00	5,000.00
56414 · Wine & Music Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56415 · Texian/Heritage Festival	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00
56418 · Christmas in Montgomery	5,000.00	0.00	5,000.00	5,000.00	5,000.00	0.00	5,000.00
56419 · Website	0.00	166.67	(166.67)	0.00	500.01	(500.01)	2,000.00
<b>Total 56003 · Marketing &amp; Tourism-Category IV</b>	<b>5,200.00</b>	<b>166.67</b>	<b>5,033.33</b>	<b>8,350.00</b>	<b>7,000.01</b>	<b>1,349.99</b>	<b>41,500.00</b>
56004 · Administration - Category V							
56004.1 · Admin Transfers to Gen Fund	9,375.00	0.00	9,375.00	9,375.00	9,375.00	0.00	37,500.00
56004.2 · MACC Administration & Office	2,566.67	2,666.67	(100.00)	7,700.01	7,999.97	(299.96)	32,000.00
56004.3 · Miscellaneous Expenses	0.00	1,068.14	(1,068.14)	2,680.00	2,496.68	183.32	6,000.00
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	1,666.67	(1,666.67)	1,262.00	4,999.99	(3,737.99)	10,000.00
56354 · Travel & Training Expenses	0.00	560.00	(560.00)	0.00	1,680.00	(1,680.00)	2,800.00
<b>Total 56004 · Administration - Category V</b>	<b>11,941.67</b>	<b>6,794.81</b>	<b>5,146.86</b>	<b>21,017.01</b>	<b>29,051.67</b>	<b>(8,034.66)</b>	<b>98,300.00</b>
<b>Total Expense</b>	<b>55,376.68</b>	<b>9,104.34</b>	<b>46,272.34</b>	<b>216,719.30</b>	<b>115,642.87</b>	<b>101,076.43</b>	<b>649,400.00</b>
<b>Net Income</b>	<b>(10,313.96)</b>	<b>29,369.38</b>	<b>(39,683.34)</b>	<b>(76,628.73)</b>	<b>8,153.08</b>	<b>(84,781.81)</b>	<b>(118,450.00)</b>

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
	<b>Exhibits:</b> Application from Ms. Kerr, Letter from Ms. Kerr, Cost of paving along side her building, Minutes of 2012 Variance Discussion of Council, Agreement Concerning Parking Variance in file – Unsigned by Mr. or Mrs. Kerr
<b>Prepared By: Jack Yates</b> <b>City Administrator</b>	
<b>Date Prepared: January 10, 2017</b>	

**Subject**

This is a request from Rendy Kerr owner of The Rancher's Daughter to pave next to her business as she was required to do based upon a October, 2012 variance given by the City Council

**Description**

This is a request from Ms. Kerr, who understands that she was given a variance on the October 9, 2012 Council meeting that allowed her and her husband at the time permission to build on to the north edge of their property in return for paving of the street next to her location on College Street. They built the addition to the building but never paved the street. When I learned of this this several months ago I researched the issue, in found in the file the enclosed agreement concerning parking variance which was signed by Mayor Fox at the time but not by Mr. or Mrs. Kerr and approached Ms. Kerr that she either needed to pave the right away next to her business as required in the variance- or she could ask for a new variance which would cost \$500. She said that she would ask the MEDC for the funds to pay the parking area, and if denied that she would then ask for a new variance.

Montgomery City Council  
**AGENDA REPORT**

Ms. Kerr said that the logic of asking for the entire \$3,100 is that the MEDC just released a property with Mr. Cronin and Mr. Laughter to pave the area south of Cozy Grape and that since the property next to her that would be paved would be in the right-of-way that she wanted the same sort of agreement- this regarding any requirement to live up to the variance agreement as granted in 2012.

An option of the MEDC would be to pave all the way back to Pond Street, and create three/four more parking spaces adding \$1,500 to the total cost of placing pavement along south College Street. Because a sidewalk is present the spaces along College Street must be in a parallel parking configuration.

**Opinion:** While I agree with Ms. Kerr that presently the MEDC making arrangements with the Cozy Grape and Mr. Laughter and proposing to do the same thing with Mrs. Rose and Mr. Jacobs directly across the street from Ms. Kerr's business – I do not think that she should gain a windfall by not living up to the variance requirement of 2012. I would think perhaps splitting the \$3,100 cost with her is a fair compromise.

**Recommendation**

Consider the matter and do as you said feel fair – but I do think that the total area south of College between Pond Street and Liberty Street (FM 149) should all get paved for parking.

**Approved By**

City Administrator	Jack Yates	Date: January 10, 2018
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**City of Montgomery, TX  
Economic Development Corporation  
Grant Application**



Company Name: <i>The Rancher's Daughter</i>	
Company Contact: <i>Randy Kerr</i>	Title: <i>Owner</i>
Best Phone: <i>713-824-4040</i>	Alt. Phone:
Email Address: <i>randyraekerr@yahoo.com</i>	
Physical Address: <i>14387 Liberty St</i>	City, State, Zip: <i>Montgomery, TX 77356</i>
Mailing Address (if different): <i>9114 Legacy Creek Ct</i>	City, State, Zip: <i>Montgomery TX 77316</i>
Applicant's years of experience in this business: <i>9 years</i>	How long has his business been located in Montgomery? <i>9 years</i>

Do you own or lease this facility?	If leased, please provide owner information and a copy of lease agreement.	
<input checked="" type="checkbox"/> OWN <input type="checkbox"/> LEASE	Owner Name: <i>Randy Kerr</i>	Owner Phone: <i>713) 824-4040</i>

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)	<i>\$ 3,100</i>
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)	<i>\$ 3,100</i>
Are you requesting an exception for additional funding on this project? (Please provide additional supporting evidence for this request as "Exhibit C")	<i>\$ —</i>

When will this project begin? <i>ASAP</i>	What is the estimated completion date? <i>One month after starting</i>
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Attach all drawings of planned improvements as "Exhibit D"

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

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

Applicant's Signature: *Randy Kerr*  
 Title: *owner*  
 Date: *1-5-18*

<b>OFFICE USE:</b>			
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:

I would like to have the city right of way paved  
for public parking on the south side of College St.  
Like that was done at Cozy Grape

Thank you so much in advance

*Randy Kerr*  
Randy Kerr

**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 \_\_\_\_\_ (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 \_\_\_\_\_.

**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

**PROPOSAL  
LAUREL PAVING  
12876 Shadowbrook Dr. Willis, Texas 77378  
PH. (936) 672 3297 Fax 936 890 1271**

PROPOSAL SUBMITTED TO	E-MAIL	cell	PHONE	DATE
<b>Mike Muckleroy</b>	<b>936-521-5294</b>	<b>936-597-6434</b>	<b>11/17/17</b>	

STREET	JOB NAME
<b>mmuckleroy@ci.montgomery.tx.us</b>	

CITY, STATE AND ZIP CODE	JOB LOCATION
<b>Montgomery, Texas 77356</b>	<b>College St and Liberty St</b>

ARCHITECT	DATE OF PLANS	JOB PHONE

We Propose: hereby to furnish materials and labor complete in accordance with specifications below, for the sum of:

**Thirty one Hundred 00/100      \$3,100.00 Dlls.**

Payment to be made as followed

**On completion,**

All materials is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications below involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or

Authorized By \_\_\_\_\_ This proposal may be withdraw by us if not accepted with 30 day.

**Asphalt Paving on College Street, 10x100**

- 1.** Remove grass and furnish crushed concrete base 6" thick compacted.
- 2.** Pave area with hot mix asphalt 2" thick compacted.

***Acceptance of Proposal*** – The above prices, specifications and conditions are satisfactory and accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of acceptance \_\_\_\_\_

Signature \_\_\_\_\_ Signature \_\_\_\_\_

Montgomery City Council-----October 9, 2012

Montgomery City Hall-----7:00 p.m.

Present:        John Champagne        Position #2  
                  Kirk Jones                    Position #3  
                  Thomas Knight                Position #5  
                  John Fox                        Mayor  
                  Bill Kotlan                     City Administrator  
                  Bryan Fowler                 City Attorney  
                  Darrin Fentress              City Engineer  
                  Carol Langley                 City Secretary

Absent:         Jon Bickford                  Position #1  
                  Joe Shockley                 Position #4

Mayor John Fox declared a quorum and called the meeting to order.

Bill Kotlan, City Administrator gave the invocation.

**VISITOR/CITIZENS FORUM:**

Nancy Parsley came before the council stating that she was interested in purchasing 801 College St. for a Bed and Breakfast and would like to have other events at the location and would like to come before the boards to discuss her plan.

**CONSENT AGENDA:**

1. Matters related to the approval of minutes for the regular meeting on September 11, 2012 and the cancelled meeting of September 25, 2012.

Thomas Knight made the motion to approve the minutes as presented. Kirk Jones seconded the motion. Thomas Knight, John Champagne and Kirk Jones all voted for the motion.

**PUBLIC HEARING AND POSSIBLE ACTION:**

2. Public hearing and possible action on adoption of the Regional Hazard Mitigation Plan-2011 Update

Mayor Fox opened the public hearing at 7:08. No one commented at the public hearing. Mayor Fox closed the public hearing at 7:09. Bill Kotlan explained to the council that Montgomery County is working with all the cities in the county and Houston Galveston Area Council to update the plan. The resolution formally adopts the plan and directs the City Administrator to take action to implement the program as funding allows. Kirk Jones made the motion to adopt the resolution adopting the plan. Thomas Knight seconded the motion. Thomas Knight, Kirk Jones and John Champagne all voted for the motion.

**CONSIDERATION AND POSSIBLE ACTION:**

3. Consideration and possible action on department reports.

Bill Kotlan, City Administrator thanked Ronnie Christian for his service to the City for the public works and building permit department. He stated that Mr. Christian will still be the utility operator and help with utility projects. Mr. Kotlan announced that April Vaughn, a 9 year police officer was resigning with the police department after having her second child. He stated that she would attend the next meeting. Police Chief, Royce Goodson promoted Officer Belmares to Lt. and presented to the council his appointment. Thomas Knight asked if a monthly report from Planning and Zoning and MIDC could be with the reports. Kirk Jones made the motion to accept the reports as presented. John Champagne seconded the motion. Kirk Jones, Thomas Knight and John Champagne all voted for the motion.

4. Consideration and possible action on approval of the FY 2013 Projects and Budget for (MIDC) Montgomery Industrial Development Corporation

Bill Kotlan, City Administrator explained to the council the projects that had been approved by MIDC and held a public hearing at the meeting. Discussion was taken on the projects having dedicated line items, monthly reports to council, and transfers to General Fund and HMBA. John Champagne made the motion to approve the FY 2013 budget and the projects presented. Thomas Knight seconded the motion. Kirk Jones, Thomas Knight and John Champagne all voted for the motion.

5. Consideration and possible action on approving VanWassehnova and associates CPA for the audit for 2012

Bill Kotlan, City Administrator explained to the Council that the City had Robert VanWassehnova as auditor for years in the past and have had two since him. He is in Conroe and good practice to change auditors from time to time. Kirk Jones made the motion to engage Robert VanWassehnova to complete the FY 2012 audit for an amount not to exceed \$11,000 for one year. John Champagne seconded the motion. Kirk Jones, Thomas Knight and John Champagne all voted for the motion.

6. Consideration and possible action on approval of agreement between MIDC(Montgomery Industrial Development Corporation ) and HMBA (Historic Montgomery Business Association)

Bill Kotlan, City Administrator explained to the Council that an agreement was approved by MIDC for sharing administrative expenses in a joint office. The position would be full time with HMBA and work half of the time dedicated to help MIDC with projects and goals of MIDC. Discussion was taken on the list of projects this person would have, monthly report on work done on the projects, contract with the city but employee of HMBA, help with develop and showcase Montgomery. John Champagne made the motion to approve the agreement. Thomas Knight seconded the motion. Thomas Knight, Kirk Jones and John Champagne all voted for the motion.

7. Consideration and possible action on approval of resolution for the submission of a Texas Community Development Block Grant Program Application

Bill Kotlan, City Administrator explained to the Council that the application would be turned in and after the scoring we would know if we qualified for a grant. It is a proposal for a 100,000 gallon elevated storage tank to be located on the west side of MISD athletic stadium. The project is \$475,000 and the grant is \$350,000 so the City would provide \$125,000 and would be approved in latter half of 2013. Kirk Jones made the motion to approve the resolution authorizing the application and authorization for the City secretary to publish notice of the grant application. John Champagne seconded the motion. Kirk Jones, John Champagne and Thomas Knight all voted for the motion.

8. Consideration and possible action on parking agreement between the City of Montgomery and Megan Stultz

Bryan Fowler, City Attorney told the Council this is a existing business in the city which is building a new building and does not have enough land for parking and the Zoning Board of Adjustment granted a variance to permit her (9) parking spaces on her property and construct and maintain additional parking spaces to be located on City owned property, which is the discontinued City water plant site. The agreement sets out the terms of the agreement where the City will lease the site to her for her to construct and install a paved or asphalt parking lot to be used by patrons of the building on her property, as well as for use by members of the public. The lease is for three (3) years and improvements would pass on to the City upon termination of the lease. Discussion was taken on amount to cost to construct the parking lot, years for the lease, and use of other parking spaces for the public. John Champagne made the motion to approve the parking agreement and lease with the 10 year lease and subject to approval of the City Attorney. Kirk Jones seconded the motion. Kirk Jones, Thomas Knight and John Champagne all voted for the motion.

9. Consideration and possible action on parking agreement between the City of Montgomery and Rendy Kerr.

Bryan Fowler, City Attorney explained to the Council that when this business, Rancher's Daughter installed a covered patio and was required to provide additional parking spaces did not have the property to do this. The Zoning Board of Adjustments granted a variance to permit them temporary use of parking spaces in front of the Montgomery Community Building, if they would construct and maintain additional required parking spaces in the College Street right of way, to satisfy the Ordinance. The agreement requires the Kerrs to install the parking area on college Street right of way within a three year term and indicates all improvements will become property of the City upon completion. Kirk Jones made the motion to approve the agreement as presented. Thomas Knight seconded the motion. Kirk Jones, Thomas Knight and John Champagne all voted for the motion.

**PUBLIC HEARING AND POSSIBLE ACTION:**

10. Public hearing and possible action on a rezone request for 300 Prairie Street from residential to a planned development district

Mayor Fox opened the public hearing at 7:50 p.m.. Bill Kotlan, City Administrator read a letter from a property owner that stated he was ok with the use of the property he wanted the City and Property owner to be aware that the driveway was on his property not the property in discussion. Bryan Fowler, City Attorney explained that the property would be zoned a Planned Development District #3 with restrictions. The Planning and Zoning Commission made a preliminary report and held the public hearing on the proposed amendment and presented the final report to the Council. Mayor Fox closed the public hearing at 8:04. Kirk Jones commented that this was a good use for the property. John Champagne made the motion to receive the final report from the Planning and Zoning Commission and approve the ordinance for the rezone to Planned Development District No. 3 subject to the closing and Fannie Mae approval. Thomas Knight seconded the motion. Thomas Knight, John Champagne and Kirk Jones all voted for the motion.

**EXECUTIVE SESSION:**

11. Pursuant to the provisions of the Texas Open Meeting Act, Chapter 551 of the Local Government Code, in accordance with the authority contained in 551.071(consultant with the attorney) regarding Development Agreement with Waterstone on Lake Conroe, Inc.
12. 551.071(consultant with attorney) and 551.072(deliberation regarding real property)regarding Memory Park
13. 551.071(consultant with attorney) regarding unsafe building ordinance

Mayor Fox closed the regular session and convened into executive session at 8:15. Mayor Fox reconvened into regular session at 9:01.

**CONSIDERATION AND POSSIBLE ACTION:**

14. Consideration and possible action adopting ordinance repealing unsafe building ordinances of the City of Montgomery and adopting a new unsafe building ordinance, establishing standards for substandard buildings, establishing standards for all buildings, providing for the declaration of substandard buildings as public nuisances, providing notice property owners, providing for public hearings and providing for penalties

John Champagne made the motion to adopt the ordinance for substandard buildings. Kirk Jones seconded the motion. John Champagne, Kirk Jones and Thomas Knight all voted for the motion.

**ADJOURNMENT**

Mayor Fox adjourned the meeting.



AGREEMENT CONCERNING PARK

This Agreement Concerning Parking Variance (the "A into as of the 9th day of October, 2012, (the "Effective Da Montgomery, Texas, a political subdivision of the State of T Rendy Kerr ("Kerr").

WHEREAS, Kerr is the owner of the real property | Montgomery, Texas, and legally described on the attached Ex and

WHEREAS, the City is the owner of an adjacent tract c the City of Montgomery, Texas, known as the Montgomery Community Building (the "City Property"); and

WHEREAS, Kerr applied for a building permit to add a covered patio to the building located on the Kerr Property to be utilized in connection with the Kerr's operation of a business on the Kerr Property, known as the Rancher's Daughter (the "Business"); and

WHEREAS, the Kerr Property, after the addition of the patio to the building thereon, is insufficient to permit Kerr to comply with the City's parking requirements as set out in the Code of Ordinances for the City of Montgomery; and

WHEREAS, Kerr applied for, and received, a variance from the City's Zoning Board of Adjustments, to permit Kerr to temporarily use City parking on College Street in front of the Montgomery Community Building on a temporary basis, in consideration for Kerr's contractual agreement to construct and maintain additional parking spaces on the City street right of way of College Street, in accordance with the terms of this Agreement; and

WHEREAS, the City is willing to permit Kerr to utilize City parking spaces on a temporary basis, on the terms and conditions set out in this Agreement, to permit Kerr to comply with the City's Ordinances and the requirements of the City's Zoning Board of Adjustments.

NOW, THEREFORE, in consideration of the mutual covenants, assurances and consideration herein set forth, it is agreed as follows:

ARTICLE I  
AGREEMENTS

A. The City, for and in consideration of the covenants and promises herein, does hereby permit Kerr to utilize, on a first-come, first-served basis, the public parking spaces located in front of the Montgomery Community Building, as identified on the highlighted portion of the attached Exhibit "B", as required parking for the Business. This parking area may be utilized by Kerr for three (3) years from the date of this Agreement.

B. Kerr shall construct, or caused to be constructed, a new asphalt or concrete

*need Kerr  
to sign  
Couple got divorced  
Neither would  
Come in & sign*

## AGREEMENT CONCERNING PARKING VARIANCE

This Agreement Concerning Parking Variance (the "Agreement") is made and entered into as of the 9th day of October, 2012, (the "Effective Date"), by and between the City of Montgomery, Texas, a political subdivision of the State of Texas (the "City") and Harry and Rendy Kerr ("Kerr").

WHEREAS, Kerr is the owner of the real property located at 14387 Liberty Street, Montgomery, Texas, and legally described on the attached Exhibit "A" (the "Kerr Property"); and

WHEREAS, the City is the owner of an adjacent tract of land abutting College Street in the City of Montgomery, Texas, known as the Montgomery Community Building (the "City Property"); and

WHEREAS, Kerr applied for a building permit to add a covered patio to the building located on the Kerr Property to be utilized in connection with the Kerr's operation of a business on the Kerr Property, known as the Rancher's Daughter (the "Business"); and

WHEREAS, the Kerr Property, after the addition of the patio to the building thereon, is insufficient to permit Kerr to comply with the City's parking requirements as set out in the Code of Ordinances for the City of Montgomery; and

WHEREAS, Kerr applied for, and received, a variance from the City's Zoning Board of Adjustments, to permit Kerr to temporarily use City parking on College Street in front of the Montgomery Community Building on a temporary basis, in consideration for Kerr's contractual agreement to construct and maintain additional parking spaces on the City street right of way of College Street, in accordance with the terms of this Agreement; and

WHEREAS, the City is willing to permit Kerr to utilize City parking spaces on a temporary basis, on the terms and conditions set out in this Agreement, to permit Kerr to comply with the City's Ordinances and the requirements of the City's Zoning Board of Adjustments.

NOW, THEREFORE, in consideration of the mutual covenants, assurances and consideration herein set forth, it is agreed as follows:

### ARTICLE I AGREEMENTS

A. The City, for and in consideration of the covenants and promises herein, does hereby permit Kerr to utilize, on a first-come, first-served basis, the public parking spaces located in front of the Montgomery Community Building, as identified on the highlighted portion of the attached Exhibit "B", as required parking for the Business. This parking area may be utilized by Kerr for three (3) years from the date of this Agreement.

B. Kerr shall construct, or caused to be constructed, a new asphalt or concrete

parking area in the right of way of College Street, in the location identified on the highlighted portion of the attached Exhibit "C" (the "Parking Area"). Said parking shall include as many parking spaces as may be reasonably installed in the Parking Area, and shall be constructed or installed in accordance with City approved plans and specifications. The Parking Area shall be located in the area bound by the Kerr's side property line on the south, the College Street payment to the north, the Kerr's front property line to the east, and the Kerr's rear property line to the west. Said entire area shall be constructed as the Parking Area, which is required under this Agreement.

C. This parking area may be used by Kerr to fulfill the parking requirements for the Kerr Property, as required by City Ordinances, and as required by the variance granted by the Zoning Board of Adjustments. All improvements shall become the property of City, and title to all such improvements shall be vested in City. It is expressly agreed that the Kerr's shall construct the parking lot within three (3) years from the date of this Agreement.

## ARTICLE II CONSTRUCTION, MAINTENANCE, REPAIRS

A. The Parties hereby agree that Kerr shall submit a Development Site Plan (for the parking lot improvements) for the parking area, and the City shall review and approve said Development Site Plan if it meets all requirements of the City. Kerr shall comply with any reasonable requests from the City regarding designs and specifications of improvements to the parking area, and any deviations from the Development Site Plan must be pre-approved in writing by the City Council. All improvements constructed on the parking area shall comply with all applicable federal, state, county or city ordinances, rules and regulations. All costs of development under this Agreement shall be borne solely by Kerr.

## ARTICLE III INDEMNITY

A. **KERR SHALL INDEMNIFY CITY AND HOLD CITY HARMLESS AGAINST ANY INJURY, CLAIM OR PROPERTY DAMAGE OR LOSS SUFFERED BY ANY PARTY OR PERSON AND ANY CLAIM, LAWSUIT, LEGAL ACTION, AWARD OR COST, INCLUDING ATTORNEYS' FEES ARISING FROM ANY DEFECT OR CONDITION OF THE PARKING LOT OR THE KERR PROPERTY, EXCEPT A DEFECT ARISING OR RESULTING FROM A WILLFUL OR INTENTIONAL ACT OR OMISSION OF CITY, ITS OFFICERS OR EMPLOYEES.**

## ARTICLE IV GENERAL PROVISIONS

A. Notices. All notices or other communications required under this Agreement may be made either by personal delivery in writing or by certified mail, return receipt requested. Notice shall be deemed to have been given when delivered in person or deposited in U.S. mail, postage prepaid, certified mail, return receipt requested, addressed as follows:

To City –  
City of Montgomery  
P.O. Box 708  
Montgomery, Texas 77356

To Kerr –  
Harry and Rendy Kerr  
13923 Hunter's Court  
Montgomery, Texas 77356

B. Law Governing Agreement. This Agreement and all of its terms, covenants and conditions, as well as the rights and duties of the Parties hereunder, shall be governed exclusively by and construed in accordance with the laws of the State of Texas.

C. Licenses, Fees, Permits, and Taxes. Kerr shall secure and maintain, at its own expense, all federal, state and local licenses and permits required to perform its obligations under this Agreement. Kerr shall be responsible for all sales, use, excise, business and income taxes incurred by Kerr in the performance of its obligations under this Agreement.

D. Severability and Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

E. Headings. The article headings have been inserted for purposes of convenience only, and they form no part of this Agreement and shall not be used for interpretive purposes.

F. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one Agreement.

G. Entirety of Agreement. This Agreement, including the attached Exhibits, and any other writing signed by the Parties that specifically references this Agreement, constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements, understandings and negotiations, both written and oral, between the Parties with respect to the subject matter hereof. This Agreement is not intended to confer upon any person other than the Parties to this Agreement any rights or remedies. Each Party to this Agreement acknowledges that no inducements or promises, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not contained in this Agreement.

H. Force Majeure. For purposes of this Section "force majeure" means an event beyond the control of either Party, which by its nature could not have been foreseen by such Party, or, if it could have been foreseen, was unavoidable, and includes without limitation, acts of God, storms, floods, riots, fires, terrorism, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared), telecommunications failure and failure of energy sources. Neither Party shall be under any liability for failure to fulfill any obligation under this Agreement, so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered, or delayed as a consequence of circumstances of force majeure, provided that such Party shall have exercised all due diligence to minimize to the greatest extent possible the effect of force majeure on its obligations hereunder. This Section does not relieve Kerr of any duties or obligations contained

in Article VII herein.

I. Compliance with Laws. Each Party shall comply with all federal, state, and local statutes, ordinances, regulations and requirements applicable to the performance of this Agreement. Kerr shall comply with all safety and other regulations and directives promulgated by Montgomery County or any other governmental entity and shall use the leased premises strictly for the purposes outlined herein.

J. Amendment. This Agreement may be amended only by a written agreement executed by both Parties.

K. Waiver. The failure of either Party to exercise any right or remedy due to breach or default by other Party under this Agreement shall not be deemed as waiver of such rights or remedies or as waiver of any subsequent breach or default by the other Party.

L. Right of Entry and Inspection. Kerr shall permit City or City's agents, representatives or employees to enter the leased premises at any time of Kerr's use during the lease term, whether for the purpose of inspection to determine whether Kerr is in compliance with the terms of this Agreement or for any other purpose.

M. Assignment. Kerr may not assign or sell any of its rights or obligations under this Agreement.

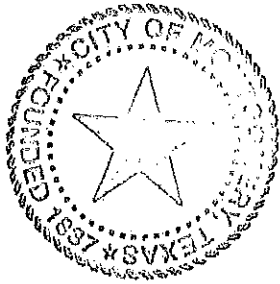
N. Parties Bound and Release of City. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns where permitted by this Agreement. In the event City shall sell or transfer its interest in the leased premises or any part thereof, and as a part of such transaction shall assign its interest as City in and to this Agreement, then, from and after the effective date of such sale, assignment or transfer, City shall have no further liability under this Agreement to Kerr except as to the matter of liability which shall have accrued and is unsatisfied as of such effective date, it being understood and intended that the covenants and obligations contained in this Agreement on the part of City shall be binding on City's successors and assigns, only during and in respect to their respective successive period of ownership of the leasehold interest.

*- remainder of this page is internationally blank -*

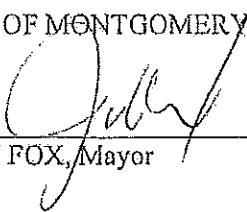
SIGNED and ENTERED into the 9th day of October, 2012.

\_\_\_\_\_  
HARRY KERR

\_\_\_\_\_  
RENDY KERR



CITY OF MONTGOMERY, TEXAS

  
\_\_\_\_\_  
JOHN FOX, Mayor

ATTEST:

  
\_\_\_\_\_  
City Secretary

Exhibit "A" Attachment

FIELD NOTE DESCRIPTION  
0.1665 ACRES IN THE JOHN CORNER SURVEY, N-8  
TRACTS 35 & 36, AREA 8, MONTGOMERY TOWNSHIP, SECTION TWO  
MONTGOMERY COUNTY, TEXAS

BEING a 0.1665 acre tract of land situated in the John Corner Survey, Abstract No. 8, Montgomery County, Texas, said tract also known as Tracts 35 and 36, Area 8, Montgomery Township, Section Two, and being more particularly described as follows:

BEGINNING at a railroad spike found in asphalt for the northeasterly corner of herein described tract, marking the intersection of the southerly right-of-way line of College Street and the westerly right-of-way line of Liberty Street (F.N. 149);

THENCE with the westerly line of Liberty Street South 02° 35' 25" East a distance of 55.05 feet to a 50 penny nail in asphalt for the southeasterly corner of this tract and northeasterly corner of a tract described in deed to the 'G' Corporation, recorded under County Clerk's File No. 2465020 of the Official Public Records of Montgomery County, Texas;

THENCE departing Liberty Street South 88° 26' 27" West a distance of 132.00 feet to a 1/2 inch iron rod found for the southeasterly corner of a 0.063 acre tract described in deed to Leona Bone recorded under County Clerk's File No. 2000-019348;

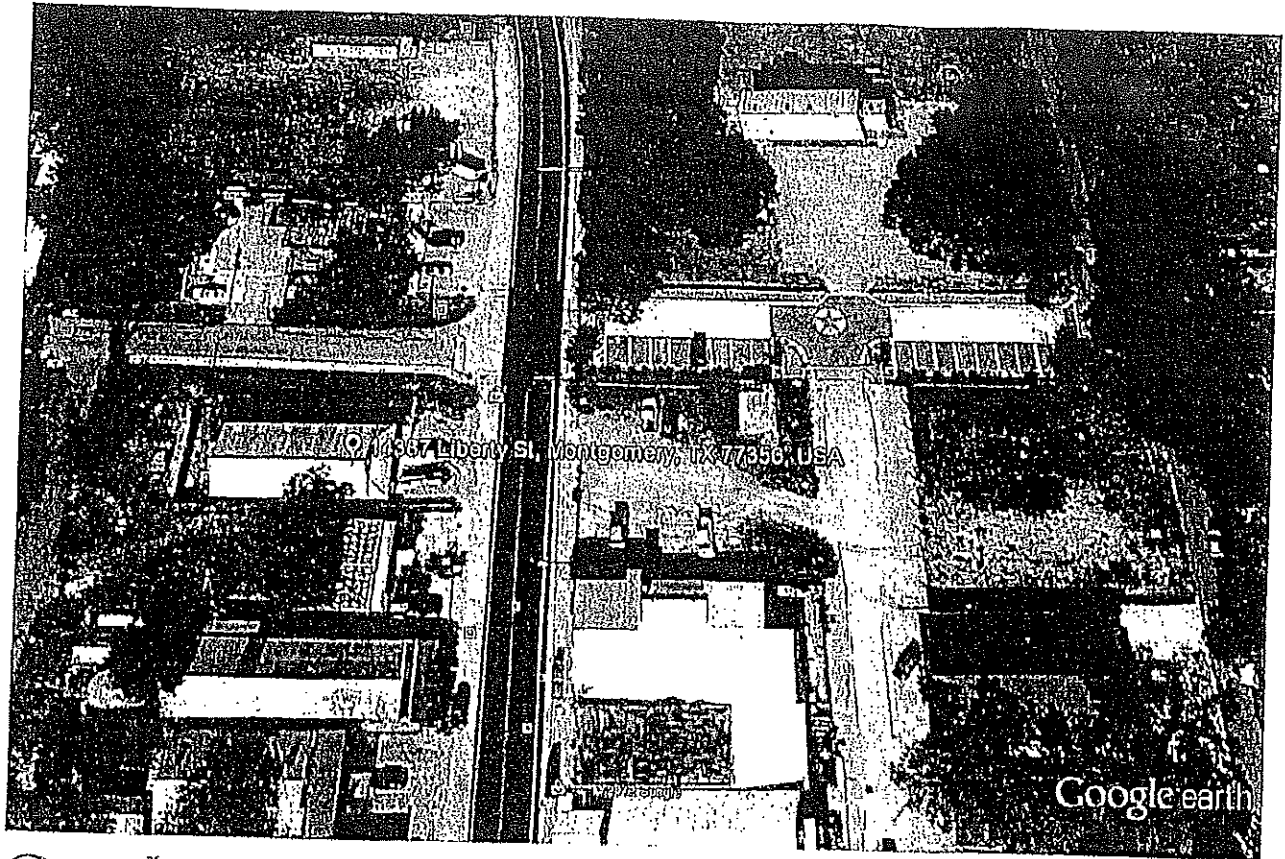
THENCE with the easterly line of said 0.061 acre tract North 02° 25' 19" West a distance of 54.21 feet to a 5/8 inch iron rod found in the southerly line of College Street;

THENCE with the southerly right-of-way line of College Street North 88° 20' 43" West a distance of 131.54 feet to the POINT OF BEGINNING.

CONTAINING a computed area of 0.1665 acres of land within this Field Note Description.

EXHIBIT

A



Google earth

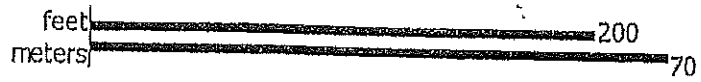
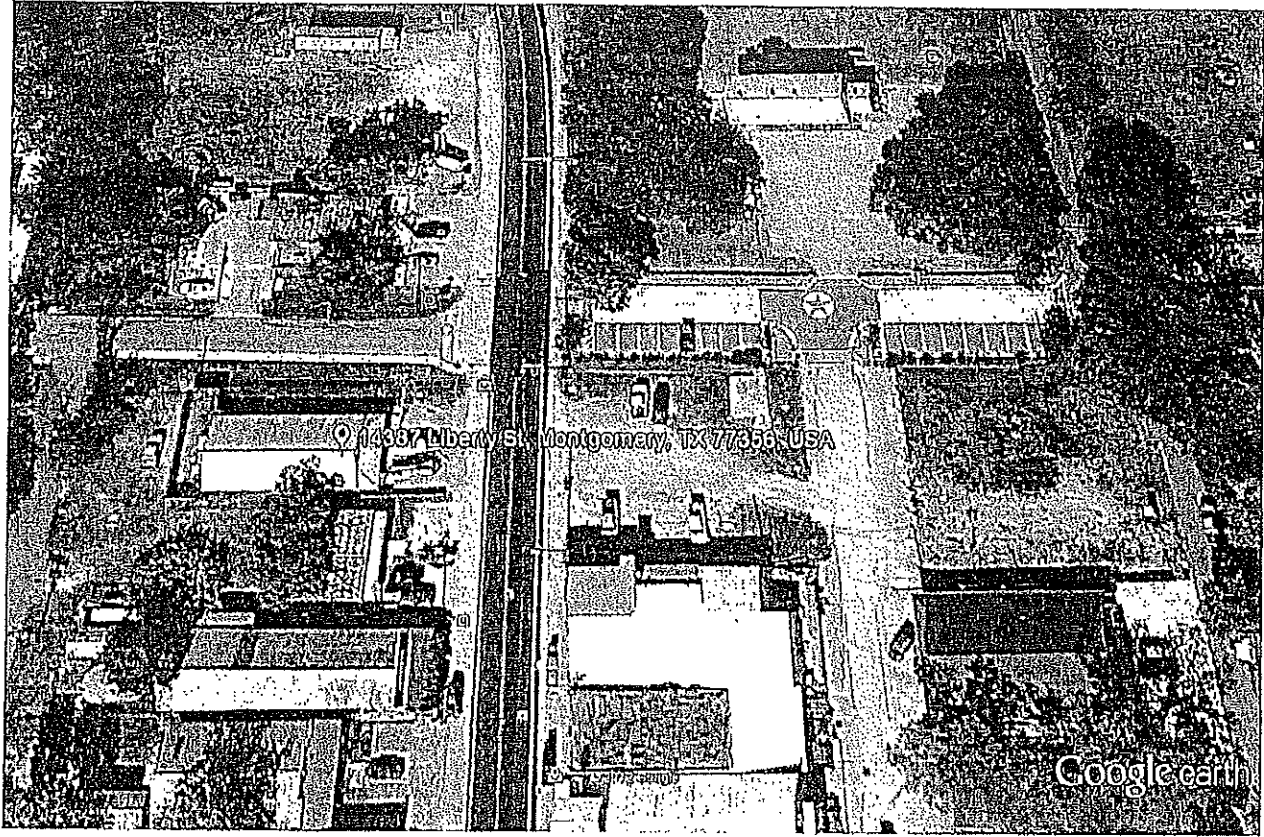


EXHIBIT     B





Google earth

feet  
meters



EXHIBIT     c

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
<b>Prepared By: Jack Yates City Administrator</b>	<b>Exhibits:</b>
<b>Date Prepared: January 12, 2018</b>	

**Subject**

This is a requested presentation for Mr. LeFevre. He said that he had several points regarding economic development and development of his own property that he wants to discuss with the Board

**Description**

I have no idea what Mr. LeFevre will be saying

**Recommendation**

Listen and comment as you feel the need.

**Approved By**

City Administrator

Jack Yates

Date: January 12, 2018

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
<b>Prepared By: Jack Yates City Administrator</b>	<b>Exhibits:</b>
<b>Date Prepared: January 12, 2018</b>	

**Subject**

This is to consider the approval of the Wine and Music Festival expenditure in the budget.

**Description**

As requested by the Board, a thorough financial report was given in October. At the November meeting I asked the Board if you wanted to approve the expenditure for the Festival. At that time Board member Amy Brown, requested a listing of the expenditures for the Festival. Earlier this week, I was told by Shannan Reid that while the categories of expenditures are fine to show she did not feel that the Chamber, should nor would, give a line item report regarding the expenditures. She told me the reason for that was that:

- 1) No such detailed listing of expenditures was requested of the Historic Society, nor in previous various financial reports given to the Board from other grantees including Christmas and Montgomery or the Freedom Fest.
- 2) There was proprietary (individual arrangements regarding several of the expenditures) that the Chamber would rather not disclose—not implying at all that there’s anything wrong with the expenditures because all expenditures are approved by the Chamber Board and are audited as part of their 501 c (3) IRS review.

I agree with Shannan, requiring an individual expenditure detailed report is not a MEDC matter. As to a matter of information, the Chamber is not a public body and is not required under Open Records to provide such information.

The requesting group, whoever, is asking for financial support and should, to my mind, be granted or not granted based upon the impact on the local economy

Montgomery City Council  
**AGENDA REPORT**

and not on how they spend their funds so long as the events/activities are lawful and proper.

**Recommendation**

Approve the Wine and Music Festival line item expenditure as listed in the budget.

**Approved By**

City Administrator

Jack Yates

Date: January 12, 2018

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
<b>Prepared By: Jack Yates City Administrator</b>	<b>Exhibits:</b>
<b>Date Prepared: January 10, 2017</b>	

**Subject**

This is a report to be given to the city Council regarding MEDC activities for the year 2017.

**Description**

This is the report that is planned to be given by Randy Moravec to the City Council at its January 23 meeting.  
This report was discussed last month -- this is hopefully the final draft of the report.

**Recommendation**

Accept the report, amend as you think necessary.

**Approved By**

City Administrator	Jack Yates	Date: January 10, 2018
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Montgomery Economic Development Corporation  
2017 Year in Review

**DEVELOPMENTS**

	Kroger Center	McCoy's Building Supply	Pizza Shack	T-Mobile Strip Center	Longview Greens Miniature Golfing	Care Now Strip Center	Heritage Place II
Status	Open to public August 2017	Open to public October 2017	Under Construction, Est Open Date Feb 2018	Ready for Tenants	Open to public May 2017	Open to public October 2017	Under Construction, Est Open Date February 2018
++Employment	<b>Kroger:</b> 64 FT + 137 PT (42 transferred from Conroe store-the rest local) <b>Stoney's:</b> 1 FT + 3 PT(local) <b>Sports Clips:</b> 6 FT + 2 PT (all local except 1 mgmt) <b>Malibu:</b> 7 FT (regional) <b>Great Clips:</b> 6 FT + PT (regional)	5 FT Salaried 20 FT Hourly 14 PT 77316 = 5 77356 = 15	5 current FT+ 13 NEW FT, 8 current PT+ 6 NEW PT	<b>T-Mobile:</b> 4 FT+ 1 PT <b>Nail Salon:</b> TBD 2018 <b>Space 3:</b> TBD	2 FT 4 PT		<b>Houston Methodist Primary Care Group:</b> TBD <b>The Woodlands Dermatology:</b> TBD
**Value of Buildings/Contents	\$7 M <i>Source: MCAD + Permit filings</i>	\$5 M <i>Source: MCAD + Permit filings</i>	\$710 K <i>Source: MCAD only</i>	\$193K <i>Source: MCAD only</i>	\$146K <i>Source: MCAD only</i>	\$1.26 M <i>Source: MCAD + Permit filings</i>	\$890K <i>Source: MCAD only</i>
MEDC Participation	<ul style="list-style-type: none"> <li>100% Sales Tax rebate per 380 agreement with developer</li> <li>Texas Capital Fund Grant for Water and Sewer Line Extensions down Hwy 105 <b>\$750K</b></li> </ul>	<ul style="list-style-type: none"> <li>Upgrade of Sewer Line to 12" <b>\$100K</b></li> </ul>	<ul style="list-style-type: none"> <li>Texas Capital Fund Grant for Water and Sewer Line Extensions down Hwy 105 <b>\$325K</b></li> <li>Extend Water and Sewer Lines to Stewart Creek Rd. <b>\$75K</b></li> <li>Signage <b>\$9520</b></li> </ul>		<ul style="list-style-type: none"> <li>Water and Sewer Line Tap Fees <b>\$15K</b></li> </ul>		<ul style="list-style-type: none"> <li>Road improvements to Houston Street <b>\$9K YTD</b></li> </ul>
Notes	<ul style="list-style-type: none"> <li>Section 1 of Shopping center to host 24K sq ft of inline store front space, with 5 currently leased</li> <li>Center to accommodate 7 pad sites, with 3 currently under development:               <ul style="list-style-type: none"> <li>✓ Spirit of Texas Bank</li> <li>✓ Burger King</li> <li>✓ Blue Wave Car Wash</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>Both locations to be closed the last week of January to transition for grand opening at new location by first week of February.</li> </ul>	<ul style="list-style-type: none"> <li>Space 3 not yet under contract. Developer looking to bring in national chain</li> </ul>			

\*\* More accurate accounting of building and contents will be available in 2018 MCAD appraisals

++Totals jobs:

128 FT

167 PT



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## DIRECTOR / ADMINISTRATOR ACTIVITIES

- 50 RFP's received, 11 qualified responses submitted, 2 inquiries for follow up info
  - ✓ Typical proposal includes key criteria identified for site selection, utilities proposal as required, detailed site plan, Montgomery Area demographics, maps of the area/region
- Director / Developer Meetings: 15 Commercial—land use, zoning, traffic counts, gap analysis, hotel development, acquisition of turn lane ROW
- City Administrator / Developer Meetings: 45 total, 29 Commercial + 16 Residential
- Lake Conroe Area Real Estate Brokers – Keller Williams – February 21, 2017 *Keynote*
- Lake Conroe Summit Economic Development Conference – March 31, 2017 *Organizer*
- Community Development Institute Year 2 – July 16-21, 2017 *Participant*
- Real Estate Brokers Annual Lake Conroe Presentation – July, 27, 2017 *Keynote*
- Edward Jones Economic Development Presentation – August 24, 2017 *Keynote*

## MEDC ACTIVITIES + ACTUAL EXPENSES

- Additional Parking on North wall of Old Community Center on Clepper St. **\$12K**
- Paving for Cozy Grape Parking Lot **\$38K**
- Removal of Blight – Removed 2 dilapidated structures **\$10,791**

## FUTURE CONSTRUCTION CONTEMPLATED

- Burger King (Opening January 2018)
- CVS Pharmacy (beginning construction)
- Blue Wave Car Wash
- Completion of T-Mobile Strip Center Leasing
- Lone Star Bend Street Construction
- 4 additional in-line retail spaces leased in Kroger Center
- Dentist office in Care Now Strip Center

## PERMITS ISSUED + VALUE

- Residential: **294** issued      Total Value: **\$9.6M**
- Commercial: **159** issued      Total Value: **\$19.4M**

## LEGEND

FT = Full Time = 40 hours per week

PT = Part Time = below 40 hours per week/ avg 20-30 hours per week

RFP = Request for Proposal

MCAD = Montgomery County Appraisal District

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
<b>Prepared By: Jack Yates City Administrator</b>	<b>Exhibits:</b> Proposed Leases with Mrs. Rose, and Mr. Jacobs, Paving Proposal of Laurel Paving Layouts of property, parking alternatives w/ costs
<b>Date Prepared: January 10, 2017</b>	

**Subject**

This is to pave south of College St., East of Liberty Street (FM 149), West of McCown Street and North of Larry Jacobs real estate office. This is at a cost of \$22,600, and up to \$6000 in streetscaping and planting's

**Description**

This is a proposal to pave., with asphalt, a parking area immediately north of Larry Jacobs realtor office that would create approximately 20 parking spaces at a cost of \$22,600 for the paving and depending on the Parking Layout "A" or "B" up to \$6000 for streetscaping and plantings. The lease with Mr. Jacobs also includes the gazebo stage that the city currently has a lease with Mr. Jacobs regarding—however I cannot find a copy of that lease.

Mr. Jacobs has a agreed to a 20 year lease for one dollar per year. Mrs. Rose has agreed to a five-year lease for one dollar per year.

As shown on the Parking Layout the difference between option a and option B is that option be allows for a landscaped area to be created at the corner of Liberty and College Streets. As a part of the downtown streetscape plan now underway I would prefer option "B".

The funds would come from Infrastructure or Downtown Improvements budget line item.



Montgomery City Council  
**AGENDA REPORT**

**Recommendation**

Consider and selecting either Parking Layout "A" or Parking Layout "B" – but in either case I think that the city has long wanted to increase downtown parking.

**Approved By**

City Administrator

Jack Yates

Date: January 10, 2018

**LEASE AGREEMENT BETWEEN**  
**CITY OF MONTGOMERY, TEXAS**  
**AND L.D. JACOBS, TRUSTEE**

**DATE:** January 2, 2018

**LANDLORD:** L.D. Jacobs, Trustee, and his heirs, administrators, and successors

**Landlord's Address:**

P.O. Box 1370  
Montgomery, Tx. 77316-9260

**Tenant:** CITY OF MONTGOMERY, TEXAS

**Tenant's Address:**

P.O. Box 708  
Montgomery, Tx. 77356

**Premises:** Being two tracts of land situated in the John Corner Survey, Abstract No. 8, Montgomery County, Texas, and being more particularly described as Tract One, containing 0.069 acres of land, and Tract Two, containing 0.058 acres of land, and being more particularly described by metes and bounds on Exhibit "A" and Exhibit "B" attached hereto and incorporated herein.

**Term (months):** Twenty (20) years (240) months

**Commencement Date:** February 1, 2018

**Termination Date:** January 31, 2038

**Early Termination:** Notwithstanding anything herein to the contrary, this Agreement is automatically renewed from year to year after the Termination Date, while termination with mutual consent of the parties may happen at any time during the term of this lease. Tenant understands that landlord may wish to sell the Premises during the term of this lease or any extended term of this lease. If a contract to purchase is submitted to Landlord by a third party, Landlord shall give 45 days' notice to Tenant which shall have the Right of First Refusal as described below. If Tenant does not offer to match the purchase price, this Agreement to lease is terminated effective the 45<sup>th</sup> day after the written notice is received by Tenant.

**First Right of Refusal by Tenant:** In the event a genuine contract to purchase the Premises is offered to Landlord by a third party, Landlord will give Tenant (City of Montgomery) 45 days' written notice of such offer to purchase. Thereupon, within 45 days from the Tenant's receipt of such written notice by Landlord, Tenant shall have the first right of refusal to purchase the Premises at the same price and under the same terms offered in writing to Landlord by a third party.

**Rent:** Tenant shall annually pay to Landlord the amount of \$1.00 which shall be paid in the month of September of each year of the 20-year term or any extended term of the lease. Tenant shall remit payment without invoices from the Landlord. Tenant may pay the rent amount for any, or all, of the years of the term of this Agreement.

**Permitted Use of Premises:**

1. Tenant and its agents shall be permitted to host special public events on the Premises for event vendors and event parking at no additional cost to the Tenant.
2. Tenant shall be permitted to construct, install, maintain, utilize and operate a parking lot and stage gazebo on the Premises, along with related appurtenances, including but not limited to, overhead and/or underground lighting and electricity, fencing, benches, gazebos and other improvements necessary to promote public use for public events. Tenant may use of the Premises as an overflow parking area and events area for the City of Montgomery and the public.

**Clauses and Covenants**

**A. Tenant agrees to:**

1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.
2. Accept the Premises in its present condition "AS IS," the Premises being currently suitable for the Permitted Use.
3. Obey (a) all laws relating to Tenant's use, maintenance of the condition, and occupancy of the Premises and Tenant's use of any common areas and (b) any requirements imposed by utility companies serving or insurance companies covering the Premises.
4. Obtain and pay for all utility services used by Tenant and not provided by Landlord.
5. Allow Landlord to enter the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers.
6. Repair, replace and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, normal wear excepted.
7. Vacate the Premises on the last day of the Term.
8. Maintain a liability insurance policy covering the Premises in an amount similar to other property owned and or leased by Tenant and provide Landlord certificates of insurance or other proof of said insurance on request. The liability policy must be endorsed to name Landlord as additional insured.

9. Maintain the Premises in a neat and attractive condition, and reasonably mowed and maintained.

**B. Tenant agrees not to:**

1. Use the Premises for any purpose other than the Permitted Use.
2. Create a nuisance.
3. Permit any waste.
4. Allow a lien to be placed on the Premises.
5. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

**C. Landlord agrees to:**

1. Lease to Tenant the Premises subject to the Term and Termination Date provisions.
2. Obey all laws relating to Landlord's operation of the Premises.

**D. Landlord agrees not to:**

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.
2. Unreasonably withhold consent to a proposed assignment or sublease.

**E. Landlord and Tenant agree to the following:**

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require in writing that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.
2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.
3. *Default by Landlord/Event.* Defaults by Landlord are failing to comply with any provision of this lease within thirty days after written notice.
4. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to sue for damages.

5. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent after being given thirty (30) day's written notice by Landlord; (b) abandoning or vacating a substantial portion of the Premises, and (c) failing to comply within ten days after written notice with any provision of this lease other than the defaults set forth in (a) and (b).
6. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to terminate this lease by written notice and sue for damages.
7. *Default/Waiver/Mitigation.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.
8. *Holdover.* If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant-at-will and must vacate the Premises on receipt of written notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend this Term.
9. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filing a suit for damages.
10. *Attorney's Fees.* If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.
11. *Venue.* Exclusive venue is in Montgomery County, Texas.
12. *Entire Agreement.* This lease constitutes the entire agreement of the parties concerning the lease of the Premises by Landlord to Tenant. There are no representations, warranties, agreements, or promises pertaining to the lease of the Premises by Landlord to Tenant that are not in this lease.
13. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.
14. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.
15. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether received or not when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, person delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when received. Any address for notice may be changed by written notice delivered as provided herein.

16. *Abandoned Property.* Landlord may retain, destroy or dispose of any property left on the Premises at the end of the Term.
17. *Binding on Successors.* This lease shall be binding on the parties' heirs, administrators, successors and assigns.
18. *Recording the Lease Agreement.* Landlord and Tenant agree that this lease Agreement may be recorded in the Real Property Records of the County Clerk of Montgomery, County.

**LANDLORD:**

---

L.D. Jacobs, Trustee

**TENANT:**

CITY OF MONTGOMERY, TEXAS

---

KIRK JONES, Mayor

**ATTEST:**

---

SUSAN HENSLEY, City Secretary

**After Recording Return To:**

City of Montgomery, Texas  
Attn: Susan Hensley, City Secretary  
P.O. Box 708  
Montgomery, Texas 77356

EXHIBIT "A"

TRACT ONE:

BEING a 0.069 acre tract of land situated in the City of Montgomery, Texas out of the John Corner Survey, Abstract Number 8, (said tract sometimes known as the East 1/2 of Lot 1, Block 7 of the Town of Montgomery), also being all of that certain tract of land described in deed to A. L. Johnson dated June 8, 1964 and recorded in Volume 569, Page 565 of the Deed Records of Montgomery County, Texas, said tract also being described as Third Tract in deed to Camille Bermann dated September 14, 1964 and recorded in Volume 585, Page 251 of said Deed Records, said 0.069 acre tract of land being more particularly described as follows:

BEGINNING at a 1-1/4 inch iron pipe found for the intersection of the southerly right-of-way line of College Street with the westerly right-of-way line of McCown Street;

THENCE with the westerly right-of-way line of McCown Street South 00° 00' 00" East a distance of 55.00 feet to a 1-1/4 inch iron pipe found for corner;

THENCE departing the westerly right-of-way line of McCown Street South 90° 00' 00" West a distance of 55.00 feet to a 5/8 inch iron rod set for corner;

THENCE North 00° 00' 00" West a distance of 55.00 feet to a 5/8 inch iron rod set in the southerly right-of-way line of College Street;

THENCE with the southerly right-of-way line of College Street North 90° 00' 00" East a distance of 55.00 feet to the POINT OF BEGINNING;

CONTAINING a computed area of 0.069 acre (3,025 square feet) of land within this description.

EXHIBIT "B"

TRACT TWO:

BEING a 0.058 acre tract of land situated in the City of Montgomery, Texas out of the John Corner Survey, Abstract Number 8, (sometimes known as Lot 2, Block 7 of the Town of Montgomery) also being a portion of that certain tract of land described in deed to Albert Giesinger recorded in Volume 569, Page 440 of the Deed Records of Montgomery County, Texas, also being described as Fourth Tract in deed to Camille Bernann dated September 14, 1964 and recorded in Volume 585, Page 251 of said Deed Records, said 0.058 acre tract of land being more particularly described as follows:

COMMENCING at a 1-1/4 inch iron pipe found for the intersection of the southerly right-of-way line of College Street with the westerly right-of-way line of McCown Street;

THENCE with the westerly right-of-way line of McCown Street South 00° 00' 00" East a distance of 55.00 feet to a 1-1/4 inch iron pipe found for the northeasterly corner and POINT OF BEGINNING of the herein described tract of land;

THENCE continuing with the westerly right-of-way line of McCown Street South 00° 00' 00" East a distance of 24.00 feet to a 5/8 inch iron rod set for corner;

THENCE departing the westerly right-of-way line of McCown Street South 90° 00' 00" West a distance of 104.56 feet to a 1/2 inch iron rod found in the easterly right-of-way line of F.M. Highway 149;

THENCE with the easterly right-of-way line of F.M. Highway 149 North 00° 00' 00" West a distance of 24.00 feet to a 5/8 inch iron rod set for corner;

THENCE departing the easterly right-of-way line of F.M. Highway 149 North 90° 00' 00" East a distance of 104.56 feet to the POINT OF BEGINNING;

CONTAINING a computed area of 0.058 acre (2,509 square feet) of land within this description.

FILED FOR RECORD

98 OCT 21 PM 3:09

MARK TURNBULL, CO. CLERK  
MONTGOMERY COUNTY, TEXAS

DEPUTY

STATE OF TEXAS  
COUNTY OF MONTGOMERY  
I hereby certify that this instrument was filed in  
File Number Sequence on the date and at the time  
stamped herein by me and was duly RECORDED in  
the official Public Records of Real Property of  
Montgomery County, Texas.

OCT 21 1998



Mark Turnbull  
COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS



**LEASE AGREEMENT BETWEEN**  
**CITY OF MONTGOMERY, TEXAS**  
**AND BETTY ROSE**

**DATE:** January 2, 2018

**LANDLORD:** Betty Rose, and her heirs, administrators, and successors

**Landlord's Address:**

P.O. Box 512  
Montgomery, Tx. 77316-9260

**Tenant:** CITY OF MONTGOMERY, TEXAS

**Tenant's Address:**

P.O. Box 708  
Montgomery, Tx. 77356

**Premises:** Montgomery Townsite 02, Tract 14 and Area B 55 ft. X 55 ft. as particularly described in Exhibit "A" attached and incorporated here

**Term (months):** Five (5) years (60) months

**Commencement Date:** February 1, 2018

**Termination Date:** January 31, 2023

**Early Termination:** Notwithstanding anything herein to the contrary, this Agreement is automatically renewed from year to year after the Termination Date, while termination with mutual consent of the parties may happen at any time during the term of this lease. Tenant understands that landlord may wish to sell the Premises during the term of this lease or any extended term of this lease. If a contract to purchase is submitted to Landlord by a third party, Landlord shall give 45 days' notice to Tenant which shall have the Right of First Refusal as described below. If Tenant does not offer to match the purchase price, this Agreement to lease is terminated effective the 45<sup>th</sup> day after the written notice is received by Tenant.

**First Right of Refusal by Tenant:** In the event a genuine contract to purchase the Premises is offered to Landlord by a third party, Landlord will give Tenant (City of Montgomery) 45 days' written notice of such offer to purchase. Thereupon, within 45 days from the Tenant's receipt of such written notice by Landlord, Tenant shall have the first right of refusal to purchase the Premises at the same price and under the same terms offered in writing to Landlord by a third party.

9. Maintain the premises in a neat and attractive condition, and reasonably mowed and maintained.

**B. Tenant agrees not to:**

1. Use the Premises for any purpose other than the Permitted Use.
2. Create a nuisance.
3. Permit any waste.
4. Allow a lien to be placed on the Premises.
5. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

**C. Landlord agrees to:**

1. Lease to Tenant the Premises subject to the Term and Termination Date provisions.
2. Obey all laws relating to Landlord's operation of the Premises.

**D. Landlord agrees not to:**

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.
2. Unreasonably withhold consent to a proposed assignment or sublease.

**E. Landlord and Tenant agree to the following:**

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require in writing that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.
2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.
3. *Default by Landlord/Event.* Defaults by Landlord are failing to comply with any provision of this lease within thirty days after written notice.
4. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to sue for damages.
5. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent after being given thirty (30) day's written notice by Landlord; (b) abandoning or vacating a

16. *Abandoned Property.* Landlord may retain, destroy or dispose of any property left on the Premises at the end of the Term.
17. *Binding on Successors.* This lease shall be binding on the parties' heirs, administrators, successors and assigns.
18. *Recording the Lease Agreement.* Landlord and Tenant agree that this lease Agreement may be recorded in the Real Property Records of the County Clerk of Montgomery, County.

**LANDLORD:**

---

Betty Rose, Owner

**TENANT:**

CITY OF MONTGOMERY, TEXAS

---

KIRK JONES, Mayor

**ATTEST:**

---

SUSAN HENSLEY, City Secretary

**After Recording Return To:**

City of Montgomery, Texas  
Attn: Susan Hensley, City Secretary  
P.O. Box 708  
Montgomery, Texas 77356

Exhibit "A"

Being a tract of land in Montgomery Townsite 2,R 14 Area B,

Commencing at the north west corner of said tract, as a POINT OF BEGINNING;

Thence, South 55.0' along the eastern right-of-way of Liberty Street;

Thence, East 55.0 feet 00° 00' 00";

Thence, North 55.0 90° 00' 0" to the South right-of-way line of College Street;

Thence, West 55.0 feet along the south right-of-way line of College Street, to the POINT OF BEGINNING, also as described in the General Warranty Deed file marked 979-01-0261 of the Montgomery County deed records.

**PROPOSAL**  
**LAUREL PAVING**  
**12876 Shadowbrook Dr. Willis, Texas 77378**  
**PH. (936) 672 3297 Fax 936 890 1271**

PROPOSAL SUBMITTED TO	E-MAIL	cell	PHONE	DATE
<b>Mike Muckleroy</b>	<b>936-521-5294</b>	<b>936-597-6434</b>		<b>10/17/17</b>

STREET	JOB NAME
<b>mmuckleroy@ci.montgomery.tx.us</b>	

CITY, STATE AND ZIP CODE	JOB LOCATION
<b>Montgomery, Texas 77356</b>	<b>Paving Parking lot @ Jacobs Properties</b>

ARCHITECT	DATE OF PLANS	JOB PHONE

We Propose: hereby to furnish materials and labor complete in accordance with specifications below, for the sum of:

**Price determined by option chosen**

Payment to be made as followed

**On completion, Please furnish tax exempt certificate**

All materials is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications below involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or Authorized By \_\_\_\_\_ This proposal may be withdraw by us if not accepted with 30 day.

<b>Option. I. Brake and remove concrete approx.1,660 sq.ft</b>	<b>\$ 2,500.00</b>
<b>Option: II. Pave parking lot 7,580 sq.ft</b>	<b>\$20,100.00</b>
<b>Total=\$22,600.00</b>	

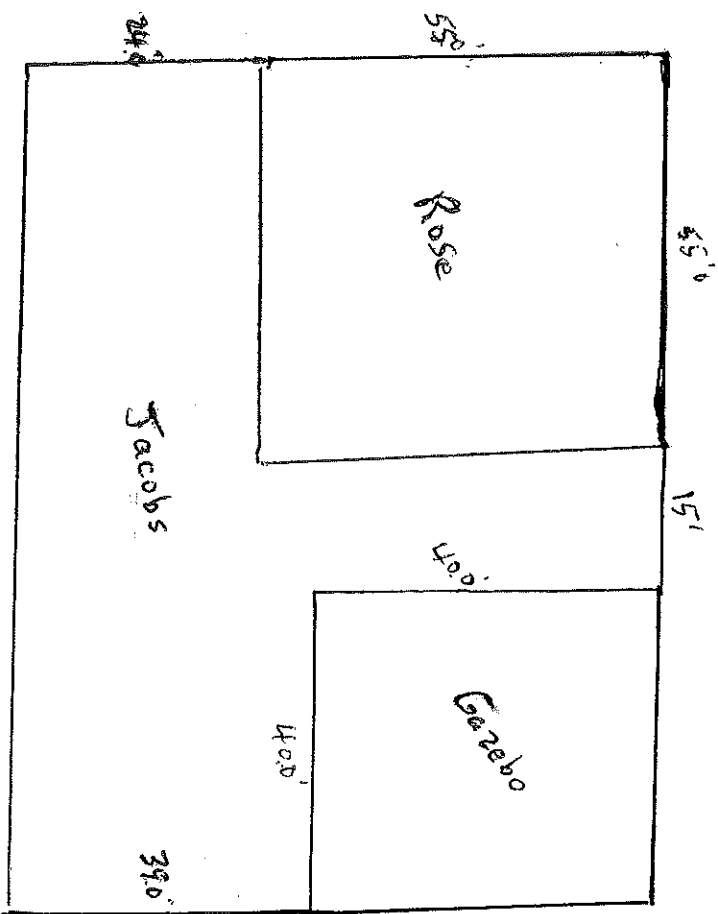
1. Brake and remove existing concrete and haul it of the site
2. Remove grass and furnish crushed concrete base 6" thick compacted.
3. Pave area with hot mix asphalt 2" thick compacted.

***Acceptance of Proposal*** – The above prices, specifications and conditions are satisfactory and accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of acceptance \_\_\_\_\_

Signature \_\_\_\_\_ Signature \_\_\_\_\_

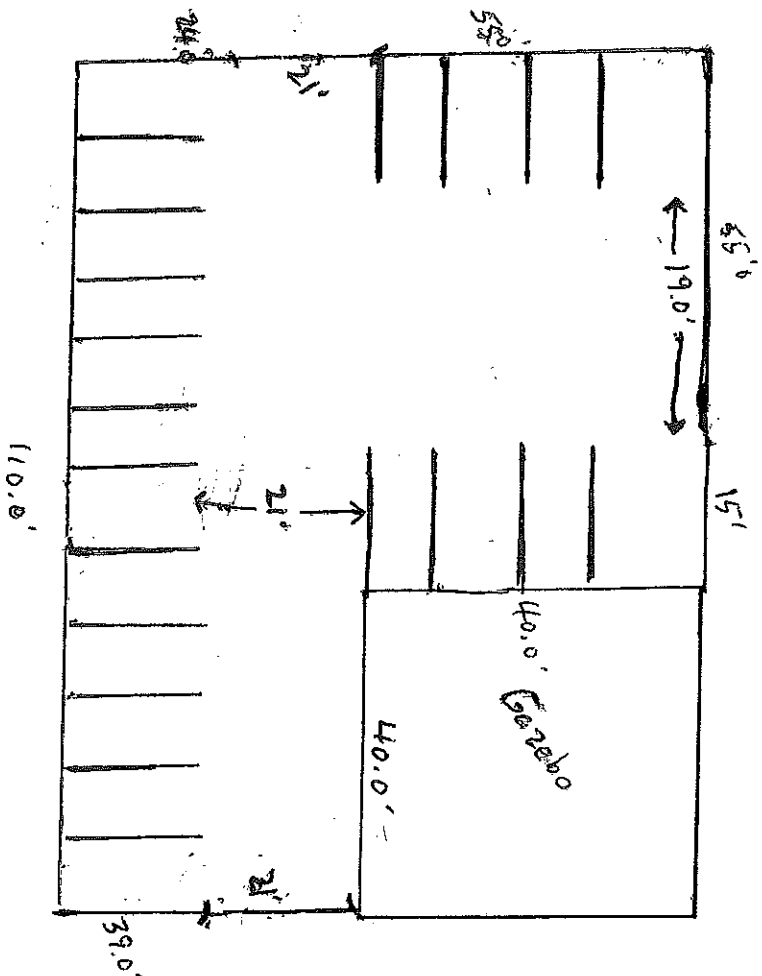
COLLEGE ST.



L - B - E - R - T - Y

M - C - O - B - N - S - T.

COLLEGE ST.

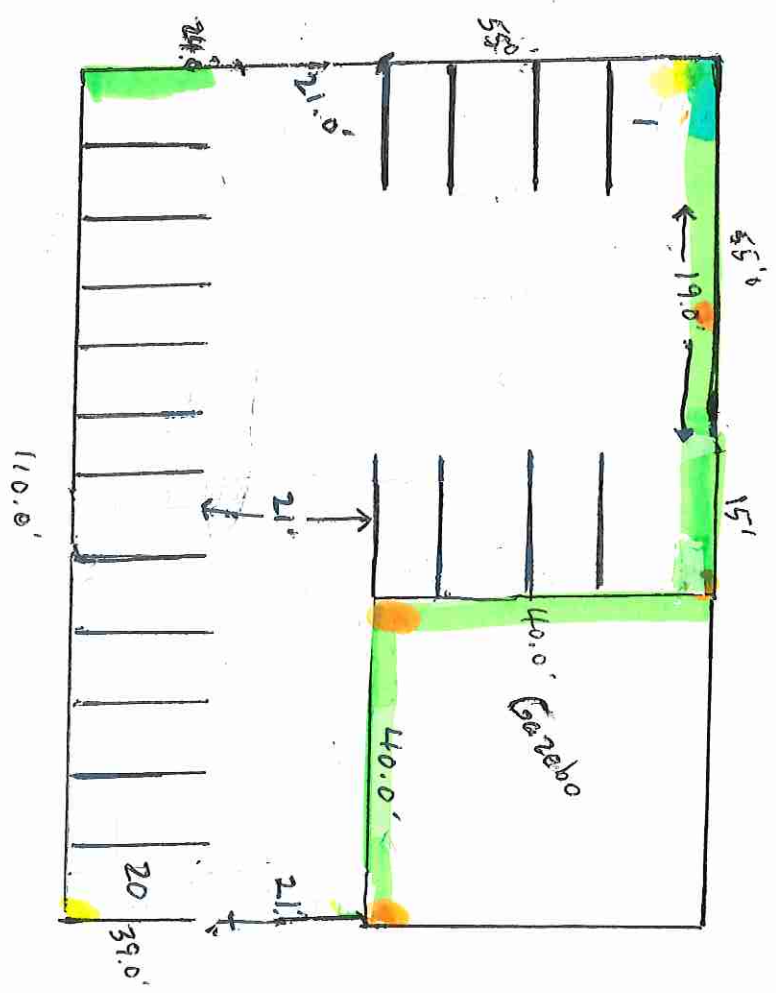


L I B E R T Y

M C O B N S T.

Parking Layout  
"A"

COLLEGE ST.



L  
I  
B  
E  
R  
T  
Y

Parking layout  
"A"

M  
C  
O  
W  
N  
S  
T.

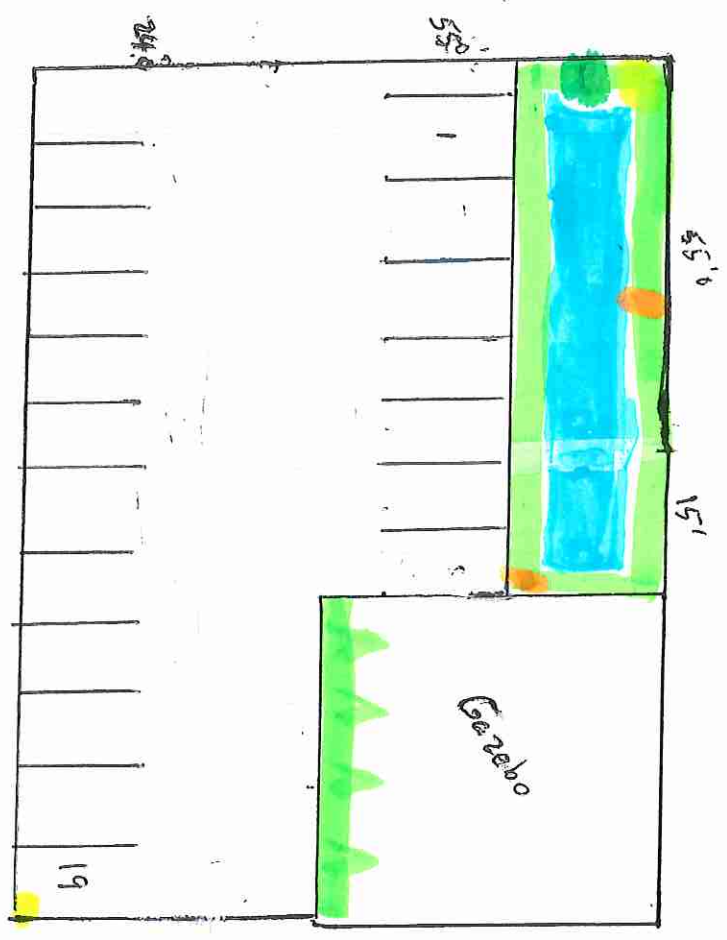
- = ornamental light
- = bushes, plantings
- = plaque, commemorative area
- = Tree

Developed cost,

Paving \$22,600  
 Street scaping/plants \$3,000  
 Total \$25,600



COLLEGE ST.









L I B E R T Y S T

M C O W N S T.

Parking layout  
"B"

Development Cost

Raving \$ 22,600  
Street scape/Plantings \$ 28,600

-  = bushes plantings
-  = tall bushes
-  = trees
-  = ornamental light
-  = plaque, commemorative area
-  = stamped concrete area

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: January 15, 2018</b>	<b>Budgeted Amount:</b>
<b>Department:</b>	
<b>Prepared By: Jack Yates City Administrator</b>	<b>Exhibits:</b>
<b>Date Prepared: January 12, 2017</b>	

**Subject**

This is to consider a recommendation to the City Council regarding a proposed Intergovernmental Agreement (IGA) with ESD #2 to equally share the 2 cent sales tax that, except for the agreement, would preclude the City from getting any sales tax from a business located beyond the existing city limits.

**Description**

This would also preclude the MEDC from any sales tax in future annexed areas. This is because of the state imposed local limit on sales tax of 2%. The proposed IGA says that in the present or future E TJ areas of the city, following annexation by the city, that the sales tax will be split evenly one cent for ESD #2 and one cent for the city to be distributed by the state comptroller's office. The MEDC share would be 1/8 of one cent where now it is 1/4th of one cent. At the meeting I will have a map showing the ETJ area of the city, in order to show how much area is involved.

The reason for the IGA is in three directions:

- 1) Without an IGA no sales tax would go to the city for many development not in the city limits at the time of the election—and one half of something is better than no sales tax which is what would happen if the IJ was not in place.
- 2) A strong fire department is good for city development – a better fire department means a lower ISO ( fire insurance) rating for every resident and business and an excellent fire/rescue department promotes growth.
- 3) Without sales tax as a factor, the development of the city will in the future could become very haphazard and convoluted—meaning that without the sales tax as part of a city consideration that development could be based

Montgomery City Council  
**AGENDA REPORT**

upon utility extensions alone -- which would result in a very checkerboard type of development.  
I suppose the alternative to the IGA is to not make it an agreement at all- but that would be not help the fire department nor the city.

**Recommendation**

The City Attorney strongly recommends the agreement as do I.  
Motion to recommend approval to the City Council.

**Approved By**

City Administrator	Jack Yates	Date: January 12, 2018
--------------------	------------	------------------------

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

STATE OF TEXAS                    §  
COUNTY OF MONTGOMERY    §

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

**PRELIMINARY MATTERS**

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

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

### **FINDINGS**

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

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

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

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

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

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

I.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COUNTERSIGNED:

By: \_\_\_\_\_  
Name: John Peeler  
Title: District Counsel

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COUNTERSIGNED:

By: \_\_\_\_\_  
Name: Larry L. Foerster  
Title: City Attorney

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 2

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

THE CITY OF MONTGOMERY, TEXAS

By: \_\_\_\_\_  
Name: Kirk Jones  
Title: Mayor  
Address: \_\_\_\_\_  
\_\_\_\_\_





1575 Sawdust Road, Suite 400  
The Woodlands, Texas 77380-3795  
Tel: 281.363.4039  
Fax: 281.363.3459  
[www.jonescarter.com](http://www.jonescarter.com)

January 10, 2018

Montgomery Economic Development Corporation  
City of Montgomery  
101 Old Plantersville Road  
Montgomery, Texas 77316

Re: Engineering Development Report  
Montgomery EDC Meeting: January 15, 2018  
City of Montgomery

Board Members:

The following information summarizes the current status of development throughout the City:

**Montgomery EDC Projects:**

- 1) **Houston Street Rehabilitation** – The project is under construction and is expected to be complete by the end of the month. We are coordinating with Montgomery County Precinct 1 for installation of asphalt paving, and expect paving to be complete by the end of the month.

**Development Projects Under Construction** – Below is a list of the developments under construction:

- 1) **Heritage Medical Plaza** – 18,000 SF Medical Office Building
- 2) **Villas of Mia Lago, Section 2** – 42 Single Family Homes
- 3) **Hills of Town Creek, Section 3** – 49 Single Family Homes
- 4) **Town Creek Storage** – 29,000 SF Storage Facility
- 5) **Apache Machine Shop Expansion**
- 6) **Emma's Way Extension** – Public Road Extension
- 7) **Dusty's Car Wash** – Self Service Car Wash

**Development Projects Under Design/Review** – Below is a list of the developments that are currently in the design and approval phase:

- 1) **BlueWave Express Car Wash** – Self Service Car Wash
- 2) **The Shoppes at Montgomery** – 27.68 Ac Mixed Use Commercial
- 3) **5.7-Acre Peter Hill Commercial Tract** – Mixed Use Commercial
- 4) **Samdan Investments Development (Eva St)** – Mixed Use Commercial
- 5) **Madsen & Richards Development (610 Liberty St)** – 5,000 SF Mixed Use Commercial

**Developments in Feasibility Process** – Below is a list of the developments that are currently undergoing a feasibility study:

- 1) **1.6-Acre Baja Road Single Family Development** – 4 Single Family Homes (Presented to City Council on January 9, 2018)

**Capital Projects:**

- 1) **FM 149 Widening (TxDOT)** – The regularly scheduled December meeting was postponed due to the holidays. We are coordinating with TxDOT to continue the regularly scheduled meetings in late January.
- 2) **Buffalo Springs Drive Bridge Repair (FEMA)** – We issued a Notice to Proceed to the contractor on January 4, 2018. A pre-construction meeting for the project was held on January 9<sup>th</sup>, and construction is underway.
- 3) **Plez Morgan Drive Repair and Resurfacing (FEMA)** – The project information has been submitted to FEMA for approval for funding.
- 4) **Lone Star Bend (Montgomery County)** – It is our understanding construction is underway and is expected to be complete by the end of March.
- 5) **Lift Station No. 1 Replacement (Texas Water Development Board “TWDB”)** – We are proceeding with design of the project, and expect to be complete with the design and receive all approvals by the end of May 2018.
- 6) **Lift Station No. 3 Force Main Re-Route (TWDB)** – We expect to complete the design by the end of the month and receive all approvals in early 2018. We expect construction to begin in April 2018.
- 7) **SH-105 and Downtown Waterline Replacement (TWDB)** - We expect to complete the design and receive plan approval in March 2018. We expect construction to begin in May 2018.
- 8) **Water Plant No. 3 Improvements (TWDB)** - We expect to complete the design and receive plan approval in April 2018 and we expect construction to begin in June 2018.
- 9) **18” Gravity Sanitary Sewer Extension (Developer)** – We are proceeding with design of the project, and expect to be complete with the design and receive all approvals by the end of May 2018.
- 10) **Buffalo Springs Drive Waterline Extension (General Funds/Developer)** – We issued a Notice to Proceed to the contractor on January 4, 2018. A pre-construction meeting for the project was held on January 9<sup>th</sup>, and construction is underway.
- 11) **2017 FM 149 Cleaning & Televising (General Funds)** – The contractor is addressing final punch list items identified during our review of all videos.

- 12) Water Plant No. 2 Ground Storage Tank Backfill (General Funds)** – We plan to receive bids in May 2018, and we expect construction to begin in June 2018.
- 13) Baja Road Water and Drainage Improvements (CDBG)** – The project is currently undergoing environmental review through the Texas Department of Agriculture (TDA).
- 14) GLO Projects (General Land Office)** – We submitted the selected projects to be included in the grant application to GrantWorks, who is completing an income survey in the impacted areas to determine if the projects qualify for funding. It is our understanding funding for these projects will not be available until May 2018.

Please contact Ed Shackelford, Katherine Vu, or myself if you have any questions.

Sincerely,



Chris Roznovsky, PE  
Engineer for the City

CVR/kmv

Enclosures: Project Schedule  
cc/enc.: 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





**City of Montgomery Capital Project Schedule**

WBS	Project/Task (Funding)	Predecessor	Start	End	Cal. Days	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
<b>Lift Station No. 1 Relocation (TWDB)</b>																				
8																				
8.1	Finalize Developer Agreement		Tue 11/14/17	Wed 12/13/17	30															
8.2	Surveying	8.1	Thu 12/14/17	Sat 1/27/18	45	■														
8.3	Geotechnical Analysis	8.1	Thu 12/14/17	Fri 1/12/18	30	■														
8.4	Preliminary Design	8.1	Thu 12/14/17	Fri 1/12/18	30	■														
TWDB Change in Scope																				
8.5	Approval	8.1	Thu 12/14/17	Sat 1/27/18	45	■														
8.6	Design	8.1, 8.2, 8.3	Mon 1/15/18	Fri 3/30/18	75	■	■													
8.7	Approvals	8.4	Fri 3/30/18	Tue 5/29/18	61		■	■												
8.8	Bidding	8.5	Tue 5/29/18	Wed 6/20/18	23			■												
8.9	Award Contract	8.6	Tue 6/26/18	Tue 6/26/18	1				■											
8.10	Prepare Contracts	8.7	Wed 6/27/18	Tue 7/03/18	7					■										
8.11	Execute Contracts	8.8	Wed 7/04/18	Tue 7/17/18	14						■									
8.12	Issue Notice to Proceed	8.9	Tue 7/24/18	Thu 8/02/18	10							■								
8.13	Construction	8.10	Fri 8/03/18	Thu 2/28/19	210								■	■	■	■	■	■	■	■
<b>18" Gravity Sanitary Sewer Extension (Developer)</b>																				
9																				
9.1	Finalize Developer Agreement		Tue 11/14/17	Wed 12/13/17	30															
9.2	Surveying		Thu 12/14/17	Fri 1/26/18	44	■														
9.3	Geotechnical Analysis		Thu 12/14/17	Fri 1/12/18	30	■														
9.4	Preliminary Design		Thu 12/14/17	Sat 1/27/18	45	■														
9.5	Design	9.1, 9.2, 9.3	Mon 1/29/18	Fri 4/27/18	89		■	■												
9.6	Approvals	9.4	Mon 4/30/18	Mon 5/21/18	22				■											
9.7	Bidding	9.5	Tue 5/22/18	Thu 6/14/18	24					■										
9.8	Award Contract	9.6	Tue 6/26/18	Tue 6/26/18	1						■									
9.9	Prepare Contracts	9.7	Wed 6/27/18	Tue 7/03/18	7							■								
9.10	Execute Contracts	9.8	Thu 7/05/18	Wed 7/18/18	14								■							
9.11	Issue Notice to Proceed	9.9	Wed 7/25/18	Fri 8/03/18	10									■						
9.12	Construction	9.10	Mon 8/06/18	Mon 12/03/18	120										■	■	■	■	■	■
<b>Baja Road and Martin Luther King Water and Drainage Improvements (CDBG)</b>																				
10																				
10.1	Finalize CDBG Contract		Tue 11/14/17	Thu 12/28/17	45															
10.2	Surveying	10.1	Tue 1/02/18	Wed 1/31/18	30	■														
10.3	Preliminary Design	10.1	Thu 2/01/18	Wed 2/14/18	14	■														
10.4	Design	10.2, 10.3	Thu 2/15/18	Fri 3/30/18	44		■	■												
10.5	Approvals	10.4	Fri 3/30/18	Thu 4/12/18	14				■											
10.6	Bidding	10.5	Tue 4/17/18	Tue 5/01/18	15					■										
10.7	Award Contract	10.6	Tue 5/08/18	Tue 5/08/18	1						■									
10.8	Prepare Contracts	10.7	Wed 5/09/18	Fri 5/18/18	10							■								
10.9	Execute Contracts	10.8	Fri 5/18/18	Thu 5/31/18	14								■							
10.10	Issue Notice to Proceed	10.9	Thu 6/07/18	Sat 6/16/18	10									■						
10.11	Construction	10.10	Mon 6/18/18	Thu 8/16/18	60										■	■	■	■	■	■
<b>Water Plant No. 2 Ground Storage Tank Backfill (City)</b>																				
11																				
11.1	Bidding		Fri 4/13/18	Sat 5/12/18	30				■											
11.2	Award Contract	11.1	Tue 5/22/18	Tue 5/22/18	1					■										
11.3	Prepare Contracts	11.2	Wed 5/23/18	Tue 5/29/18	7						■									
11.4	Execute Contracts	11.3	Wed 5/30/18	Tue 6/12/18	14							■								
11.5	Issue Notice to Proceed	11.4	Tue 6/19/18	Thu 6/28/18	10								■							
11.6	Construction	11.5	Fri 6/29/18	Fri 10/26/18	120										■	■	■	■	■	■