

MINUTES OF REGULAR MEETING

July 27, 2021

MONTGOMERY CITY COUNCIL

CALL TO ORDER

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

Present:	Sara Countryman	Mayor
	Carol Langley	City Council Place # 1
	Kevin Lacy	City Council Place # 2
	T.J. Wilkerson	City Council Place # 3
	Julie Davis	City Council Place # 4
	Byron Sanford	City Council Place # 5

Absent:

Also Present:	Richard Tramm	City Administrator
	Dave McCorquodale	Assistant City Administrator
	Alan Petrov	City Attorney
	Katherine Vu	City Engineer

CALL TO ORDER

INVOCATION

Byron Sanford gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must be recognized by the Mayor. Council may not discuss or take any action

on an item but may place the issue on a future agenda. The number of speakers along with the time allowed per speaker may be limited.

Mayor Countryman said she received four citizen and visitor forms. Mayor Countryman said she would call each person up as the forms were received and stated there is a three-minute time limit for each person.

Ms. Juanita Simmons said two weeks ago she attended a City Council meeting and got to see the City at work. Ms. Simmons said she would like to think City Council has listened to the people and maybe they will not be so biased in what they are trying to do and will be concerned and represent all of us here. Ms. Simmons said she thinks ethics, moral compass, trade laws, free enterprise, political fairness in representing every citizen of the City was temporarily abandoned. Ms. Simmons said she wants to implement ways that encourage pride and brings new business to the City. Ms. Simmons said she thinks they should clean up and revitalize parts of the City that do not promote safety and listen to all of the citizens. Ms. Simmons said she thinks they should stop the use of radical platforms that harbor other individuals. Ms. Simmons said she thinks if you surround yourself with like-minded people that think just like you do then you are not representing the rest of us. Ms. Simmons said her pet peeve is golf carts. Ms. Simmons said she drives a golf cart and has trouble crossing from SH 105 to go to Brookshire Brothers. Ms. Simmons said she spoke with Councilmember Davis and showed her where she thinks that could be improved because there have been deaths in this area and this County with golf carts trying to cross the street. Ms. Simmons said she wanted to thank the City for passing the 20 percent homestead exemption and thinks that is a great step in the right direction.

Ms. Brandi Chrisenberry of 18913 Bethel Road, Richards, Texas said she is a member of the community although she is not a resident she wants to be here to offer support to all the locals and in the community. Ms. Chrisenberry asked that while Council is making these decisions to think about what they want to do with these ordinances and things they are about to talk about and pass she thinks it is really easy to forget about the fact that this is our hometown. Ms. Chrisenberry said she wants to remind everyone and herself included that people are pouring into our State right now and they are getting people every day out at the farm visiting that are leaving their states from these states that have such a governmental overreach that they can no longer operate their businesses and their homes and they are not creating happy, positive memories in their states anymore. Ms. Chrisenberry said we have to be better than that because everyone is looking for an example right now and this town is capable

of that. Ms. Chrisenberry said it is an incredible blessing that everyone shows up today to fight for small businesses and the community itself. Ms. Chrisenberry said she does not know about all the politics, but she thinks small businesses and communities and talking with and supporting each other even when the competition is the competition, they need to figure out other ways to do things.

Mr. Clevenger said he wanted to bring attention to the amount of support from the citizens of just not the City of Montgomery but all around our community. Mr. Clevenger said the City of Montgomery depends on the revenue generated not just by the good people who reside within the City limits but everyone within the immediate surrounding neighborhoods. Mr. Clevenger said they also as a community try to work together to attract outside dollars for people to come in and they need to work better at creating and developing a place as a community for people who want to come in and enjoy what we already know. Mr. Clevenger said these two local businesses owned by local residents located at 404 Caroline Street do not just bring jobs and revenue to the City, they bring charm, and more importantly, above all else, they bring people who want to stroll around our community who are potential shoppers and potential home buyers. Mr. Clevenger said as a City and as a community he believes there are so many more important issues they face together than a coffee and ice cream business. Mr. Clevenger thanked Mr. Tramm for his words and implores everyone to read page 111 of the agenda as it stresses the fact of an ice cream business and coffee business is high on the agenda and he references back to the fact that there are so many more important issues facing us as an entire community. Mr. Clevenger said it is not just us. Mr. Clevenger said God bless us all, as he knows we need it, and God bless our community.

Mrs. Julie Stewart thanked Mr. Mike Muckleroy, Public Works Director, and the others in the town who started the process of trying to fix the origins of the sewage overflow on their property. Mrs. Stewart said she is looking forward to seeing the completion of the remediation that prevents this pollution and thanks them very much.

Mrs. Stewart said she would also like to have on record the broken and damaged play equipment at Cedar Brake Park. Mrs. Stewart said she would also like to suggest the addition of a splash pad. Mrs. Stewart said she thinks it would be greatly utilized and a great addition to the Park.

Mrs. Stewart said the City spends a lot of money on things that she thinks are not necessary. Mrs. Stewart said her biggest concern right now along with a lot of others are the concrete goats and a goat

mascot costume that are being pushed on the town. Mrs. Stewart said personally she thinks mascots are for schools and she would like to see money spent on something like that going toward fixing and/or improving the Park for the children and residents in the town.

CONSENT AGENDA:

1. Matters related to the approval of the July 13, 2021 Regular Meeting Minutes.

Julie Davis moved to accept the Consent Agenda as presented. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

CONSIDERATION AND POSSIBLE ACTION:

2. Consideration and possible action regarding adoption of the following Proclamation: Recognizing a truly remarkable athlete and City resident, Paislee Bell, on her outstanding accomplishments in gymnastics.

Mayor Countryman said she would like to read the Proclamation to everyone this evening and thinks it is very phenomenal that Paislee works out at the gym with Simone Biles and hopefully within the next three or four years we will see Paislee Bell there at the Olympics.

PROCLAMATION

WHEREAS, Paislee Bell began competing in 2014 and in her first season of competitive gymnastics, Paislee made it to the District 5 Championships where she finished fourth on bars and fifth all-around; and

WHEREAS, during the 2015-2016 season, Paislee competed at the Houston National Invitational where she won the bars, beam, floor, and all-around titles. The next fall season, Paislee finished up her season at the Texas South State Championships where she brought home gold medals on bars and beam and earned a silver medal in the all-around; and

WHEREAS, during the 2017 season, Paislee kicked off her season at the Boots & Bling District 5 Qualifier and finished fourth place on bars; and

WHEREAS, in February 2018 at the Biles Invitational Paislee finished second on floor and third on beam. Paislee finished her compulsory season in the fall of 2018 and finished as the Texas State beam champion as well as finishing second place in the all-around and third place on bars; and

WHEREAS, during the 2020 season, Paislee kicked off her season at the Alamo Classic where she finished second on bars and third on floor and all around. Paislee improved her all-around score at

each meet throughout the season and had her best showing at the Biles International Invitational in February winning the bars, floor, and all-around titles; and

***WHEREAS**, during the 2021 season Paislee won the following: Texas State All Around Champion (#1 in Texas), Texas State Bar Champion (#1 in Texas), Region 3 Beam Champion (#1 out of 7 states), Region 3 All Around Silver Medalist (#2 out of 7 states) and Western Bronze Medalist on Floor (#3 out of 24 states).*

***WHEREAS**, currently, Paislee is a level 9/10 gymnast, she trains 34-hours per week (six days a week) at the World Champions Centre, home of Simone Biles. Paislee attends homeschool where she is a grade ahead and expects to graduate in 2027.*

***NOW, THEREFORE**, be it proclaimed that the Mayor and Members of City Council of the City of Montgomery do recognize a truly remarkable athlete and resident of the City of Montgomery, Paislee Bell, and congratulate her on her outstanding accomplishments in gymnastics.*

PASSED, APPROVED AND ADOPTED this 27th day of July, 2021.

Mayor Countryman then presented the Proclamation to Ms. Bell.

3. Consideration and possible action regarding the Final Plat for Town Creek Crossing Section One as submitted by LeFevre Development, Inc.

Richard Tramm said this subdivision is located on the northwest corner of Lone Star Parkway and Buffalo Springs Drive and includes Section One includes 102 lots and 14 reserves. Mr. Tramm said the Planning and Zoning Commission approved the Final Plat at their Special Meeting held on July 20, 2021.

Mrs. Vu said this is a routine final plat and they offer no objections to approving the final plat. Mrs. Vu said the variance for the buffer zone was approved a few weeks ago and has been included.

Kevin Lacy asked if the open space where the drainage is will always be open space. Mrs. Vu said that is correct.

Julie Davis asked if there is any liability for the City because several of these are within the 100-year flood plain. Mrs. Vu said there is not. Mrs. Vu said what the developer is also doing right now is working on a Letter of Map Revision to modify the FEMA maps, all the development that the

developer has gone in and done on the channel the FEMA maps are still from before all of that so once the maps are revised those properties will come out of the flood plain.

Kevin Lacy moved to approve the Final Plat for Town Creek Crossing, Section One as presented. T.J. Wilkerson seconded the motion, the motion carried unanimously. (5-0)

4. Consideration and possible action regarding adoption of a Resolution approving the Montgomery County Emergency Communication District annual budget for the fiscal year beginning October 1, 2021.

Mr. Tramm said each year the Montgomery County Emergency Communication District must present its budget in a proposed form to governing bodies of participating jurisdictions. Mr. Tramm said the MCECD must receive approval from a majority of participating jurisdictions for the budget to be approved. Mr. Tramm said if any participating jurisdiction does not take action, then their approval is presumed.

Mr. Tramm said Mr. Chip VanSteenberg with the MCECD is here this evening to present and discuss the budget.

Mr. VanSteenberg, Executive Director with the Montgomery County Emergency Communication District said they are a County-wide independent unit of open government formed by the voters of Montgomery County in 1985. Mr. VanSteenberg said they are responsible for coordinating 9-1-1 service between telephone companies and the responding agencies.

Mr. VanSteenberg said four agencies operate emergency communication centers or 9-1-1 call centers here in the County. Mr. VanSteenberg said they support all four of those and provide them with the network they operate on, the equipment they use, as well as the coordination of the telephone companies to make sure that when a citizen dials 9-1-1 that call is routed to the correct emergency call center. Mr. VanSteenberg said those call centers are operated by the Montgomery County Sheriff's Office, the Conroe Police Department, Montgomery County Hospital District, and The Woodlands Fire Department. Mr. VanSteenberg said they provide services and work closely with all four of those entities.

Mr. VanSteenberg said their budget is under \$5 million and they are funded by 9-1-1 fees that are collected over different kinds of telephone service whether that is a traditional wire lines service, a voice over internet phone call, or cell phone wireless fees which makes up about 70 percent of their revenue and 85 percent of the calls.

Mr. VanSteenberg said they use that money primarily to establish connections, circuits, and connection costs as well as financially support the two emergency primary call centers in Montgomery County.

Mr. VanSteenberg said they have four categories of expenditures overall. Mr. VanSteenberg said their revenue is going to go up this year by 3.6 percent and estimated expenditures will increase over last year's budget by 3.1 percent. Mr. VanSteenberg said their largest category of expenditures is what they call their cost of service but that includes those payments to the Sheriff's Office and the Conroe Police Department for personnel, 9-1-1 calls as well as services like text messaging, which they have added recently, voice translation service for the call taker so if someone calls in that does not speak English they have access to a service that will provide them translations for dozens of languages, as well as an emergency alerting service. Mr. VanSteenberg said their second category of expenditures is personnel. Mr. VanSteenberg said those are anticipated to increase this year by 1.3 percent. Mr. VanSteenberg said the final category of expenditures is general administrative costs which are expected to have a 14.7 percent increase this year because they plan to do some long-range planning.

Mr. VanSteenberg said the district has recently purchased 11-acres on SH 105 close to Montgomery for a future 9-1-1 site. Mr. VanSteenberg said at the site they are at right now at the Sheriff's complex in Conroe they have already outgrown. Mr. VanSteenberg said they are going to work on some development-related costs this year as well as planning costs so they can plan to eventually build out that site.

Julie Davis asked with the trends that are showing for landlines on a serious decline on page 46, why is it shown on page 49 as an increase in the fiscal budget for landlines for 2022. Julie Davis said year over year you are showing a decline on one and an incline on the other and it seems backward. Mr. VanSteenberg said the budget that you are seeing now is the estimated revenues this year versus estimated revenues last year. Mr. VanSteenberg said they

underestimated landline revenue even though they are falling they took a conservative approach and estimated a very low number and now they are starting to hold steady specifically Consolidated more than AT&T.

Julie Davis moved to approve this agenda item as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

5. Consideration and possible action regarding nomination of an appointee to the Montgomery County Emergency Communication District Board of Directors.

Mr. Tramm said there are two positions on the Board of Directors that represent cities. Mr. Tramm said for the term that is preparing to expire on September 30, 2021, it is currently held by Mr. Paul Virgadamo from the City of Conroe. Mr. Tramm said Mr. Virgadamo has indicated he is willing to continue to serve in that position. Mr. Tramm said City Council can choose to nominate Mr. Virgadamo or choose to nominate another candidate. Mr. Tramm said at this time no other person is seeking this position. Mr. VanSteenberg confirmed there is no other person that has expressed interest. Mr. VanSteenberg said as everyone is probably aware Mr. Tramm holds the other position that is confirmed by the cities.

Julie Davis said she assumed their terms run alternating years so that way Mr. Tramm's position would not expire until next year. Mr. VanSteenberg said that is correct.

Kevin Lacy moved to accept the nomination of Mr. Paul Virgadamo from the City of Conroe for the Montgomery County Emergency Communication District Board of Directors. Carol Langley seconded the motion, the motion carried unanimously. (5-0)

6. Consideration and possible action regarding a renewal proposal of the contract with Waste Management of Texas, Inc. for solid waste collection in the City.

Mr. Tramm said Waste Management has provided trash collection services to the City for several years. Mr. Tramm said the current contract was signed in 2015 and was extended by an amendment in 2018 for an additional three years. Mr. Tramm said the contract is set to expire on July 31, 2021. Mr. Tramm said Waste Management recently submitted to the City a

renewal proposal for review and consideration. Mr. Tramm said current fees versus the newer proposed fees are presented on the chart with the agenda item. Mr. Tramm said there is a four percent increase for residential carts, a 45 percent decrease for those wanting a second cart. Mr. Tramm said there is a 29 percent increase, approximately \$6.00 for the first commercial cart and a drop from \$14.48 to \$8.00, a 45 percent decrease for a second commercial cart.

Mr. Tramm said staff recommends a minor increase in the City's garbage rates that would cover the cost for the renewed proposal. Mr. Tramm said a separate agenda item will address that and City Council can decide. Mr. Tramm said Ms. Terry Woodson, Public Sector Solutions Manager, Waste Management is here this evening to address any questions.

Mayor Countryman thanked Ms. Woodson saying she was great to work with and has always taken care of the City which she appreciates. Mayor Countryman said she knows sometimes there feels like there has been some buzz about them being forgotten sometimes and during COVID-19 there was trash left over from the day before but Ms. Woodson was highly responsive and Mayor Countryman thanked her for that. Mayor Countryman said she knows Ms. Woodson is also struggling with headcount and labor. Ms. Woodson said if anyone has a CDL and wants to apply she will give them her card to do so.

Kevin Lacy said it was fantastic how Waste Management responded last year. Kevin Lacy said every time there was an issue Waste Management jumped right on it and particularly Ms. Woodson which he thanked her as well.

Kevin Lacy asked Mr. Tramm when the City has contracts like this coming up, is it typical for the City to allow other companies the chance to bid on these contracts. Mr. Tramm said it varies and he knows he has spoken about going out for proposals on things and if it is something City Council wants to do they can certainly do that. Mr. Tramm said one thing he has seen with trash services is there are a limited number of providers and he has seen many times where people have changed companies and then lived to regret that. Mr. Tramm said in the community where he lived before they made that decision away from Waste Management and after six or seven months canceled that contract and went with another company because they saved money but created major headaches within the community. Mr. Tramm said with that said if City Council wants him to take that on they can advertise for another provider.

Kevin Lacy said if there were some major issues although there have not been and the feedback has been very good. Mr. Tramm said if the service level was where he thought it was two years ago he would have said something different.

Mayor Countryman said they are a growing community and they have four new neighborhoods coming and with that Waste Management has been so kind to give them those two large trash bins for their bulk trash day. Mayor Countryman asked if they could have an additional one or two. Mayor Countryman said that would be helpful because as of most recently they have been filled up even before noon. Ms. Woodson said with the City approving the three-year agreement she does not see that being a problem at all in raising that number to four.

Mayor Countryman said when they order a trash can it can take up to a week. Mayor Countryman asked if there is any way they can expedite that with all the growth and homes being developed. Ms. Woodson said they have a contractor that is working with them and doing an amazing job and they are having the same problem they are with manpower so they are working very hard to try to hire more staff so they can come in around three or four days. Ms. Woodson said they have made some progress recently with some help from Waste Management so they are going to continue helping them to strive to get that also.

Julie Davis said the current contract they are looking at is three years with a two-year extension and asked if the biggest one was a three year with a three-year extension. Ms. Woodson said the City went to bid in 2015 and in 2018 they got the extension for that. Julie Davis asked if they were extended due to COVID-19 or it was a three/three before. Ms. Woodson said it was a three/three. Julie Davis said so now they are doing three/two. Julie Davis asked if they could now possibly lock the rates in for the full five years assuming they just do an extension. Ms. Woodson said correct, they get an annual price increase that is part of keeping their margins so they can maintain their level of service for the City and they do it just with CPI and fuel. Ms. Woodson said she believes the City's fuel has a trigger and they have compressed natural gas trucks and even their nonautomated trucks are all compressed natural gas so they have a really good inexpensive fuel because it is just so efficient.

Julie Davis said in the contract it is triggered at \$4.00 a gallon which diesel is still underneath \$4.00 a gallon. Julie Davis said they are still seeing an increase on the trash. Ms. Woodson

said there is a consumer price index for trash and garbage. Julie Davis said they are seeing a huge reduction on second cans. Ms. Woodson said they have found through COVID-19 more people need them and in 2019 and 2020 she was instructed to lower the cost of the second cart to help families. Julie Davis said she does appreciate that as she has two cans but said she does not know if there are a lot of people in their town that have a second can right now. Julie Davis said she imagines there will be lots of new requests for a second can now that it is considerably cheaper.

Julie Davis said her other concern is that the City's businesses are paying a huge increase. Ms. Woodson said the reason why is the volume coming into those businesses now. Ms. Woodson said they are not just picking up a cart, they are picking up yards of debris next to the cart. Ms. Woodson said they need to be compensated for everything they are picking up. Ms. Woodson said they are going to work with some of the businesses to get them extra carts. Ms. Woodson said they received lower rates for extra carts so they can have enough carts and they are also going to try and help them to work with their neighbors and see if they have large amounts of shipments coming if maybe they pay the neighbor that maybe has an eight yarder and they do not have room for an eight yarder at their location. Ms. Woodson said maybe they work together as co-businesses and see if they can get that debris off the street instead of piling it up in front of their business.

Julie Davis asked if when talking about an eight-yarder you are talking about a dumpster, not the actual trash cans they are talking about which are 96 gallons. Ms. Woodson said correct. Ms. Woodson said the 96-gallon cart holds half a yard and when they get an 18-wheeler in there is no way that will work. Ms. Woodson said for normal weeks they are fine and normally do not need that but that is why they have worked with other cities in Montgomery's situation where some of your businesses just do not have the parking lot space to work with some of their neighboring businesses to have a line of communication and maybe they can help them out during times when they get a big load in to keep it off the streets.

Julie Davis said it is written in the contract that you are allowed two extra items every single week and four cans are the limit, not two. Julie Davis said they only have prices for two and asked if the third and fourth cart is also \$8.00 a cart and can businesses have up to four carts. Ms. Woodson said correct. Julie Davis said she just wants to be clear they are all \$8.00. Ms. Woodson said the first one is the regular price and the others are \$8.00. Ms. Woodson said

they lowered that rate to be more of an assistance to the residents and the businesses. Julie Davis asked if they are putting out more than the two designated items every single week is there a written clause for a fine for excessive use. Ms. Woodson said that is not their job. Ms. Woodson said they want to help them manage their waste with more carts but they also want them to help manage and realize when they have a large volume coming in. Ms. Woodson said she would be more than happy to come and talk with any of the business owners to go and meet with their neighbors and initiate communication with them to see if they can help each other out.

Julie Davis said she also noticed it constitutes a special collection for possible hazardous waste. Julie Davis asked if they have to call in or do they have a liaison for that. Ms. Woodson said it is called At Your Door. Ms. Woodson said they have had this program in the City for several years and it is very successful. Ms. Woodson said they have done mailers to the residents and they would recommend and work with the City staff to do another mailer to all the residents to remind them if they need to get rid of paint, motor oil, antifreeze, and shots. Ms. Woodson said she can work with your staff and with Hailey, who is fabulous to work with, as she has all the information to help the residents. Julie Davis said she thought it was a great opportunity to present so people know about it more because she is not sure she fully knew about it. Ms. Woodson said these items are called special waste and this is something they need to keep out of landfills. Ms. Woodson said this is a great resource for residents, yet not all communities have this program and she is a big advocate of it because they come to your house and pick it up. Ms. Woodson said you can put it at your front door and they will come and pick it up.

Mayor Countryman said that brings up a good point and they should put that back in the water bill. Mayor Countryman said they have had that before but she thinks it would be a great reminder.

Byron Sanford moved to accept the three-year renewal and two-year extension for the proposal with Waste Management of Texas. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

7. Consideration and possible action regarding adoption of the following ordinance setting rates for solid waste collection service in the City:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE RATES TO BE CHARGED FOR SOLID WASTE COLLECTION SERVICE INSIDE THE CITY OF MONTGOMERY, TEXAS; PROVIDING FOR A PENALTY FOR FAILURE TO PAY ACCOUNTS; PROVIDING CONDITIONS UPON WHICH SERVICE WILL BE RESUMED; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE FOLLOWING PUBLICATION.

Mr. Tramm said with the approval of the Waste Management contract this change approved by City Council would amend the fees to follow the contract and also includes a 2.5 percent increase to cover the cost of the City's time and administering the work. Mr. Tramm said as was mentioned before to change the number of carts or if residents get new carts, City staff is in communication with Waste Management and it covers time for that. Mr. Tramm said when there are issues such as a house getting missed for pick-up there is communication between residents and the City and it covers that time. Mr. Tramm said that is what the administration fee is meant for.

Mr. Tramm said last year although they had a moderate increase from Waste Management, the City did not take action to raise that and absorbed it through the administrative fee as the pandemic year was probably not the time to consider raising the fees to the residents.

Julie Davis said she has concerns about the 2.5 percent over and above what Waste Management is charging them. Julie Davis said they have not done it in the past and have been just fine. Julie Davis said she hears Mr. Tramm say personnel but every single time because she is on the end of the run and Ms. Woodson knows that she has her phone number and she has hers and the minute her cart is missed she is on the phone with her and she does that herself. Julie Davis said she is trying to understand why are they charging the citizens 2.5 percent more. Mr. Tramm said they have charged that in the past. Julie Davis said not last year so in the past has it always been 2.5 percent. Mr. Tramm said they previously had 2.5 percent added on to cover the City's administrative costs. Mr. Tramm said last year they did not raise the rates

charged to citizens and just let that increase absorb into the 2.5 percent because as he said before the pandemic was the wrong time to talk about increasing the rates to the residents.

Kevin Lacy asked how much time did they spend last year on the phone with Waste Management and how much money does that equate to in the last 12 months. Mr. Tramm said some weeks there may be no communication and some weeks there may be a couple of hours. Mr. Tramm said any time a new resident moves in there is communication back and forth. Mr. Tramm said when the residents move out there is communication back and forth because carts are brought out to the residents and are removed from the residents who are moving out. Mr. Tramm said any time new homes are constructed for new residents there is a new cart that is delivered there. Kevin Lacy said to justify it how is it tracked in determining the amount of time invested last year even though they did not raise rates. Mr. Tramm said they do not specifically track them. Kevin Lacy asked if in investing 2.5 percent they are not sure how much time is spent on it. Mr. Tramm said he can tell him a decent amount of time but he cannot tell him exactly how much that time is.

Julie Davis asked if she read somewhere too that this was to cover damage to roadways. Mr. Tramm said that was adding on items with the administrative costs. Mr. Tramm said it is like any time trucks drive on roads, anything that is heavy does do more damage.

Kevin Lacy said this comes down to they got away with not doing this last year. Kevin Lacy said if he cannot see how much time they invested in last year or the year before, to put a monetary amount to it he would rather not do it.

Mayor Countryman asked how long they have had the 2.5 percent administrative fee and asked Carol Langley if it was here when she was here. Carol Langley said yes. Carol Langley said she knows they spent a lot of time that people do not realize they spend talking to Waste Management about different things. Carol Langley said it is well worth it to have it in there to help pay for that. Carol Langley said Ms. Woodson has always been available to answer any of those questions. Julie Davis said they are literally talking about 50 cents a month.

Carol Langley moved to adopt the ordinance for setting rates for solid waste collection service in the City. T.J. Wilkerson seconded the motion, the motion carried (3-2) as follows:

Aye – T.J. Wilkerson

Nay – Kevin Lacy

Aye – Byron Sanford

Nay – Julie Davis

Aye – Carol Langley

8. Consideration and possible action regarding a variance request to Section 78-96(b) of the City Code requiring all parking lots to be paved with asphalt or concrete as submitted by Cornerstone Community Church for 14740 Liberty Street.

Mr. Tramm said Cornerstone Community Church has recently purchased China Chapel at 14740 Liberty Street and plans to use the facility as their church. Mr. Tramm said the previous occupant was a non-profit organization who utilized the facility for several years as a counseling center. Mr. Tramm said the parking lot has crushed gravel and crushed concrete and was used several years for the parking lot and does not appear to have ever been a paved surface. Mr. Tramm said included for review are site photos and a survey of the property shows where the church plans to position their parking lot which is mostly where the existing parking lot is currently located.

Mr. Tramm said the property has generally mild cross-slopes, but none that would present a unique situation that other developments in the City do not have to deal with. Mr. Tramm said in conversations with the applicant, City staff feels the primary reason for the request is an economic request.

Mr. Tramm said the Planning & Zoning Commission did recommend approval of the request and their report is attached. Mr. Tramm said the City Engineer does not recommend approval of the variance and their report is attached. Mr. Tramm said the City Engineer is present should City Council have questions. Mr. Tramm said because economic hardship is not justified as a criteria for granting a variance, staff does not find a reason in the variance to approve the request and recommends denial based on the Ordinance.

Julie Davis asked if the representative from this church was here. Mr. Tramm said no they did not come.

Mrs. Vu said the Ordinance allows for a variance if what is based in the Ordinance would place any hardship on the development of the tract. Mrs. Vu said from an engineering

standpoint they do not see a hardship on this tract for a paved parking lot and the tract would be able to be developed so they do not recommend the variance. Mrs. Vu said they also did a historical area imagery from the site to obtain more information of what it has been, what it is currently, and then what is being requested in the variance application.

Julie Davis asked if they know they purchased it or are they leasing this. Mrs. Vu said she did not know. Mr. Dave McCorquodale said Mr. Arnette Easley did sell the property.

T.J. Wilkerson asked if it would be grandfathered in since it was a church some 150 years ago before it came to City Council. Mrs. Vu said the reason they are seeing it as a development/redevelopment is the survey that has been drawn in as the proposed gravel parking lot is an expansion of what is existing and that is interpreted to be a development/redevelopment of the property.

Kevin Lacy asked if right now they are asking to expand it with gravel and then repave it after three years or up to three years. Julie Davis said they only get a variance for three years and they will have to come back to renew a variance or to pave it. Mrs. Vu said that is correct.

Julie Davis said it was her opinion that they deny this because this piece of property is on the seventh-grade history project and come December they are going to send 600 to 700 students there and over and over again to go take a picture of the historical plaque. Julie Davis said she worries about what that looks like to trip over stuff. Julie Davis asked T.J. Wilkerson if he had a different view. T.J. Wilkerson said he likes a little gravel around the City. T.J. Wilkerson said he does not like everything to be paved. T.J. Wilkerson said if that were the case they would have to pave Fernland, the Feed Store, Ransom's, and a lot of other places. T.J. Wilkerson said there is nothing wrong with a few rocks. T.J. Wilkerson said kids would be taking pictures, they are going to pick up a rock, maybe they would throw it and that is just part of being a kid and is part of it. T.J. Wilkerson said he would like to see it remain gravel for a while.

Mayor Countryman said she agrees with T.J. Wilkerson because with concrete and the additional water, Town Creek is already an issue with the water, and if they could find a

porous surface like other places have that would absorb the water versus it going down Town Creek.

Mrs. Vu said something that City Council has approved in the past is the true grid system which is an engineering grid system that is filled with gravel but it allows for more structure and allows for a path for drainage. Mrs. Vu said that is something that City Council has approved in the past and she understands it would be a separate request.

Julie Davis asked if that is what Hodge Podge has. Mayor Countryman said yes. Julie Davis said that is awful. Julie Davis says it holds more water than you can imagine and you cannot get out of your car without stepping in a mud hole. Mayor Countryman said it may be the way they put it in or the way they grated it.

T.J. Wilkerson said if you look at the historical value of this, the town was founded by the creek and then there was a school there close to where the church is. T.J. Wilkerson said all of this is historical but for some reason, this is not in the Historical District and he still cannot understand that.

Kevin Lacy said he is fine with the gravel. Kevin Lacy said T.J. Wilkerson made a great point in that as soon as you tell someone they are going to change some gravel after 170 years they will go back and tell everyone else.

T.J. Wilkerson said there is a lot of historical value in that piece of property.

Julie Davis asked if the standard variance is three years or do they have the leisure to make it a year or two years. Mrs. Vu said three years is what they requested.

Mr. Tramm said he thinks they can request it for a shorter period. Mr. Tramm said if City Council wanted he would recommend considering something shorter like one year and then evaluate it.

T.J. Wilkerson said he believes the building that is at Fernland is all tied together and Fernland is not paved.

Julie Davis moved to accept the variance request for one year instead of three years and City Council revisit it in one year. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

DEPARTMENTAL REPORTS:

9. City Administrator's Reports for June 2021 – Mr. Tramm presented his report to City Council. Mr. Tramm said he has been working with City staff and the City Attorney on changes to the vendor ordinance regarding definitions. Mr. Tramm said they are also looking at door-to-door vendors working with the Police Department, and whether or not to look at background checks. Mr. Tramm said they are not talking about nonprofit groups like Girl Scouts selling cookies. Mr. Tramm said they are talking about professionals who are selling things door-to-door. Mr. Tramm said they are looking at many other city ordinances where cities have tackled these issues. Mr. Tramm said he knows the Director of the Development Planning was looking at a presentation today related to what has been done in Tomball. Mr. Tramm said they are trying to cast a wide net before they bring anything back. Mr. Tramm said he would like to ask City Council to contact him independently as they cannot discuss things outside of the meeting and to let him know what elements they would feel are most important for them to address in the revised ordinance before bringing this back to City Council.

Kevin Lacy asked Mr. Tramm what his thoughts were on a public hearing to discuss ordinances for food trucks. Kevin Lacy said one thing he thinks they will agree on is they have a lot of passion around this topic and why not have all of us as a City work together going forward and possibly erase the entire ordinance as it is and start over. Kevin Lacy said instead of doing it individually he would prefer to have a meeting like this where everyone can talk and deal with the ordinance that way. Mr. Tramm said he is not sure a public hearing is the proper venue and he would defer to the City Attorney on that. Mr. Tramm said he and the City staff are certainly committed to working out a process. Mr. Tramm said he envisions this as a give and take process where the staff makes recommendations to City Council and they receive public input along the way. Mr. Tramm said public input is not necessarily limited to people speaking at City Council meetings. Mr. Tramm said the public can ask to speak to City staff and make an appointment and give them a little more time. Mr. Tramm said when he mentioned he did not know if a public hearing was the proper thing he did not want Kevin

Lacy to think he was saying no to an old process. Mr. Tramm said it could be called something different. Kevin Lacy said the reason he asked about it was that he told him that if he spoke to him then he would have to speak to other councilmembers. Kevin Lacy said why not have a meeting out in the open and do it that way. Kevin Lacy said it seems like several of them want to talk to him and be involved. Mr. Tramm said they need to make sure they are doing it the right way. Mr. Tramm said when they bring something back it will come back to City Council during a meeting and that is the appropriate time for City Council to consider if they want to do it in a meeting or do they want to do it a different way and that is for City Council to determine and that is the way to do it. Kevin Lacy asked Mr. Alan Petrov, City Attorney if they can. Mr. Petrov said they can certainly have workshops and public meetings to discuss any variety of topics including this one. Mr. Tramm said, for instance, Wednesday last week there was a Special Meeting on one item. Mr. Tramm said he does not think a public hearing is the right thing to call it and he thinks there is a right way to do it.

Julie Davis asked if they do a workshop would that not fall under open meetings once they have a quorum. Mr. Petrov said yes. Julie Davis said she does want a public workshop however they need to word it. Mr. Tramm said they can certainly do that. Mr. Tramm said let them finish the investigation they are working on first to have the workshop and have a finished draft to present. Mr. Petrov said it is generally helpful to have a draft on the table that the public can see and comment on as opposed to just people commenting abstractly.

Julie Davis said last week she received food truck ordinances from Llano & Bastrop and forwarded those to the Mayor to be able to weigh in on for additional information.

Mr. Tramm said Mr. Dave McCorquodale is the Director of Planning and Development and he is the one centralizing that and working with the attorneys. Mr. Tramm said he has lost count of the other cities he is using to compare and try to pick from. Mayor Countryman said the great thing with Mr. Petrov's firm is the fact that you have written quite a few of these ordinances and that is where they obtained the foundation for the last one. Mr. Petrov said they looked at several cities as well.

Julie Davis asked what they need to do today so they can lock in a workshop.

Mr. Tramm said he thinks what they are hearing is they have the direction from City Council generally so let them finish the draft and then they will work on scheduling that. Kevin Lacy asked why they cannot all come together and do it now. Mr. Tramm said if you pick a date now and they do not have the draft ready you are not ready to have a workshop. Mr. Tramm said let them finish the draft and then discuss setting a date with City Council and post it to the public. Byron Sanford said from that point he would like to suggest they take their time and advertise in terms of getting input so everyone can make sure to attend those meetings. Kevin Lacy said instead of an agenda item like here at this meeting where it is just councilmembers discussing items, the public can speak.

Mr. Petrov said it can be a one-topic City Council meeting where you are not having to worry about also getting to other business and you can spend the time just on that topic.

Kevin Lacy said they will bring a draft back to City Council with the expectation they will look at it on the agenda and discuss it openly. Mr. Tramm said they would like to get the input from City Council and then they can improve the draft and then they discuss public input. Kevin Lacy said you want ideas from City Council over the next few days and City Council needs ideas from you and that is what will be used to put together for the draft.

Julie Davis said the reality is you are going to put together a draft and represent it as a motion to approve and they are still going to have to come back. Mayor Countryman said not in the workshop. Julie Davis said she wants to make sure she is heard that they want a workshop. Mayor Countryman said she thinks they are all on board for that. Julie Davis said there is no formal motion and no votes so that is not a specific directive. Mayor Countryman said Councilmember Davis can accept the departmental reports and include that information in there.

Julie Davis said it is also worth mentioning that she did not see in Mr. Tramm's report that you did permit Texas Twist & Shakes but they are just not open yet. Julie Davis said she wanted everyone to know they are permitted and so is Wilderlove Coffee and they have a six-month permit so they are working on a six-month window. Julie Davis said what ends up happening is they get grandfathered in of the six months to operate without the ordinance and when they come for a renewal of their permit they will then be subject to whatever the

ordinances are that they agree on together and pass. Julie Davis said just so everyone is clear they are on a six-month to operate. Mayor Countryman said that is standard. Mrs. Clevenger asked what happens after the six months. Julie Davis said after six months you have to renew your permit. Mrs. Clevenger said but by that time you have changed the ordinance. Julie Davis said that is why you have to email them within the next few days to what you would like to see included.

Mr. Clevenger said that is why he is a bit concerned over the draft because he thinks City Council should be more involved with the draft. Mayor Countryman said they are going to hear everyone's comments, City staff will also provide comments and come up with just a foundation and if someone does not see what they think should be included, they can certainly bring it up in the workshop.

Mr. Clevenger said he applauds the whole thing regarding the workshop and thinks it is truly a community topic but Julie Davis mentioned how she submitted two cities and we have a list of cities and those cities were not included.

Mr. Tramm said Mr. Clevenger is more than welcome to also come and talk to them about that. Mr. Tramm said we are talking about a list of cities that he wrote and he also said he wrote a list of four cities and others. Mr. Tramm said as he said earlier to City Council he lost count of the number of cities that Mr. McCorquodale was looking at. Julie Davis said ordinances are public information so they can pull 900 different ordinances for food trucks but at the end of the day they still have to filter out what is best for the City of Montgomery. Mayor Countryman said it would be good to go through and pull the ones you like.

Mr. Tramm said let staff go through all the information, put it into a format, get City Council's review making whatever changes there, go through the public review, and then go through the whole process. Kevin Lacy said going through the public review is the workshop. Kevin Lacy said the review is not going to be them, staff will put it together, and then City Council will go through it in the workshop. Kevin Lacy said everyone is going to meet to discuss what that may look like at the workshop. Mr. Tramm said the workshop would be presumably in this room but it is designed just to be a discussion on the proposed ordinance and go through it section by section, take comments and go through it all until people are as happy as possible

on every side. Mayor Countryman said you have to understand not everyone is going to be happy as that is just life, but at the same time, she thinks they can make a lot of people happy because no one is trying to prevent business within this City.

Mr. Tramm said following the Special meeting they did get the Tax Exemption Ordinance for the homestead exemption.

Mr. Tramm said with the Texas Department of Emergency Management funds related to the American Rescue Plan, they have opened the process of applying for those funds which are funds approved by the federal government for various areas of government. Mr. Tramm said for them it is for what has been approved for cities. Mr. Tramm said for the City of Montgomery that is approximately \$336,000 in two payments across 2021-2022 the time to be used within certain categories, primarily infrastructure improvements in water and wastewater. Mr. Tramm said they do not have that money now but they will have it soon. Mr. Tramm has instructed the bookkeeper to segregate that within a separate account because they have to track it and he envisions when they have their budget hearings they will discuss how the funding specifically needs to be handled. Mr. Tramm said he is expecting more direction from the State.

Kevin Lacy asked if the homestead exemption for 20 percent is something residents within the City limits have to apply for and is it separate or is it automatically taken care of. Mr. Tramm said if you own a home that is in the City and is homesteaded which the resident has to apply to have a homestead and you own the house and it is your residence then you get the homestead exemption as it gets picked up.

Julie Davis said the City tax rate for every homeowner is 2.4 percent so \$2.40 of every \$100.00 valuation you pay in property taxes. Julie Davis said \$2.00 of that goes to the County and 40 cents goes to the City as the ad valorem tax. Julie Davis said what they did is take a 20 percent or an eight-cent per \$100.00 valuation discount on your property taxes. Julie Davis said it does not mean if you have \$260.00 or more you get the rate dropped, no matter what value is on your property, you get an eight-cent per \$100.00 valuation discount based upon that 20 percent. Julie Davis said for those that did not understand, she hopes that clarified some. Julie Davis said it is pennies but it matters.

Mr. Tramm said four of the Councilmen will be attending the new Elected Officials Training that will be coming up. Mr. Tramm said if you have questions about what you should or should not talk about related to the Open Meetings Act while you are there he recommends touching base with the City Attorney before leaving this evening.

Mr. Tramm said later this week he is sending emails out to the Mayor and City Council related to scheduling a retreat and planning session for City Council. Mr. Tramm said he is looking forward to getting that scheduled and getting information out to coordinate that.

Mr. Tramm said with regards to the Development Report they are seeing residential and commercial construction across multiple parts of the City. Mr. Tramm said the preconstruction meeting was held today with TxDOT on the FM 149 right turn lane coming from the south headed toward the east, something that has been over two and a half years in the making. Mr. Tramm said construction should begin mid to late September.

Julie Davis asked if TxDOT for the SH 105 access was listed on the report. Julie Davis said she just realized this entire construction piece goes from FM 2854 to IH 45 so all of their comprehensive planning shows this beautiful green space in the middle of SH 105 right through Brookshire Brothers and Hodge Podge Lodge with Texas flags everywhere. Julie Davis asked if that will be the City's bill to foot as far as the City, or are we working with them to extend that green space through the City. Julie Davis asked what does that look like money-wise because she did not realize this as she thought it was coming all the way through to FM 149 and it is not. Mayor Countryman said the engineers they have will complement the plan as they have a good relationship with TxDOT and they are getting their approvals and are working on it. Mr. Tramm said it is a matter of communication. Mr. Tramm said the starting point is from FM 2854 east to IH 45, and what we discussed here was only about the part of Montgomery.

10. Public Works Report for June 2021 – Mr. Tramm said he will be presenting the report as Mr. Mike Muckleroy is absent this evening. Mr. Tramm said the volleyball net was replaced at Cedar Brake Park and, a roof leak on Crane Cabin at Fernland Park was repaired which is the same one they did log repairs to on the north side a year ago. Mr. Tramm said Fernland docents reported 680 visitors and provided 81 tours for the month.

Mr. Tramm said they completed the quarterly Heavy Trash event and helped set up for the Movies at the Community Center.

11. Police Report for June 2021 – Chief Solomon presented his report to City Council. Chief Solomon said he spent a week last month with the Texas Police Chiefs Association. Chief Solomon said one of the things they discussed more than anything else was distracted driving and road rage shootings. Chief Solomon said every 18 minutes in the United States there is a road rage incident. Chief Solomon said road rage came to Montgomery last Thursday where there was a shooting at SH 105 and FM 149. Chief Solomon said they have sent officers to distracted drivers training which will teach them how to look for those types of things because it is getting out of hand. Chief Solomon said the officers have also attended child safety passenger training where they discuss family training regarding putting children in seat belts and child safety seats properly. Chief Solomon said they are doing some different things with training to try and combat distracted driving. Chief Solomon said if anyone sees it that they would love a phone call because the road rage incident that happened last week started way back in Magnolia and did not come to a head until it reached Montgomery. Mayor Countryman asked if they are to call 9-1-1 or is that the non-emergency number. Chief Solomon said it is 9-1-1.

Chief Solomon said the Community Emergency Response Team training is still ongoing and they have another five weeks to go. Chief Solomon said it is going to be a very good team to handle all emergencies and especially since we are in hurricane season now so it is going to be a big deal.

Julie Davis said she knows DWI's are still high for two months in a row and asked if it is because they are specifically looking for them because there have been 19 incidents in two months in a 4.5 square mile town. Chief Solomon said they are always looking for DWI's. Chief Solomon said when you have a major highway like SH 105 where people are leaving bars and drive onto SH 105 and they are intoxicated. Chief Solomon said they have two officers who are very good DWI specialists. Julie Davis asked if they are not just ticketing and releasing, but also arresting and sending them to jail. Chief Solomon said correct.

Kevin Lacy asked if when they arrest someone and have to take them to jail in Conroe, is there any way they can continue to look for different facilities here or maybe be able to upgrade the department size. Chief Solomon said even if it comes to that as a City they do not want to become a holding cell for class C misdemeanors and anything above that has to go to the County anyway. Chief Solomon said it is always good to have a holding facility while the person is being booked in because that way you have your eyes on the person and it is also secure. Kevin Lacy asked what do they do with the person now. Chief Solomon said they stay with them. Chief Solomon said if there is an officer with an arrest he stays behind to prepare the report and another officer heads to the County jail. Kevin Lacy asked if they are looking for a way to have a detaining center here to help. Chief Solomon said they would like to.

12. Court Report for June 2021 – Mrs. Kimberly Duckett, Court Administrator said for the Court Report for June they had 123 citations, and the revenue for June was \$35,692.30.

Mrs. Duckett said they are starting different techniques for their warrants. Mrs. Duckett said officer Lozano and officer Edelman were able to catch the person right at home and they had warrants in our City and two other counties as well.

13. Utility Report for June 2021 – Mr. Tramm said during last month 46 new permits were issued with a total of 888 total active utility accounts which includes both residential and commercial. Mr. Tramm said that is a number that continues to increase and with the development of the City will continue to do so in the foreseeable future.

Mr. Tramm said due to more rain through the month water use was even or down on almost all of the City water accounts.

Mayor Countryman said she thought it was interesting regarding how many flags were sold. Mr. Tramm said that is always up and down. Mr. Tramm said he had one call from a person who was interested in purchasing several flags. Mr. Tramm said the flags are normally \$5.00 each but if you buy two they are \$9.00. Mr. Tramm said the demand is there.

Kevin Lacy asked if he was still actively working on the sign permits for \$50.00 in looking at the ordinances and updating them. Mr. Tramm said that is something Mr. McCorquodale, the Assistant City Administrator is working on.

Kevin Lacy said he is concerned about MEDC's \$250.00 goat mascot suit. Mr. Tramm said it was a \$250.00 donation to go toward the purchase. Mr. Tramm those are all incoming items. Mr. Tramm said the \$1,400.00 is paid toward the City so they can purchase one of those concrete goats. Kevin Lacy asked if that is what the goat costs. Mr. Tramm said no, it is for five or six of them.

14. Water Report for June 2021 – Mr. Mike Williams, Vice President of H2O Innovation, said there were several alerts for June. Mr. Williams said the majority of them are power-related which they have been in touch with the Entergy representative and gave them a three-month list of all of their call-outs so they are working through those to do some more investigation on the reason behind all the power issues.

Mr. Williams said on June 9, 2021, Life Station 3 high run time had a bunch of debris run through it. Mr. Williams said the pump was pulled and cleaned numerous times. Carol Langley asked where the Lift Station is located. Mr. Williams said it is right across FM 149 from the bus barn.

Mr. Williams said on June 15, 2021, at Lift Station 2 during a storm there was a tree branch that fell on the incoming power line. Mr. Williams said the power line was replaced and the power restored.

Mr. Williams said flow for the month of May-June was 7,622,000 gallons, daily peak flow on May 25, 2021, was 534,000 gallons, and the average daily flow was 245,900 gallons with 61% of permitted capacity.

Mr. Williams said for the discharge limitations and effluent monitor report all samples were in compliance for June. Mr. Williams said they recorded 10.75 inches of rain.

Mr. Williams said they pumped a total of 9,476,000 gallons of water, flushed 178,000 gallons, and sold 8,966,000 gallons with a 96 percent accountability.

Mr. Williams said the City is healthy on its permit but this time last year the City was 10,000,000 gallons ahead of last year. Mayor Countryman asked why are we 10,000,000 gallons ahead. Mr. Williams said because of growth. Mr. Tramm said growth and variation in weather to some degree. Mr. Tramm said they are probably into their fifth straight year average and you will see a significant increase when there is a drought.

Mayor Countryman said she does not know if she has seen the permitted amount at 61 percent that high. Julie Davis said it is usually at 60 percent. Mr. Williams said a couple of years ago they had the permit increase, but just with the growth he went and looked at what it was last year and they still looked to be healthy by the time the new year rolls around. Julie Davis asked if the only real solution was to finish the loop. Mr. Williams said they just have to increase the permits eventually. Mayor Countryman asked at what number do they need to get to do that. Mr. Williams said he would have to refer to Mrs. Katherine Vu on that. Mayor Countryman asked if there was or law or legal reasons. Mrs. Vu said not necessarily. Mrs. Vu said the way it works is it is based on growth productions and they keep a log of the City's growth productions based up to 2027 and they are just projections, but it is a way for them to monitor how much growth they anticipate coming into the City so they can get ahead of any permit over requests to understand why the remaining percentage is so high. Mrs. Vu said recently with Lone Star rule changes the City was able to go back to their pre-GRP permitted amount which gave them a significantly larger permit.

Kevin Lacy asked if the beacon system could be explained. Mr. Williams said it is the smart meter system. Mr. Williams said they base the count off of the number of smart meters you have in the system. Mr. Williams said every residence and business has a smart meter.

Mayor Countryman said maybe another reminder in the water bill too is Eye on Water. Mayor Countryman said there are a lot of new residents and a lot of people who do not know we offer that and it is a good service.

Julie Davis asked Mrs. Vu if she knows the Lone Star Groundwater is based upon the lawsuit they just lost and is that why it was increased. Mrs. Vu said she does not know necessarily why but knows the timing was similar to the lawsuit and could not say if it was tied to it but does know that some of the rules regarding groundwater reduction changed if they were allowed to go back to their 2015 permitted amount if they wanted and so they went ahead and elected to take it before the rules change again. Julie Davis asked if they could lock that in. Mrs. Vu said they are permitted for it now so whenever permit renewal rolls around we will see what Lone Star has to offer and they will take what they can get for the City.

15. Financial Report for June 2021 – Mr. Anthony Lasky, Senior Accounting Clerk presented his report to City Council. Mr. Lasky said there is a total of seven months reserve in the general

fund, over two years reserve in the MEDC fund, and a little under a year reserve in the utility fund.

Mr. Lasky said there is a total of \$209,000 collected for sales tax for June and the rest is for MEDC. Mr. Lasky said he did find July's number is a little under \$289,000 collected. Mr. Lasky said for June the revenues were 32 percent over and exceeded the budget for the revenue by 4 percent. Mr. Lasky said expenditures were 3 percent under for the month and so far 83 percent spent total.

Mr. Lasky said the City has successful refunding that took place in June as well too which paid off the two 2012 series bonds. Mr. Lasky said on the last page of the report it shows 2021 refunding that replaced those and lowered the payments. Mr. Lasky said the next one will be due on September 1, 2021.

Julie Davis said she noticed how the goats were put under the utility and general fund. Julie Davis asked if there is a way to reallocate that under hotel tax because the hotel tax can be spent on marketing for the City and said that is what she feels like it is. Julie Davis said they are sitting on \$16,000 there so why pull it from the general fund when they have something they are not pulling from at all and have not for a long time. Julie Davis said she is referring to page 158 line-item 16590.h. Julie Davis said it is \$339 for the goat expenses. Mr. Tramm said he thinks it might be chargeable to something under that fund. Mr. Tramm said there are a lot of limits to that and he would rather verify that but it certainly is something they could consider doing.

Julie Davis asked if the line items at 56000.b on page 176 for City Capital Projects and 56000.c Future Downtown Development for a total of \$360,000 is included in the Capital Projects bank account listed on page 145, which has a total set aside for Capital Projects at \$1.45 million. Julie Davis asked if that \$360,000 was included in the \$1.45 million. Mr. Tramm said on page 176 that is MEDC and those funds do not normally cross through to the City. Mr. Tramm asked if she was referring to the portion they pledged to cover the City Capital Projects. Julie Davis said she is trying to clarify if they are adding the \$1.45 million for Capital Projects to the \$360,000 set aside there and is it a combined Capital Project of \$1.8 million or is it two separate items that are both called Capital Improvements. Mr. McCorquodale said the amount that is in the Capital Projects for MEDC gets added to the City Capital Projects. Mr. McCorquodale said on the Capital Projects page the City budget reflects what is in there right now to be spent so

when MEDC transferred the \$160,000 a month ago for the Waterline Project that went into the City Capital Project fund. Julie Davis said she is just clarifying because they mentioned last Wednesday about the 20 percent concern for infrastructure, so she was looking at what they already have set aside for infrastructure on Capital Projects, which is \$1.8 million that we are sitting on right now for infrastructure. Julie Davis said she is trying to confirm that we are still solidly sitting strong for infrastructure even with the 20 percent. Mr. Tramm said the Capital Projects fund does have a lot of that money and a lot of that money is already pledged to work that is still contracted and pending so it is not all available but we are on track with it.

Julie Davis said on page 162 line item 43947.a transfer from utility of \$243,286, we are way over budget there with a huge surplus and asked if something happened. Mr. Lasky said that is how much has been transferred so far to this year. Mr. Lasky said there is still around \$300,000 left that is still budgeted for that year and it probably just needs to be spread out a little bit just because there is some that may come in one month and may not come in other months.

Julie Davis said on page 166 all the bonds there are almost \$5.1 million. Julie Davis asked if that is because of the refinancing of that bond and is that the amount of money they are saving. Mr. Lasky said that is just how much the bond issue was. Mr. Tramm said that \$700,000 is over the life of the bond. Mr. Lasky said that is just an offset for the most part on that page.

Julie Davis asked on page 172 regarding the grants checking account what falls under a grant because this one has been sitting for a long time with no movement. Julie Davis said she knows it is \$5,000 but asked who can apply for a grant and is this part of the home grant. Julie Davis said she thought the home grant had a separate bank account and this is a checking account balance all by itself. Mr. Tramm said his initial thought is it is just a placeholder waiting for more activity for the next grant but he will take a look at that tomorrow and get back with an answer on that. Julie Davis asked if that would be where the sidewalks Mr. McCorquodale is working on fall under with those projects or no. Mr. Tramm said that is not part of this fiscal year but will be a future fiscal item and more than likely they will create a special line item for that when they do have the next budget.

Julie Davis said on page 182 on ordinary income expenses there is a total of \$24,000 in charges for service over the already \$285,000 with three months remaining for this year that adds on for the \$225,000 and \$310,000. Julie Davis asked how do you rationalize this amount of surplus over and over again. Mr. Tramm said that is a surplus in the utility fund and the surplus is then

turned around to the Capital Projects fund where it pays for the projects such as waterline construction, water tank replacement, and future water wells.

Julie Davis asked what we owe MISD on that we paid \$67,000. Mr. Tramm asked if she was talking about the loan payment where the City borrowed money from MEDC for the purchase of the land. Julie Davis said it is \$63,352.03 and that is the land purchase. Mr. Lasky said yes. Mr. Tramm said that is where the City borrowed the money from the MEDC and in that particular case the City was paying less interest.

16. City Engineer's Report for June 2021 – Mrs. Katherine Vu, City Engineer said on the downtown waterline replacement the contractor was working the bore on FM 149 today and once that is complete they will be able to run testing and put the line back in service. Mrs. Vu said this is the last major component for the actual waterline itself.

Mrs. Vu said Water Plant No. 3 Improvement update is they have received the notice from the Water Development Board to proceed moving forward and that has been relayed to Jones|Carter as well.

Mrs. Vu said the FM 1097 Speed Study and the Traffic Signal Warrant Analysis were both performed by Jones|Carter and they are complete. Mrs. Vu said they are reviewing the results of this study and will have more information for the August 10, 2021, City Council meeting.

Mrs. Vu said regarding the general ongoing activities, they are working on the Texas Pollutant Discharge Elimination System (TPDES) permit renewal. Mrs. Vu said the current renewal will expire June 1, 2022, and this is something they start on a year in advance.

Mrs. Vu said regarding the northbound right turn lane, she attended the pre-construction meeting at TxDOT's Conroe office this morning. Mrs. Vu said the project is scheduled to begin construction on August 2, 2021, and they are expected to have 53 working days which was included in the pre-construction meeting.

Mrs. Vu said another thing that she and Mr. Muckleroy discussed outside of the meeting with TxDOT was as part of the project they asked for a signal timing at that intersection to see if there is anything that can be done. Mrs. Vu said as part of the project they will be constructing a new signal box that should give more capacity to the traffic signals and allow for longer runs and they are going to take another look at it.

Mayor Countryman said she thought there was a discussion of a new light that you could program from City Hall and asked whatever happened to that. Mrs. Vu said she is not sure, but she will follow up and let them know. Julie Davis said they are going to be conducting a traffic study for the signal cameras during back-to-school traffic.

Byron Sanford said in his neighborhood the Hills of Town Creek they still have not found a way to make the water run uphill. Byron Sanford said behind his residence will be the fourth section with massive loads of concrete taken that is pulled back out to try and get the water to where it is supposed to be plus on the other side of where there are loads of concrete taken out. Byron Sanford asked if this is a survey problem, a developer problem, or common sense because it is costly to someone and he would like to know who. Mrs. Vu said those changes are being funded by the developer. Mrs. Vu said they were issues that came up during the warranty period which was one year from when construction was complete and those issues were identified during the maintenance period. Mrs. Vu said they made the developer aware and the developer is funding the repairs for that. Mayor Countryman asked if that was Mr. Chris Cheatham or Stylecraft. Mrs. Vu said Stylecraft. Byron Sanford said on his street with the original three sections right across from there it is terrible pooling so this is still part of Phase I, II, and III, and asked if this will all be taken care of. Mrs. Vu said that is her understanding and if it was identified within the maintenance period then it is going to be taken care of. Mrs. Vu said the contractor is aware they are keeping very close contact. Byron Sanford asked if they have seen anything like this before because this is pretty astounding. Mrs. Vu said it has happened in smaller places in other areas of the City because it came up either during or after the maintenance period and this is not the only place this has happened and this is a more significant area.

Kevin Lacy asked about the GLO Projects and what is going on with the sewer situation on Dr. Martin Luther King Jr. Drive. Mrs. Vu said the project is to analyze the sanitary sewer system that involves putting a camera into the sewer lines itself. Mrs. Vu said it lets them know exactly what the condition of the sewer pipes are and also includes rehabilitation anywhere from repairs to replacing pipelining, which will line the entirety of the pipe and adhere to it, and what that will end up doing is save the City repair costs and improve the sewer pipe flow. Kevin asked if there is an issue now and that is why they are doing this. Mrs. Vu said the GLO is based on a couple of things such as need and income level, so because of the age of this area, they are

not aware of when the last time each pipe was inspected was so they want to take a look. Mrs. Vu said it is just a good cursory maintenance project.

T.J. Wilkerson asked if they are still working on the apartments on Plez Morgan. Mrs. Vu said she believes they are. T.J. Wilkerson said if they are planning on building more in that area. Mrs. Vu said she does not know. Mrs. Vu said they have talked to a couple of developers on Plez Morgan and they have not heard of any plans of what they are wanting to do out there. Mrs. Vu said maybe a storage facility or potentially some other townhome style, but there is nothing firm or set in stone.

Julie Davis asked if they are considering any kind of camera sewage optics for the Stewart property which keeps coming up as an issue. Mrs. Vu said they are and they are getting together with City staff to have a plan for annual televising of different areas of the City starting with the higher priority and things that are older and more well-established areas with issues. Mrs. Vu said they are working with City staff to get a plan together. T.J. Wilkerson asked if that is because it is one of the lowest points behind there. Mrs. Vu said it is not necessarily due to elevation, but it is the age of the line.

Mrs. Vu said the last item is the City Engineer transition. Mrs. Vu said they received a hard drive containing documents from Jones|Carter on July 8, 2021. Mrs. Vu said they are reviewing those and working with City staff to see if anything is missing and to request that from them as well. Mrs. Vu said it is going well on both sides. Mr. Tramm said it is his understanding that they have been pretty forthcoming in providing necessary items for the most part and asked if that is still true. Mrs. Vu said that is correct. Mrs. Vu said it has been a very smooth transition and they have not run into any hiccups to date.

Kevin Lacy asked how many contracts Jones|Carter are still working on. Mrs. Vu said they are going to finish working on finishing the Downtown Waterline Replacement Water Plant No. 3 Improvements. Mrs. Vu said they were preselected for the Water Development Board so they will stay on the project until completion. Mrs. Vu said they are also working on the GLO Projects for the same reasons being Jones|Carter was preselected.

Kevin Lacy asked if going forward they are still going to use Jones|Carter for other things as well. Mr. Tramm said if it is a specific necessity. Mr. Tramm said with the speed and traffic signal study as well. Mr. Tramm said some projects Jones|Carter are working on will be a

couple of years and they will be seeing Jones|Carter around for a while even if nothing else was added.

Julie Davis said she did read somewhere on TML's website they do GIS services for free and asked if we have looked into this. Mrs. Vu said she has not personally looked into it but it is certainly something they can look into.

Mrs. Vu introduced Ms. Sam Randolph who is a new addition to their team who was previously with Jones|Carter and is helping out with the City of Montgomery.

Mayor Countryman said she wanted to add the good news about Texas Twist & Shakes. Mayor Countryman asked when did that get submitted and how long did that take to get approved. Mr. Tramm said the application was received on Wednesday following the last City Council meeting and approved on Friday. Mr. Tramm said he understands it was picked up later that day.

Kevin Lacy asked how the approval process happened and if they can open and work for the next six months and everything will be good to go. Mr. Tramm said they need to maintain their health certification with the County and that is out of our control and they need to operate properly.

Julie Davis said it would explain to her that the special use permit was overlooked based upon the fact that we had several other instances where we never implied that before and so to insist on it now would be arbitrary so it was overlooked and the permit was granted on Friday because of the previous existence. Mr. Tramm said it was approved because that is the way they have processed others and it was not the time to start doing something different. Mr. Tramm said they will make sure as they modify the ordinance that it is understood by all.

Carol Langley said the permit was approved for six months for both trailers in the Historic District. Mr. Tramm said applicants can apply for either a 30-day or six-month permit and believes both trailers applied for six-month permits in the Historic District.

Julie Davis moved to accept the Departmental Reports as presented, with one modification that they insist on a workshop to be included for the Food Truck Ordinance. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

EXECUTIVE SESSION:

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

There were no Executive Session items.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

No action was taken.

COUNCIL INQUIRY:

Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to the recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or decision shall be limited to a proposal to place on the agenda of a future meeting.

Julie Davis said she is hearing rumors they do not have an ordinance for the STR's or private rentals within the City and she knows this is going to be another issue coming to a head. Julie Davis asked what are they doing to be proactive or have some type of short-term rental for Airbnb. Mr. Tramm asked what kind of ordinance are you referring to. Kevin Lacy said hotel tax. Mr. Tramm said they are subject to hotel tax. Mr. Tramm said the owner is obligated under the ordinance to collect those remittances. Mr. Tramm said he spoke earlier this week to a consultant and they will be sending him quotes to review. Mr. Tramm said he is hopeful to receive that soon and refer to Mr. Petrov with any questions he may have and they would work on a commission basis.

Mayor Countryman said at this time she believes the Caroline House is the only rental they are receiving any money from. Mr. Lasky said that is correct. Mayor Countryman said she knows of a few others in town so they need to find out about those.

Mr. Petrov said if you are seeing issues, a lot of cities have been developing permitting regulations for the short-term rentals. Mr. Petrov said it is a controversial issue right now because it pits the property rights groups against the neighbors, but some cities have permitting process requirements for life safety, inspections, and some things like that.

Mayor Countryman said Hodge Podge Lodge has three rooms and does not know if they have received any money from that. Mayor Countryman said she talked with Jeff about it and he gave them the name but it has never shown up on the list. Mayor Countryman said that is something they need to find out. Mayor Countryman said he says he is paying it but we need to find out from the Texas Comptroller's office.

Julie Davis said a perspective person is looking to do a tiny home community they can then rent out. Julie Davis asked if they would be subject to lots with variances that we have with developers and where do we stand on something like that. Mr. Tramm said they should contact the City and talk to us about development. Mr. Tramm said a lot of people do not even know exactly where the City's boundaries begin and end. Mr. Tramm said they have talked with people who thought their land was in the City and it turned out it was not. Mr. Tramm said the City has zoning to consider. Mr. Tramm said Mr. Larry Jacobs approached the City with his project and a special use permit was appropriate for that because of the zoning and if they were wanting to use it and it was a hotel or short-term rental property that is different than it being a permanent residential property. Mr. Tramm said for something like that he would encourage them to come and speak with the City, and if there are variances or exceptions or anything that is needed, a different location or just even if they are looking for an area, we can tell them what areas would or would not be easier or difficult to work out. Byron Sanford asked if this lot in question is the lot behind Jim's. Byron Sanford said he was told the lot was possibly for tiny homes. Mayor Countryman said he has a special use permit and they are going to be rented out and will be like little villas. Julie Davis asked if that was Mr. Larry Jacobs's property they were talking about. Mayor Countryman said yes.

Kevin Lacy said he was personally concerned about being a homeowner right behind the property of Mr. Larry Jacobs with the special use permit because what is going to happen when he clears that land out and it is rained out and the project comes to a halt. Kevin Lacy said when there is a hard rain it is his garage that is flooded. Kevin Lacy said it was fixed but after it was cleared out it is back to flooding the garage again. Kevin Lacy said he wants to know where the responsibilities lie. Kevin Lacy said he

spoke to Mr. Larry Jacobs about that and he has offered to make some changes. Kevin Lacy said he would like to appeal to the City and talk about that again. Mr. Tramm said he will get back to him outside of the meeting and discuss what needs to be done.

Kevin Lacy asked as a new homeowner whose home is being built in Town Creek is it the builder who is responsible for all the water in front of his future home. Byron Sanford said it is the whole block of Brock's Lane. Mrs. Vu said if you have issues with it to let them know and they will reach out to the right people to make sure it is handled.

Mayor Countryman asked who is responsible for this flooding issue. Mayor Countryman asked if it was the City's responsibility or if it is the engineer's responsibility to hold Stylecraft accountable. Mrs. Vu said it has been a joint effort between the City and the engineers to stay in contact with Stylecraft. Mrs. Vu said they are holding a maintenance bond on them so there is a little bit of financial motivation for them to get it done and get it done right. Mrs. Vu said once the work is completed they will do a warranty inspection and make sure the work is completed sufficiently and if it was then they will release the maintenance bond. Mayor Countryman said it sounds like there is a whole lot of flooding and it sounds like it is moving around. Julie Davis asked how much of a maintenance bond are they holding because Town Creek is expensive. Mrs. Vu said it is expensive but the maintenance bond is sufficient. Mrs. Vu said if they were to walk away from it they would be walking away from a significant amount.

Mayor Countryman asked how do you determine if the flooding will be mitigated if it is continuing to move. Mrs. Vu said it is a matter of double-checking stabilization and slopes and making sure it is installed properly for specification.

Julie Davis asked if Mr. Larry Jacobs will have to come back and get a special permit for the driveways since it is usually crushed gravel over there and not asphalt. Julie Davis asked if he is zoned residential or commercial. Mr. Tramm said the zoning there is why he got the special use permit. Mayor Countryman said it was zoned residential. Mr. Tramm said he is using it for non-residential purposes and that is the reason for the special use permit. Julie Davis asked which issue the special use permit is used for. Julie Davis asked if it is for the tiny homes so they can have the lot variance or the driveways so they can use crushed gravel or both. Mr. Tramm said his permanent driveway was intended to be a more permanent driveway. Mr. Tramm said what you see is temporary construction work. Mr. Tramm

said they can revisit with him to see if he can update them on that. Mayor Countryman said if he has abandoned the idea of those rentals she would like to talk to him about potential parking or other ideas. Mr. Tramm said if he is not going to move forward with that they can certainly approach that conversation with him for additional parking in the area.

ADJOURNMENT

Julie Davis moved to adjourn at 8:16 p.m. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

Submitted by:  Date Approved: _____
Susan Hensley, City Secretary

Mayor Sara Countryman