

**City Council Regular Meeting
MINUTES
September 10, 2024 at 6:00 PM**

CALL TO ORDER:

Mayor Sara Countryman called the meeting to order at 6:05 p.m.

Present:	Sara Countryman	Mayor
	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5

Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Mike Muckleroy	Public Works Director
	Anthony Solomon	Police Chief
	Diana Titus	Deputy City Secretary
	Alan Petrov	City Attorney
	Katherine Vu	City Engineer

INVOCATION:

Councilmember Stan Donaldson gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS:

Mayor Sara Countryman led the Pledge of Allegiance to the United States and State of Texas flags.

PUBLIC FORUM:

No members of the public addressed the City Council.

CONSENT AGENDA

There were no items for consideration on the Consent Agenda.

REGULAR AGENDA

1. Consideration and Possible Action on a minor amendment to the service contract between the City of Montgomery and Kendig Keast Collaborative to add an additional in-person meeting (\$4,600) to present the Interim Ordinance Amendments at a joint meeting between the City Council, Planning and Zoning Commission and MEDC on October 01, 2024.

Mr. Palmer explained that part of the scope of work with KKC included developing Interim Ordinances for the city to adopt immediately to regulate incoming development while permanent Ordinances are being finalized. Given the complexity and broad regulatory implications of the amendments, Mr. Palmer suggested that KKC should present the Interim Ordinance Amendments in person and address Councilmembers' questions at a

joint meeting. This joint meeting is scheduled for October 1, 2024, at 6:00 p.m., the regular time for the Planning and Zoning meeting.

Councilmember Stan Donaldson, referring to the tentative budget document, asked if the joint meeting would provide the Council with an understanding of KKC's progress toward completing the tasks outlined in the work schedule. Mr. Palmer noted that KKC is ahead of schedule, and they have been asked to pause working until the beginning of the new fiscal year.

Councilmember Casey Olson moved to approve the minor amendment to the service contract between the City of Montgomery and Kendig Keast Collaborative (KKC) to add an additional in-person meeting (\$4,600) to present the Interim Ordinance Amendments at a joint meeting with the City Council, Planning and Zoning Commission, and MEDC on October 01, 2024. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

2. Consideration and possible action on Lake Creek Village's request to dedicate their private roads (and underlying storm sewer infrastructure) into the City's publicly funded system.

Mr. Gary Palmer, City Administrator, explained that the Lake Creek Village Homeowner's Association had requested the City to take over their private roads and sewer infrastructure into the City's publicly funded system. He clarified that for the City to accept the sewer and roadway, the HOA would first need to upgrade the infrastructure and roadway to meet the City standards, as determined by the City Engineer.

Council Member Casey Olson inquired about the results of the road compaction and concrete test. Ms. Vu responded that the staff had not yet received the testing results by the time the packet was completed and that only the storm sewer system had been reviewed.

Mr. Chris Roznovsky, City Engineer, stated that during construction the developer specifically asked that time not be spent reviewing roads since they weren't being turned over to the City. He did not want the City Engineer to inspect that work. The reports included testing of the additional system.

Mayor Sara Countryman noted there had not been any issues with Lake Creek Village. Councilmember Casey Olson rebutted that the City accepted roads based on the initial project specifications; therefore, when the concrete pipe is installed and the City watches the process, it is accepted as seen. This was after the fact and was not concrete.

Council Member Cheryl Fox felt the City had some culpability for this issue.

Councilmember Casey Olson asked if the type of pipe and life span was known. Ms. Vu said it was plastic pipe, and the City's standard is concrete pipe. She said at the time the development was constructed, it was private and as stated previously, the City was told not to inspect the storm sewer or the road construction. She referenced the City's request for

the CCTV videos of the storm sewer, which indicated multiple obstructions throughout the pipes, causing concern to the City about the quality of the storm sewer system.

Several public speakers commented on the request, expressing concern about the flow of water in the existing sewer system and debris left from past construction. The complexity of the situation was highlighted, and the City Council was urged to consider accepting the facilities carefully without ensuring they are brought up to City standards first.

Mayor Sara Countryman felt there may be an injustice to taxpayers if the City does not approve the request.

Councilmember Casey Olson expressed concern about the damage. He said the pictures submitted to the City showed powerlines running through the middle of the culvert. He stated that if the problems were fixed, the City would have no issue taking over the roads and sewer system.

Councilmember Cheryl Fox asked Mr. Fink to state the HOA's main reason for this request. Mr. Fink responded it was for public safety. Police Chief Anthony Solomon responded that his department had conducted traffic control in the development.

Councilmember Cheryl Fox moved to accept the action on Lake Creek Village's request to dedicate their private roads (and underlying storm sewer infrastructure) to the City's publicly funded system. Councilmember Carol Langley seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

A citizen stated that a gate would be necessary and that paperwork would be required to sign off on the transfer. Councilmember Olson wondered if, once the City took ownership, if they could make a claim for damage done by the contractor.

Rusty Herridge inquired about ownership of the light poles in Lake Creek Estates.

3. Consideration and possible action regarding approving expenses for improvements at Memory Park.

Mr. Mike Muckleroy, Public Works Director, stated that the local Rotary Club had offered to pay the larger portion of the improvements at Memory Park if the City was willing to assist. He noted that \$40,000 had been budgeted in capital projects, and there is currently \$12,100 left in the line item for Park Improvements. The total amount for the project is \$43,560, and Rotary has agreed to pay the difference of \$31,460.

Mayor Sara Countryman asked if there were any repairs anticipated before the end of the fiscal year and Mr. Muckleroy affirmed that no repairs were anticipated.

Councilmember Casey Olson moved to approve the expenses for improvement at Memory Park. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

4. Consideration and possible action regarding approving expenses for repairs to the blacksmith's shop at Fernland Park.

Mr. Mike Muckleroy noted that one bid was obtained quickly for repairs due to wind damage. He said the one bid is from Dry Tex Restoration and has worked for the City in the past. He noted that this repair had not been budgeted and would be paid by an insurance claim.

Councilmember Casey Olson moved to approve the expenses as presented in the amount of \$11,355.02 to Dri-Tex Restoration. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

5. Consideration and possible action approving an Administrative Services Agreement with GrantWorks for the American Rescue Plan Act funds.

Ms. Maryann Carl, Director of Finance, mentioned that ARPA funds were discussed during the budget workshops. The City received an estimate for the administration of services from GrantWorks, which has a full ARPA division.

Councilmember Casey Olson asked about the timeline for ARPA projects. Ms. Carl explained that projects must be committed by December 30, 2024, with funds to be expended by 2026, provided the City makes a good-faith effort to appropriately expend the funds. She emphasized the benefit of having an Administrative Agreement to help identify qualifying projects, noting that an annual report must be submitted in March.

Mayor Sara Countryman asked if the vendor would offer protection to the City in case ARPA funds were misdirected. City Attorney Alan Petrov confirmed that the extra layer of administration would provide such protection.

Councilmember Olson asked how much money was involved, and Ms. Carl said approximately \$372,000, including interest. She added that staff would provide a list of potential projects, and GrantWorks would help determine which projects clearly qualify for ARPA funding and which might require additional steps. Councilmember Olson did not like borrowing money from the federal government, but he understood and knew that GrantWorks could benefit the City. Ms. Carl clarified that the ARPA funds were given to local districts because of the COVID pandemic.

Councilmember Casey Olson moved to approve an Administrative Services Agreement with GrantWorks for the American Rescue Plan Act funds. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

6. Consideration and possible action authorizing the City Engineer to begin work on the West Lone Star Parkway Waterline Extension Project.

Ms. Vu explained that this project would extend the 12-inch waterline along Lone Star Parkway from the county's Community Center west to the western boundary of the proposed Tri Pointe Development. As outlined in their approved development agreement, Tri Pointe will fund the engineering and construction of this project.

Councilmember Stan Donaldson asked who the field project representative would be. Ms. Vu the project would be assigned to an inspector from the City Engineer's Office.

Councilmember Casey Olson made a motion to authorize the City Engineer to begin work on the West Lone Star Parkway Waterline Extension Project upon receipt of developer funds. Councilmember Carol Langley seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

7. Consideration and possible action on a Development Agreement by and between the City of Montgomery, Texas, and Taylor Morrison for a proposed 56-acre single-family residential development (Dev. No. 2404).

Mr. Chris Roznovsky, City Engineer, reviewed the highlights within the development agreement, stating that as part of their design for the development, the development would be connected to the waterline on Lone Star Parkway and the line at Buffalo Springs to close the loop in the system. The proposed project had been presented to the City Council in a Feasibility Study and developer presentations. He noted that the Development Agreement was based on the City's regulations and approved variances granted to the developer.

Councilmember Casey Olson moved approve the Development Agreement as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

8. Consideration and possible action authorizing the City Engineer to begin work on the Lift Station No. 10 Improvements – Phase II Project.

Mr. Roznovsky stated this project was development-driven and would serve the Taylor Morrison project. He provided the highlights of the project.

Councilmember Casey Olson moved approve the Development Agreement as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

9. Presentation and acceptance of a Feasibility Study for proposed 50.8-acre mixed-use development by Devpoint, LLC known as the Villages of Montgomery (Dev No. 2412)

Ms. Vu explained that Devpoint, LLC has proposed a mixed-use development along SH-105 west of Sheppard Street, also referred to as the Villages of Montgomery tract. The property is located within the City limits. The property is currently zoned R-1 residential and B commercial. Dependent upon the proposed permitted use, the developer may be required to rezone the property, which would require approval of the Planning and Zoning Commission and the City Council.

With the proposed lot sizes, the Developer would be requesting variances for lot width (the proposed minimum lot width is 45'), lot depth (the proposed lot depth is 100'), and lot area (4,950 sf). The request is for 71 - 45' single-family lots, 27 - 50' single-family lots, commercial pads, and a mixed-use area. She noted that some of the lots are currently being proposed as alley-loaded lots.

Ms. Vu discussed the analysis, which indicated that after completion of the City's Water Plant No. 2 Improvements project currently underway, the City would have the water capacity to serve the development and existing developments for the next few years but would need additional water plant capacity to serve all existing and proposed developments at full build-out. Once the well at Water Plant #2 is back online, the immediate next steps would be to install an additional booster pump at Water Plant #3 to get the capacity up to 730,000 gallons per day. This development is proposing approximately 26,230 gallons per day based on information provided by the developer. They will be connecting to the 12" water line on the south side of SH-105, as well as the water lines on College Street and Caroline Street. It will be a loop system and will benefit the residents of College and Caroline Streets.

The analysis also showed that the City would have the sanitary sewer capacity to serve the proposed development, existing developments, and committed developments at full build-out when the Town Creek Wastewater Treatment Plan project is completed.

Additional requirements for the developer will include submission of a drainage impact analysis to the City, a traffic impact analysis for the development, and in conjunction with the homes being added along Sheppard Street, the developer will be required to extend Sheppard St. to the full 28' asphalt pavement width to SH-105.

Councilmember Casey Olson asked about the line along SH-105 that will be relocated. Ms. Vu discussed the development costs, stating the developer would be responsible for impact fees for this development. Based on recently updated impact fees, they will pay approximately \$268,000 in water impact fees and \$257,000 in impact fees. In the feasibility study, staff has outlined what deposit would be required for the City to hold in Escrow to cover plan review and inspection fees, as well as the off-site sanitary sewer improvements. She said the City would generate approximately \$20,273 per year in debt service and \$63,327 in operations and maintenance revenue from this development.

Councilmember Casey Olson asked about relocation of utilities along SH-105. Ms. Vu responded that as far as what needs to be relocated for TexDOT, some of it is along the frontage. A lot of the required storm sewer adjustments will be vertical, and the City's utilities run the opposite direction. She noted that if one of the sanitary sewer lines was found to be in conflict, they would take care of that with the office extension.

Mayor Sara Countryman explained why the variance is being discussed since the homes will be vertical and long, bringing a lot of value to the City. Ms. Vu stated that this evening, the City Council is only accepting the presentation, this action does not enter the City into a development agreement.

A brief discussion ensued about the style of homes and the project engineer was present to answer questions.

Councilmember Casey Olson moved to accept the Feasibility Study as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

10. Presentation and acceptance of a Feasibility Study for a proposed 73.7-acre single-family residential development by Dunhill Builders, Inc., known as Mia Lago Reserve (Dev. No. 2411).

Ms. Vu explained that Dunhill Builders, Inc. has proposed a single-family development on a 73.7-acre tract located east of Lone Star Bend and Mia Lago Drive, also known as the Mia Lago Reserve Tract. The tract is located outside City limits and would need to be fully annexed prior to receiving utility service. The development would consist of approximately 59 ³/₄ acre single-family lots for in-city service or partial service at full build out. The final land plan may affect the estimated costs and revenues associated with the development. Ms. Vu noted that the capacity issues are similar to those described in the previous agenda item presentation.

Councilmember Casey Olson asked about the location of the property. Ms. Vu responded the property is a majority in the City of Conroe Extraterritorial Jurisdiction (ETJ) and a portion is in the City of Montgomery ETJ. They are allowed to present to the Montgomery ETJ because of the portion that is in the City. She stated that before this property may be annexed into the City, they will have to be decertified from the City of Conroe ETJ, and the City of Montgomery would have to receive confirmation of the decertification prior to annexation.

Mayor Sara Countryman asked about the probability of the City of Conroe releasing the property to Montgomery. Mr. McCorquodale responded that during the most recent legislative session, this process was simplified by allowing developers to exclude themselves from the ETJ with a petition. However, in speaking with the City Attorney last week, Mr. McCorquodale learned that the City of Conroe has historically chosen not to take action, and the statute states that if there is no action within 45 days, the process happens automatically. The attorney general is in agreement and there are several lawsuits underway that will provide more clarity to the process.

Ms. Vu stated there would be one entrance/exit for this development and as part of that the City is requesting that they receive approval from the Montgomery County Fire Marshall. They would also be required to produce a traffic impact analysis for the impact on Lone Star Bend and the two neighboring intersections.

Mayor Sara Countryman wondered if this project would connect to another project where land is being cleared for construction along Bois D'Arc Bend. Ms. Vu noted the developments would not connect.

Councilmember Stan Donaldson noted there was a request to construct a boat dock. He also referred to the developer's request to use septic tanks, and he had no objection to that request.

Ms. Vu said they would be required to connect their waterline to Mia Lago Drive, as well as the one on Lone Star Bend to create a loop system. She discussed sanitary sewer and said the developer has requested septic service. The ordinance does not allow septic service. However, she said it would be up to the City Council to approve a variance to allow septic service. She shared pros and cons of a septic system.

Ms. Vu stated that staff had evaluated the drainage side of their storm sewer system, which would be considered public with retention ponds. She noted that the channel at the southern side of that property is currently proposed in their land plan to be individually owned by the residents. Staff has requested that be modified and the whole channel be dedicated as a single reserve, to create one entity for the maintenance of the channel.

The developer would be responsible for impact fees which would include a sanitary impact fee if they receive service from the City, and if septic is permitted, then they would only pay a water impact fee. The estimated water impact fees would be \$119,747 and wastewater impact fees would be \$115,109. Tax revenue to the City would be approximately \$42,389 per year in debt service and \$132,411 in operations and tax revenue.

Councilmember Casey Olson moved accept the Feasibility Study as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

11. A Resolution Of The City Council of the City of Montgomery, Texas Authorizing The Change In Name On The Construction Account; Closing Inactive Accounts; Assigning Authorized Signers For All City Of Montgomery Banking Accounts With First Financial Bank; And Providing An Effective Date.

Mayor Sara Countryman read the Resolution by title only.

Ms. Maryann Carl, Director of Finance, announced that this item is housekeeping in nature. She outlined the changes that would occur as a result of adopting this Resolution.

Councilmember Carol Langley asked about the line item for the utility fund. She asked if there was another utility account, and Ms. Carl said yes, at the investment level. She stated that in the next financial report, she would print out the claim on cash information. She stated that this change was recommended by the City's auditors. She answered questions asked by the City Councilmembers.

Councilmember Stan Donaldson moved to adopt the Resolution to update bank accounts and bank signers with an effective date of September 10, 2024. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

12. Consideration and possible action on appointment of Wayne Joe to City Council Place 3 to serve the remainder of the term expiring in May 2025.

Councilmember Casey Olson proposed no action be taken on item 12 due to Mr. Wayne Joe not being present. No action was taken.

COUNCIL INQUIRY:

Mayor Sara Countryman inquired about what a resident should do if a worker enters their property but is unable to speak English. She noted that due to new development there are a lot of workers in the City, and residents have asked this question. There was no actionable offense with respect to workers unless there was unwelcome disruption of private property. It was advised that Comcast has multiple independent subcontractors working for them on issues throughout the City.

Councilmember Casey Olson asked if contractors could be asked to leave if they were being caught taking water without permission. Police Chief Anthony Solomon responded. He advised there is a scam with people dressing up like utility workers and if this type of activity was witnessed, a resident should call the Police Department (911).

Councilmember Stan Donaldson said that Hope Brown contacted Habitat for Humanity to discuss her father’s home. He was hopeful that they would receive some assistance. He also thought it would be nice if the City could provide information about opportunities for assistance to residents who are having financial difficulties.

EXECUTIVE SESSION:

Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, Section(s): of the State of Texas.

551.074 (personnel matters) – City Secretary Recruitment

551.074 (personnel matters) – Finance Director Discussion

Council adjourned into Executive Session at 7:37 p.m.

Council reconvened into Open Session at 8:19 p.m.

ACTION FROM EXECUTIVE SESSION:

No action was taken on items from Executive Session.

ADJOURNED at 8:20 P.M.

Date Approved: _____

Submitted by: _____
Diana Titus, Deputy City Secretary

Mayor, Sara Countryman