



**City Council
Regular Meeting Minutes
March 11, 2025**

OPENING AGENDA

1. Call Meeting to Order.

The City Council Regular Meeting of the City of Montgomery was called to order by Mayor Countryman at 6:00 p.m. on March 11, 2025, at City Hall 101 Old Plantersville Rd., Montgomery, TX and live video streaming.

With Council Members present a full quorum was established.

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

2. Invocation.

Council Member Donaldson led the Invocation.

3. Pledges of Allegiance.

Mayor Countryman led the Pledges of Allegiance.

PUBLIC FORUM

No comments were received.

CONSENT AGENDA

- 4. Consideration and possible action on the City Council Workshop Meeting Minutes of January 27, 2025.**
- 5. Consideration and possible action on the City Council Meeting Minutes of January 28, 2025**

Motion: Mayor Pro-Tem Olson made a motion to accept consent agenda items four and five. Council Member Donaldson seconded the motion. Motion carried with all present voting in favor.

6. **Consideration and possible action authorizing the Mayor to sign the Escrow Agreement by and between the City of Montgomery, Texas and Church of Montgomery (Dev. No. 2501) for a proposed Church located within Section 3 of the Buffalo Springs Subdivision.**

Council Member Donaldson said he needs clarification between item two C and two G because he does not quite understand. He knows the property the church is going to be on is the 14 acres, but what is the 25.3597 under G? Why is that figure in there? It is on page 49 of the agenda. It is the second page on the City of Montgomery development application under property description item two. City Engineer Vu said it is the difference between the size of the reserve and the size they are planning on developing at this point. It is a 25 acre reserve and at this point they are planning on using approximately 14 acres of it. Council Member Donaldson said the whole John Corner survey is 25 plus acres, but they are just using 14 acres. City Engineer Vu said that is correct.

Motion: Council Member Donaldson made a motion to authorize the Mayor to sign the Escrow Agreement by and between the City of Montgomery, Texas and Church of Montgomery (Dev. No. 2501) for a proposed Church located within Section 3 of the Buffalo Springs Subdivision. Mayor Pro-Tem Olson seconded the motion. Motion carried with all present voting in favor.

PUBLIC HEARING

7. **Conduct a public hearing concerning a petition for voluntary annexation filed by Morning Cloud Investments.**

Mayor Countryman convened the Montgomery City Council into a Public Hearing at 6:07 p.m.

Speaking For:	None
Speaking Against:	None

Mayor Countryman reconvened the Montgomery City Council into a Regular Meeting at 6:07 p.m.

REGULAR AGENDA

8. **Consideration and possible action regarding the Agreement for Post-Annexation Provision for Services for Property to be Annexed into the City of Montgomery.**

City Attorney Petrov said as part of the annexation process we are required to enter into a service agreement with the property owner that basically will provide municipal services to the property. That is all this is.

Motion: Mayor Pro-Tem Olson made a motion to accept the agreement for post-annexation provision for services for property to be annexed into the City of Montgomery. Council Member Donaldson seconded the motion. Motion carried with all present voting in favor.

9. **Consideration and possible action on an Ordinance of the City of Montgomery, Texas, adopting the annexation of certain territory located in the extraterritorial jurisdiction of the City of Montgomery, Texas, to wit: being a description of a 45.744 acre (1,992,589 sq. ft.) tract of land situated in the Zacharias Landrum Survey, A-22, Montgomery County, Texas. said 45.744-acre tract being out of a called 55.389 acre tract of land conveyed to Agnes R. Stanley, Trustee, under the Stanley Family Living Trust dated February 10, 1997, as amended Montgomery County Clerk's file (M.C.C.F.) No. 2011092960 official public records of Montgomery County (O.P.R.M.C.), Texas being more particularly described by metes and bounds depicted in Exhibit "A"; Providing for incorporation of premises, amending of the official city map, and acknowledging a service plan; Requiring the filing of this ordinance with the County Clerk; Prescribing for effect on territory, granting as appropriate to all the inhabitants of said property all the rights and privileges of other citizens and binding said inhabitants by all of the acts, ordinances, resolutions, and regulations of the City of Montgomery, Texas; Providing cumulative repealer, severability and savings clauses; Providing for engrossment and enrollment; and Providing an effective date.**

City Attorney Petrov said this is the final step in the annexation process. Now that you have had the public hearing and have approved the service plan, you can formally annex the property into the city limits and add it to the City's jurisdiction.

Motion: Mayor Pro-Tem Olson made a motion to accept Ordinance 2025-06, an Ordinance of the City of Montgomery, Texas, adopting the annexation of certain territory located in the extraterritorial jurisdiction of the City of Montgomery, Texas, to wit: being a description of a 45.744 acre (1,992,589 sq. ft.) tract of land situated in the Zacharias Landrum Survey, A-22, Montgomery County, Texas. said 45.744-acre tract being out of a called 55.389 acre tract of land conveyed to Agnes R. Stanley, Trustee, under the Stanley Family Living Trust dated February 10, 1997, as amended Montgomery County Clerk's file (M.C.C.F.) No. 2011092960 official public records of Montgomery County (O.P.R.M.C.), Texas being more particularly described by metes and bounds depicted in Exhibit "A"; Providing for incorporation of premises, amending of the official city map, and acknowledging a service plan; Requiring the filing of this ordinance with the County Clerk; Prescribing for effect on territory, granting as appropriate to all the inhabitants of said property all the rights and privileges of other citizens and binding said inhabitants by all of the acts, ordinances, resolutions, and regulations of the City of Montgomery, Texas; Providing cumulative repealer, severability and savings clauses; Providing for engrossment and enrollment; and Providing an effective date. Council Member Fox seconded the motion. Motion carried with all present voting in favor.

10. Discussion of the draft Memorandum of Understanding (MOU) from BCS Capital on the 32-acre Development.

City Engineer Vu said before I get into this item, I want to clarify something on item six that Council Member Donaldson had asked about. The difference in that acreage, the first acreage is listed, the 14 acres is the size of the reserve that they are developing. The 25

acres is the size of the entire platted area for Lake Creek Village section three. I just wanted to clarify that I did misspeak earlier. That is what the difference in those two numbers is.

City Engineer Vu said item 10 is the draft memorandum of understanding with BCS Capital. I will walk you through what the terms of the MOU is as of what is in your packet. We received this draft on March 6th, and so the red lines that are included in your packet are based on the comments that we had that we discussed with your attorney and city staff. If you have any questions as I am going along, please feel free to stop me and clarify. The developers are also here this evening and can answer any specific site related questions for the development itself. Council Member Langley asked when did the developers get a copy of this with the red lines? City Engineer Vu said we received their comments on Thursday of last week, and we met on Friday as a group to discuss it. They were given a copy at that time. The first one that is in your pocket. I am starting on page 85 of your package. This memorandum of understanding as a reminder this includes a development agreement. The first thing that I wanted to point out is that an MOU is non-binding by nature. This is not a formal development agreement. It really sets the stage for what the terms of the development agreement would be. Going through this, you will see some aspects of the development of the MOU that we are recommending be removed. Part of certain aspects of this include major parts which are utility extensions. It includes waterline extension up to Lone Star Parkway which I will note is part of the impact fees list. It includes a sanitary sewer extension along SH-105 over to CB Stewart. A portion of that cost would be split with the City. It is not all needed for this development, but it is needed for the larger picture of the City. It also includes improvements to Buffalo Springs Drive from the Home Depot property line where they stop their portion of the roadway improvements up to the intersection of CB Stewart and Buffalo Springs Drive. There is also an option in here for improvements to CB Stewart if a traffic impact analysis proves that that would be necessary. There is a mechanism for all of that written into this MOU. That really covers the meat of it. With that sanitary sewer extension, it will allow us to eliminate lift station twelve and have one lift station off the City's books. As far as drainage goes, the intent is to drain the subject track over to Rampy Lake. That would be done by an analysis using the previous drainage study that was done and updating it to current drainage flow. So, with more modern drainage capacities, if you hear about Atlas 14, its current rainfall methods and using a timing analysis for that. Part of that is they will have to ensure that there is no downstream impact coming off of Rampy Lake. Essentially, like we do for all drainage studies, require no adverse impact. The one aspect of this that I want to draw your attention to is paragraph six on page 87 of your packet, page three of the MOU, is conceptually allowing a storm sewer or ditch as needed to convey developed flow from the subject track through the Rampy Lake parcel to meet the intent of the approved drainage study. All this is saying is that we would agree in concept to review. Mayor Pro-Tem Olson said basically they want to run under and dump into the Rampy Lake. City Engineer Vu said exactly. According to paragraph seven of the MOU, there is a mechanism in here about a 380 agreement to reimburse the developer for all work on public infrastructure and not to exceed \$4 million without CB Stewart, or not to exceed \$4,850,000 including work on CB Stewart. We did make sure to modify it to say not to exceed instead of just a flat amount. We want to make sure the City is not reimbursing more than the value of the infrastructure that is installed. With the projects that are on the impact fees list, as we have done with

previous developments, the City can consider allowing an impact fee credit which they have not been paid that amount, less in their impact fees, as the value of the infrastructure that they are putting in with these impact fee products. Mayor Countryman asked will the 380 agreement outline where those reimbursement dollars come from? Is it going to be out of the ad valorem? City Engineer Vu said that we outlined in the terms of the 380 agreement whether it is sales tax or ad valorem tax. Mayor Pro-Tem Olson said I just want to make it clear this is just for the CB Stewart side, right? The other side is not part of this reimbursement? Mayor Countryman said no, it is everything and then the CB Stewart side is the part that is in question. City Engineer Vu said it will be all public improvement. The water and sanitary lines and potentially CB Stewart. Mayor Pro-Tem Olson said I do not want to do this. Council Member Donaldson asked why is Rumpy Lake in this MOU? City Engineer Vu said the reason that it got included in this MOU is because that is where they are hoping to be able to use Rumpy Lake as detention instead of installing detention on the subject property. Council Member Donaldson asked so the lake that is back there needs to be larger? Mayor Pro-Tem Olson said no. That lake belongs to the LeFevre properties so they are just going to use that as a retention pond. They will run a storm drain over to it. Nothing needs to be bigger. They will just dump into that. They have to by state law. They cannot dump into the ditch. They have to go to a retaining pond. Well, there is a retaining pond if they use Rumpy Lake. Council Member Donaldson said right, but the original drawing the drainage lady brought said they were going to run a line underneath Buffalo Springs to drain it. Mayor Pro-Tem Olson said yes, it goes under Buffalo Springs and goes to Rumpy Lake. City Engineer Vu said in paragraphs 5 and 6, that is especially paragraph 6 is the storm surge to run a private storm sewer underneath Buffalo Springs to regulate it. Mayor Pro-Tem Olson said as far as your 380 agreement, I am not keen on that one. Council Member Donaldson said he seconds that. Mayor Countryman asked what part are you not keen on? Mayor Pro-Tem Olson said the amount is way too much. We are basically just paying for it for them. And that is not the deals that we made with other developers right there so no. Council Member Fox asked is that a lot different from the other development agreements that we have had before? City Engineer Vu said the difference with this one is the terms of the 380 for public infrastructure that also qualifies for impact fee projects. That is a little bit non-typical from what we have previously seen, just for full transparency sake, and the estimates that are in your PID. Without including improvements to CB Stewart, we are estimating that to be approximately \$2,501,000. Mayor Pro-Tem Olson said right, so if we applied, say this 380 agreement that we did with Home Depot, we paid for half, they paid for the other half. We are paying for 100 percent. That is a bad deal. Why would we do this? Mayor Countryman asked are you familiar with the Kroger Agreement and what did we do? Mayor Pro-Tem Olson said that was a terrible deal. Mayor Countryman said she understands. She is just trying to understand what the agreement is. City Engineer Vu said the Kroger agreement, if she is remembering correctly was 100 percent reimbursement. Mayor Pro-Tem Olson said yes, and we are still reimbursing them. Mayor Pro-Tem Olson asked and how long have they been here? Mayor Countryman said it was up to a certain amount or years. I think we are almost done, which is good. Mayor Pro-Tem Olson asked Finance Director Carl how much longer we have to pay that? The town will rot down around Kroger's before we pay that off. Council Member said she thought it was a 10 year agreement. City Engineer Vu said she needs to go back and check the terms of how long, but I know it was 100 percent reimbursement. Finance Director

Carl said for the Kroger agreement she does not have the dollar amount in front of her, but it is a dollar amount or it expires after a length of time. She believes that it is a 15-year agreement which puts us at 29. City Engineer Vu said these are terms that are being requested by the developer and then we have reviewed it and added our comments.

Mr. Jonathan White with L Squared Engineering said Mr. James Todd with BCS Capital is here as well helping with the developer and being part of the development team. Mr. White said over to your left is the concept. That was something Mayor Pro-Tem Olson really wanted to take a look at during the last meeting, and we did not quite have everything pinned in. They have been working with a lot of negotiations and potential pad users. The overall intent of the current development plan is to establish the overall infrastructure to create individual pads here and have a couple of months in negotiations with some of these users. They have been able to negotiate contracts and Mr. Todd would probably speak on that, but the Academy is pretty much locked in at this time. With Texas Roadhouse, there are negotiations. On the top right of that, it was agreed that they would parcel out a three acre pad site for potential hotel sites. I know that is something that was important in the City. They would actually hold on to that for up to three years, not develop it to anything else unless it is a hotel site. That would actually bring some HOT tax for you guys, but that is something that they cannot rely on any kind of revenue. That revenue is not paying back the City because it is not ad valorem that is going back to the City and then come back to the developer as part that 380 agreement. A lot of that center is going to be a huge retail and sales tax provider. The incentive of the 380 agreement is performance, right? That is the beauty of the 380. If they do not perform, if they do not bring in ad valorem value, or they do not bring in sales tax users, they are not bringing any value to the City and therefore they are actually getting paid back part of their 380 agreement. Not knowing every single detail, a lot of the 380's that have been developed for the City the idea was to try not to say it is this much money for this and this year this and this year for that. Running the numbers on their performance and bringing these guys in and what they are committed to buying it for or releasing it for. This is how much we are asking back in terms of the 380 would have to be worked out. It is probably going to be a share of that sales tax over a certain amount of time. We have not figured that far out, but that is kind of the number they are asking for rather than saying it is 100 percent reimbursement for this or 50 percent of that. That is just the bucket of money that we are trying to dump everything into to say that. Mayor Pro-Tem said right, but we can do estimates on what the repairs will cost, and we can tell you whether or not we are going to be 50 percent, 75 percent, or 80 percent, and based off of the repairs on just Buffalo Springs, right? Did you say Buffalo Springs was \$2.5 million? City Engineer Vu said that was in all public infrastructure, water, sewer, and Buffalo Springs. Mayor Pro-Tem Olson said so everything is \$2.5 million. Basically, you want \$4 million for \$2.5 million. How does that make a good deal? Mr. White said part of that was the assumption that the offsite storm sewer to get to Stewart Creek is going to be included in that and then according to City Engineer Vu's presentation that is only going to potentially be reimbursed for public infrastructure. That is the number we thought was in that MOU but may not be specifically laid out. It is another \$1.7 million of potential storm sewer upgrades offsite drainage considerations that have to be made to accommodate the drainage offsite. Mayor Pro-Tem Olson asked how far is it from the lot to Rumpy Lake? Mr. LeFevre said probably 1,000 to 1,200 feet. Mr. White said from the drainage analysis

that we submitted to the City it is probably 1,200 feet of 60-inch storm sewer. Part of that goes underneath Buffalo Springs which would be a private improvement with an encroachment agreement for the right-of-way. Improvements to Rampy Lake, the outfall improvements of Lone Star Parkway roadside ditch, and then replacing the culvert driveways with two or three 3x5 culverts. Those are going to be replacing concrete. Mayor Countryman asked are we certain that Rampy Lake could take on all of that concrete. Mr. White said the analysis that we have says yes. This is a drainage impact analysis, it is not a detailed design at this stage. The idea is that its alpha be sized to accommodate all the posts of all flow, not only for this 32 acres, but for the Rampy drainage. This would actually accommodate a lot more development than just what the 32 acres is going to be for as well. Mayor Pro-Tem Olson said it benefits the property owner of the Rampy Lake because that is going to improve the drainage for that area. Mr. LeFevre said we already have an approved drainage. That property already has an approved drainage under this agreement with the City. Mayor Pro-Tem Olson said what I am getting at is that he said and it states here that they have to improve the outlet of Rampy Lake to account for so that that benefits you, not the City. Mr. LeFevre said we are not necessarily in agreement with that anyway. You know, it is still slight down in negotiation. Technically, each property should stand on its own feet. That 32 acres is still subject to an agreement that was agreed between us and the City, and there are some issues related to that. The only reason the Rampy Lake has come up as a possible alternative is whether there is a way of finessing differences of opinion and different positions legally over that issue. We are happy if something can be done that is fair, useful, and everybody is in good shape, but the implication, I do not mean we will not try to cherry pick and get a bunch of free stuff. We would rather not use the Rampy Lake. We would rather leave the Rampy Lake intact. Our position is the second step. Kroger was the first step. This is the second step. If this brings critical mass to the City, then we feel that the Rampy property could be like a Hughes Landing or could be something different, but you cannot get there until you get here. Mr. White said the intent was not initially to use the Rampy Pond. If we could bypass the Rampy ponds, until we get topographic surveys for the design, there is only so much room for the backside burn of Rampy Ponds to the Grover property. We can squeeze that storm sewer and bypass it. The idea of the drainage study is a basis of the Burgess study from 2008. Updating it to current conditions as City Engineer Vu mentioned earlier, and bring it up to current standards. We do not have to go through, we are not going to do that, but if we can bypass the ideas, just getting it back to the original Alfa point, and then updating the study. Mayor Pro-Tem Olson said back to the original reason with the 380 agreement, I do not see why we are paying 100 percent of their improvements. Mr. Todd with BCS said the number that we came up with is because the overall development has a math problem. It is not one thing or the other, but with \$1.7 million to drain off site and then all these public projects, roughly around \$4 million is the math problem that we have with the price of the land today. Now what you are paying for when you do reimburse and for the duration, that is up to all of you. It could be five years, it could be 10 years. It depends on what the percentages of property tax or sales tax are, but what you all are getting for that is millions of dollars in property tax value and sales tax value and perpetuity just for an investment on the front side. Mayor Pro-Tem Olson said he understands that, but you take that \$2 million, that is the City being charitable to private corporations. We want to come into partnerships with you, but we should not have to pay you to come here. If you do not want to come here, do

not come. Mr. Todd said I think we want to come here, we are trying to work. This is just the frameworks of trying to come up with a partnership that works for both sides. This is not us trying to take something. That number is calculated for a reason, and that is what it takes to get \$100 million of value on the ground, given the circumstances today. Now, the flip side of this is we could not agree to the drainage plan and there could be a seven acre pond in the middle where nobody wins. That is something to consider. City Engineer Vu said as far as using Rampy Pond, like Mr. White said, he has submitted the initial drainage impact analysis to us. I have not had a chance to take a look at it yet. One thing that will be required is a full sizing analysis of Rampy Lake, including verification that the current dam is adequate, going through TCEQ dam safety requirements and verifying that that is adequate to hold what is being proposed as well. City Engineer Vu said again, this is just a discussion, not necessarily for action. This is what is being requested from the developer.

Council Member Donaldson said in my understanding on these agreements, is if there is anything illegal or anything in there, it could be construed as something you would have to live with. Is that true? City Engineer Vu asked for an MOU? Council Member Donaldson said yes. City Engineer Vu said not necessarily. It is written into the language of the MOU that it is non-binding. Council Member Fox said I was going to say that it is not binding to us at this point anyway.

Mayor Countryman asked is there an appetite to split this cost between BCS and the City? City Engineer Vu said I believe that would be a better question for BCS as she has not heard otherwise. Mr. Todd said if we take out the \$1.7 million that we assume could be public, we would need absolutely 100 percent of the costs, reimbursed. There is not a world where the math works where we only get reimburse 50 percent of the work that we are doing because a lot of this also, the road improvements to CB Stewart and Buffalo Springs, do not directly impact the users that we are bringing. Mayor Pro-Tem Olson asked how much of it actually touches CB Stewart? Very little of it, right? Mr. Todd said no, it wraps around. Mr. White said he does not think C.B. Stewart was ever intended to be huge. Mayor Countryman said that was a negotiation piece that when we talked about it, that was the piece either in or out with CB Stewart, and that takes off almost a million dollars. City Engineer Vu said CB Stewart would only be required if a traffic impact analysis shows that it would need to be approved. Without CB Stewart, that \$2.5 million is not including CB Stewart. With CB Stewart, it is \$3,224,000 and that is from Clepper to Buffalo Springs.

Council Member Donaldson said the way I read this agreement is, I saw three 380 agreements in here. One of them says under section three on page 87 at the very top it says three 380 agreements and then you go down to four and that one says the 380 with 100 percent. Then for item seven, on page 88, there is another 380 for 100 percent. Is there any reason we have three? Mr. Todd said there should only be one version that you have now that encompasses everything in one. There are not going to be separate agreements. City Engineer Vu said the version that is in your packet only has a 380 agreement mentioned in paragraph seven on page 88, page four of five of the Memorandum of Understanding (MOU). Council Member Donaldson said at the very top of page 87, it says City agrees to enter into a 380 agreement or other mechanism to reimburse party for 50 percent of the total cost and creditors is necessary sanitary, sewer, and water. In item four there is a 380

agreement that says a 380 agreement or other mechanism to reimbursement. Mr. Todd said he thinks that is an old version. City Engineer Vu said yes, the packet was published and then since this was worked out on Friday, the packet was recalled and this newer version was placed into the packet. That was all in the previous version. Council Member Donaldson asked so it has been updated? Mayor Countryman said yes since Friday. City Secretary Beaven said yes Council Member Donaldson, that was the one that I emailed you after you picked up the packet. Council Member Donaldson said what you emailed me was for item number six. City Engineer Vu asked was this not the item? Council Member Donaldson said it was not this item. Mr. Todd said this would be item 10. Mayor Pro-Tem Olson said the one in the packet is up to date.

Mr. White said he thinks the idea that an original agreement that we were looking at is that there would be one 380 that would potentially reimburse several different items. That is why I mentioned it a few different times, but I think the principle here is still one 380 that has a bucket of items up to a dollar amount. Council Member Langley asked what is the next step? City Engineer Vu said tonight was for discussion only. This would come back to you for action at your next Council meeting. If you have any specific things that wanted to be changed or included, then it would give us between now and the next meeting to get that addressed for you to take action next time. Mayor Pro-Tem Olson said before we take action he wants to see the 380 agreement. Mr. White said he thinks it would be helpful just on the developer side if there is any kind of potential negotiations or points that you would be comfortable with that they could then admit the MOU or potentially draft a 380. Mayor Countryman said when I spoke to all of you, CB Stewart was a negotiating piece with or without it, and it sounds like what I am hearing, the feedback that I have heard is that is not that important, so keep that in mind when putting together that 380 agreement. Do not put any emphasis on that when you are putting together your numbers. City Engineer Vu said it is not that CB Stewart is not important. It is just on whether or not it is for this 380. Mr. Todd said he thinks the big question mark that we need feedback on here tonight is like a percentage or an amount of the total work that needs to be done. We can reconvene and see what that total cost that goes into the 380 agreement has to be, but whatever we put in there, it is going to need to be that number gets reimbursed to BCS, which off of the \$4 million it will likely have to be around a \$3 million number taking out what we cannot get reimbursed for legally. Mayor Pro-Tem Olson said he is just struggling with we paid for over half of Buffalo Springs, right? Home Depot paid for their half, we paid for our half, and you want us to pay for 100 percent of your part. I struggle with that when you say, well, other businesses. Well, other businesses have proven that they are willing to partner with us and not take us to the bank. Mr. White said he does not know every detail about the Buffalo Springs, but imagine the Home Depot is, is roughly here. Home Depot is going to generate a lot of 18 wheeler traffic, a lot of heavy truck traffic, which is already improved. And so the rest of the remaining all the way back to the CB Stewart intersection really is not going to have the traffic that is generated off of what was required to be improved here. So you are talking about some hotel traffic potentially or maybe another retail site and then multi-family, so the traffic load on this road is not going to be anywhere near the traffic load. The existing road very well may be able to utilize the existing road as it is, but they are voluntarily going ahead and improve it based on what is out there. Mayor Countryman asked you do not think that they are going to go down Lone Star Parkway and

go straight up CB Stewart to go do unloading Academy or Home Depot, because I see that as very well, very heavily traveled. Mr. White said I think the primary traffic, and it is not going to be just this development, but I think it is going to be a lot of passenger traffic for just people in town as well. They are going to be fronting the costs for potential reimbursement for a lot of potential heavy traffic. It is hard to tell one way or the other, but they are wanting to go ahead and do this, but I do think the traffic is going to be primarily here. Traffic is going to be coming off the SH-105 at a signal light intersection. In my opinion, this is ultimately going to go to the next intersection, which is already a signalized intersection once this one is developed. There is going to be a lot of good circulation ultimately in this development, but I do think that it is very different traffic on here than there will be here, that we can potentially pro up in a traffic impact analysis. Mayor Pro-Tem Olson said whether it is heavy traffic or light traffic, that road is very busy already, so the road has to be improved. We are not going to make one part of it good and the rest of it, oh well, that is good enough. We are going to improve the whole thing, right? Mr. White said and that is why there is no request to not do it. It's like we will go ahead and front the money for it, hope that we perform, and they get the reimbursement on the back half. Mayor Pro-Tem Olson said but again, reimbursement is one thing. Partnership with us is a whole another thing. If we have to pay for the whole road, that is not a partnership, that is us paying you to pave the road for us. Mayor Countryman said just paying it up front, yes, it is a City improvement and they are paying it up front and then we get the convenience to pay it out over 10 years. Mr. Todd said and it is all money that is being made by the hard work as well and thinks the return on the investment is great. Mayor Pro-Tem Olson said I agree there is a return on investment, but again, partner with us please or not. Mr. LeFevre said we built CB Stewart, we built Clepper extension, and we built Buffalo Springs and we were not reimbursed. The City does not have any money in any of it. Mayor Pro-Tem Olson asked how long ago did you build it? Mr. LeFevre said 2007 or 2008. Mayor Pro-Tem Olson said the roads did not even lasted 20 years. Mr. LeFevre said that is not my problem. Mayor Pro-Tem Olson said, well exactly. That is exactly my point. It is our problem now. Mayor Countryman said it does not matter when they were built. We know where they are today. We are looking at a development that will upfront the cost to update the road, Buffalo Springs, and then we would get the pleasure to pay it out whatever the 380 agreement is. I do think that that is a partnership because it is not taking the taxpayers' money up front and it is giving us an opportunity, because we do not have the money up front to improve that so, we are giving us the opportunity to pay it out as if we were on a bond or a loan to pay it out over time and it is self-producing money, it is not coming out of another bucket of money. Mayor Pro-Tem Olson said it is self-producing to a point, but all that stuff puts stress on infrastructure that that money is actually supposed to pay for as we go because we do not make money on utilities. We do not make money on road repairs. Mayor Countryman said we do make money on utilities because we make money on water. Mayor Pro-Tem Olson said we break even if we are lucky when we start drilling wells. Council Member Fox said but we do make money on sales tax and we do make money on ad valorem tax. Mayor Pro-Tem Olson said I think you are missing the point. Our taxes, if you look at our budget, you will notice that we are having to borrow money for infrastructure. Why is that? Because we do not bring in enough sales tax to just write a check. We have to borrow money to build our infrastructure. That is what those sales taxes are for. Council Member Donaldson said we borrow from MEDC every month.

Mayor Pro-Tem Olson said if we continually give it back to the businesses that are making a profit, we do not have the money to upkeep the infrastructure. Mr. Todd said I would like to add we are paying for it up front and that benefits you. You are not having a loan for any money to do that. The alternative is there is no Academy, there is no sales tax, there is no property tax, and you get nothing over X amount of years, 15 years of nothing. Mayor Pro-Tem Olson said I totally agree. Mr. Todd said 15 years, a million dollars a year. It turns out to \$30 million to the City and we are getting one fifth of that or one sixth of that to give that to you all the time and it is a win-win for both of us, but we cannot do it by ourselves. Mayor Pro-Tem Olson said no, and I am not asking you to do it by yourself, but what you are saying is that we should do it by ourselves by paying you back every dime that you spend, and I am not interested in that. Mr. Todd said the site is not shovel ready. Mayor Pro-Tem Olson said I know, but it is not the City's problem. That is the developer's problem. That is the piece of property you chose. Mr. Todd said there are significant hurdles that we are trying to overcome to make a win-win for the City and the developer in this case. If you cannot see it I do not know. Mayor Pro-Tem Olson said no, I do see it. I see that the developer is asking you, not you as developers, but the person who is trying to sell you this piece of property is asking the City to take on a huge burden of missed planned things that happened a long time ago that now he wants us to pay for. Mayor Pro-Tem Olson said I am not in the mood. Mayor Countryman said none of us were on Council then, so I do not know if it was the City. I do not know if it was them. At the end of the day, this is where we are today. I mean, we are supposed to make them punish them for back then, but punish the City for back then, who cares. This is where we are today. Mayor Pro-Tem Olson said we do not sign onto a bad deal. Mayor Countryman said this is a form of a partnership. I do not know what else you would want. What else would you consider them to be a positive partnership? Mayor Pro-Tem Olson asked what is wrong with 50/50? Mayor Countryman said it does not work with their numbers. Council Member Fox said a lot of this all revolves around people who have lived here years ago. When I came here in 1975 my property taxes for 2.5 acres was \$10 a year so we are trying to catch up. I think that bringing this helps us a lot. Mayor Pro-Tem Olson said let us look at the numbers. City Engineer Vu told us \$3.2 million if they do CB Stewart, if they do all the infrastructure, and if they do Buffalo Springs. That agreement says \$4 million so why would we give them an extra \$800,000? Mayor Countryman said these were just numbers to plug in. These were placeholder numbers, right? City Attorney Petrov said the \$4 million was an up to number. Mayor Pro-Tem Olson said the \$4 million is up to \$4.8 million. The numbers she gave us to do CB Stewart is \$3.2 million. Why would we give them an extra \$1.6 million? Mr. Todd said that was for the private infrastructure that we thought was public at the time, so that is factored in. Mayor Countryman said these are not the hard numbers right here. Mayor Pro-Tem Olson said this is the agreement that we would bring to action. Mayor Countryman said this is the MOU to discuss and then we can talk about what we want to put in an agreement. Mayor Pro-Tem Olson said but if we come back next week with an action, these are the numbers, so that is why we are hammering them out. Mayor Countryman said not 100 percent. We can say how do we modify these numbers. Mayor Pro-Tem Olson said that is what we're doing. City Engineer Vu said to your point, Mayor Pro-Tem Olson, that is why we make sure to put the not to exceed language in there. It was originally written, could be interpreted as a flat \$4 million, and we wanted to make sure that there is a not to exceed in there so that if it comes back at \$2.5 million, \$2.5 million

would be the number up for reimbursement. To bring up a point earlier, if this is going to come back for action in two weeks, both parties, us and the developer need some direction on what to bring back, what would Council be willing to entertain. Mayor Pro-Tem Olson said he will not reimburse one penny over cost, not one cent. City Engineer Vu asked would you be comfortable with the not to exceed language? Mayor Pro-Tem Olson said yes.

Council Member Donaldson said I see Academy on this drawing, so you have somewhat of an agreement, but are you saying that this agreement is based on if it goes through like it is, it has something to do with whether or not we have an Academy or not? Where are we because is this going to be the base draw for other people, Academy. Do you have an agreement with them? Mr. Todd said we are currently negotiating with the Academy. Mayor Pro-Tem Olson said my whole thing is that I want to know what our 380 agreement is and that we have talked about it and we are okay with the numbers before they bring us in action next in two weeks. Mayor Countryman said that is what we are doing tonight. Mr. Todd said I would say we were never intending tonight to have a fully negotiated 380 agreement. This is just good faith that we are going to work together. Mayor Countryman said we like the framework and everything else in the agreement, just sharpen your pencil on the numbers and do not take consideration on CB Stewart for this project, but not the lack of importance. Mr. Todd said all of the work that would be done, it is all tied to a budget and this is publicly bid. You guys get to see everything and it is an open book. This is not we are asking for \$4 million and putting \$100,000 in and pocketing \$3.9 million. You are seeing receipts for this the whole time. An audience member asked to speak. Mayor Countryman said yes, even though this is not a public hearing and you are not part of the project. Mr. Tom Czulewicz, a resident said the only thing I would say is I agree with Mayor Pro-Tem Olson. I think when you look around the City we have a great deal of development. Going forward, we need to make sure we do not set a precedent with this agreement that we are going to have to get stuck in our face downstream. Mayor Countryman said yes, we take every agreement individually and according to the characteristics of what is trying to be accomplished. The directive is, I am not hearing Council, you do not change anything other than sharpen your pencil on the numbers. Mayor Pro-Tem Olson said everything else he has seen looked fine. I did not like the 380 agreement. It is a terrible deal the way it is written. Mayor Countryman said well, we have not actually seen it yet. Mayor Pro-Tem Olson said this is the proposal. Mayor Countryman said the proposal, right. Mayor Pro-Tem Olson said and it is terrible so that is why I am bringing it up. Mayor Countryman said sharpen your pencil.

11. Consideration and possible action on the acceptance of FM 1097 Sanitary Sewer Improvements and authorizing the Interim City Administrator to sign the Certificate of Acceptance, Certificate for Substantial Completion, and commencement of the 1-year warranty.

City Engineer Vu said if you recall the sanitary improvements on FM 1097, this was repairs that were done because the sanitary sewer line washed out because of erosion and the City had been on bypass for a while. This project is now complete. The contractor has addressed all punch list items. The bypass line has been removed for a little over a month now and the infrastructure is ready to be accepted by the City. We have before you the certificate of

substantial completion and the certificate of acceptance. This would start the one-year warranty period beginning on February 24, 2025 which is the date the sanitary sewer line went into service.

Motion: Council Member Donaldson made a motion to accept FM 1097 sanitary sewer improvements and authorize the Interim City Administrator to sign the certificate of acceptance, certificate for substantial completion, and commencement of the 1-year warranty. Council Member Fox seconded the motion. Motion carried with all present voting in favor.

12. Consideration and possible action on Wastewater Pump and Haul Service Agreement with JDS Old Plantersville Road LLC for the Redbird Meadow Development and authorizing the Mayor to execute the agreement.

Mayor Countryman said she thought this was the Briarley agreement. City Engineer Vu said yes, this is Briarley. This is what was discussed at the last Council meeting with the developer. The last council meeting you authorized them to pull permits for six small homes. This is the agreement and so my understanding of the last Council meeting is we were directed to work with the developer to work this out. I want to point out some of the high points of what is in front of you. In paragraph 3.01 of the agreement, which is on page 102 of your packet this, this paragraph specifically outlines that the developer is responsible for all pump and haul, and that they are responsible for any violations, spills, anything that may happen as a result of the time frame of this pump and haul agreement that they are responsible for all of it. It outlines the specifics of when they have to pump and haul, which is, as it is written here, as it reaches the flow line elevation, at about approximately 38 percent full or every 16 days, whichever occurs first. It also outlines that we have to approve whoever they intend to use for their pump and haul services. It has to be approved by the City. They are going to maintain current contact information with everybody who is available, somebody who is available 24 hours a day in case that there is an issue in the interim. The developer agrees that they have the facilities necessary to dispose of it so it is not coming to City facilities. Other aspects of this is that they will be hiring a third-party inspector to watch over their home builders and ensure that their concerns of water theft or any other misbehavior is monitored. Paragraph 5.01 is a developer deposit escrow. Part of this is requiring them to deposit \$30,000 as a surety amount in case something were to go wrong with this pump and haul agreement. The City has that money on hand to take over as needed. Those are essentially the main points of what you are agreeing to. The developer's attorney is here with us tonight if you have any specific other questions. Council Member Fox asked is Redbird having that on there, is there an issue that it is no longer actually Redbird? City Engineer Vu said it references Redbird in regards to the development agreement between the City. The City is in the agreement with Redbird Meadow Development LLC was the other party to that agreement which Johnson Development took over the terms of that agreement. Council Member Fox said so they assume the Redbird name. City Engineer Vu said they assume the terms of the contract. This common haul agreement would be between City and JDS Old Plantersville Road, LLC, which is Johnson Developments entity for this project. The development

subdivision is now called Briarley. Council Member Donaldson asked City Attorney Petrov if he has any problems with it? City Attorney Petrov said no.

Motion: Council Member Fox made a motion to accept the Wastewater Pump and Haul Service Agreement with JDS Old Plantersville Road LLC for the Redbird Meadow Development and authorize the Mayor to execute the agreement. Mayor Pro-Tem Olson seconded the motion. Motion carried with all present voting in favor.

13. Consideration and possible action regarding approving expenses for repairs to playground equipment at Cedar Brake Park.

Public Works Director Muckleroy said we have some playground equipment that needs repair at the park. We have a comprehensive list and a quote. This is kind of like buying a vehicle. If you buy a Chevrolet, you go to the Chevrolet dealer to get it fixed, and that is the same thing with playground equipment. You go to that manufacturer or their distributor, and that is who this is for the Houston area. It is buy board pricing which is set in stone and meets all of our legal requirements. Mayor Countryman asked is this like deferred maintenance, just getting things updated and in good condition? Public Works Director Muckleroy said it is based off of an inspector's report. Council Member Langley said in the explanation, it said that we only had \$10,000. Public Works Director Muckleroy said in the Cedar Brake Park repair. Council Member Langley said and it said that you would tell us where you are finding the rest of the money. Public Works Director Muckleroy said he spoke with the Finance Department. Council Member Langley asked and there is funding available for the difference requested? I want to know that the \$3,672.90 is available and where is it available at. Finance Director Carl said we anticipate that we will have savings in other line items in his department. One of the things that we have identified in this process, is kind of some of the things that we talked about in budgeting about when we are separating everything out by park, for example, instead of putting a lump sum of money for park maintenance which would allow us to use that money across the parks, so that is one of the things that we are looking at. We also anticipate that we will have savings in his department and as we get closer, if we do not, we will definitely come back with a budget amendment. It does not make sense to come forward with one of our coveted three like acceptable process of budget amendments in the fact that we are currently on track in the department to be under budget and we have additional revenue coming in right now. Council Member Langley asked, so you really do not know where you are going to find the money? Finance Director Carl said, I cannot say that it is going to come from a specific line item in his budget. Remember that each department is required to stay within their allocation, not necessarily by line item. Council Member Langley said on the proposal it said that it expired. Well, it expires next week. Public Works Director Muckleroy said we verified that. Council Member Langley said if you order it by the time it expires, when do you have to pay for it? Public Works Director Muckleroy said when the work happens they will bill us after the work is performed. Council Member Fox asked so they do the work and you get an approval of what all has been done? Public Works Director Muckleroy said yes. We have worked with them before. I will say too just as a reminder, this line item two years ago was \$25,000 and we had to knock it down for budgetary constraints, so hopefully we can bring it back up this next year. Council Member Donaldson asked are the other

parks in good shape? Public Works Director Muckleroy said yes they are and that will probably be where some of the savings will come from, one of the other park line items. Next year we will be looking to combine all of them. Mayor Countryman said that is good. Just put it in a bucket and then pull it out. Public Works Director Muckleroy said there are greater needs in certain parks than others.

Motion: Council Member Donaldson made a motion to approve expenses for repairs to playground equipment at Cedar Brake Park. Council Member Fox seconded the motion. Motion carried with all present voting in favor.

14. Consideration and possible action of a proposed city marketing logo and the official seal.

Special Events Coordinator Johnson said going back to 2024 there was a lot of conversation about the trademark, the birthplace of the Texas flag, and the need for a marketing logo because there are several logos. We understand that there is the original official City seal. There are a couple of different logos that you will see around town, but I think Jeff's idea was getting something specifically for marketing and for the trademark. Back in December 2024, Jeff looked into different designers for rebranding and branding package. He came up with a bid price of \$1,500 and he had that work done. The logo should be in your packet with some promotional items. Council Member Langley asked do you have the packet with you? Special Events Coordinator Johnson said I think in the packet what he did was he gave you an idea of what we have had in the past, and then the final presentation, which I have copies here if you would like to see them. Council Member Langley said he gave us all kinds of stuff. Mayor Pro-Tem Olson said yes, stuff we have never seen before. Special Events Coordinator Johnson said yes, so that you would have a clear understanding of what we have and what we have now for the proposed marketing logo. Council Member Langley asked which one? Mayor Pro-Tem Olson said there are several of them in here. Council Member Langley said we did not see some of these at MEDC. Mayor Countryman said she does not think the ones that look like we are a capital represent who we are. Mayor Pro-Tem Olson said I do not know which one he is referring to because we have five or six of them. Mayor Countryman asked are you asking us to find a city logo, find a city trademark or use for promotional items, or we have a seal, we are not looking to replace the seal? What is the assignment? Special Events Coordinator Johnson said to my understanding this logo here, this new logo that was designed is just for the trademark and marketing purposes. The City seal will remain as is. He just had it cleaned up a little bit more so that you could use those for social media for print. Mayor Countryman said so Thomas Printing wants to make a whole bunch of promotional items. We are approving that right there for them to be able to use. They buy the trademark. They spend the \$1,000 and they could put that on anything they want like yetis or tumblers. They buy to use it. They pay \$1,000 because it is a use fee and then they could put that on shirts or whatever they want to. So cities have different kinds. To be the logo for the City, I am not on board, but for it to be something that somebody can use to trademark, to put swag in stores, go get them. Mayor Pro-Tem Olson said we have to approve it. Mayor Countryman said right, I just do not want that to be any kind of logo for our online presence or our seal. That is just for promotional items. Special Events Coordinator Johnson said just for promotional items. Chief Solomon said

and that is if Council approves it. Mayor Countryman said right. That is what is up for consideration. Chief Solomon said it is just for promotion and if you do not like it then there are others in here you can take a look at. Council Member Langley said it is page 131. Special Events Coordinator Johnson said to her understanding, this is the final. City Secretary Beaven asked if is the same one that she has on the screen? Special Events Coordinator Johnson said she is not sure, but thinks she remembers something of a time limit where you had to actually use the trademark within a certain time. Mayor Pro-Tem Olson said we asked City Attorney Petrov to research for us and he said we thought there was, but I believe there is no time limit on it, right? Mayor Countryman said yes. When somebody buys the trademark or spends the money to get it, they can use it. Mayor Pro-Tem Olson said no, the City owns the trademark. If anyone wants to use it, they still have rights to it. As far as whether or not we use it in a certain length of time, there is no time limit. Mayor Countryman said I know for the NBA if you want to use their logos, it expires every year and you have to reup and get there. I did not know if that was the case with this, like a promotional company has to come back and say we still want to use this logo, we are going to reup with you for another \$1,000. Or, there are places too that if they make \$500,000 million on it, now the price goes from \$1,000 to \$2,000. Mayor Pro-Tem Olson said that is up to MEDC to figure out how they want to do their agreements, but I think all they are asking for is approval of a logo. Mayor Countryman said she understands. Special Events Coordinator Johnson said all the details can be worked out once Council decides what they are going to do. Council Member Fox said this would only be for promotional type things, but I still do not like it. Council Member Donaldson said he likes it better than the other one with the buildings on it. I like page 131 better. Mayor Countryman asked can we just take out city of and put Montgomery? Council Member Donaldson said but that is who we are. Mayor Countryman said we are Montgomery. I do not ever say we are City of Montgomery, but that is my two cents. Mayor Pro-Tem Olson said we do not have to approve it. We can always kick it back to him and tell him to redesign it. Mayor Countryman said and not all at once. Council Member Langley asked Council Member Fox what are you thinking? Council Member Fox said she just does not like the way it looks. Mayor Pro-Tem Olson said let us put it to a vote. We can deny it and then we will just give him some advice. How is that? Mayor Countryman said yes, some feedback.

Council Member Langley said we are not doing an official seal. Mayor Pro-Tem Olson said the official seal is still the same. They never changed it. Council Member Langley said I do not know why he is even messing with it. Mayor Pro-Tem Olson said I do not know why either. Special Events Coordinator Johnson said for the official seal we had a couple of different versions of that. It was not good for all different files that we were using it for, so it looked a little distorted and a little blurry. Nothing has been changed. It is just a different format. City Secretary Beaven said for clarification, that is actually an older, original logo, not a seal. A city seal is completely different. Council Member Donaldson said we talked about that seal one time before when I was presenting an idea to let the schools help design something new and I was talking about that, not realizing it was the seal. Mayor Pro-Tem Olson said it is not a seal. That is not the city seal. It is a previous logo. Council Member Donaldson said well, anyway, City Engineer Roznovsky said he had already got that thing planned and it is supposed to go on the manhole covers. He already has that on there. City Engineer Vu said yes. Mayor Countryman said that is totally

fine. Council Member Fox asked City Secretary Beaven what is the official seal? City Secretary Beaven said the official seals says the City of Montgomery and it has the date. It has the Texas star in the middle of it. That is what I use when I seal our ordinances, resolutions, and minutes.

Motion: Mayor Pro-Tem Olson made a motion to approve the proposed City marketing logo. Motion failed for lack of a second.

15. Consideration and possible action on a Resolution of the City Council of the City of Montgomery, Texas, casting its vote to appoint directors to the Montgomery Central Appraisal District's Board of Directors.

Council Member Langley said it says the City of Montgomery has five votes. She read it that she could put all five votes on one person. Is that the way everybody else read it? Mayor Countryman said yes. Mayor Pro-Tem Olson said I misunderstood. I thought I had to pick because there are five chairs. I thought we had to pick five people. City Secretary Beaven said we still have 5 votes that we can cast. Mayor Countryman said yes, we can do three and two or whatever. Mayor Pro-Tem Olson said I think I have to recuse myself.

Motion: Council Member Langley made a motion to approve Resolution 2025-08, a Resolution of the City Council of Montgomery, Texas, casting its vote to appoint Mayor Pro-Tem Olson to the Montgomery Central Appraisal District's Board of Directors. Council Member Fox seconded the motion. Motion carried with 3-Ayes and 1-Abstained by Mayor Pro-Tem Olson. (3-1)

DEPARTMENTAL REPORTS

16. January 2025 Police Dept and Code Enforcement/P&Z Admin

Sergeant McRae said right now for the spring break, we are having our DWI initiative Step program, along with the Citizens Police Academy starting April 2nd. Mayor Countryman asked how many people do you have signed up for that? Sergeant McRae said he is not sure because they are still receiving applications. Council Member Fox asked how many applications will you accept? Sergeant McRae said it just depends. Chief Solomon said no more than 13.

Code Enforcement Officer and Planning/Zoning Administrator Tilley said the only significant change to my reports is that P&Z administration has been added, so I looked at last year's numbers and I had 25 for January and this month I had 63 cases.

Building Official Rick Hanna said he visited with the attorney and we have not had a chance to talk. He is still confused and sent an email back asking Redbird Development, that is the official name of what the City Council accepted and what it was platted in the county records as. They can call it a Briarley if they want to call it that, but when people start submitting applications, it has to be what the recorded plat says. I caught their attorney on the way out and asked her about it and said, well, we were the engineers. My understanding of real estate law is unless the developer comes back to City Council with a

request for a name change and the commissioner's court and gets the plat either refiled with a different name. All of our stuff they need to have the proper surveyor plat with the correct subdivision name. Mayor Countryman asked so for clean records for the City, should we put Redbird Meadows development slash Briarley just because 10 years from now, somebody may not even know that Redbird Meadows has come about? Council Member Fox asked or should we request that Johnson change? Mayor Countryman said we would go through commissioner's court and come here. I was just thinking if we could just put a slash. City Engineer Vu said the sign outside the subdivision would say Briarley. Plats themselves, if they wanted to change the name, it may need to be a full replat process if they wanted to change the name of it. I have not personally encountered a subdivision name change where everything else stays the same. From our perspective we can review a plat as Redbird Meadows, we can review it as Briarley, but for the future on any deeds or anything, it would reference the title of the plat itself as what is recorded with the county. Mayor Pro-Tem Olson said so that is what all the permits need to be made out to then. City Engineer Vu said it references a specific block and lot in a section of a plat. Mayor Countryman said this cannot be the first time this has ever happened. City Attorney Petrov said typically people do not go back and change the names. They can use something different for marketing. It creates some confusion, yes, but Mr. Hanna is correct for the permitting process. The plat has to be correctly identified and it is currently the Redbird Meadow Center. Mr. Hanna said that is going to get confusing. I just want everybody to be on the same page and when they come in with a permit application and they put Briarley on there, we are going to say no. Let us see your surveyor's plat or its legal description. Whatever the deed says, that is what we are going to issue permits on. Mayor Countryman asked can we just suggest to Johnson to go through the motion? They may not because it might hold them up or cost an exorbitant amount of money, or if it is even necessary. City Attorney Petrov said we can talk to them about changing the name on the plat.

Council Member Donaldson asked may I make a suggestion? Mayor Countryman said yes. Council Member Donaldson said he would like to add the Building Official Rick Hanna to the department reports every month. Mayor Countryman asked what would you want him to report on? Council Member Donaldson said what the progress is with our inspections and if we have any issues. Building Inspector Hanna said we are making progress. Council Member Fox said Mr. Hanna is always with us almost every meeting.

17. Finance Report for January 2025.

Finance Director Carl said this is the report for January 2025 in front of you. I do not have any concerns of any of the things that we are seeing, revenues or expenses. Our sales tax is still facing greater than we anticipated. Council Member Langley asked did the new company get any sales tax for January? Not yet, right? Finance Director Carl said for the Crime Control & Prevention District (CCPD), the monies that we receive from the comptroller this month will include monies that will be now split between the Economic Development Commission (EDC) and CCPD. That will start with the deposit we get this month. It has not happened yet. Mayor Countryman said we are close to being halfway through our budget and we are tracking 20 percent higher on income. What is that number? Is that like 3 percent or is that 30 percent? Finance Director Carl said if you look at page

184 of your packet, which this is that group summary. The very first department on there is fund 100, which is general fund and you see your revenue and your expenses. Currently, you are doing well. Our revenue total at this point, at the end of January, your revenue total was \$3.4 million and your expenses at that point were \$1.6 million. It is always hard because our expenses are not equally divided over 12 months, but as far as looking back historically, like where we are pacing, we are pacing just fine. The only other thing that I will mention is we have been working on the audit. Crow has absorbed Belt Harris. A lot of the people are the same, but their auditing philosophy is a little bit different than what Belt Harris has been. It is just a little different, just as if we were switching to another audit group and so process is a little different. Our needs list was 150 some items long and we have not even had sampling yet. I had a phone call last week with Laura Hamm who is the auditor that we are working with. Darla is still with Crow, but she is upper level now, so Laura is our day to day. We are not confident that we are going to have a draft audit by March 31st. So what that means for us is we have reporting requirements that we are obligated to, based on debt issuance with EMMA (Electronic Municipal Market Access) and The Texas Water Development Board. I have already reached out to the financial advisor. We know what we have to do. There are some unaudited reports that we submit and then as soon as we have our audit we just update that information with the audit. It is just a matter of the changes, the things that they have had to do. They have had one of their main reviewers out on a medical situation, so it is just a little bit more I think than what they were expecting this first year in the Texas market. I have a draft.

Council Member Donaldson asked why are we writing checks to Robert Half Incorporated? Finance Director Carl said Robert Half is who we are using for support staff for the part-time person that has been helping out up at the utility window. We have posted for the utility position, the position that you all approved at the last meeting. Once we have those positions filled, then the support staff will go away. Robert Half is who we went through again there with HGAC. They are on HGAC board and so we did not have to go through any procurement process on those services.

Council Member Langley asked can you tell me on January 14th we wrote a check to Conroe Lake Conroe Chamber of Commerce for \$7,500. Do you have any idea what we paid for through the chamber? City Secretary Beaven said it was for us to renew our membership at the highest level to participate in the chamber. Council Member Langley said we have never had to. City Secretary Beaven said we were at the very bottom package, but we are partnering with the chamber to try to do more, to be more active with the chamber. Council Member Langley said that is a lot of money to be a chamber member. City Secretary Beaven asked was it just one check? Mayor Countryman said yes. Finance Director Carl said if I am remembering correctly, that was to be a platinum member, advertising and getting our information out there. Council Member Donaldson asked no free lunch? Council Member Langley said it ought to be. Finance Director Carl said it does not include the lunch. City Secretary Beaven said it does include some for one of their events, and it gives us a lot of advertising. We are working with Special Events Coordinator Johnson to advertise our local businesses to say thank you to them for anything that they are doing within our City. We are trying to utilize it not just for the City as for the City of

Montgomery, but for our businesses to work with the chamber on that. Council Member Langley said I did not realize that we could spend taxpayers money that way.

18. Municipal Court Report for January 2025.

Court Administrator Duckett said for January of 2025, we have 168 citations. The collection was \$38,904.53. I attached an additional report just so you can see how our monies are allocated to the state. Court Administrator Duckett said to Council Member Langley the text notifications are working. Council Member Langley thanked Court Administrator Duckett.

19. Public Works Report for January 2025.

Public Works Director Muckleroy asked if there were any questions on the report. Council Member Donaldson said it looks like you said under your water report, completed fence for water well number five, previously the site of well number two. Have we changed the number? Public Works Director Muckleroy said the well number, yes. The new well will be well number five. It will still be considered water plant number two, but it will be well number five. Council Member Donaldson said I could be wrong, but where water well number three is, there is actually two wells there. Public Works Director Muckleroy said there is water well three and water well four on site at water plant number three. Council Member Donaldson said okay, I have to distinguish between a plant and a well. Public Works Director Muckleroy said the plant is the whole facility, and the well is just on the site. Well two will be considered decommissioned and well five will be the new one. Council Member Fox said by her house is well five. Public Works Director Muckleroy said yes.

Council Member Donaldson asked if they make any runs by 213 Prairie and check that out? Public Works Director said we go every week. Our foreman has a reminder set on his phone to make sure he gets by there. In fact I think he was over there this afternoon.

Mayor Countryman thanked Public Works Director Muckleroy for the text on Saturday for the Mayor's reception about the Alamo. It was very informative and I used it, so I appreciate you. I even gave you kudos. I am like, I got a text this morning from Director of public works. It was fascinating. I think that was good. People were leaning in, so it is cool. They found limestone used in the 1700s, and the San Antonio Zoo and the Alamo are not that close. They hauled that rock down to the Alamo. It was fascinating, so thank you for that.

20. Utility Operations Report for January 2025.

Public Works Director Muckleroy said Hays Utility could not be here tonight, but I will be happy to either answer questions or at least take them back and get answers for you. The only thing I will hit on is the accountability. The accountability is still low, so I just wanted to update you. We have authorized Accurate Meter and Supply to perform a pretty large round of commercial meter testing. They should be starting on it any day if they have not already started on that. What they are doing is checking commercial meters for accuracy. You lose accuracy on a meter. If you think you are selling 1,000 gallons of water, maybe

1,300 has gone through it. It is just ensuring that it is close to 100 percent accuracy, looking for the large volume users, and making sure we are capturing everything that we are selling. Mayor Countryman asked do we think we have a leak? Public Works Director Muckleroy said no. Mayor Countryman said last time we had low accountability and it was a leak, so I just did not know. Public Works Director Muckleroy said yes, it was Poncho saved the day. A couple of months ago we started looking and the easiest way is to go look at creek bottoms, drive the creeks and a good enough leak it will get into a creek and feed its way down. We did walk the area in front of Kroger where it was found last time, but we did not find a leak, which is good. Council Member Donaldson asked if Public Works Director Muckleroy has a spare hard hat? I would like to visit well number five. Public Works Director Muckleroy said I am sure we have a spare.

Motion: Mayor Pro-Tem Olson made a motion to accept the department reports as presented. Council Member Fox seconded the motion. Motion carried with all present voting in favor.

COUNCIL INQUIRY

Mayor Countryman asked City Attorney Petrov if we were able to get in touch with Sudden Link for Lake Creek Village, or we decided to just go ahead and take in the streets and leave it alone and let that be a Sudden Link issue? Do we know? They wanted us to take in their streets to make them public. There was one 23-feet away from an actual road. Chief Solomon said it looks like according to Mr. Finke, the homeowners association is going to take care of that. We are going to get our engineers out there to take a look and tell them what they need to do to make it right. Mayor Countryman said I know he had been trying to get with Sudden Link and they kept standing them up. Mayor Countryman asked so we have taken the streets in and they are now public? Chief Solomon said yes.

EXECUTIVE SESSION

21. Closed Session

City Council will meet in Closed Session pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

- A. Section 551.074 Personnel Matters for the purpose of discussion and deliberations regarding the appointment, employment, evaluation and duties of a City Administrator.**

At 7:34 p.m. Mayor Countryman convened the Montgomery City Council into closed session pursuant to provision Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.074 Personnel Matters for the purpose of discussion and deliberations regarding the appointment, employment, evaluation and duties of a City Administrator.

22. Open Session

City Council will reconvene in Open Session at which time action on the matter(s) discussed in Closed Session may be considered.

A. Section 551.074 Personnel Matters for the purpose of discussion and deliberations regarding the appointment, employment, evaluation and duties of a City Administrator.

At 7:50 p.m. Mayor Countryman reconvened the Montgomery City Council into open session pursuant to provision Chapter 551 of the Texas Government Code, in accordance with the authority contained in Section 551.074 Personnel Matters for the purpose of discussion and deliberations regarding the appointment, employment, evaluation and duties of a City Administrator.

Item A. No action taken.

CLOSING AGENDA

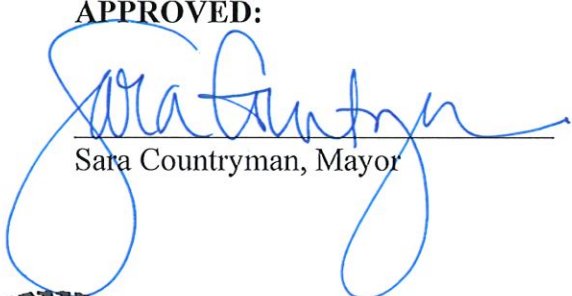
23. Items to consider for placement on future agendas.

No items to consider at this time.

24. Adjourn.

Motion: Mayor Pro-Tem Olson made a motion to adjourn the Regular Meeting of the City of Montgomery at 7:50 p.m. Council Member Langley seconded the motion. Motion carried with all present voting in favor.

APPROVED:


Sara Countryman, Mayor

ATTEST:


Ruby Beaven, City Secretary

