

**City Council Regular Meeting
MINUTES**

August 22, 2023, at 6:00 PM

CALL TO ORDER

Mayor Byron Sanford called the meeting to order at 6:00 p.m.

Present: Byron Sanford Mayor
 Carol Langley City Council Place #1
 Casey Olson City Council Place #2
 Sara Countryman City Council Place #3
 Cheryl Fox City Council Place #4
 Stan Donaldson City Council Place #5

Also Present: Gary Palmer City Administrator
 Nici Browe City Secretary & Director of Administrative Services

INVOCATION

Councilmember Stan Donaldson provided the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

INVOCATION

VISITOR/CITIZENS FORUM:

No members of the public addressed the city council.

CONSENT AGENDA:

1. Sales Tax Report.

Councilmember Sara Countryman moved to approve the consent agenda as presented. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

CONSIDERATION AND POSSIBLE ACTION:

2. Discussion of Proposed FY24 Annual Budget and Approval of Proposed FY24 Tax Rate Cap

Mr. Gary Palmer introduced this item and explained to the City Council that this is where the city approves a proposed tax rate. He cautioned them that what they approve of here cannot be raised but can be lowered, therefore, it would be his recommendation that they make a motion with a cap of the highest rate they are comfortable with.

Councilmember Casey Olson stated that even with the information that was heard at the budget workshop from the Financial Advisor we are able to cover everything at the existing tax rate of \$0.40.

Councilmember Sara Countryman moved to approve a proposed tax rate of \$0.40 for the FY2024 and approve the proposed Annual Budget for FY2024. Councilmember Cheryl Fox Seconded the motion.

Mayor Byron Sanford called for a roll of the vote:

Councilmember Carol Langley Place 1 - For

Councilmember Casey Olson Place 2 – For

Councilmember Sara Countryman Place 3 – For

Councilmember Cheryl Fox Place 4 – For

Councilmember Stan Donaldson Place 5 – For

Motion Passed (5-0).

3. Call for a Public Hearing Regarding the Proposed Fiscal Year 2024 Tax Rate and Fiscal Year 2024 Annual Budget.

Mr. Palmer informed the City Council that the next process in the adoption steps is to call for a public hearing to approve the budget and tax rates. The date for this would be September 12, 2023, in the City Council Chambers at 6:00 P.M.

Councilmember Sara Countryman moved to call the public hearing for the FY2024 Tax Rate and FY2024 Annual Budget on September 12, 2023, at 6:00P.M. at the Montgomery City Hall Council Chambers. Councilmember Casey Olson Seconded the motion. **Motion Passed (5-0).**

4. Consideration of approval of AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS ("CITY") AUTHORIZING THE SETTLEMENT OF THE PROPOSED FUEL RECONCILIATION OF ENTERGY TEXAS, INC.; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

Mr. Palmer explained that the city belongs to a consortium of cities that are represented by Lawton Law Firm, they monitor and ensure the cities can reject the raising of utility rates by the electrical companies. This Ordinance is to comply with the process.

Councilmember Casey Olson asked how it would affect the consumers rates?

Mr. Palmer stated that it has zero impact on consumers.

Councilmember Casey Olson moved to approve and adopt the ordinance as presented. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

5. Consideration and possible action on accepting a new sanitary sewer easement on Lot 7 in Lone Star Estates and abandonment of the existing sanitary sewer easement.

Mr. Dave McCorquodale presented this item and informed the city council that this is the next piece in the development of Lone Star Estates.

Councilmember Casey Olson moved to approve the acceptance of a new sanitary sewer. Councilmember Sara Countryman seconded the motion. **Motion Passed (5-0).**

6. Review and Discussion of The Home Depot and City of Montgomery Memorandum of Understanding (MOU) and Chapter 380 Agreement Process for the Potential Home Depot Site Located at the NE Corner FM105 and Buffalo Springs Dr.

Mr. Palmer introduced this item and informed the city council of the terms of the 380 agreements, most specifically 100% of sales tax, liquidated damages, the 380 should be agreed by September 12, 2023, and the city will have the signal and road repaired by the time they do their portion as agreed within the development agreement.

Caleb Villarreal, City Attorney made the city council aware of a change that took place within the agreement it should say 50% in 2 years not 3.6 years.

Mayor Byron Sanford said No, this cannot happen, it's a bad idea. We need to negotiate that.

Councilmember Sara Countryman said what is there to negotiate, they don't seem to want to be part of this community, they don't want to negotiate so we take no action.

Councilmember Casey Olson stated that this council will not do what the prior city council did with the Kroeger 380.

Councilmember Sara Countryman said exactly that's why I don't want another bad one.

Mayor Sanford said, "Well at least we get the road to the front."

Mr. Palmer reminded the Mayor that the road was contingent on the 380 agreement.

Mayor Sanford stated that he does not like it and it does not seem like they are pressed for money.

Councilmember Casey Olson said let's take no action tonight and "He" will call them and renegotiate.

Councilmember Sara Countryman said no you can't negotiate without us all being involved.

Councilmember Casey Olson said Well I got you \$750,000 out of thin air.

Mr. Palmer stated that he and Caleb will talk offline and make arrangements to reach out to Home Depot.

No action was taken on this item.

DEPARTMENTAL REPORTS:

7. Court Report.

Councilmember Carol Langley asked what warrants were coming in, were there any. Ms. Duckett was absent at the legislative update session. Mr. Palmer stated he would inform Kim of the councilmember's questions and get a response for her.

8. Utility Operations Report - H2O

Mr. Williams of H2O provided a comprehensive report to the City Council and concluded that the city is at 96% accountability.

9. Public Works Report

Mr. Mike Muckleroy informed the city council with more detailed information regarding the failure of water well #2. He let the council know that he had one company come and camera the shaft, it was not 100% clear what the blockage was if it was the screens, but they could tell that at 640 feet

the well was full of sand and clay, indicating a catastrophic failure. The company said they could attempt to airlift removal of the sand and clay to see what else was happening, however, Mr. Muckleroy stated he had called Weisneger for a second opinion. The cost to clear out would be in the region of \$25,000 with no telling what they will find and end up having to drill a new well anyway.

Councilmember Sara Countryman asked about the contractors that have hit the water lines.

Mr. Muckleroy stated that he and the City Secretary filed a claim with TML but was denied it as was not covered. He has created an invoice and will attempt to submit it to the contractor for payment.

Councilmember Carol Langley asked if the water pressure was ok after the last break.

Mr. Muckleroy responded that it was fine and there were no issues.

Mayor Byron Sanford spoke about his concerns over low hanging trees on 105 and asked if that was TXDOT.

Mr. Muckleroy responded that it was indeed TXDOT.

10. City Engineer's Report.

Mr. Chris Roznovsky presented a comprehensive monthly update on all of the current and ongoing projects, highlighting facts such as the Flagship Boulevard Project is now complete, just some last tidy up items and the road is now reopened.

Mayor Byron Saford asked if people could now access Flagship from the Brookshires Parking Lot.

Mr. Roznovsky confirmed that was now possible.

The McCowan Water Line project is nearing completion.

The Lonestar Parkway bridge repair, the city has paid its \$100,000 per the interlocal agreement. The photos show the before and after and is expected to be complete August 10, 2023.

Mayor Byron Sanford asked if the land along 105 would be dedicated for Popeyes to use.

Mr. Roznovsky stated he had not heard anything to that effect at this time.

Councilmember Carol Langley asked what the status of the Mexican restaurant going in on 105 was.

Mr. Roznovsky responded that they had submitted an amended plat, and there is a construction notice board but has not heard when it will begin. The restaurant will be Lupe Tortilla.

Councilmember Sara Countryman stated that the bridge repair has some substantial rocks which she assumes is to prevent corrosion.

Mr. Roznovsky responded that it is part of it, they saw where the high-water mark was, used a fabric and clay which was compacted then rock as barriers.

Councilmember Sara Countryman inquired what could be done about the trees on the south side.

Mr. Roznovsky responded sadly nothing as it is private property.

11. Police and Code Enforcement Report

Chief Solomon said that he was pleased with the direction his officers and his department are heading.

Ms. Tilley Code Enforcement officer addressed the Mayor's issue with the low hanging trees on Eva Street. She stated that she had already exchanged emails with TXDOT landscape manager, and they are going out and they will also look at the faded signs.

Ms. Tilley added that in regard to the homeowner doing business out of their home, that she has been in communication with the property owner.

12. City Administrator Report

Mr. Gary Palmer informed the city council that the call for volunteers for boards and commission has been posted and once he has received the applications, he will review them the council and if there are many to go through it will most likely be a workshop.

The EDC met last evening and they are working on a job description for an EDC Director.

The Hydrology project he will update the city council on going forward in Executive Session.

Mayor Sanford stated that everything is moving forward the way it should, he thanked Mr. Palmer for keeping him and the council apprised and getting their buy in or lack thereof, he feels the meetings he has with the council is paying off and working well.

EXECUTIVE SESSION:

The City Council did not adjourn into Executive Session.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

The City Council did not adjourn into Executive Session.

COUNCIL INQUIRY:

Councilmember Sara Countryman inquired what recourse there is with zoning enforcement, when there is a person conducting a business out of their home.

Mr. Palmer responded that this would be under the jurisdiction of Code Enforcement, if she would like to have the information emailed to him, he will make sure Ms. Tilley is provided with the information for her review.

ADJOURNMENT

Councilmember Casey Olson moved to adjourn. Councilmember Stan Donaldson seconded the motion.
Motion Passed (5-0).

ADJOURNED: 6:54 P.M.

Submitted by: _____
Nici Browe TRMC, City Secretary

Date Approved: _____

Byron Sanford, Mayor