

MINUTES OF REGULAR MEETING

September 28, 2021

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Countryman declared a quorum was present and called the meeting to order at 6:01 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
	Susan Hensley	City Secretary
	Alan Petrov	City Attorney

INVOCATION

Byron Sanford gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

1. Consideration and possible action regarding adopting a Proclamation for World Teachers' Day on October 5, 2021.

Mayor Countryman read the Proclamation:

WHEREAS, the City of Montgomery's future strength depends on providing a high-quality education to all students; and

WHEREAS, teacher quality matters more to student achievement than any other school-related factor; and

WHEREAS, teachers spend countless hours preparing lesson plans and supporting students; and WHEREAS, our Montgomery Independent School District teachers have demonstrated great resilience, adaptability, and creativity during the COVID-19 crisis; and

WHEREAS, our community recognizes and supports its teachers in educating the children of this community; and

WHEREAS, #TeachersCan is a statewide movement supported by more than 125 partnering businesses and organizations committed to elevating the teaching profession and honoring the critical role teachers play in the success of Texas; and

NOW, THEREFORE, BE IT RESOLVED that the City of Montgomery City Council joins #TeachersCan and its partnering entities across Texas in celebrating World Teachers' Day and proclaims October 5, 2021, to be Montgomery Teachers' Day; and

BE IT FURTHER RESOLVED that the City of Montgomery Mayor and members of the City Council encourages members of our community to personally express appreciation to our teachers and display a light blue ribbon outside your homes or businesses the week of October 5 as a symbol of support for our Montgomery Independent School District educators.

PASSED, APPROVED AND ADOPTED this 28th day of September 2021.

Mayor Countryman presented Dr. Heath Morrison, Montgomery Independent School District Superintendent, with the proclamation.

Mayor Countryman said she needed City Council to make a motion to accept the consideration and possible action for item #1.

Julie Davis moved to accept item #1 as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

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. Jenny Stewart of 205 Kings Lane, Montgomery, Texas said she wanted to thank everyone with the City who is doing the smoke testing through the sewer lines on Lone Star Estates. Mrs. Stewart said she is also requesting a copy of the smoke testing report and any findings in Lone Star Estates. Mrs. Stewart said the good news is snakes were flushed out. Mrs. Stewart said one house had two snakes removed from the toilet and another house had one snake removed.

Mr. Esmeralda of 110 Racetrack Lane, Montgomery, Texas said he and his wife have been residents of Montgomery for five years. Mr. Esmeralda said he was in the Marine Corps for 12 years, was a police officer in Houston for six years, and has been a skater for over 20 years. Mr. Esmeralda said he has been reading over the 2020 Comprehensive Plan and likes how it elaborates a lot on creating public spaces. Mr. Esmeralda said he thinks skate parks could be great architectural art to our community. Mr. Esmeralda says there are eye-sore skate parks, but he is proposing we can create a skate park that the youth can go to that would be an architectural art piece for the community. Mr. Esmeralda said skateboarding was in the Olympics this year and is so diverse, from 13-year-old pro skater girls that are dominating the field, to old-school skaters. Mr. Esmeralda said skateboarding would not be just for younger people but older ones as well. Mr. Esmeralda said there are a lot of benefits to skating and it gives the kids a place to grow in a safe environment in our community. Mr. Esmeralda said he knows there are a lot of parks nearby in Conroe and The Woodlands but he would like to see a skate park in our community. Mr. Esmeralda said the difference for our community would be all the restaurants are within walking distance from the skate park. Mr. Esmeralda said the vision also mentions what it means to be able to make a place for our families to grow, live, work, play, and shop and believes the skate park can do that for the community. Mr. Esmeralda said it also mentions the age distribution with the youth 20 and under making a significant portion of the population in the community. Mr. Esmeralda said he feels there is a gap in that area without things like a skate park, basketball courts, and tennis

and believes the skate park will fill in that gap. Mr. Esmeralda says he hopes they can balance out the recreational growth and commercial growth within the community and hopes the City will consider a skate park.

Mr. Bill Clevenger, 383 Berkley Drive, Montgomery, Texas said coincidentally his wife mentioned to him she will be taking their son and his friends to a skateboard park in Conroe. Mr. Clevenger said it has been mentioned that the newly acquired property purchased by the City on Clepper Street would be an excellent place for a skateboard park.

Mr. Clevenger said he thinks there is a huge gap where kids are left out from ages three to 18 that there is nothing for them to do in this town. Mr. Clevenger said they hang out at the ice cream stand or Burger Fresh but there is nothing to entertain these kids in Montgomery. Mr. Clevenger said they are off to The Woodlands or Houston and he implores the Councilmembers, Mayor, and City Administrator to go out and work with the developers and entice them to come in and sell Montgomery and see if we cannot bring in some development of things for the kids to do to keep the kids in the City and build the essence of community right in our community.

Mr. Kade Jenkins, 14809 Lake Mount Pleasant Road, Montgomery, Texas, owner of Wilderlove Coffee in downtown Montgomery said he wanted to thank everyone at the City for putting in the work and research for looking into possible ordinances and how food trucks operate in other areas for the upcoming workshop meeting. Mr. Jenkins said he looks forward to that meeting on Thursday and is very hopeful they will be able to open at 7:00 a.m., hopeful and excited for what the future holds, and feels certain everyone is thinking about what is best for the City. Mr. Jenkins said he is excited to see how they pave the way for many more people to start small businesses. Mr. Jenkins said his business has been in the downtown area for three months now and hopes their presence has blessed the community and that people have felt seen and loved by them. Mr. Jenkins said one of his favorite parts multiple times each week is whenever Mr. Esmeralda and his wife ride their bikes up there as it feels like a community and feels like home and he hopes to see more of it in downtown Montgomery.

Ms. Beth Gault, 606 College Street, Montgomery, Texas said she is a big library user. Ms. Gault said people do not know how lucky Montgomery is to have a public library and it is very unusual. Ms. Gault said you probably do not realize just how many people use the library. Ms. Gault said it serves constituents in the same district as the schools and gives people a good reason to come to Montgomery

and spend their money here. Ms. Gault said even though it is a County facility it is very important to the economy of this little town. Ms. Gault said according to Texas State Library Archives and Commission through business research, a student at the University of Texas at Austin determined that for every dollar invested in Texas public libraries the community sees a \$4.64 return in access to resources, programming, services, and technology. Ms. Gault said between October 2018 through September 2019, 94,425 people visited the library and checked out 201,155 items. Mayor Countryman said that is the size of Conroe. Ms. Gault said 7,595 people use the free public computers and a lot of people are not even aware there are free public computers to use. Ms. Gault said 8,288 attended in-house library programs for adults, young adults, and children which are still all virtual right now, and 1,024 participated in computer instruction classes ranging from how to use a mouse to much more difficult things. Ms. Gault said the library does all this for free and there are a lot of things people do not know about the library.

Mr. John Champagne said he was not going to talk about recreation and skating but since it was brought up he will. Mr. Champagne said he loves recreation and is still coaching little league baseball. Mr. Champagne said he would think about it long and hard because the core services of the City are toilets, water, police, roads, and sidewalks. Mr. Champagne said it would be nice if the City would comply and supply walking areas for the entire community. Mr. Champagne said this place is really beautiful and to walk around since COVID-19 came, a lot of people have found that it is nice to walk around. Mr. Champagne said he gets skating and asked what percentage of the population would benefit from skating. Mr. Champagne said he is not against it, but as far as priorities are concerned a recreational department can cause a huge drain on the City budget.

Mr. Champagne said he would like a listing of individuals' salaries of the City staff. Mr. Champagne said that would include any benefits not listed as currency such as the use of a company truck and/or car for personal use to come from home to business. Mr. Champagne said if it is listed with a dollar amount he would like to see it in there. Mr. Champagne said he thinks it is part of public information that can be provided.

Mr. Champagne said the last thing is when they gave a variance and special use for Mr. Jacobs property to do his rental of cottages, the variance was based on mitigating the flow that was initiated by cleaning up that property. Mr. Champagne said before that, the shrubs and the brush slowed the flow going downhill which is a pretty severe grade. Mr. Champagne said he does not know firsthand the flooding

situation, but he was driving by during a hard rain and it was coming down pretty good. Mr. Champagne said part of the agreement was to make sure the mitigated area would re-route the flow and he would like to see that done.

CONSENT AGENDA:

2. Matters related to the approval of minutes of September 14, 2021, Public Hearing and Regular Meeting.

Julie Davis moved to accept item #2 as presented. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

CONSIDERATION AND POSSIBLE ACTION:

3. Consideration and possible action regarding renewal of the 2021-2022 Medical, Dental, AD&D, Life and Vision Benefits with TML Health Benefits Pool.

Mr. Tramm said the renewal rate for January 2022 includes a one percent increase from last year. Mr. Tramm said this coverage will be with Blue Cross Blue Shield through the Texas Municipal League Health Benefits Pool. Mr. Tramm said the City currently pays 100 percent of the full-time employee coverage. Mr. Tramm said this year City Council has authorized the City to pay 50% of the employee's dependent coverage and a chart is provided for review. Mr. Tramm said this is being presented to City Council for approval.

Mr. Tramm said with the coverage through the Texas Municipal League Health Benefits Pool, they go out and obtain coverage for the pool. Mr. Tramm said with the current year about to end, they are switching providers away from United Healthcare to Blue Cross Blue Shield because they were able to obtain better coverage through them.

Julie Davis asked if Mr. Tramm has been able to talk to City staff or department heads to see if they are excited about this. Mr. Tramm said there is a number of those who are preparing for open enrollment, which begins the first week in November. Mr. Tramm said there is staff who chose to cover their family members but not through the City's policy. Mr. Tramm said he knows those he has heard from and talked with directly are for it.

Julie Davis asked if the first or second week of November they will be able to have a number. Mr. Tramm said he will give City Council the information he receives at the first meeting in November but he does not know at that point it will be final, but at least he will be able to give City Council what the indications are. Mr. Tramm said he believes the first meeting is November 9th and he will present the information that he receives.

Julie Davis moved to approve item #3 as presented with a request to follow up by the end of November from Mr. Tramm. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

4. Consideration and possible action to approve a Professional Services Agreement with Azavar.

Mr. Tramm said Azavar came to his attention as a provider of services related to the collection of lodging taxes, including short-term rentals, which is a service the City was looking for. Mr. Tramm said the City of Conroe is currently among Azavar's satisfied clients which is how they came to his attention. Mr. Tramm said Azavar would provide a portal for the collection of necessary information as well as hotel tax fees related to lodging services. Mr. Tramm said the cost for using the portal is \$8 per report, which would be passed on to the entity paying the lodging taxes.

Mr. Tramm said in addition, Azavar will seek out locations that should be paying taxes and work to collect the taxes owed on a commission basis. Mr. Tramm said for this work Azavar will receive 22% of these new collections for 22 months. Mr. Tramm said they would also perform this service for sales taxpayers and provide reports on sales tax for us for 12 months at no charge. Mr. Tramm said while sales tax reporting is not the primary reason to engage Azavar, this could become part of our future sales tax process that was discussed during the budget workshop. Mr. Tramm said he thinks the additional service would be a good transition for them.

Julie Davis said the contract was a little confusing but she did read the 22 percent for 22 months and paying nothing for 12 months. Julie Davis said at the end of the contract it states the City would pay \$1,800 per year after October 1, 2022. Julie Davis asked if this is an estimate of what the 22 percent will be or is that on top of the 22 percent mentioned. Mr. Tramm said that

would be on top of the 22 percent and that would be an annual fee. Julie Davis asked if they sign up by October 1, 2021, they will then waive the startup fee. Mr. Tramm said it is the annual fee plus the startup and intro fee. Mr. Tramm said the contract did go through the City Attorney's review.

Mayor Countryman said \$17,000 was budgeted for this and knows the City is not collecting tax on Airbnb and other places that are not even breakfast places, just rooms. Mr. Tramm said he knows there are sites out there that should be paying and through this service, they would be seeking them out and getting them into line legally, and the City would be receiving the funds. Mr. Tramm said that is where those numbers are just estimates looking into online portals.

Kevin Lacy asked Mr. Tramm if he thought there were enough rental properties to justify this service. Mr. Tramm said he does because for any amount they bring in they are getting paid a percentage above. Mr. Tramm said if they bring zero in all they are getting is the \$8.00 value fee from the ones who have already filed. Mayor Countryman said if it does not pay for itself in the first year they can easily cancel it. Mr. Tramm said exactly. Mr. Tramm said if in six to 12 months from now there is nothing new coming in they can cancel the service and try something else.

Julie Davis asked if they would get a monthly or quarterly update, and how will they know a year from now before this renews. Mr. Tramm said they can receive either monthly or quarterly reports. Mr. Tramm said his recommendation would be to present it to City Council on a quarterly basis because they could have those entities file through the portal monthly or quarterly. Mr. Tramm said he thinks the limited number they have quarterly is probably the easier way to do it. Mr. Tramm said it is City Council's preference and he is happy to go one way or the other. Mr. Tramm said either way they will be getting information and he will be reporting to City Council with collections.

Kevin Lacy asked if there are neighboring cities doing something similar. Mr. Tramm said yes and they have been relying on them to supply the information to the City. Mr. Tramm said the City of Conroe went to this firm and they were quite satisfied. Mr. Tramm said they tackled the same problem the City was looking at, on a much larger scale.

Mayor Countryman said to be clear this came about because Mr. Jacobs had proposed doing 12-14 cottages and he was going to advertise those on Airbnb. Mayor Countryman said there are other Airbnb's that they are not seeing the taxes received. Mayor Countryman said getting ahead of this wave of Airbnb's is the way of staying since the City does not have a hotel. Mr. Tramm said the fee number mentioned earlier that they put in their budget is just a guess from doing searches on some online portals. Mr. Tramm said they know there is activity out there that is not being related to the City and they are going to have to do something to get it sent to them.

Kevin Lacy said that the few folks he spoke with that they know, like Tom Cronin for example, none is against paying taxes once they are discovered and it is the customer paying for it. Kevin Lacy said he thinks there are a lot more out there which they do not know about. Mr. Tramm said when you go to a hotel you expect there to be a hotel tax.

Julie Davis asked what the limitations are on using the tax money. Mr. Tramm said, generally speaking, it would be used for tourism-type activities or advertising. Julie Davis asked about sidewalks. Mayor Countryman said potentially and thinks Bastrop was able to add sidewalks because of it. Mr. Petrov, City Attorney said if they are related to tourism or promoting tourism and certainly in places like parks which they could help facilitate visitors to use. Mr. Petrov said the statute clearly defines a laundry list of about eight or 10 different things that qualify.

Kevin Lacy asked if City Council gets to choose off that list. Mr. Petrov said that was correct. Julie Davis said they are loosely laid out so a lot of things could fall under it. Mr. Petrov said yes, they are broad categories.

Byron Sanford moved to approve the Professional Services Agreement with Azavar. Kevin Lacy seconded the motion.

Discussion: Julie Davis asked if this was bid out with anyone else or no, this is who Conroe used so we bid with them. Mr. Tramm said he spoke with a couple of other cities and this is the only company name he got and the only one he spoke with. Mr. Tramm said he did not know another company that did this.

Byron Sanford said this is still a new frontier and this is a problem for cities and is a cutting edge deal. Mr. Tramm said yes and he did not know where else to go to once he spoke with the owners that do the same work he does for the City.

Julie Davis asked if a year down the road are they going to bid this and then at that point have other people knocking on their door or are we going to stick with them because we like it. Mr. Tramm said it gives them a year to find out more about who else is in the field. Mr. Petrov said he suspects as the market continues to grow there will be more players in the field.

Julie Davis asked if Airbnb's have to be permitted in the City. Mayor Countryman said she does not think so. Mr. Petrov said that may be something that you want to consider. Mr. Petrov said the whole subject of Airbnb's is the subject of a lot of discussion. Mr. Petrov said different cities treat it in different ways and there are lawsuits about whether or not they can be regulated by a city.

Kevin Lacy asked if they decided not to continue on how much notice would they need to give. Julie Davis said 30 days. Julie Davis asked if they are legally bound to that as a City and said she thought the City was not legally bound by expiration dates. Mayor Countryman said yes, it is in the contract and they only deal with cities.

The motion carried unanimously. (5-0)

5. Consideration and possible action on nominations for Montgomery County Appraisal District Board (MCAD) of Directors Election for the 2022-2023 term.

Mr. Tramm said each jurisdiction is entitled to vote in the election of the Montgomery County Appraisal District's Board of Directors and may nominate a candidate for each of the five positions to be filled. Mr. Tramm said the attached pages include correspondence from MCAD, including Qualifications for an Appraisal District Director. Mr. Tramm said the City of Montgomery has five votes in the election out of 5,000 votes in total.

Mr. Tramm said they must mail the nomination form on or about October 15, 2021, so this item could be deferred to the October 12, 2021 City Council meeting if City Council would like some time to think about any names they would like to put into the nomination.

Mayor Countryman said she thinks they need representation on this side because our appraisals are out of control. Mayor Countryman said some appraisals have jumped 700 percent and we currently do not have a voice there. Mayor Countryman said if anyone out there would like to be a part of it submit your name for the nomination because we need to be heard.

Mr. Tramm said City Council can think about it and come up with names and then come back on October 12, 2021, purposely deferring this item until then.

Julie Davis asked if we are posting this publicly for these five positions. Mr. Tramm said he has not done anything because he wanted to talk with City Council. Mr. Tramm said before they have posted anything in the past the City has not put anything out for the public other than in the City Council meeting. Mr. Tramm said MCAD's responsibility is to circulate this among the general public and the participating entities.

Mr. Petrov said it is a two-step process. Mr. Petrov said the participating entities nominate someone and then different cities can nominate different people. Mr. Petrov said following the nomination period those nominees will be circulated and the cities get to vote from that list of nominees.

Kevin Lacy said they can take a couple of weeks to figure out some names.

Julie Davis said just to clarify City Council needs to obtain five names and if they get more than that then they can vote on the five names they want to nominate at the next City Council meeting.

Mr. Petrov said no, that is not what he is saying. Mr. Petrov said the process under State law is that the participating entities get to nominate people and then can circulate the list of nominees amongst the participating entities and then there is a vote.

Mr. Tramm said sometime after October 15, 2021, before the end of the year they will get the list of nominees back from MCAD for City Council to decide from those names how it will apply those votes.

Julie Davis moved to postpone this item until October 12, 2021, and make a public posting on the City's website to the public for applications. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

Mr. Tramm said when they do post they will also post a page with the qualifications so people can know whether or not they may or may not be qualified.

Kevin Lacy asked if it would be posted to the City website. Mr. Tramm said they would post it to the City website and also post a message on the electronic announcement board referencing it and when people call they can direct them. Mr. Tramm said he thinks people will see the sign more than the webpage. Mr. Tramm said the problem is you can only fit so much information on the sign.

Julie Davis said it is not an application, it is more like them sending in their biography.

6. Consideration and possible action on Procedural Rules for Montgomery City Council Meetings.

Mr. Tramm said the concept of having a defined set of procedures has been discussed recently. Mr. Tramm said Procedural Rules were approved and considered by City Council in 2009 but were not adopted. Mr. Tramm said he provided a copy to City Council on September 14, 2021, for review.

Mr. Tramm said the City Attorney has proposed an updated version that is attached to this item as the starting point for City Council's consideration.

Kevin Lacy asked how much of the original were they given a couple of weeks ago and asked Mr. Petrov if that was what he worked off of to come up with this. Mr. Petrov said they did

and based on what they have seen other cities do, they embellished that and made it more extensive.

Kevin Lacy said they know there is an importance of having structure to know what you can and cannot do and we need to have those rules in place. Kevin Lacy said there are a couple of concerns they have regarding the extensive list. Mr. Petrov said if the consensus of City Council is to have a more concise version of rules they can do that as well. Mr. Petrov said different cities do it different ways, but they have found that it is generally good to have some procedural rules that everyone knows what the rules of the game are and not just for City Council but also for the public to know what rules City Council follows and its procedures for City Council meetings which tends to work a little smoother.

Mayor Countryman said maybe because it is so lengthy it probably covers things we have not thought of.

Julie Davis said she has more than a page of questions on this so she wants to counter this with a proposal that they have some kind of a workshop or that she can exchange emails with Mr. Tramm regarding her questions.

Mr. Tramm recommended taking two weeks to receive questions from City Council and staff can get the answers. Mr. Tramm said they can answer all the questions and provide all the answers back to City Council. Mr. Tramm said if, at the next meeting, between those questions and comments from the City Attorney and City Council gets to a place they are comfortable with either making a final copy or having more direction then it is good. Mr. Tramm said if we cannot get to that point then we have to decide to have a workshop and asked if that was acceptable. Julie Davis said that would be very acceptable. Kevin Lacy said they need to have some structure.

Mr. Tramm said this is a good starting point for a conversation and they will be able to get a good consensus from all Councilmembers.

Julie Davis moved to postpone this until the October 12, 2021 meeting with the understanding the entire City Council has that timeline to send questions directly to Mr. Tramm to define this better. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

7. Consideration and possible action regarding authorization of the City Engineer to begin design of the 2022 Sanitary Sewer Cleaning and Televising – Phase 1 project.

Mr. Tramm said the attached engineering memo has the details and scope of the proposed project. Mr. Tramm said the City Engineers and the Director of Public Works will discuss and answer questions about the proposal and the City's ongoing infrastructure maintenance efforts.

Mr. Chris Roznovsky, City Engineer said this is what they discussed in the City Council Budget Workshops. Mr. Roznovsky said the older areas of the City including part of downtown and a couple of other small sections will get done this year. Mr. Roznovsky said the following year is the rest of what is shown will be done. Mr. Roznovsky said they leave out the brand new lines from testing. Mr. Roznovsky said also, just to note, all the manholes throughout the City are part of the operator contract and they get inspected annually. Mr. Roznovsky said it will be bid based on about 34,000 feet of pipe that will get inspected and they will come back with a recommendation for repairs, cost estimates, and exhibits. Mr. Roznovsky said they will include that with the manholes so they can look at the budget and see what is available to prioritize the repairs.

Kevin Lacy asked when was the last time these pipes were looked at. Mr. Roznovsky said before that he does not have a good record of when the last inspection was done. Carol Langley said it has been done. Carol Langley said Mr. Roznovsky said the last time was 2017. Carol Langley said she knows it was done before 2017.

Mayor Countryman asked if there is a typical timeframe or schedule that an inspection is done across the City or area and how is it determined. Mr. Roznovsky said they go by pipe age or if a pipe fails. Mr. Roznovsky said there is a 20-year life period for pipes especially for the newer PVC pipe and a lot of the City's pipe is clay. Mr. Roznovsky said their recommendation when they come back for repairs, the ultimate repair is a line replacement of the pipe. Mr. Roznovsky said once that is done it has a 50 plus year life period and they will not need to go

back and continue to look at the line every 10 years because the line should hold up. Mr. Roznovsky said it is still a good idea to inspect, but less frequently.

Kevin Lacy asked if any of these pipes are part of the plan to be replaced. Mr. Roznovsky said no. Mr. Roznovsky said the one that might be replaced and upsized would be the one that runs from SH 105 to the old sewer plant Lift Station No. 2. Mr. Roznovsky said that has potential to be upsized in the future and that depends on how they decide flow will route and the sewer plant plan for the City. Mr. Roznovsky said it is still a good idea to look and get an immediate repair done if needed.

Julie Davis said it is worth mentioning that this is the side of the line that connects to Redbird Meadows and with that projection coming in on growth if they do not get ahead of it and start checking these lines we are going to go digging and will have to check them backwards anyway.

Kevin Lacy asked if they are going to spend \$135,000 to inspect these lines, what would be the difference in going ahead and getting rid of the clay lines now. Mayor Countryman asked what is the shelf life of the remaining lines. Mr. Roznovsky said when they did the analysis for the Kammerer Tract they looked at how it would go through there and how to handle Kammerer Tract, but that is not including Hills of Town Creek Section 5 and everything else is coming on this side of the City making its way and as they are doing Hills of Town Creek Section 5 feasibility which they will present at the second October meeting, it will be relooked at. Mayor Countryman said this is good and also preventative for the future.

Mr. Roznovsky said without a definite timeline he would feel more comfortable looking at this and making any repairs now and not worrying about something failing.

Julie Davis asked if the estimate of cost is just based upon your estimate of what is received back from bids because WGA is not doing it, they are sending it out for bid. Mr. Roznovsky said that is correct. Mr. Roznovsky said it will be advertised on paper and online.

Julie Davis asked what the estimated start time would be. Mr. Roznovsky said the bid would be in December, start construction in February, which will take 45 days to complete, and then

there will be review time and time to put together recommendations. Mr. Roznovsky said that will put the estimated start time closer to Spring 2022.

Kevin Lacy asked if City Council is just authorizing WGA to begin the process of looking at different companies. Mr. Roznovsky said correct. Mr. Roznovsky said once it is bid it will go to award bid, authorize the bid for construction, and after the work is complete, present the results with exhibits and findings and address what is found.

Mr. Roznovsky said they set aside in the budget for this year an amount for repairs and Phase 1 of the extension for immediate repairs. Mr. Roznovsky said there will likely be repairs that will carry over into next year, they will then set that budget, inspect the next phase and continue until they make their way through the entire system.

Mayor Countryman asked Mrs. Stewart what part of town the snakes were found. Mrs. Stewart said at the Williams and Anthony residences.

Julie Davis moved to approve WGA to begin the bid process. Byron Sanford seconded the motion, the motion carried unanimously. (5-0)

8. Consideration and possible action regarding early payoff of the City's loan balance with the Montgomery Economic Development Corporation (MEDC).

Mr. Tramm said the City has a total principal of \$188,684.21 as of September 30, 2021, remaining on the loan from the MEDC. Mr. Tramm said the funds were used to purchase the land at 777 Clepper Street. Mr. Tramm said he would recommend the City Council consider approval of paying off this loan before the end of September versus the end of December 31, 2021, which would save \$471.92 in interest. Mr. Tramm asked City Council if they would rather pay it off later or save almost \$500 in interest.

Julie Davis asked if this payment for the loan is in the budget for 2021-2022. Mr. Tramm said yes. Julie Davis asked what happens to that money in the budget and does it roll into capital infrastructure. Mr. Tramm said City Council can provide direction for those funds at a later

date. Mr. Tramm said if the payments are not made within the next fiscal year that means that money is not spent next year.

Julie Davis said she does not understand why it does not go into capital infrastructure based upon the fact it is an overage. Julie Davis said she would rather leave the funds there and let it payout.

Mr. Tramm said that is why he wanted to present this to City Council. Mr. Tramm said it is perfectly fine to leave the funds in.

Julie Davis asked how many times the funds can roll out at the end of the year.

Mr. Tramm said what City Council did with the budget was moved funds around and put it into capital infrastructure for water and sewer and that is what they did as part of what he will review from his manager report. Mr. Tramm said at the end of the last fiscal year City Council also redirected funds to capital improvement projects and would expect to do that again this year. Mr. Tramm said they can do that as well with the remaining funds this year. Mr. Tramm said he would prefer to pay with cash on hand rather than borrowing funds.

Julie Davis asked how many additional funds they do not have allocated are they rolling over at the end of the year. Mr. Tramm said it will be on next month's report that they know that amount. Mr. Tramm said the amount will be in excess of \$200,000.

Julie Davis moved to pay the principal balance with the understanding that the three months allocated that they would be paying in 2021-2022 budget go to capital infrastructure planning savings and the money that would be budgeted in the next fiscal year gets moved to capital infrastructure savings for the future.

Mr. Tramm said they cannot make the change to that degree because you are asking for a budget amendment, but we can make this action now and at the next meeting present the budget amendment that does what is being asked for.

Mr. Petrov said to move those funds in the next fiscal year to capital projects that is a budget amendment to be made to next year's budget, which is not this agenda item. Mr. Petrov said you can make the approval of this budget item contingent on approval of a budget amendment for the next fiscal year. Mr. Petrov advised it would have to be placed on the next Council Agenda.

Julie Davis moved to approve this agenda item as presented, with the understanding that the October 12, 2021 City Council Agenda will be presented with a budget amendment to reallocate these funds. Kevin Lacy seconded the motion, the motion carried unanimously. (5-0)

9. Consideration and possible action regarding appointment of Planning & Zoning Commission positions expiring on October 1, 2021.

Mr. Tramm said all three members with expiring terms Jeffrey Waddell, Britnee Ghutzman, and Allyson Clark have indicated their interest in serving another term. Mr. Tramm said City staff knows each of them to be valuable members of the Commission and have demonstrated interest in Planning and Zoning, the knowledge of the community, the sense of civic pride, and the ability to maintain partial judgment in matters related to the Commission as required by the ordinance. Mr. Tramm said additionally their dedication to preparing for and attending meetings is evident to all who attend, and staff appreciates having active and informed members serving on the Commission.

Mr. Tramm said the Planning and Zoning Commission saw the departure of a few long-serving members over the past several years, leaving a gap in the institutional knowledge of the Commission. Mr. Tramm said through efforts to include formal training sessions and by discussing background issues related to individual agenda items, along with independent research by the members of the Commission, the current Planning and Zoning Commission is well-placed to serve the City as it works to maintain its historic identity in the face of growing development in the area. Mr. Tramm said staff asks City Council to consider the reappointment of all three members to the Planning and Zoning Commission for another two-year term.

Julie Davis asked who is in Positions 2 and 4. Mr. McCorquodale, Assistant City Administrator said Mr. Bill Simpson was reappointed to Position 2 and Position 4 is held by Merriman Walker.

Julie Davis asked if the positions were posted. Mr. Tramm said no, in the past City Council has just reappointed members and also posted. Mr. Tramm said these three want to continue to serve and there have been no others who have approached them.

Kevin Lacy said he would love to see the positions posted in case other people are interested and would not approach anyone because they do not know to and would rather have others have the opportunity for this.

Mr. McCorquodale said the attendance at the meetings are low, which gives some indication as to why positions were not posted.

Julie Davis asked how long each of these positions has served. Mr. McCorquodale said Jeff Waddell has been here for six years, and the other two Britnee Ghutzman and Allyson Clark this is their first term.

Kevin Lacy moved to appoint Jeff Waddell to Place 1, Britnee Ghutzman to Place 3, and Allyson Clark to Place 5. Byron Sanford seconded the motion. 4 Aye votes, 1 Nay vote by Julie Davis. (4-1)

DEPARTMENTAL REPORTS:

10. City Administrator's Reports for August 2021 – Mr. Tramm, City Administrator said they completed and posted the budget including the amendment made by City Council at the last meeting, which redirected funds for future water and sewer construction to go into the capital projects funds.

Mr. Tramm said a leak was reported at Cedar Crest Mobile Home Park, which was brought to his attention by Julie Davis. Mr. Tramm said the leak was promptly repaired by the park manager and since it was on their internal mainline, the water loss was paid by the park and

not the customers. Mr. Tramm said the owner Ms. Blair Golden sent thanks for advising them of the leak.

Mr. Tramm said the advertising is in process for an auditor. Mr. Tramm said they expect to be prepared for City Council to be able to decide on this at the November 9, 2021, City Council meeting.

Byron Sanford asked if there will be choices or just a recommendation. Mr. Tramm said it will depend on how many he gets in, but he is expecting and anticipating to also collect City Council's choices from which to make a decision. Mr. Tramm said he will have more information by the second meeting in October.

Mr. Tramm said the Workshop for the mobile vendor food truck section of the vendor ordinance is set for 6:00 p.m. on Thursday, September 30, 2021. Mr. Tramm said he expects to have a summary report to City Council by October 12, 2021, and a revised draft ordinance before the October 26, 2021 meeting. Mr. Tramm said they are still taking written comments through Wednesday morning and will send those out to City Council Wednesday afternoon. Mr. Tramm said any comments received after Wednesday morning for the workshop they will supply to City Council in writing and will send the bulk of them out by email. Mr. Tramm said they will determine at the Workshop how much longer they will accept written comments.

Kevin Lacy asked if Mr. Tramm would clarify the Workshop format for Thursday because they have residents that are expecting to be there to talk. Mr. Tramm said City Council will be provided with the written comments and are not expected to be read at the meeting, because they were written comments to the subject matter. Mr. Tramm said there is a public comment portion at the first part of the Workshop and after that, there is a portion for just City Council to work through, which is in the City Council discussion. Mr. Tramm said there will be himself, the City Attorney, and the Development Director present for questions. Mayor Countryman said it is not a forum, just a Workshop. Mr. Petrov said it is a Workshop for City Council to discuss among themselves the direction they want, not a back and forth with the audience.

Mr. Tramm said his vacation is scheduled for October 15th through October 25th.

11. Public Works Report for August 2021 – Mr. Muckleroy, Public Works Director said they repaired a leak on the service line on Prairie Street and completed seven work orders for water leaks.

Mr. Muckleroy said they adjusted the entry gate at Lift Station 13, removed a dead tree from the right-of-way on Houston Street, completed two work orders for streets and right-of-way ditch | drainage issues, repaired LED wall pack lights on the Community Center building and City Hall, replaced an AC unit at Water Plant No. 3, replaced an irrigation node for Community Center roses, and replaced the solar sync on the Memory Park irrigation system. Mr. Muckleroy said Fernland docents reported 462 visitors and provided 54 tours for the month.

Mr. Muckleroy said he attended a meeting with Entergy at City Hall and also attended a meeting with an Eagle Scout project presenter at Memory Park.

Mr. Muckleroy said employee Jack Brown's last day will be this Friday, October 1, 2021, as he will be pursuing a bachelor's degree in computer science full-time. Mr. Muckleroy said he was a great employee for three years and wishes him well.

Kevin Lacy asked if Public Works is responsible for power washing, cleaning, or painting the Community Center. Mr. Muckleroy said yes they are and he needs to get a new quote on paint as they looked at a quote right before COVID-19 and they had to put that on hold. Kevin Lacy asked if they could make the repaired fence match the rest of the fence. Mr. Muckleroy said they have to be careful pressure washing the fence because the grout could be taken completely out. Julie Davis said there is a grout stain. Mr. Muckleroy said he will check on it.

Mayor Countryman asked how the lights are at MLK because she received an email they were hung and everything was good. Mr. Muckleroy said good and they also installed a light at Fernland.

12. Police Report for August 2021 – Byron Sanford asked about the light at Emma's Way during school hours that gets hung up so long you cannot turn left. Chief Solomon said they will have

TxDOT inspect the light. Chief Solomon said there are certain lights during certain times of the day which go from different timers. Byron Sanford said on the good side the traffic on Emma's Way into the subdivision is good and no one is parking over there any longer.

Chief Solomon said the employee health insurance was very high in cost and now that it will be covered 50 percent for dependents he is sure a lot more officers will sign up for it.

Julie Davis asked if Chief Solomon could provide more clarification on the VIPS (Volunteer in Police Services) Program and if it was in conjunction with the two other programs. Chief Solomon said the VIPS program comes out of the CPA class and there are currently six people in the class that will go through that training. Chief Solomon said it would have been completed last month but their training officer became sick. Chief Solomon said the training officer came back yesterday and will resume training today.

Mayor Countryman said she was impressed with all the training that took place last month as it was a lot of training.

Kevin Lacy said he noticed there were eight DWIs on the report. Chief Solomon said that is normal and Montgomery County is getting a lot of DWIs.

Kevin Lacy asked how Wine Fest event went. Chief Solomon said Wine Fest went very well and was successful. Chief Solomon said he does not think the crowd was as large as 2019, but it was a very good crowd. Chief Solomon said he attended and there were no arrests made.

Kevin Lacy asked if the new radios came in handy. Chief Solomon said absolutely and having purchased them is certainly paying off and allowed them to remain in contact.

13. Court Report for August 2021 – Mrs. Kimberly Duckett, Court Administrator said for the Court Report for August they collected \$34,639.40 in revenue and the total amount of citations was 126.

Mayor Countryman said it looks like our revenue if compared with the revenue staying in the \$30's average and in 2020 it was in the \$20's. Mayor Countryman asked why was there such

a significant jump in average. Mayor Countryman said partially people were using their stimulus checks to pay for their warrants, but are we going through a lot more warrants now, and are they able to collect on those. Mrs. Duckett said 2020 was the year of COVID-19 and people have been starting to pay more. Mrs. Duckett said they are trying different ways to collect revenue and it could be a dollar amount or doing community service, so it is different avenues they are trying to collect money.

Julie Davis said they were less than half on their citations for 2020.

Kevin Lacy said in 2018 there were a lot of months that they had \$55,000, \$52,000, \$51,000 so collections have gone down quite a bit in the last couple of years. Mrs. Duckett said they fluctuate amongst the years, but she thinks this year has been very good compared to last year.

Julie Davis said this is not like a collection or debt service, this is how much was collected on citations that were issued. Mrs. Duckett said that is correct.

Kevin Lacy asked if there was a way to break down how much is from the warrant officer and how much is from walk-ins. Mrs. Duckett said she cannot break it down from walk-ins but can break it down from the warrant officer for what warranty collects, because sometimes when he makes a call those people do come in to pay their citation.

14. Utility Report for August 2021 – Mr. Tramm said this month there were over \$24,000 in permit fees that covered 35 permits, and there were 27 construction permits on the last report.

Mr. Tramm said one of the questions he occasionally gets is regarding flags sold. Mr. Tramm said they sell flags for \$5.00 each or \$9.00 for a set of the Texas and American flag.

Mr. Tramm said the right-of-way fees are primarily telecommunication lines that are operating in the City.

Mr. Tramm said the continued dry weather on the City water usage showed we are trending higher on the water pumping. Mr. Tramm said one thing he would like to mention is Homecoming Park drinking water fountain almost always has zeros reported and is because there is a water fountain on a water meter that measures gallons of water in thousands.

Mayor Countryman asked what happened with the Cedar Brake Park restrooms, as there was a huge spike. Mr. Tramm said the 12,000 was in August 2020 and the 1,000 was in August 2021. Mayor Countryman said she thought there was a leak.

15. Water Operations Report for August 2021 – Mr. Mike Williams, Vice President of H2O Innovation, said for the district alerts the power outages are starting to drop off. Mr. Williams said Energy made their repairs in early August and the alerts are remaining low.

Mr. Williams said the wastewater plant flow detail for this month was 5,078,000 gallons, the daily peak flow on August 16, 2021, was 235,000 gallons, and the average daily flow was 163,800 gallons.

Mr. Williams said all systems complied with the effluent monitoring report and total rainfall for the month was recorded at half an inch.

Mr. Williams said they pumped a total of 14,408,000 gallons, flushed 474,000 gallons, and sold 13,579 gallons with a 98 percent accountability.

16. Finance Report for August 2021 – Mr. Anthony Lasky, Senior Accounting Clerk presented his report to City Council. Mr. Lasky said he wanted to clarify that out of the loan which will be paid off, it is not going to affect the budget because it is a liability and it will reduce the reserves.

Mr. Lasky said there is seven months reserve in the general operating fund, two years reserve in MEDC, and in the utility fund there is 11 months reserve.

Mayor Countryman asked what is a healthy reserve amount for a city to have. Mr. Lasky said typically you want to have six months' worth. Mr. Lasky said the City has seven months' reserve.

Mr. Lasky said the cash flow report on the first two line items shows there were excess funds for the Kroger and Pizza Shack Projects. Mr. Lasky said they were completed and those monies have since been transferred back to the general fund, so now those accounts have \$10.00 in there in case there are projects in the future they can use those and do not have to worry about those funds until future notice.

Mr. Lasky said sales tax collected was \$466,305.61 for August. Mr. Lasky said they collected \$168,494.45 for the American Rescue Plan and those funds have since been transferred to capital projects.

Mayor Countryman asked if those funds have to be used for specific things. Mr. Lasky said only for certain projects.

Mr. Lasky said they did pay one of the 380 Agreements to Cheatham Management, LLC for \$36,891.84.

Mr. Lasky said they received \$349,000 that went into the general fund with a total of \$2,605,000 in the sales tax category which is 18 percent over what was budgeted.

Mr. Lasky said total revenues this far is \$4,331,000, which is 28 percent over what was budgeted. Mr. Lasky said they received \$273,783.75 for September.

Mr. Lasky said there were expenditures for August of \$4,197,000 which is seven percent over and the City is still doing well in the excess revenues.

Mr. Lasky said the debt service payment was paid off on August 26, 2021, so the next payment will be due March 1, 2022, which will include principal and interest.

Julie Davis said there is an empty fund under construction funds which is called building funds and asked if this is the new line item for infrastructure savings or do they have a line item specifically where they can watch the infrastructure savings build so when they are talking about something like the \$168,000 rather than it sitting in the general fund it is specifically set aside for capital infrastructure. Mr. Lasky said the TexPool construction fund is where that money went and it is being tracked in that fund.

Julie Davis asked moving forward on October 1, 2021, how are we tracking capital project infrastructure money that will be set aside. Mr. Lasky said whenever we use those funds we will make sure to transfer that out and use that toward those infrastructure projects. Julie Davis said you are referring to the TexPool \$168,000 and she is talking about something different. Julie Davis said at the last meeting City Council voted to take this 18 percent of a sales tax that comes in that is over budgeted and move all of that money to a savings account for capital improvement infrastructure. Julie Davis said her concern is that if that is transferred to the general fund then you begin to spend it. Julie Davis asked if there is an allocated line item or

account reserved for capital improvement infrastructure. Julie Davis said she would like to see it build over the years so the public knows what we have reserved. Mr. Lasky said they can create a separate account. Mr. Tramm said the last fiscal year they set aside one for future capital savings and when they finished the budget for this year they set money aside for that purpose. Mr. Tramm asked Mr. Lasky how can City Council can see that money is accumulated and tracked. Mr. Tramm said it may just mean we need to make a change in the report. Mr. Lasky said he can do that or have a separate account. Mr. Lasky said he can open a new TexPool account and put that money aside. Julie Davis said she would like a separate account.

17. Quarterly Investment Report for Period Ending June 20, 2021

18. Sales Tax Report for September 2021 – Mr. Tramm said last month the representatives from Sales Revenue, Inc. (SR) were here and they will be out every three months.

Mr. Tramm said the number of sales tax filers for September 2021 was 2,045. Mr. Tramm said it is up 6.9 percent from the previous year.

Mr. Tramm said looking at the top sales tax filers over the last 12 months the top five are the McCoy Corporation, Kroger Texas, The Other Side, Inc. which is Chick-Fil-A, Brookshire Brothers, and Azzip Enterprises which is Pizza Shack.

Julie Davis said she is very proud that in a 4.5 square mile town that the top five sales tax filers are all local brick and mortars.

Mr. Tramm said tomorrow he will be sending City Council members a confidential version of this report.

19. City Engineer's Report for August 2021 – Mr. Chris Roznovsky, City Engineer presented his report to City Council.

Mr. Roznovsky said the for the Downtown Waterline Replacement Project there was a tie-in last night at College and Pond Streets that was completed. Mr. Roznovsky said they have two more tie-ins at Caroline and Pond Streets and then the tie-in work will be complete.

Mr. Roznovsky said the Water Plant No. 3 Improvements Project will begin in October.

Mr. Roznovsky said they did have a walk-through of the plans and review for the Water Plant No. 3 Generator Project and also for the ditch regrading and sanitary sewer rehabilitation on Baja and MLK Drive.

Mr. Roznovsky said as of today TxDOT is reviewing the process for the FM 1097 Speed Study.

Mr. Roznovsky said they did receive a draft report for Buffalo Springs and SH-105 for the Traffic Signal Analysis.

Mayor Countryman asked if there is a limitation for a city our size regarding how many traffic lights are needed on one straight road. Mr. Roznovsky said there is not a limit.

Mayor Countryman asked how many feet apart do traffic lights need to be. Mr. Roznovsky said along the TxDOT road those are local city streets. Mayor Countryman said she is talking about Pizza Shack to the high school on SH 105. Mayor Countryman asked if TxDOT can regulate how many lights are in that area. Mr. Roznovsky said he does not have that number offhand. Julie Davis asked Mr. Roznovsky to follow up with the information.

Mr. Roznovsky said for the Hills of Town Creek, Section 5, and Porter Farms they will have those feasibility study results at the second meeting in October.

Mr. Roznovsky said plan reviews are listed and ongoing construction for public infrastructure is ongoing.

Mr. Roznovsky said regarding the one-year warranty inspection for Hills of Town Creek Section 3, as of earlier today they reinspected the cul-de-sac and they will go back out this week to review the issues.

Mr. Roznovsky said the FM 149 and SH-105 northbound right turn lane has been delayed due to utility relocation delays.

Julie Davis asked what the timeline is on the Montgomery Food Truck Park because Pastor Mike who lives here in Montgomery announced he is pulling out of Deacon Baldy's in Magnolia to come to the Montgomery Food Truck Park. Mr. Roznovsky said they have not received revised plans. Mayor Countryman said she was working with them because TxDOT approved everything in February or March and they never sent it to them. Mayor Countryman asked Mr. Roznovsky if he knows if that has been rectified. Mr. Roznovsky said that was one

of the questions they asked to provide the backup for the TxDOT approval and has not received a response to that yet.

Byron Sanford asked given the stage they are at on Hills of Town Creek Section 5 what is a reasonable estimate of when they will complete Emma's Way to Lone Star. Mr. Roznovsky said it will be based on the development as a whole, which is probably a year.

Julie Davis moved to accept the Departmental Reports as presented. 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.

20. 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), and 551.072 (deliberation regarding real property) concerning the proposed development of the Kammerer Tract by Redbird Development.

Mayor Countryman moved to adjourn into Executive Session at 7:50 p.m.

Mayor Countryman reconvened into regular Session at 8:55 p.m.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

21. Consideration and possible action regarding item(s) listed on the Executive Session.

No action was taken.

COUNCIL INQUIRY:

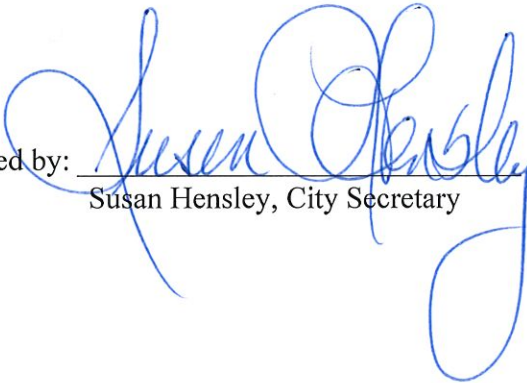
Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to the recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation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

No inquiries were made.

ADJOURNMENT

Kevin Lacy moved to adjourn at 8:55 p.m. Julie Davis seconded the motion, the motion carried unanimously. (5-0)

Submitted by:



Susan Hensley, City Secretary

Date Approved: _____

Mayor Sara Countryman