

MINUTES OF REGULAR MEETING

January 25, 2022

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Countryman called the meeting to order at 6:00 p.m. Mayor Countryman stated for the record T.J. Wilkerson is absent this evening.

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

Absent: T.J. Wilkerson City Council Place # 3

Also Present: Richard Tramm City Administrator
Dave McCorquodale Assistant City Administrator
Diana Cooley Deputy City Secretary
Caleb Villarreal City Attorney

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.

Mrs. Stephanie Clevenger, 388 Berkley Drive, Montgomery, Texas, said she would like to say thank you to all the police, constables, and sheriff who were out the other morning looking for a missing gentleman. Mrs. Clevenger said it was incredible to watch and God's blessing the gentleman was found at Ransom's.

Mrs. Clevenger said she came to ask if the City plans to purchase land for the playground that is requested on the north side of the City.

CONSENT AGENDA:

1. Consideration and possible action authorizing City Administrator to execute contract amendment with H2O Innovations, LLC.

Mr. Mike Muckleroy, Director of Public Works said this generator was previously at the old Lift Station 1 location and was moved to Lift Station 6 per City Council approval. Mr. Muckleroy said with that comes yearly maintenance which was not in the contract and what this amendment is for. Mr. Muckleroy said it is a \$15 a month increase per lift station.

Julie Davis moved to accept Item #1 as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

2. Present award to retiring City Secretary Susan Hensley for her contributions to the City of Montgomery.

Mayor Countryman presented the Recognition of Service Award for retiring City Secretary Susan Hensley:

“Susan Hensley’s last day as City Secretary was Friday, January 14th after almost seven years of service to the City of Montgomery. The position of City Secretary is integral to the operations of any city, and Susan was a key component to many of the activities that occurred during her employment with the City. Susan’s tireless dedication to her craft benefitted the City in ways that included permitting processing, updating ordinances, monitoring compliance

with election laws, keeping detailed minutes of City meetings, and much more. Susan was a big part of the City's success in recent years, and we wish her well as she retires to the next phase of her life.”

Mayor Countryman presented to Ms. Susan Hensley a flag that was included with this award that was flown over the City of Montgomery at City Hall in honor of her service to the City and its people on this day, Tuesday, January 25, 2022.

3. Consideration and possible action regarding adoption of the following Ordinance:

AN ORDINANCE OF THE CITY COUNCIL OF CITY OF MONTGOMERY, TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENTERGY SERVICE AREA CITIES IN MATTERS CONCERNING ENTERGY TEXAS, INC. AT THE PUBLIC UTILITY COMMISSION OF TEXAS IN 2022; AUTHORIZING THE HIRING OF LAWYERS AND RATE EXPERTS; AUTHORIZING THE CITY'S PARTICIPATION TO THE FULL EXTENT PERMITTED BY LAW AT THE PUBLIC UTILITY COMMISSION OF TEXAS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; AND DECLARING AN EFFECTIVE DATE.

Mr. McCorquodale said this annual process has been going on for several years, Entergy and other Entergy providing companies submit to the PUC (Public Utility Commission) for a rate increase that is going to be for more than they are going to receive. Mr. McCorquodale said there is no cost to the City for joining this coalition of cities, but what The Lawton Law Firm does is provide a unified voice for the cities to then negotiate with the PUC to obtain a more acceptable rate.

Byron Sanford moved to adopt the ordinance as presented for Item #3. Julie Davis seconded the motion, the motion carried unanimously. (4-0)

4. Consideration and possible action regarding adoption of the following Ordinance:

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE ZONING CLASSIFICATIONS AS DEFINED IN THE CITY CODE OF ORDINANCES CHAPTER 98, "ZONING," FOR A 1.5-ACRE TRACT SITUATED IN THE

BENJAMIN RIGSBY SURVEY, ABSTRACT NUMBER 31, COMMONLY REFERRED TO AS 14855 NORTH LIBERTY STREET, MONTGOMERY, TEXAS FROM “R-1” SINGLE FAMILY RESIDENTIAL ZONING DISTRICT, AS FOUND ON THE CITY’S OFFICIAL ZONING MAP TO “B” COMMERCIAL ZONING DISTRICT CLASSIFICATION; AND TO AMEND THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE AND PUBLICATION.

Mr. Tramm said City Council held a Public Hearing on this rezoning request on January 11th after receiving the Planning & Zoning Commission’s Recommendation and Report. Mr. Tramm said no comments for or against the request were given at their Public Hearing on January 4th and their recommendation is to approve the rezoning request.

Julie Davis moved to approve Item #4 as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (4-0)

5. Consideration and possible action regarding adoption of the following Ordinance:

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE ZONING CLASSIFICATIONS AS DEFINED IN THE CITY CODE OF ORDINANCES CHAPTER 98, "ZONING," FOR A 16.41-ACRE TRACT OF LAND NORTH OF THE INTERSECTION OF EMMA’S WAY AND SCENIC HILLS COURT, COMMONLY REFERRED TO AS THE PROPOSED HILLS OF TOWN CREEK SECTION FIVE, MONTGOMERY, TEXAS FROM “B” COMMERCIAL ZONING DISTRICT, AS FOUND ON THE CITY’S OFFICIAL ZONING MAP TO “R-1” SINGLE-FAMILY RESIDENTIAL ZONING DISTRICT CLASSIFICATION; AND TO AMEND THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE AND PUBLICATION.

Mr. Tramm said City Council held a Public Hearing on this rezoning request on January 11th after receiving the Planning & Zoning Commission’s Recommendation and Report. Mr.

Tramm said no comments for or against the request were given at their Public Hearing on January 4th and their recommendation is to approve the rezoning request.

Byron Sanford moved to approve Item #5 as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (4-0)

6. Consideration and possible action regarding award of the 2022 Sanitary Sewer Cleaning and Televising Project and authorization for the City Administrator to execute the Contract.

Mr. Tramm said City Council authorized staff and the City Engineer to move forward with this project on September 28, 2021, following discussions during the annual budgeting process. Mr. Tramm said the Invitation to Bid was advertised beginning December 27, 2021, and bidding closed on January 17, 2022, when the six sealed bids received by the City were recorded during a public bid opening. Mr. Tramm said two of the six bidders attended the 10:00 a.m. bid opening conducted by the City Engineer and City staff.

Mr. Tramm said as a recap, the scope of this project included cleaning and inspecting a total of 35,270 feet of sanitary sewer line (just over six and a half miles). Mr. Tramm said these are some of the oldest sewer lines in the City, primarily located in and near the Historic Preservation District as well as several other key lines near this area. Mr. Tramm said a similar 2017 inspection along FM 149, and another project is proposed for the next fiscal year to inspect the next oldest lines in the City, leaving only the lines that have been installed in recent years and are not due for this type of inspection.

Mayor Countryman asked what they are looking for when they do this inspection.

Mr. Muckleroy said they are looking for anything in the lines that are going to cause infiltration or anything in the lines that need repairs such as joints being offset.

Mayor Countryman asked if this is done every five or 10 years.

Mr. Muckleroy said it depends on the age of the pipes. Mr. Muckleroy said they would like to do it every 10 years.

Mr. Muckleroy said the original estimate was for \$101,000. Mr. Muckleroy said the low bid came in at \$62,000 from Pinnacle Pumping. Mr. Muckleroy said they have worked with Pinnacle Pumping in the past.

Julie Davis asked if there is a timeline regarding how long it will take to have this work completed and if it is in the contract.

Mr. Muckleroy said it is in the contract. Mr. Muckleroy said when they did this in 2017 it was done within two and a half weeks.

Julie Davis said she is concerned that the bid came in so low.

Mayor Countryman asked if we have worked with them before. Mr. Muckleroy said yes.

Mr. Mike Williams, Vice President of H2O Innovation, said they have worked with them for several years and found that when they switched to their services they had the same cost savings for their clients. Mr. Williams said they have always proved to be a very reliable contractor.

Carol Langley asked if smoke testing was done. Mr. Muckleroy said no.

Carol Langley asked if they would alert residents. Mr. Muckleroy said they usually do not because there are no disruptions. Mr. Muckleroy said it is nothing like smoke testing.

Carol Langley asked if the City gets a report. Mr. Muckleroy said they will provide the report to the engineers who will review it.

Julie Davis moved to accept Item #6 as presented. Byron Sanford seconded the motion, the motion carried unanimously. (4-0)

7. Consideration and possible action to approve action by the Montgomery Economic Development Corporation to convert the contracted Event Coordinator position to a full-time staff position and amend the annual budget to fund the position.

Mr. Tramm said as this item includes a significant change made in the MEDC Budget, this item is coming to City Council for approval as City Council is required to approve expenditures by the MEDC over \$10,000.

Mr. Tramm said last summer the MEDC created a contracted position anticipating 20-25 hours of work per week to assist the City and MEDC relative to permitting and events. Mr. Tramm said Ms. Amy Brown is currently serving in this position. Mr. Tramm said to be more accurate the position has been a 40-44 hour-a-week position. Mr. Tramm said as the City has grown so has the needs of the MEDC. Mr. Tramm said positions like this are fully funded by the MEDC which has been done in the past.

Mr. Tramm said he has outlined the budget amendments and the money is available and has confirmed the amounts with Mr. Anthony Lasky, Senior Accounting Clerk. Mr. Tramm said partially those were funds that would be the remaining amount for the contracted position for the year and the others were unallocated funds toward events.

Mr. Tramm said the proposed job description is based on the job descriptions of other cities as well as the City's needs. Mr. Tramm said attached is the agenda report from the MEDC Board of Directors Meeting where this was approved.

Mr. Tramm said two members of City Council are also members of the MEDC and this received approval at the MEDC level.

Kevin Lacy asked if this would be transitioning Ms. Amy Brown's position and turning it into a full-time position paying her \$56,000.

Mr. Tramm said no, the contracted position will go away and that will become a new position. Mr. Tramm said the MEDC position does need to be posted and a person needs to be hired. Mr. Tramm said it is not a conversion of the existing position.

Kevin Lacy asked if this person would absorb the responsibilities regarding Facebook which Mrs. Rebecca Huss is currently reimbursed for and put the \$18,000 back into our pocket.

Mr. Tramm said this position was not designed to take on social media.

Kevin Lacy asked if they could design the position to include social media. Mr. Tramm said if that is how City Council approves it, but that is not how it is being presented.

Kevin Lacy said Texas A&M has programs where the City of Montgomery could be part of their curriculum regarding these exact responsibilities as well as Facebook. Kevin Lacy said Texas A&M students can do these jobs for the City for free. Kevin Lacy said the City could save all this money and have students do this for their curriculum. Kevin Lacy said this is something we should look into.

Mayor Countryman asked why would we want students to take on these roles and then they rotate every year. Mayor Countryman said they have had this position before and it is necessary. Mayor Countryman said what Ms. Brown does is being funded by MEDC and it is necessary and what Mrs. Huss does is more than just Facebook. Mayor Countryman said she thinks Kevin Lacy should find out more about what they do to find out why they are being paid what they are.

Mayor Countryman asked if MEDC was funding the position. Mr. Tramm said yes, it is fully funded by the MEDC.

Mr. Tramm said he would be happy to speak with the universities and thinks they could certainly help; however he thinks there is certain stability that comes with having a permanent person. Mr. Tramm said he does not see why they could not do both and get even better results.

Kevin Lacy said he would like to see some reporting regarding what Ms. Brown and Mrs. Huss are doing. Mayor Countryman said that is what they do in the MEDC meetings.

Kevin Lacy said he does not think they need to pay the President of the MEDC \$18,000 a year as reimbursement for posting on Facebook. Kevin Lacy said he thinks they can get someone in a full-time position that can do both. Kevin Lacy said they gave the MEDC President a raise last year as well.

Mayor Countryman asked Mr. Tramm if the MEDC approved it. Mr. Tramm said yes.

Kevin Lacy said he thinks hiring a full-time person and still paying \$18,000 a year is a lot of money.

Mayor Countryman asked the members on MEDC if they see the need for two different positions.

Byron Sanford said he is not opposed to two positions at all. Byron Sanford said this person is like MVP. Byron Sanford said this position involves building relationships and bringing money into the City. Byron Sanford said this person would build contacts, look for grants which are the things the manager and assistant manager do not have time to do.

Byron Sanford said he does not disagree with Kevin Lacy on the idea of the websites as it is more than just Facebook that Mrs. Huss manages. Byron Sanford said he is hoping somehow they find one person which he thinks would be best because this is the one contact that is the City's representative. Byron Sanford said he sees this as one position and had reservations from the beginning because they were asking for something that the title and job description just did not fit. Byron Sanford said there is no doubt this is a full-time position. Byron Sanford said any time a manager starts going part-time here and part-time there, the manager is telling you he needs help. Byron Sanford said he would like to see it consolidated into one position but he does understand when you do this you need to advertise it and try and get the best applicants you can.

Mr. Tramm said as far as consolidating the position between social media and other attributes, to some degree those are different skill sets. Mr. Tramm said his fear would be if he starts pushing them together he is going to have candidates who likely qualify for this yet say they are no social media expert or vice versa.

Kevin Lacy said they need to find one person who is good at and can handle both.

Byron Sanford said this is the person who goes out and sells the City. Byron Sanford said they need to get a full-time representative for the City as this is a difference-making position. Byron Sanford said he would encourage to advertise and get the best person for the position.

Mayor Countryman asked for 44 hours per week, does Ms. Brown have the bandwidth to do Facebook, advertising, and all the social media aspect.

Mr. Tramm said in order to just keep what was getting done, something is going to have to drop or slide from the 44 hours to pick up the balance. Mr. Tramm said social media may not be enough for a full-time job, but it is probably 10-15 hours per week.

Byron Sanford said there is no argument from that data that it is doing a fantastic job. Byron Sanford said they were higher on the hits just from Facebook alone than Willis, Magnolia, and other areas and we know the job is quality. Byron Sanford said he would like to find one person that could do that if possible.

Carol Langley said it is a major position in Montgomery and as Mr. Tramm said, we have had people in the position before and does not think they knew what the job pertained to because they were not going out to the business owners or chamber meetings. Carol Langley said this position with the new job description states all of that. Carol Langley asked if Ms. Brown can do all of this. Carol Langley said she does not know. Carol Langley said she hopes there are applicants out there that would like to take on the City of Montgomery at this time.

Chief Solomon said the event coordinating in the City had never been as good until Ms. Brown started doing it. Chief Solomon said what she has done has been great and she spends a lot of time doing it. Chief Solomon said this person needs to know the people in the City and what the City events are. Chief Solomon said Ms. Brown has done a great job.

Mayor Countryman said she too has heard compliments and it is great to have that point of contact because before Ms. Brown's existence it was her or Mrs. Huss. Mayor Countryman said Ms. Brown has been great to work with and is extremely efficient.

Chief Solomon said now with these events and having Ms. Brown coordinating them, all the police department has to do is focus on security. Chief Solomon said Ms. Brown does a great job. Chief Solomon said as far as Facebook and combining that element he is not sure.

Byron Sanford said Ms. Brown is uniquely qualified in having owned a business here and knowing the festivals that take place within the City. Byron Sanford said he is all for consolidating the position.

Kevin Lacy said it sounds to him like Ms. Brown would be a top candidate for the job. Kevin Lacy said if Ms. Brown is the person then great, but they need to make sure to get the right person that can do it all.

Julie Davis said she would agree with Mayor Countryman that internship programs are amazing but they are seasonal and you do need a full-time staffer to check in with them. Julie Davis said they would be great for seasonal events where extra help is needed. Julie Davis said she does think you could combine the two and pull in some internship programs that would benefit all of us.

Mayor Countryman said Ms. Brown has stream-lined efficiencies and has gotten this down to a science and is extremely sufficient.

Julie Davis moved to accept Item #7 as presented with the amendment this is a Marketing and Event Coordinator position to include social media.

Discussion: Mr. Tramm asked if the intent of the amendment is for this person to take over the current contract for social media responsibilities or if it would exist with that. Julie Davis said the person would take it over.

Byron Sanford seconded the motion, the motion carried unanimously. (4-0)

Mr. Tramm said now that he has approval from City Council they are going to start the advertising process. Mr. Tramm said the intent from MEDC was they would continue as they

are until this position is filled. Mr. Tramm said he wanted to make sure City Council was aware and that no one had an issue with that.

Julie Davis asked who the person in this position would report to. Mr. Tramm said to him.

Mr. Tramm said he will discuss with the City Attorney because there was an amendment made whether or not this has to go back to the MEDC.

Byron Sanford said they need to closely monitor this position and make sure they are doing everything related to that position and the City Administrator is not having to.

Mr. Tramm said with the contract position in place now, one of the processes he and Ms. Brown have is they have a regular time scheduled weekly to meet for one hour. Mr. Tramm said it has taken his attention span more off the MEDC and allows him to have more time for the City with Ms. Brown being there and he expects the same for this position but at a more executive level.

Julie Davis asked how long the position will be posted. Mr. Tramm said it will post between three to five days for City employees first then three to four weeks for the public. Mr. Tramm said his hopeful goal is to have someone hired during March.

Mr. Tramm said if Councilman Kevin Lacy could provide him with the contact points he mentioned earlier, he would be happy to work with those universities. Mr. Tramm said he thinks that would be a great way for them to magnify what the MEDC does with intern-type help.

8. Consideration and possible action to approve action to set a Special Meeting date for City Council Interviews of City Secretary candidates.

Mr. Tramm said with the assistance of retired City Secretary Susan Hensley, they have narrowed down the initial list of candidates to four qualified individuals for the position of City Secretary. Mr. Tramm said as this is a statutory position appointed by City Council, it is not unusual for the final interviews to be conducted by City Council for City Secretary.

Mr. Tramm said he listed a series of dates he suggested for a potential Special Meeting, but he is also open to other dates. Mr. Tramm asked what works for City Council and how would City Council like to approach this.

Mr. Tramm said one of the important things is that it is a position that interfaces directly with City Council members and it is his preference City Council is involved and does not just have a person put in front of them.

Mayor Countryman asked if they could get back to Mr. Tramm with dates and see what dates they share. Mr. Tramm said yes. Mr. Tramm said they can coral this through email. Mr. Tramm said they do not have to set up a Special Meeting at a City Council meeting.

Julie Davis said most of them could clear their schedules for Tuesday nights. Mayor Countryman said or Saturday mornings.

Mr. Tramm said to communicate to him through email and they will set a date that works for everyone. Mr. Tramm said he will follow up with Councilmember Wilkerson tomorrow.

DEPARTMENTAL REPORTS:

9. City Administrator Report. – Mr. Tramm, City Administrator said he would like to highlight the three City Christmas events Light Up the Park, the Christmas Parade, and the Snow Party. Mr. Tramm said those events all brought and kept a large number of people in the City. Mr. Tramm said there were 1,900 entrants in the parade and the City population has around 2,000 people. Mr. Tramm said the population of the City was in the parade and everyone else watching the parade shows the number of people that came to the City. Mr. Tramm said near the end of the parade he rode with the Public Works Director around the perimeter of the City. Mr. Tramm said he was able to see all the traffic leaving the City, which was fairly sizable, but also as he came back there were still a lot of people in the City. Mr. Tramm said he believes they accomplished the goals of getting people into the City as well as having fun things to do for the people that were here.

Mayor Countryman said regarding the Cookie Walk, they had to go to different businesses and pull many boxes, the largest they have ever had and went through all of the cookies as well.

Mr. Tramm said for the Snow Party they had just over 300 people there who were signed in with waivers. Mr. Tramm said they used a QR code system where they did not have to use paper. Mr. Tramm said they did something similar at Light Up the Park with Santa Claus.

Julie Davis asked if they are gathering email addresses on those sign-ins. Mr. Tramm said yes. Julie Davis said that would be a great thing to pass over to the new marketing position. Mr. Tramm said they are already doing that. Mr. Tramm said there are multiple mailing lists. Mr. Tramm said one is for the downtown area businesses, another is businesses of Montgomery, and also residents or non-residents who may have an interest in all these events.

Julie Davis said there could be a check box added if they want to subscribe to the City's monthly newsletter and then the newsletter that is put in with the water bills could include those who do not live inside the City to let them know what is going on.

Mr. Tramm said the new terms for MEDC started January 1, 2022, for returning members Byron Sanford and Dan Walker, as well as for new member Wade Nelson.

Mr. Tramm said MEDC had a little over \$9,000 which were unspent funds for the Christmas events. Mr. Tramm said they approved an amendment to split those into two categories. Mr. Tramm said one was with the recommendation by the Police Chief to buy additional safety barricades to be used for all events as needed and another was a recommendation from the Public Works Director of the City to purchase additional Christmas decorations.

Mr. Tramm said Mr. Charlie Diggs came to the MEDC meeting to present a \$2,200 check to the MEDC. Mr. Tramm said that was a return based on attendance at the Fall Festival as part of the sponsorship agreement. Mr. Tramm said they are looking at a similar sponsorship agreement for March 2022 for the Montgomery Music and Mudbugs festival and the amount to be returned is likely to be much higher.

Mr. Tramm said the MEDC approved funding \$200,000 toward the City's Clepper Sidewalk Project. Mr. Tramm said MEDC item expenditures over \$10,000 must be presented to City Council. Mr. Tramm said they will present that when there is an actual expenditure for the money to be spent on or will have to go to a 60-day posting. Mr. Tramm said in addition MEDC projects in excess of \$50,000 must be posted in the newspaper to allow for public comment. Mr. Tramm said there will be a bit of a time lag before this is brought to City Council while they fulfill the legal requirements. Mr. Tramm said that included money they had both allocated in the budget toward sidewalks as well as money allocated they could use each year toward capital projects in the City. Mr. Tramm said since the City already allocated money in this year's budget they will be able to reallocate that for other capital projects later in the year.

Mr. Tramm said the MEDC is also appointing a committee to review the opportunity for a tourist Tax Increment Reinvestment Zone to benefit economic development using City property tax and use that in ways for grants and certain projects that enhance the SH 105 and FM 149 downtown area corridors.

Byron Sanford asked if they said besides the three people mentioned on MEDC to create a group to get that started there would need to be an attorney present during those meetings. Mr. Tramm said as they discussed, the first meeting they will have is a concept meeting to get started and as it goes farther past the concept then they will need to include the attorney.

Byron Sanford said City Council needs to know and understand that Mr. Wade Nelson has extensive experience in setting up a tourist district and they have a well-qualified group already started and thinks it is going to make a big difference for them going forward.

Mr. Tramm said he thinks Mr. Nelson will be very valuable with his skillset toward MEDC.

Mayor Countryman said no one can replace Mr. Arnette Easley.

Mr. Tramm said Mr. Easley's skill set was very valuable during his tenure with MEDC.

Mr. Easley said the property he just acquired is one of many in Montgomery that needs rehabilitating. Mr. Easley said he knows the City does not have a lot of resources or the time

so if he can do another project he definitely will. Mr. Easley said they just approved the remodeling for downtown, but the thoroughfare north, south, east, and west must all be addressed. Mr. Easley said Montgomery is a beautiful town and it is up to them as stakeholders to make sure that happens. Mr. Easley said they need to be productive in these City Council meetings to get things done. Mr. Easley said it is alright to disagree, but let us find common ground to make things happen in the City.

Mr. Tramm said regarding the Development Report, Wendy's was opened as of the last City Council meeting and Batteries Plus Bulbs is now open near AT&T.

Mr. Tramm said they are starting to see some slowing down of the completion of residential development and seeing an increase in the permitting primarily because there are a couple of developments that are moving forward. Mr. Tramm said there are 1,000 homes they know of between things that are platted and talking with developers regarding what they want to build. Mr. Tramm said those homes are coming in the next several years.

Mr. Tramm said there is a Planning & Zoning Commission update. Mr. Tramm said City Council has seen and now acted on the zoning change items. Mr. Tramm said Planning & Zoning has also identified several ordinances and planning documents that they are going to discuss and review through the year and identify where items can be recommended to City Council for change. Mr. Tramm said some of those items may originate from Planning & Zoning and some items may originate out of City Council.

10. Sales Tax Report. – Mr. Tramm said there are two monthly reports. Mr. Tramm said he will email the confidentiality reports to City Council members tomorrow.

Mr. Tramm said the primary item he wants to point out on the report is on page 57 which shows the top 25 businesses for November and December. Mr. Tramm said on November's which is a quarterly filing month explains why Kroger is in November and not in December. Mr. Tramm said on page 55 it shows the top 25 sales tax filers for the twelve months combined.

Mr. Tramm said one thing he found most interesting is that some of the older businesses in the City are doing a lot more business than they did five years ago. Mr. Tramm said they have

dropped down the list because there are other businesses here, but they are still doing a lot better business than they did before.

Byron Sanford asked what is Steelfab. Mr. Tramm said it is for materials used in construction.

Mayor Countryman said Ruthie Grace has a very large online business. Mayor Countryman asked if the City receives those taxes or the taxes are received in the town where the merchandise is delivered. Mr. Tramm said his understanding from the Comptroller's office is the delivery address is the point of sale.

Mr. Tramm said you can also see the January numbers in the column on the left compared to the December numbers. Mr. Tramm said these were both monthly filers so there are no quarterly filers on this one.

Mr. Tramm said he will be following up with the sales tax consultant as it was at the December meeting they had their sales tax consultant here.

Mayor Countryman said Amazing Window Cleaners came about due to the pandemic and the fact they are a quarterly filer and are number 21 is pretty incredible since they have been in business for a year.

Mr. Tramm said there is a lot of good data and that is one reason he wants City Council to see these reports because they can see what businesses are doing and how trends change.

11. Finance Report. – Mr. Anthony Lasky, Senior Accounting Clerk presented his report to City Council for both November and December of 2021.

Mr. Lasky said page three shows the account balances. Mr. Lasky said the operating fund has a total of five months reserve, MEDC has a little over two years reserve, and the utility fund has eleven months reserve.

Mr. Lasky said for all the cash flows this month he combined both November and December. Mr. Lasky said for the budget he did separate those so it can be seen what was earned and spent for each month.

Mr. Lasky said on the cash flow for operating checking the main ticket items were the sales tax for November and December. Mr. Lasky said they collected almost \$541,000 in sales tax for November and almost \$289,000 for December. Mr. Lasky said they did receive \$29,000 from FEMA which was reimbursed back to the general fund. Mr. Lasky said they also received \$490,000 of ad valorem taxes for December. Mr. Lasky said they will see another bulk of it coming in for January for next month.

Mr. Lasky said a couple of big expense items were speed traps they received from All Traffic Solutions which was a little over \$47,000 and they also paid \$70,000-\$71,000 for the new public works building.

Mr. Lasky said on page 15 is the start of the November budget. Mr. Lasky said sales tax was \$405,000 and the remainder of \$100,000 went to the MEDC fund. Mr. Lasky said for the revenues total the City received roughly 15 percent to date and expenditures were 12 percent for November.

Mr. Lasky said on page 20 for December the City received \$216,000 in revenues for sales tax and the ad valorem received \$322,000 the rest of it being transferred to the debt service for the upcoming dates that will be due at the end of February.

Mr. Lasky said for January they did receive the sales tax numbers. Mr. Lasky said \$281,476.57 and around \$70,000 is going into the MEDC fund and \$211,000 into the general fund. Mr. Lasky said the revenues are at 27 percent for the first three months of the fiscal year and the expenditures are at 20 percent.

Mr. Lasky said they did receive a check for \$76,000 which closed out the TBG block grant that has been out there for a long time. Mr. Lasky said that has finally been closed out.

Mr. Lasky said starting in March this report will be formatted differently as they will be going live with the new software beginning Monday, January 31st. Mr. Lasky said there has been a lot of training and a lot of good things are going on and he is excited for this to finally go live. Mr. Lasky said they will be on par with a lot of other cities.

Mayor Countryman asked what does it mean when it is live. Mr. Lasky said it means he will be doing all of his reporting on Incode rather than QuickBooks.

Mr. Lasky said Ms. Susan Hensley did a fantastic job getting him prepared for this and he could not have done it without her. Mr. Lasky said he does thank her for preparing him.

Kevin Lacy asked if the First Financial credit card is like a savings credit card. Mr. Lasky said it is. Kevin Lacy asked if it is \$15,000 for two months or one month. Mr. Lasky said it was for one month. Kevin Lacy asked if that was average. Mr. Lasky said it has been between \$12,000-\$15,000 and a lot of it is because of training that has been going on mostly from the police department. Kevin Lacy asked what do we use it for. Mr. Lasky said for training purposes.

Mr. Tramm said it is one card, but a total of multiple cards the department heads have.

12. Police Report. – Chief Solomon asked if there were any questions regarding the report.

Kevin Lacy asked for the record if Chief Solomon would clarify the location of the cameras. Chief Solomon said he cannot disclose that information on camera.

Kevin Lacy asked if the cameras are going to be inside the neighborhoods. Chief Solomon said no, the City would never place cameras inside neighborhoods.

13. Court Report. – Mrs. Kimberly Duckett, Court Administrator said for the November 2021 revenue they collected \$23,458.35. Mrs. Duckett said for December 2021 the revenue was \$24,648.00.

14. Public Works Report. – Mr. Mike Muckleroy, Director of Public Works asked if there were any questions.

Mayor Countryman asked why the Christmas decorations are still up. Mr. Muckleroy said they had a storm come through town. Mr. Muckleroy said they scheduled for that Monday morning to begin takedown of the Christmas decorations, but because of the storm, they had to postpone the Christmas decoration takedown and lost a solid week because of it. Mr. Muckleroy said they are still not completely done. Mr. Muckleroy said it is on the calendar for this week.

Mayor Countryman asked if they will be able to save the trees. Mr. Muckleroy said some of the trees they are going to have to take down, but they do evaluate the trees closely to determine what to do.

Byron Sanford said in Hardin County whenever they had a storm they reached out to the people who needed public service and they brought crews out. Byron Sanford said it is just a suggestion they reach out to community service centers to help because that is a long time to be taken off track for doing what they need to be doing.

Carol Langley asked what the flags on College Street are for. Mr. Muckleroy said he does not know but will find out the answer.

Mayor Countryman asked if Mr. Muckleroy has a new employee on his crew. Mr. Muckleroy said yes, Brice Crocker is working out well and has been with the City for 90 days.

15. Utility Operations Report. – Mr. Mike Williams, Vice President of H2O Innovation, said there were several call-outs for November. Mr. Williams said at Lift Station 3 there were large balls of rags accumulating, causing them to have to clean it more often.

Mayor Countryman asked if it was a commercial line. Mr. Williams said it is on FM 149 across from the bus barn. Mr. Williams said it does take a considerable amount of flow. Mr. Williams said there are commercial, some residential, and apartment complexes. Mr. Williams said he is not sure where this is coming from all of a sudden. Mr. Williams said they are tracking it and hope to have an answer soon.

Mayor Countryman asked if it was dish rags. Mr. Williams said it was sanitary napkins.

Mr. Williams said the wastewater plant flow detail flow for November was 5,553,000 gallons, the daily peak was November 4, 2021, with 329,000 gallons, and daily average flow was 179,100 gallons with a three-month average flow of 179,900 gallons.

Mr. Williams said all samples complied with the Effluent Monitoring Report for November.

Mr. Williams said they pumped a total of 11,545,000 gallons and sold 10,758,000 gallons with a 97 percent accountability.

Mr. Williams said for the December report there were fewer call-outs although there were still clogged pumps at Lift Station 3.

Mr. Williams said the wastewater plant flow detail for December was 5,136,000 gallons, daily peak was November 18, 2021, with 331,000 gallons, and daily average flow was 171,200 gallons with a three-month average flow of 179,500 gallons.

Mr. Williams said samples complied with the Effluent Monitoring Report for December.

Mr. Williams said they pumped a total of 9,819,000 gallons and sold 8,721,000 gallons with a 96 percent accountability.

Mr. Williams said they did not finish installing the generator at Lift Station 6.

Julie Davis asked if the water is tested monthly. Mr. Williams said yes.

Julie Davis said she has seen quite a few people on social media posting pictures of their water and it is brown and yellow.

Mr. Williams said the brown and yellow color is typically iron which the wells do pump. Mr. Williams said it is not going to affect the bacteria testing. Mr. Williams said it is not aesthetically pleasing to see that but they do use a chemical to coat it and keep it from discoloring. Mr. Williams said they have their chemical suppliers scheduled to retest the well to make sure adequate amounts are being applied. Mr. Williams said they will go through the diagnostic testing to see if things need to change. Mr. Williams said there are times when the water shifts direction in the pipeline causing it to stir up. Mr. Williams said it will need to be flushed out once it is recorded. Mr. Williams said they do maintain a monthly flushing schedule with the City.

Mayor Countryman said the watercolor is terra-cotta and it is significant. Mayor Countryman said her neighbor showed her their water and even with a filter which they change out typically every eight or nine months, they have had to change out their filter every three months.

Mr. Williams said he and Mr. Muckleroy will be updating their flushing points to try and curb the issues. Mr. Williams said they will also discuss directional flushing to try and sweep everything out of the lines.

Mayor Countryman said it looks like in November and December they had the same effluent permitted values, parameters, and inches of water. Mr. Williams said they are close but not the same. Mr. Williams said the numbers will not change that much when they are having good weather. Mr. Williams said the numbers are very healthy with average results.

Julie Davis asked when the chemicals will be tested. Mr. Williams said the end of this week or next.

16. Utility Billing Report. – Mr. Richard Tramm said on both the November and December reports the billing amounts have gone down with cooler weather.

Mr. Tramm said on the December report the \$76,000 listed was due to construction. Mr. Tramm said that was CDBG money from the grant which was referred to earlier.

Mr. Tramm said there are two items for \$248 and \$306.17 which were noted for City reimbursements. Mr. Tramm said those are utility bill payments that Mr. Lasky is getting properly coded.

Mr. Tramm said water usage was normal.

Mr. Tramm said there is a big difference between the cooling tower fee of 2020 and when the cooling tower was down. Mr. Tramm said the cooling tower is now back in operation.

Julie Davis said the City gained eight new water accounts in one month from October to November.

17. Engineer's Report. – Mr. Dave McCorquodale, Assistant City Administrator presented the report to City Council.

Mr. McCorquodale said the Downtown Waterline Replacement is close to completion.

Mr. McCorquodale said regarding Water Plant No. 3 Improvements the contractor poured the foundation for the ground storage tank and cooling tower. Mr. McCorquodale said the hydropneumatic tank is set in place as well.

Mr. McCorquodale said as mentioned earlier the Dr. Martin Luther King Jr. Drive Ditch Regrading and Sanitary Sewer Rehabilitation Project will be advertised for bid on January 26th and bids will be opened on February 16th.

Mr. McCorquodale said the engineers are expecting to receive the survey work back this week regarding Clepper Sidewalks.

Mr. McCorquodale said a 15-Year Capital Improvement Plan draft will be emailed to City Council. Mr. McCorquodale said they will hold a workshop sometime in February or March to discuss the plan in further detail.

Mr. McCorquodale said for the Feasibility Study with Montgomery Brewing Company, it is currently on hold while options are being discussed with the property owner.

Mr. McCorquodale said the revised drainage impact analysis report was received from Town Creek Crossing, Section 2, and offered no objections to the revised report.

Mr. McCorquodale said Hills of Town Creek Section 5 preliminary plat will be presented at the February 1st meeting of the Planning and Zoning Commission.

Mr. McCorquodale said the contractor is still working on addressing the punch list items identified at the final inspection for Town Creek Crossing, Section 1.

Julie Davis said 24-hours after the most recent heavy rain she drove on Scenic the day they did the drilling. Julie Davis said Stylecraft did a phenomenal job of shaving the concrete where there previously was a bad patch job. Julie Davis said even the ponding in front of Kevin Lacy's house only had one spot at the end of his driveway. Julie Davis said in 24 hours there was nothing ponding on the street.

Mr. McCorquodale said ongoing construction includes Town Creek Crossing, Section 1. Mr. McCorquodale said the contractor is still addressing punch list items identified at the final inspection.

Mr. McCorquodale said regarding the two ongoing TxDOT activities, the turn lane at FM 149 and SH-105, they did not connect the power meter to the one pole. Mr. McCorquodale said in speaking with Mrs. Katherine Vu, Project Manager with WGA, TxDOT expects to be done in May. Mr. McCorquodale said as a reminder this was a 53-day working project.

Julie Davis asked if we could use our connection with our Entergy representative to see if it can be connected faster. Mr. McCorquodale said he does not think it would be the same folks but he has let the engineers know that if we cannot get a definite answer we need to go around the Conroe office and that is our next step.

Julie Davis said they started with the turn lanes on FM 2854 moving fast and then it slowed way down. Julie Davis said making that 90-degree turn at that intersection is impossible if you are hauling a trailer or driving a truck. Mr. McCorquodale said he thinks they should have posted some type of detour sign to Buffalo Springs.

Kevin Lacy asked if there will be a light at Chick-Fil-A. Mr. McCorquodale said if they install one there it will be too close to FM 2854. Mr. McCorquodale said they are looking into doing a traffic signal warranty analysis like they did at Buffalo Springs and SH-105.

Mr. McCorquodale said the Emergency Preparedness Plan is nearing completion and the final plan will be submitted in February.

Mayor Countryman said there are two properties and one is pending on North Liberty Street right across from Jim's Hardware. Mayor Countryman asked if we know what that is going to be. Mr. McCorquodale said he has not heard anything. Mr. McCorquodale said most of it is zoned commercial and outside the Historic District.

Mayor Countryman asked if it is the backside of a flood plain. Mayor Countryman said she knows the City looked at it at one point to purchase for additional parking.

Julie Davis said she thought it was going to be turned into a round-about. Mr. McCorquodale said in the proposal for the round-about it depends on if it is one or two lanes and how it is done.

Mayor Countryman said she did not see any update on Montgomery Grove, the new food truck park. Mr. McCorquodale said there is a meeting set with them for tomorrow and they have not seen any updates as of yet.

Mayor Countryman said they called her about permits and she told them she does not handle those. Mr. McCorquodale said it is a different animal because it is an existing restaurant site but at the same time there is a whole lot more going on than just the existing restaurant. Mr. McCorquodale said they want to be mindful of the speed of business, but at the same time, they need to make sure all the bases are covered.

Julie Davis said Mike Anderson has a very long-standing notable reputation in this community as well as Magnolia. Julie Davis said he started as a youth pastor at the Fellowship of Montgomery. Julie Davis said she understands he is on a 30-day timeline but this is his bread and butter. Julie Davis said he is literally closing his shop in Magnolia and coming here. Julie Davis said they need to be 100 percent on their A-game in this office to make sure they are communicating what he needs to do. Julie Davis said they cannot have another situation like that.

Mr. McCorquodale agreed and said there are things they can do to get it off the ground that does not involve wrapping up every single detail.

Julie Davis said she would like to see some clear communication of a detailed punch list of everything the City is expecting from them. Julie Davis said if the City is going to require them to gravel the driveway instead of blacktop it, they need to know they are going to have to pull a permit or gravel instead of blacktop because it is commercial. Julie Davis said not that they must blacktop the driveway, but if they would want to do something different they would need a variance.

Mr. McCorquodale said to that point, it is not just a variance they would need to get a parking lot, it is the Drainage Study that has to go behind that so the folks that live downstream from the food truck park are not getting flooded because they left it out.

Kevin Lacy said he spoke with the new homeowners who purchased his old house. Kevin Lacy said they mentioned how the speed of water is flowing through. Kevin Lacy said they need to make an improvement to stop the water from flowing. Kevin Lacy asked if Mr. McCorquodale had spoken with anyone about the issue.

Mr. McCorquodale said right now there is nothing that has moved forward. Mr. McCorquodale said it is existing water coming off an existing site and there is a 15-foot drainage easement on that side of the driveway. Mr. McCorquodale said he does not see a clearing. Mr.

McCorquodale said a survey crew was out there but a survey crew is not going to clear it. Mr. McCorquodale said in his view, water leaving from an undeveloped property and going to another property is not within the City's scope to fix. Mr. McCorquodale said if you develop and there is an issue there, then you need to do something about it.

Kevin Lacy said once the clearing was done there was a runway and there was nothing there to slow the water down. Kevin Lacy said there is supposed to be a detention pond to catch the water as part of the plan.

Mayor Countryman asked if the Champagne's had water in their garage as well before anything was touched. Kevin Lacy said the ditch helped a lot because they used to get water no matter what.

Mr. McCorquodale said there is a drainage easement that is on their property.

Julie Davis moved to accept the Departmental Reports as presented. Byron Sanford seconded the motion. The motion carried unanimously. (4-0)

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.

18. Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, in accordance with the authority contained in the following:

- a) Section 551.071 (consultation with attorney);
- b) Section 551.072 (deliberation regarding real property); and
- c) Section 551.074 (personnel matters).

Mayor Countryman adjourned into Closed Executive Session at 7:40 p.m.

Mayor Countryman reconvened into Regular Session at 7:52 p.m.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

19. Consideration and possible action on matters deliberated in Closed Executive Session.

Byron Sanford moved to authorize the City Attorney to reject the real estate offer and make a counteroffer. Julie Davis seconded the motion. The motion carried unanimously. (4-0)

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.

No inquiries from City Council.

ADJOURNMENT

Julie Davis moved to adjourn at 7:53 p.m. Carol Langley seconded the motion, the motion carried unanimously. (4-0)

Submitted by: _____
Diana Cooley, Deputy City Secretary

Date Approved: _____

Mayor Sara Countryman