Notice of City Council Regular Meeting

October 08, 2024 at 6:00 PM

NOTICE IS HEREBY GIVEN that a Meeting of the Montgomery City Council will be held on **Tuesday, October 08, 2024**, at **6:00 PM** at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas.

THIS MEETING WAS POSTED PURSUANT TO THE TEXAS OPEN MEETING ACT V.T.C.A. GOVERNMENT CODE CHAPTER 551.

Members of the public may view the meeting live on the City's website under Agenda/Minutes and then select **Live Stream Page** (located at the top of the page). The meeting will be recorded and uploaded to the City's website.

CALL TO ORDER

INVOCATION

PLEDGES OF ALLEGIANCE

PUBLIC FORUM

The City Council will receive comments from the public on any matters within the jurisdiction of the City of Montgomery, Texas. Speakers will be limited to three (3) minutes each. Persons wishing to speak during the Public Forum must sign-in to participate prior to the meeting being called to order. Please note that the City Council's discussion, if any, or subjects for which public notice has not been given, are limited to statements of specific factual responses and recitation of existing policy.

CONSENT AGENDA

All Consent Agenda items are considered to be routine by the City Council and will be enacted by a single motion. There will be no separate discussion on these items unless a Councilmember requests an item to be removed and considered separately.

1. Approval of the August 12, 2024 Budget Workshop Minutes.
2. Approval of the August 13, 2024 Regular Meeting Minutes.
3. Approval of the August 27, 2024 Regular Meeting Minutes.
4. Approval of the September 10, 2024 Regular Meeting Minutes.
5. Approval of the September 16, 2024 Special Meeting Minutes.

REGULAR AGENDA

6. Police Department recognition of Dr. Taylor Robertson, Mr. Arnette Easley, and Larry “Bubba” Evans for their generous contributions.
7. Receive the Planning & Zoning Commission’s Recommendation and Report related to a rezoning application of 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential as submitted by SPT Montgomery, LLC (Dev. No. 2215).

8. Convene into a Public Hearing to receive comments on a rezoning request of 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential as submitted by SPT Montgomery, LLC (Dev. No. 2215).

9. Consideration and possible action on: AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE ZONING CLASSIFICATIONS AS DEFINED IN THE CITY CODE OF ORDINANCES CHAPTER 98, "ZONING," FOR A 15.46-ACRE TRACT SITUATED IN THE B. RIGSBY SURVEY, ABSTRACT NUMBER 31, MONTGOMERY COUNTY, TEXAS LOCATED AT THE NORTHWEST CORNER OF LONE STAR PARKWAY AND LIBERTY STREET, MONTGOMERY, TEXAS FROM "ID"- INDUSTRIAL, AS FOUND ON THE CITY'S OFFICIAL ZONING MAP, TO 7.77-ACRES OF "B" COMMERCIAL AND 7.69-ACRES OF "R2" MULTI-FAMILY RESIDENTIAL ZONING DISTRICT CLASSIFICATIONS; AND TO AMEND THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE AND PUBLICATION.

10. Consideration and possible action on setting a new Public Hearing date related to a Special Use Permit application for a paramedical and fine-line tattooing business located at 14375 Liberty Street, Montgomery, Texas.

11. Consideration and possible action on a request from the Montgomery First Baptist Church for relief from Chapter 90 Utilities, Section 90-68(a) which governs the cost of the City's public water system tap.

12. Consideration and possible action on a Development Agreement by and between the City of Montgomery, Texas and Morning Cloud Investments and Solid Bridge Construction for Montgomery Crossing, a proposed 86-acre single-family residential development (Dev. No. 2403).

13. Consideration and possible action on the following items related to the sale of right-of-way to TxDOT along SH 105 at city hall for their upcoming SH105 improvements project:

a. Memorandum of Agreement.
b. Possession and Use Agreement.
c. Property deed of 0.0517-acre portion of city hall site.

14. Consideration and possible action on designating two Council members to serve as primary and alternate representatives, for the Houston-Galveston Area Council (HGAC), to the State's 2025 General Assembly.

15. Consideration and possible action on a Resolution establishing the annual Christmas Parade as a public-purpose event and authorizing the City to enter into a 5-year agreement with TxDOT to close portions of SH149 and SH105 during the parade.

16. Consideration and possible action regarding termination of the warranty period and release of the maintenance bond for the Water Plant No. 3 Improvements project.

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.

EXECUTIVE SESSION

Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, Section(s):

Sections 551.071(consultation with attorney) General Matters

Sections 551.071(consultation with attorney), to Discuss Matters Within the Attorney Client Privilege Concerning City Council Authority and Responsibility Related to Personnel.

551.072 (deliberation regarding real property)

ACTION FROM EXECUTIVE SESSION

ADJOURNMENT

I certify that this notice of meeting was posted on the website and bulletin board at City Hall of the City of Montgomery, Texas, a place convenient and readily accessible to the general public at all times. This notice was posted on the following date and time: **OCTOBER 4, 2024** at **5:00 PM** and remained posted continuously for at least 72 hours preceding the scheduled time of said meeting.

/s/ Dave McCorquodale

Assistant City Administrator

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary's office at 936-597-6434 for further information or for special accommodation.

City Council Budget Workshop
MINUTES
August 12, 2024 at 5:00 PM

CALL TO ORDER:

Mayor Countryman called the meeting to order at 5:02 p.m.

Present:	Sara Countryman	Mayor
	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5
Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Maryann Carl	Finance Director
	Mike Muckleroy	Director of Public Works
	Anthony Solomon	MPD Chief
	Kimberly Duckett	Court Administrator
	Katherine Vu	WGA Consulting Engineers
	Diana Titus	Deputy City Secretary

WORKSHOP AGENDA

1. Review and Discussion on the Proposed FY2025 Annual Budget

   Maryann Carl stated for the summary of changes this is post workshop #3 and these were any adjustments that were made from the previous workshop. In review of the summary she stated the first line is ad valorem taxes and said based on the calculation, the Tax Assessor Collector used the certified estimate to calculate the City's tax rate this year because certified values were not available due to a number of circumstances and most recently hurricane Beryl. She said the notice of 2024 tax rates you received outlines that and they left it at the 40 cents which is where they have been for the last several years. In doing so they did the net collection based at 96 percent. As you know our collection is almost 100 percent but based on refunds that reduces the net collection. Keeping in mind they were using certified estimates, they are not exactly sure what might be out there in protest. They felt like 96 percent net collection at the 40 cents was a relatively safe number. Based on that the ad valorem revenue decrease by $31,362 which is what you are currently seeing $1,548,638 on the revenue sheet.

   Ms. Carl said the next item is the admin transfer from MEDC. In the last workshop they discussed the fact that they did not have anything in there yet at this point. EDC had a workshop which they talked about the components that the EDC transfer offsets on the general fund side and that is how this number was derived at. There is a transfer from the EDC for $187,354.

   The next line item is the judicial efficiency and only had a $10 amount budgeted in there but they have decrease that and moving it to a special revenue fund. Ms. Carl said the same is true on the child belt safety line and the reason for this is there are certain court fees that

are very restrictive in how they can be spent and they should be maintained on the finance side in a special revenue fund so that at the end of the year those unspent funds do not just roll back up into the general fund and become surplus. They need to stay within their own fund for fund balance purposes. Ms. Carl said her and Ms. Duckett have worked on what those fees are and worked at setting those up which you will see later on in the special revenue funds so that they will work with the auditors this year to get an entry that is made to get that fund balance back on track where it should be. It is maintained in the court system; it is just not maintained on the financial side and it should be. There is also a decrease in the court fines revenue and a part of that has to do with the things that are moving over to the special revenue fund. They discovered there are some items in court technology and building security that were being coded and have been for a long time on the finance side just as general court revenue and as they pulled it apart and looked at all those codes from the court side those also need to go into the building security and court technology respectively and that is why you see that reduction. The money is still coming in, it is just going into the special revenue fund where it needs to be housed.

Ms. Carl said on the expense side under the admin department, general consulting is an increase of $65,000 which is due in large part to the Kendig Keast project. Ms. Carl stated she and Mr. Palmer had a phone call with them last week to discuss the phases and the pace at which they are moving. They anticipate they will be complete with the City's project next September and it will not span over a third fiscal year and in keeping that in mind, they went ahead and budgeted the remainder of that project.

Ms. Carl said one thing she failed to include when she was working on this which is part of a larger discussion when it comes to capital projects and that is they would like to request $20,000 under the general consulting for administrative services for the ARPA grant. She said there are a lot of moving pieces to that and that is part of a larger discussion. Mayor Countryman said she does not understand what that means. Ms. Carl said with the ARPA money they have there are treasury reporting requirements and what leads to the treasury reporting requirement is how they actually secure and procure the services for whatever project they are going to do. However Council decides on how the ARPA funds are to be spent there are some very specific guidelines (168 pages worth) of government details of what the requirements are having to do with how you do the bidding process, what people work on your project, if that employer has used E verify. There are all kinds of things that take a lot of work to put into making sure that the City is not going to get a callback of those funds if treasury decides that they look through the City's things and then treasury says you have not dotted all you I's or crossed all your T's and they want the $360,000 back. Ms. Carl said she would feel much better knowing that Grant Works, who has an ARPA team who are the ones that go through that process. The City still files the report but they are the ones ensuring the City is in compliance. Just as the City has used Grant Works before for GLO grants, it is the same type of thing. They just have a specialty group that handles the ARPA funds. Mayor Countryman asked how much does the City have available. Ms. Carl said they have not spent any ARPA funds and it has been earning interest. As of June 26th the balance was $361,121 and have had two interest postings since then. The balance is right around $364,000. It does come into play in the fact that they are able to use that interest. She said she is not sure as she has not looked into this ruling but the initial funds they received is what is they are required to spend and report on. They can use the interest and the interest can also go towards that project. It is just a matter of how that gets reported. Councilmember Carol Langley said nowhere in that grant was a line item for consulting. Ms. Carl said there is an option if you wanted to use the ARPA funds

to pay for grant administration services that should have been procured and gone out for RFP prior to the distribution of the ARPA funds. She said since it was not, they could do that now, however they are fast approaching the commitment deadline of December 31st of which a project must be identified and funds must be obligated for that project at that point. If they were to start that process now for the RFP they would be looking at maybe having a six to eight week window to work with your grant administrator in order to be able to do all of the pieces that are required and be able to notify treasury by that deadline. If they use local funds they do not have to abide by that same procurement measure for the administrative services. Councilmember Carol Langley asked if these people said that for $20,000 they would do this project. Ms. Carl said yes they do not believe it will exceed that based on the amount of money they have received. Councilmember Carol Langley asked if they will be able to get it done in September. Ms. Carl said they will be able to get them to the point of being able to report what their project is by the end of December. That also includes them being able to work through a workshop with Council and with the capital project plan to be able to look at what projects fit within these parameters and what that looks like moving forward. Ms. Carl said the $20,000 would cover that and expect that it will probably be less than that. Councilmember Carol Langley asked where the $20,000 is coming from. Ms. Carl said it should be added onto the admin general consulting expense. She said where it was an increase of $65,000 it will be an increase of $85,000. Councilmember Carol Langley asked where is the $20,000 being taken out of. Ms. Carl said she is not taking it out of anywhere. Currently they do not have that budgeted in the general consulting. Where you have the general consulting budget on page 1 of 3 of the fund 100 department 10 administration there is a figure of $215,000. They are asking to increase that to $235,000 and as a result that would change the net revenue on the front page to $171,000. It does not make them go in the hole.

Councilmember Casey Olson said maybe he is misunderstanding, but on the worksheet it looks like they had a net decrease and asked if the EDC goes straight into the general fund. Ms. Carl said the top portion of this worksheet is just the general fund. Councilmember Casey Olson said their total last time was around $95,000 and showed around $100,000. This time it is $170,000 and asked if that is just MEDC. Ms. Carl said that is a huge portion of it, $187,000 they did not have.

Ms. Carl said the other two changes in the general fund were under PD and those were brought to you at the workshop and discussed in the meeting. These worksheets just reflect those changes that included a decrease in what had been on the radio line and the patrol weapons line.

Mayor Countryman said she knows they have the ARPA funds and can use them for specific projects. She knows they are going to pay $20,000 to help manage those and get those projects on the books before the end of the year. Councilman Casey Olson said it will help them qualify with the funds they have. Ms. Carl said that is correct. Mayor Countryman said she is having a hard time spending $20,000 and their timeframe is no better than the timeframe if the City did it on their own. Mr. Palmer said the problem is they do not have the capacity to do it on their own. Any time we take federal dollars especially if it is for something like this it will either have a matching component or a heavy reporting requirement and it is worth the money to have someone else manage it for us because it takes the liability off of us. Mayor Countryman said that part she certainly appreciates. Councilmember Carol Langley said it is usually in the grant itself. Mayor Countryman said so take $20,000 out of the $364,000. Mayor Countryman then asked if

they cannot use it until they pay for the Grant Work fees. Ms. Carl said if they do that they have to go through the RFP channels and that should have been done before you received the ARPA funds. Councilmember Casey Olson asked if they give it to this third party will they qualify all of their projects. Ms. Carl said she has actually worked with Grant Works on the ARPA and what they like for the city to do is identify saying here are the projects we have identified and here is the scope of what that includes. They will then look at that preliminary list and be able to say either yes, or some may be borderline and would have the City consider other projects instead, which is then up to Council to decide what projects to use. Depending on what that project is and what category it fits into then that triggers what they do on their side as far as the reporting requirements. For an example, at the City of Waller they had put in a generator because it was becoming an emergency operation center. The new city hall that was built did not have the generator and the new generator was being put in. All of the components from that from the concrete slab that was laid to the installation crew that was coming they had to make sure that all of those subs had met the criteria that the federal government has put in place. There were actually some people that were not able to work on their project and be paid for working on that project because they did not meet certain criteria. Ms. Carl said that is a lot of work for them depending on what those projects are. It is as if they become another level of employment verification. When she and Mr. McCorquodale have discussed it as it is really difficult at that amount of money at $360,000 in the ARPA funds where he would sign off on it, she would file the report and if treasury audits them and comes back, they will call back that amount of money because you cannot make up some of those things that trigger the call back and cannot make them up after the fact. If you paid someone who did not meet the criteria they are not going to just take that portion it becomes the whole project because the project did not meet the criteria as stated in the report that was filed and certified that yes, you abided by everything. Mayor Countryman said for instance for water plant #2 improvements for $2.6 million can the $364,000 be applied to the $2.6 million which would help offset trying to find CIP funds out of other funds. Ms. Carl said yes. She said typically what they will do is ask you to designate a portion of a project that would be able to use those funds towards it. Ms. Vu said word of caution on water plant #2 improvements. She said that project was already bid. She wants to make it perfectly abundantly clear that everything with federal funds has to be solicited all the way from starting from the engineer. Mayor Countryman said she was just stating it could help alleviate potentially one of these line items. Ms. Vu said yes and the ARPA funds are best.

Councilmember Stan Donaldson said if they grant GrantWorks the opportunity to ensure compliance when do they need to start having workshops. Ms. Carl said it would all happen relatively quickly. At the next Council meeting they would bring a proposal from Grant Works for the administrative services. She said she does not know if they would be able to be here in person but they could certainly do a virtual workshop with them. They understand the pressure the City is under as far as timeframe and they feel it is a very doable thing based on the amount of money the City has. Mayor Countryman asked if there is a guarantee that if the City pays them they do not lose that money. Ms. Carl said we do not pay Grant Works upfront. They are paid at different stages along the way of the project. They do not have any concerns about meeting that timeframe as long as the City is in communication with them and moving forward on this. Ms. Carl said with this ARPA project, Grant Works has a dedicated ARPA team and that is all they do. The person who would be their designated person in this area his name is Derek Katznelson, ARPA Project Manager and he is the person she worked with when she was at the City of Waller as well. She said the entire team has been super responsive. They are a wealth of research and

knowledge and she does not expect especially being three years into ARPA very many hiccups if any because they have been seeing it with all the other cities.

Councilmember Casey Olson said there is one change he would like to make. He asked Chief Solomon how long they have been with Tyler Tech. Chief Solomon said two years. Councilmember Casey Olson said he totally understands the difference and just looks at it as they made the two years can they make it three. Chief Solomon said it is $490,000 and yes, they can continue with what they have until next year but by next year they need to make the change. He said because they are already into the Tyler system right now with the change it will give them time to see exactly if they are going to do any upgrades as well. Chief Solomon said that price may increase a bit next year but not by much. Ms. Carl said it would give them a little bit less than that because they will still have to pay on the Tyler fees and they had budgeted in here that a portion of that would be given back but that will not be the case anymore. Ms. Carl said she just received Tyler info last week and asked if there was an increase. Chief Solomon said no it should be the $17,000. Ms. Carl said $17,622 so there would be a savings of $89,378. Ms. Carl asked if they are changing that one back to $17,622. Councilmember Casey Olson said that is his request to Council to look at it and see what they think. Mayor Countryman asked so less than $20,000 to give to Spillman. Chief Solomon said no. He said she is taking the money the $107,000 and part of that is for paying Tyler with a rebate for once they stop using it they would be given that money back. He said if she takes the $17,000 out which they normally pay Tyler that is the $89,000. Councilmember Casey Olson said his request to Council is that they hold off on the Spillman upgrade at least another year. Councilmember Cheryl Fox asked why. Councilmember Casey Olson said because they are broke. He said they still have not touch on capital yet but they are $1.4 million short.

Ms. Carl said one of the things she wants to give a reminder on with capital projects is that your operating funds should not be what are funding the capital projects. She said using general fund revenue surplus from past years based on fund balance is definitely an acceptable use and that is something that can be done. When we look at that we look at an audited year where they would go back to fiscal year 2023 and ensure that they maintain the 45 percent requirement that is in our policy for our fund balance needs. She did look at those numbers. For general fund, the excess of the 45 percent would leave you just shy of $780,000 in general fund surplus from the close of fiscal year 2023. She said she had a conversation with Councilmember Casey Olson about looking at a policy that would put in place a cap of how much of that surplus could be used in any one fiscal year for capital projects or things of that nature. She hears what you are saying with having excess and just by virtue of the budget you will have some surplus and they anticipate there will be some surplus, but if you are looking at trying to use the general fund revenues or surplus to pay for capital she would strongly encourage Council to look at surplus and not in the operating portion of the budget. Councilmember Casey Olson said whether they take $80,000 out of their budget this year or pull it out of their surplus and put it back in with surplus from estimates from this year, the whole point is if they want to take the surplus they need to be able to put the surplus back. He said obviously it is just transferring as they would be pulling it from their surplus balance from 2023 but with an estimate of yes they are going to put this back because they budgeted for it.

Ms. Carl said she wants to make sure on what Council would like to see on the public safety technology line reflected in tomorrow night's proposed budget. She asked do they want to leave the $107,000 or are they reducing it back down to the $17,622. Councilmember Carol

Langley asked Chief Solomon if they can survive one more year. Chief Solomon said they will survive one more year with Tyler. He said the other one gives them a lot better access to what they are doing. Instead of going one place to get something you do not have to go two or three places like they are doing right now. He said they will survive with what they have until next budget. Councilmember Carol Langley asked if he thinks the Crime Control and Prevention District can pay for it next year. Chief Solomon said he is sure the District can pay for it next year but that is going to depend on what you are paying for.

Mayor Countryman asked if there is going to be another budget meeting. Mr. Palmer said the next meeting is on August 20th. Mayor Countryman asked at that meeting will there just be amendments to the budget. Mr. Palmer said no, they will have a final discussion with them about the proposed budget and then if there are amendments that need to be made it will have to wait until after it is adopted. Mr. Palmer said because of the posting requirements they cannot touch it from the time they post it to the time they adopt it.

Councilmember Stan Donaldson said he saw they had some net revenue. It may not have been a lot but it is like they are covering everything.

Mr. Palmer said to correct him if he is wrong, but they have a 45 percent fund balance policy which means they have to carry 45 percent of their general revenue balance has to be the fund balance and after they retain the 45 percent which they are not going to touch they have another $700,000 on top of that which is available. Ms. Carl said correct and that is fund balance side if you are talking about this budget we are talking about now you are correct. Even with the change they made to the administration line of adding that extra $20,000 for the grant services they still have a projected net revenue including leaving the Spillman in there they would have a net revenue of $171,401. She said that would go back into fund balance next year. Ms. Carl said what is being proposed right now would be adding another almost $90,000 on top of that which would bring it to adding about $250,000 in net revenue at the end of the year. Councilmember Casey Olson said then what that would allow them to do is pull from their surplus and replace it with net revenue from this year and would see no change really depending on how much they pull from surplus. He said it is just shifting money around and unless they want to raise taxes, they have to cut a lot out of their capital budget as they are $1.4 million behind.

Ms. Carl said concerning Spillman she is trying to get a consensus from Council if they are reducing that back down to the $17,622. Councilmember Casey Olson and Councilmember Carol Langley said they are good with it. Mr. Palmer said if they need some time they will bring this back tomorrow and make that change tomorrow as no decision needs to be made tonight. Councilmember Carol Langley said tomorrow night they will be able to see a finished copy of the budget before they vote on it. Mr. Palmer said they are going to get the final copy but say this is the only item you want to change and decide at the budget meeting tomorrow that yes you want to take that out then they can add that as a condition and that is not a problem. He said they will be ready with whatever way they want to go tomorrow night.

Councilmember Carol Langley asked about wages and what was in there. Ms. Carl said wages is the same total they discussed last time based on the three percent COLA and a five percent merit pool funded at 75 percent. In discussions with Mr. Palmer they said they would come back as they still have time because it does not take place until January 1st. She said based on the question of how does it look if they change that to a flat amount,

what does it look like if they keep it at the percentage, they decided they would come back in a workshop setting as they get closer to January to iron out what that would look like. She said but the money is here and it might be slightly different in the fact that it may be in one department versus another department but they will address that as needed through a budget adjustment if that is needed.

Councilmember Casey Olson said he wants to do a three percent COLA and do a five percent merit. He said the only thing his suggestion was last time to reevaluate the way they divide the three percent. He said instead of going on wage go on actual cost and cost is the same. This is based on five and he can go ahead and change it to three, just two columns and change the formula that changes the entire worksheet because everything is built on one formula. He said to just look at the five percent and take it for what it is. If you look at the sum of the increase all the way to the right in yellow it is the exact same amount whether you give it out at three percent to each person based on their wages or if you divide it out and say this is the total if you give everyone three percent here is the total divided by the actual positions. He said he did not include the docents because they are part-time. He said the average increase at five percent is $3,475.60. You take that number and add it back in and divide it out by how the wage pays which the wage pays depending on the position is either $2,080 or $2,184 for Chief's guys as they work those long shifts. When you figure it all out you look on the far right column and that is the actual percent increase they would receive on the current hourly wage. If you look at the numbers 11 or 12 people are taking decreases and some a slight increase in COLA and 25 would get an increase in their COLA versus just doing it by percentage. He said it is totally up to Council how it is done, it is unorthodox and is not usually done because the people who decide to get COLA sit at the top and get more when done across the board with the percentage. Chief Solomon asked if he is saying that is the same amount for everyone. Councilmember Casey Olson said the exact same amount. Chief Solomon said last time you talked about it you talked about fairness. He said COLA and merit, these two do not interchange and trying to do so causes confusion in dissatisfaction among employees. He said for example if he takes someone like Ms. Goode, the glue to what they have going on over here, that means she does not get the increase that she would get at three percent. Councilmember Casey Olson said actually she would get more. Chief Solomon said if you did that by five percent. Councilmember Casey Olson said it does not matter if you do three or five. Chief Solomon said when he looked at it the other day she would actually lose money. Councilmember Casey Olson said 25 or 26 people actually get more and the only ones that really get less are the ones at the top of the bracket. He said the reason he looks at COLA this way is that if you really study our wage gap in the United States and hear about all these reports with wage gap increases the gap is getting larger. It is not because their merits are so much higher. Instead of getting a five percent increase, this is based on five, she would actually get a six percent increase. Chief Solomon said where does she get a six percent increase. Councilmember Casey Olson said he used five and instead of five percent she would actually get six percent based on the average. Chief Solomon said when you do that she would actually decrease by more than $200. Councilmember Casey Olson said the math is in front of you. Chief Solomon said he understands the math but you mentioned it being fair and when you say fair it is not necessarily fair. He said last year they had a deal where they were not giving department heads COLA anymore, so when you talk about fair, bread prices go up for them as well. Then when you say you are not giving us those prices but you change that policy, but that policy even though you changed it, it still says offset the inflation on City employees' salaries. Councilmember Casey Olson said the person who makes $18/hour his is less than $3,500 and your is more. Chief Solomon said when you start messing with the

three percent it just throws everything off. Councilmember Casey Olson said no it does not it is absolutely equal across the board and every single person got the same cost of living increase because their cost all went up exactly the same. Councilmember Cheryl Fox said if Mayor Countryman goes to Neiman Marcus and shops and she goes to Walmart she guarantees that her dollars are going to go further than hers anyway. Councilmember Casey Olson said the cost of living is her choice, not her employer's fault. Chief Solomon said as a department head he has to look out for his people and whatever that percentage is for their people. Councilmember Casey Olson said he just wanted people to see it because he wants you to understand it effects the top less than 20 percent of employees because they are the highest wage earners. If you continue on a COLA where the highest wage earners get the same percentage as the lower wage earners all you do is build a wage gap and it gets larger and larger. He said if you do not believe him look at what CEOs make versus what the person of the lower wage earners makes. He asked why does that happen. He said because they do not adjust. They just keep building COLA on top of it. Chief Solomon said it is like a police department. In order for the lieutenant wanting to be a captain there should be a price gap there where he is trying to reach that and it gives him an incentive to work. Councilmember Casey Olson said but COLA is not based on knowledge, responsibility, or anything except for your cost of living. Chief Solomon said you are absolutely right but you just said the highest paid people in those classes which means that man went out to work, got a degree and he is getting a merit raise for that. Chief Solomon said you said here we do not get COLA as department heads. Councilmember Casey Olson said no, it was just for last year and that was it. Chief Solomon said the policy is going to have to be changed again because it still says City employees and we are City employees. Councilmember Casey Olson asked Mr. Palmer how they did that last year as they passed it in January. Mr. Palmer said they removed the language about the COLA increases going to all employees. Chief Solomon said what they removed was "if granting the adjustment will be applied to salary ranges and step plans for all employees" so you removed all employees but what was left in there brings it back to them because it says it offsets the effects of inflation on City employees' salaries. Councilmember Casey Olson said with these numbers you are still getting the same amount as the other person as the average is the same. Chief Solomon said that is just not adding up when they looked at it what they ran. Councilmember Casey Olson said that is run by excel and the formulas are very straight forward.

Mr. Palmer said he went to a Region 6 meeting for all City Managers on Friday and they talked about what other cities are doing as far as compensation. He said most cities are doing a three to five percent COLA and then they are also based on compensation studies which they have an RFQ response due by the 16th for a comp study and they will be funding merit increase as well based on whatever comes out of that. Mr. Palmer said whatever Council's philosophy is going to be for this year, if you want to fund COLAs at a certain level then they need to know what that percentage is going to be. If we are going to talk about merit increases which will be competitive, they can fund that at a certain level and they can wait until they get the class compensation study back which will probably be in November or December and roll into January or February with a recommendation. He said you can fund it up to the level you decide. He said for example if they want to do a three percent COLA and then do another three percent competitive merit increase. We want to fund that but understand not everyone is going to get the merit increase for the full amount. Ms. Carl said this current budget has the three percent COLA and a five percent merit at 75 percent. Mr. Palmer said it is already built in. Ms. Carl said yes. Mayor Countryman said she is okay with the three percent COLA. Mr. Palmer said he is okay with three percent

COLA and an additional five percent merit increase. Ms. Carl said at 75 percent. Mr. Palmer said okay. Ms. Carl said to remember this impacts the budget from January 1st through September 30th. Councilmember Carol Langley asked when COLA starts. Ms. Carl said January 1st. Ms. Carl said she is not sure at what point it changed but in going back and looking it changed somewhere along the line. Mr. Muckleroy said Mr. Richard Tramm changed it because it was already in the policy for January 1st but we have just always been doing it October 1st and he wanted to go back to what the policy was. Ms. Carl said it would be much easier budgeting if it were October 1st. She said it is in the budget for an increase at nine months. Mr. Palmer said they do not need to change that as long as everyone is in agreement in funding at 75 percent.

Ms. Carl said there are only two changes in regard to water and sewer on 300. The solid waste revenue increased and garbage pickup also increased. This is based on new rates from the new plan with Waste Management. You will see it does not match entirely correctly and that was because they were having some issues regarding overpayment with them. When they were first looking at numbers they were using current invoiced amounts from Waste Management. They did receive the $93,000 refund from Waste Management. Mayor Countryman asked where does that go. Ms. Carl said it goes right back into that expense line. It was adjusted for the new contract pricing and the current trend. Based on that, they are still sitting at a negative net revenue so they have a deficit of $196,193 on water and sewer. They cannot present a proposed budget that has a revenue deficit so they need to figure out how to cover that deficit and there is not anything else that can be removed on the expense side so they have to look at options for revenue replacement. Ms. Carl said preventative maintenance under the new Hays contract is specifically broken down whereas before everything fell under operator cost back on page one. This year they had budgeted $126,500 for operator, next year they are only budgeting $52,500 because that is the cost of the operator. They breakdown the maintenance cost and so that maintenance cost is put over here by Hays and the portion that they increased was literally just what they decreased up there. Mr. Muckleroy said it is a wash. Ms. Carl said correct. You still have $150,000 budgeted in preventative maintenance and the reason it went up was because they moved it from operator to maintenance. Ms. Carl said the two things they are looking at as far as consideration is one would be a transfer from surplus which would be in water and sewer transferring from the surplus revenues of the fund balance of water and sewer. Water and sewer has the same requirements of 45 percent requirement of fund balance. Currently at the end of fiscal year 2023 water and sewer fund balance is at 83 percent so you have well exceeded that 45 percent. Based on that the excess of the 45 percent requirement equates to $997,000. What happens with that if they were to see that it would literally be just an entry on your budget that would say a transfer from surplus. There would be no actual transfers that would take place. It is just a reduction in what goes back to fund balance if something were to go back to fund balance at the close of fiscal year 2025. The other option has to do with Katherine with looking at the water and sewer rates and if they have an increase in rates obviously that generates more revenue and they would lose the gap based on that. She said she does not know if they are at the point this evening to be able to say let us move on this so that is why they wanted to present both of those options. If they say they have committed to know that if they do not make up the shortfall that they will be relying on transfer from surplus that is what that means on your budget when you put that out there. Ms. Carl said that has actually been done in your budget before even on the general fund side so it is not something that has not ever been done historically. Mayor Countryman asked when was the last time they did it. Ms. Carl said she thinks it was in FY-2022. Councilmember Stan Donaldson asked what does that reduce our

ration to as we have 83 percent now and if they take it out of surplus what will the ratio be. Ms. Carl said she does not have all the details to be able to do that now because she needs the expenses based on that audit in order to do that. Mr. Muckleroy said one thing to keep in mind is if you decide to take it out of fund balance next year it will be the exact same scenario because the $200,000 is coming from the debt issuance. Councilmember Casey Olson said Mr. Roznovsky's proposal generated the $200,000 and he looked at the rates based off of Magnolia and Conroe and they would still be below that if they did the rate increase. He said he liked Mr. Roznovsky's proposal and was going to suggest from his point of view Council should do that. Mr. Muckleroy said Katherine has done some numbers with 400 as well. What they do not want to do tonight is put Council on the spot to make a decision. He said their recommendation is to just go with the fund balance scenario for now, give them time to put the numbers together and bring them back at a workshop where you can decide then. This way you are not rushing a decision on rate increases. Mayor Countryman asked if there is any chance this new construction could make up the gap too. Mr. Muckleroy said that is possible. He said Katherine has put together two scenarios. One scenario is a no growth projection and the other is a growth projection but it is really aggressive like 15 percent. Statistically they have increased water and sewer revenues every year about four percent to be conservative, to give a little bit of growth, but not over project. They always end up coming in over revenue what they expect at the four percent. Katherine is going to work on those numbers to get closer to the four percent range. Mayor Countryman said she thinks that is fair because there is going to be more usage coming up. Mr. Muckleroy said to also keep in mind the deficit is based on their revenue projections for next year which they historically exceed. The realistic number is going to be lower than $196,000. Mayor Countryman said from her perspective she would rather see what you are going to do and not raise the rates and to your point, whittling away, maybe it whittles away on its own instead of doing the fund balance. Mr. Muckleroy said it is very possible because the fund balance does not have to be done right off the bat. He said Ms. Carl will not transfer anything on October 1st but it could be done at the end of the year. He said it may end up with no need for a transfer. Mr. Muckleroy said they do need to look at rates because it has been seven years since they have had an increase.

Councilmember Carol Langley asked if Ms. Carl is going to change something somewhere so that it is an equal budget. Mr. Carl said in this case they will have a net difference of zero. They will have a net revenue of zero and as she mentioned before it is accustomed to seeing a higher revenue than your expenses but in this case it will zero it out completely. They will add a line on the revenue that says, "transfer from surplus" and they will plug in that $196,193 number and the net revenue will become zero for water and sewer. It will be on page 1 of 1 on the revenue. Ms. Carl said it brings them down to $703,000 in water and sewer and she will tell you what that percentage brings them down to. Ms. Carl said right now they are sitting at 83 percent. Councilmember Casey Olson said his understanding is the $700,000 is above the 45 percent. Ms. Carl said it is. She said right now we are sitting at 83 percent and Councilmember Stan Donaldson wants to know what that will bring them down to.

Ms. Carl said the next tab is for MEDC and is just for reference purposes so you can see what was discussed at their workshop. There were some questions in the workshop the Mayor had mentioned and those questions had to do with the events. With the way the expenses for these events are budgeted now, they are budgeted as just one line "quality of life events" and then internally there is a document that is used by the EDC for how that is divided up among those events. That does not overall impact the number you are seeing on

the sheet, that is just how they delineate how those funds will be spent on those events. This includes that transfer to general they talked about. The other thing discussed was you will see there is an increase in their consulting and professional services. You may recall last year the SRI your former sales tax folks was budgeted out of here. They moved to HDL and it is still budgeted out of here but it saves about $12,000 a year. This takes into consideration money for an EDC consultant, the Wayfinding project, and McCown design. One of the other questions she thinks that was discussed had to do with the Wayfinding and the cost of signage. She does not know what those signs may end up costing. She suggested they go with what they have in the budget and when they get those plans back with the specs for the signs and are able to get bids they can always come behind with a budget amendment to pay for those signs.

Councilmember Cheryl Fox said she had some questions about the quality of life. She said she knows it is all going to be in one but are they going to be able to see how these funds are distributed because she had a serious one about the Christmas parade. It happened at $14,000 but now you have it down to $10,000 and considering everyone pays to be in that, what is the majority of the cost. Ms. Carl said the $10,000 you are seeing was 2022-2023. Councilmember Cheryl Fox asked what caused that to be that much money and was it security. Chief Solomon said they use all of their officers who are paid by overtime but last year they used about 22, 23 outside agency officers and those are the officers that are paid out of this fund. He said he thinks it came to about $5,000. Ms. Carl said from the finance side they do not track those events that way but EDC does track those events and those expenses related to those events. Ms. Campuzano does have a spreadsheet and every one of her projects are in her binder with all of her expenses so if you have a question about that they can get that information from Ms. Campuzano. Councilmember Cheryl Fox said that is a reasonable amount for the Christmas parade then. She said they are charged to be in the parade now but previously they did not charge for that.

Mayor Countryman said she does not see the Lone Star Street Dance in here. Ms. Carl said because that was not an item, it was a budgeted individual item in your system at that point. Remember we do not budget the individual items on the budget anymore. We only budget a quality of life amendment. Mayor Countryman said don't they want to know how much they are giving and spending. Ms. Carl said absolutely and that is why there is the internal spreadsheet so you can see. Mayor Countryman said don't we want the public to know too. Mr. McCorquodale said it is also posted on EDC's page on the website. You can pull up the event that shows you what the internal budget number was for that event and what the expenses were. He said it is updated quarterly and not every month. Mr. Palmer said because this is the budget anything put on the website will stay on there for three years and that is why they took the individual ones off. To have a document that is public and shows exactly what you are talking about they can easily create that. He said he would not use their budget as the public facing document for people to look at to see what the events are and the breakdown as we do not want this to become super huge. Ms. Carl said one of the things she will say is remember when she talked about the public facing budget book feature and the budgeting software they are looking at, what would happen in this case is they literally will have a quality of life number and underneath it will be all of the events with an estimated number for the year. That is different from what we see here and the reason she suggested that they move to this last year was one to prevent the EDC budget from getting as large as the general fund budget but it also gives that flexibility within your events. If we have a line item for an event and that event does not happen that year, you have that $5,000 stuck in there and unless they come back and do a budget amendment to

move that or she saved money in this event and this event cost $200 more. It does not matter to the budget itself how that is delineated, it does for planning purposes definitely, but in the budget itself it is quality of life events. Those events change and new events come along and that is why they moved toward this last year. In the budgeting software and the budget book you can have all of the things you anticipate being a part for that year and it does not have to be an all-inclusive list from the past 20 years. Councilmember Cheryl Fox asked how is the budget addressed when you have revenue coming in from an event. Ms. Carl said you have revenue here at the top and it is strictly events revenue and that is how it is recorded on the finance side. On the EDC side it goes right in the spreadsheet. They track the revenue and those expenses. Ms. Carl said this is kind of a strange thing because a city usually does not have events that have revenue and expenses. The EDC is a bit unique in that way because this is typically something you see at a chamber level and so you normally would not be seeing this if you looked at other EDC budgets. Ms. Carl said they may have a lot of events but is that revenue received in it to the EDC and those expenses paid from the EDC. She said just because Navasota has events does not mean it is their EDC that is doing it.

Ms. Carl said they will now review debt service. She said expenses are related to what is payable for the debt issuances. Revenue is based on that tax rate calculation and these are not choices they have. This is where they have a transfer from water and sewer and you will see that amount is more this year because of the 2024 issuance.

Ms. Carl reviewed special revenue funds. She said these are not operational funds as these are generated for a very specific purpose. For court security you will see that number is more as she and Ms. Duckett reviewed court security and how that was being distributed and needs to go to court security special revenue fund. The court security is paid for out of here. She said the child safety funds are really hard to spend so they will be holding to those funds until a point that something changes or something is identified. Truancy prevention is also going into special revenue funds and jury funds is the same way. Court technology is the same thing as you will see a big jump in that revenue because it was not recorded in the special revenue funds previously. They have hotel occupancy. There have been some back and forth between two line items over the past couple of years and they are working to get that straightened up. It should all be falling all under the second line which is the hotel occupancy tax. Ms. Carl said for shop with a cop they talked about that on the revenue side that they were moving that to a special revenue fund. In talking with Chief Solomon when people make these donations for shop with a cop sometimes it comes in even after shop with a cop is done for that fiscal year so they want to make sure they are holding onto those shop with a cop funds in a fund that has its own fund balance that they do not lose those donations along the way.

Ms. Carl said those are all the pieces of the budget that will become the proposed budget tomorrow evening. Council will approved the proposed budget that will be posted on the website as of Wednesday and that gives them the timeframe to be able to have the public hearing for the budget and then adopt the budget in September.

Mayor Countryman said she is looking at the EDC budget online for $74,700 for events, $36,000 was used, and only $945 for the Christmas parade was spent. She asked if they take that down or is everyone still comfortable with that. Ms. Carl said Mr. Palmer and Mr. McCorquodale both may have insight on that from Ms. Campuzano with the events itself. Mayor Countryman asked what are they spending money on. There is $36,000 and where

is this $38,000 going. She asked if it is going back into MEDC funds or do they need the full $75,000 for events. Mr. McCorquodale said the sheet you are looking at is not going to match. The only thing it will match here is last fiscal year. Mayor Countryman said she is looking at the sheet that is online. Mr. McCorquodale said that is our current fiscal year and if money is not spent on events it stays in EDC.

Ms. Carl said she was going to show Council which was more for discussion purposes if they wanted to see what the different rates were looking like but keeping it at the 40 cents keeps them in line and the no new revenue rate based on the calculations was .3813 but that would give them a deficit so they use the 40 cents just as they had been doing since 2020. She wanted to review that to show what that number looks like as far as the debt service rate that is based on the calculation in the worksheet. They do not get to change that. It is .0911 and they have to budget that one at 100 percent. The maintenance and operation is the piece that changes. If you look at the green line which is where they went with keeping the rate consistent at the 40 cents so that becomes the M&O rate and then at the 97 percent. Ideally the 96 and 97 percent is where they want to look at. They try to make it with the lesser and they were able to make it on the lesser.

2. Review and Discuss Capital Projects

Ms. Vu reviewed the capital projects list for FY2025. She said a couple of key things to note is it is broken down into the same priorities as before. Priority one being these are the projects you have to do in order to keep the City functioning and they are projects Council has already been contractually committed to fund. For example, the MISD waterline. Unfortunately, you do not have a choice because of agreements you are in. Priority one is the must dos. The other projects that are included in there you will see in parentheses and will say TxDOT SH-105 and this is because of the widening project that TxDOT is doing from Grimes County up to Sheppard Street as there are a few utilities that need to be relocated. Mayor Countryman asked is it on their dime. Ms. Vu said that is correct. She said if the utilities are located in TxDOT's right-of-way and you have to move them, it is on the utility owner's dime. If TxDOT is acquiring property and those utilities were in an easement, not in the right-of-way, you now have to move them because they are acquiring right-of-way, it is on their dime. Councilmember Casey Olson asked if they investigated that. Ms. Vu said they are as sure now as they were the last time they discussed this. Ms. Vu said the one that could potentially change is this lift station #5 force main relocation at $421,000. Assuming Tri-Point goes that lift station #5 face one improvements also includes relocating the force main. One or the other would go but it is important to her that both are in front of you. Councilmember Casey Olson asked if Tri-Point went through they were going to help fund that correct. Ms. Vu said they are. If you look at lift station #5 this is forth from the bottom in priority one. Lift station #5 phase I improvements the $1.5 million is all upfront funded by Tri-Point and then the City will pay them back over time. Councilmember Casey Olson asked 100 percent as he thought they were splitting that. Ms. Vu said no, up to the City's portion which is right around 50 percent. It is not 100 percent. Ms. Vu said they are paying for their portion in perpetuity but then they have agreed to front it because of cash flow. Ms. Vu said $1.5 million is the total project. Councilmember Casey Olson said the City portion should be $750,000. Ms. Vu said she does not have it on here as City portion because that is not a budget number for this year and it will be paid back incrementally.

Ms. Vu said priority two is projects they would recommend that reduce the risk of failure in the future or necessary upgrades that are coming. She said these are projects that if they do not happen you may run into a potential capacity issue but you can get by for this year if you needed to. Priority three are the ones that are not necessarily related to capacity, they may help but are not driven by capacity issues. It is more like your bleach conversion which is related to safety for operators and residents and then lift station three is because of the condition of the lift station. Priority fours are entirely developer driven. That would be the Morning Cloud force main extension. This is Marjorie Cox's development down by the railroad tracks. The force main needed for that would not happen if her development does not go. Same thing with the lift station 10 improvements. If Taylor Morrison goes away, that project is not going to get done at all.

Ms. Vu said the big number to focus on is the City portion of $6,052,950. Going down below that is a summary of the funds and how they are to be sourced. Of all of these projects, about $1.9 million is eligible to come from impact fees. The City has that money available both between the current balance and what is projected to come in this year considering Redbird Meadows tomorrow for example and that is quite a bit of impact fees. The CO already issued accounts for about $2.3 million, $2.4 million and the ARPA funds are at $361,121 that they were talking about beforehand. That does leave a deficit as Councilmember Casey Olson mentioned earlier of around $1.4 million needed to fund these projects on this list for this year. Councilmember Casey Olson said his suggestion is if they just completely wipe priority three out which is $442,000 which also frees up the $361,000. He said take $442,000 and subtract it from the $391,000. Ms. Vu said she thinks she knows where you are going with this and is already one step ahead of you. Ms. Vu said the amount of funds you have available to you without anything else is about $4.6 million or exactly $4,661,737 and that does not even cover all of priority one. You could remove all of the priority three items but that does not solve your source of funds. Councilmember Casey Olson said it gets them closer. Ms. Vu said yes, it does get you closer and she completely agrees. It gets you $442,000 closer. Councilmember Casey Olson said it puts them at less than $1 million. He said if they pull from surplus and do the rate increase so they are not pulling from surplus to cover that, they pull from surplus for capital and do the rate increase to cover the negative balance in utilities. They could potentially pull around $500,000 out of there and be safe because they would put $250,000 back in and would leave them with a balance coming out of the year with around $500,000. He said that would put them very close to their spot and it is just a matter of tweaking the other ones down to around $250,000. He said he is using large numbers just to get the theory across to everyone as it is not exact. They just need to look at the gray numbers in the second and third columns. Ms. Vu said one thing to consider is that if you look on the next page, these are the next five fiscal years and you have some very large projects coming up. Councilmember Casey Olson said this is why he does not want to borrow money because they know they have to borrow money next year and they already have trouble covering the debt they have. Ms. Vu said true. He said if they can squeeze every dime out of it to get through this year without borrowing money, hopefully they will have some more houses built and they might be able to cover more debt, but right now as you can see from our admin budget they cannot cover the debt services they currently have. He said they cannot really borrow much of anything unless they raise taxes. Ms. Vu said taxes and rates. She said she does not want to pressure Council to make a decision on this tonight but wants to show the other scenario she ran on the rate increase. This is a $400,000 scenario for a rate increase. She said this is based on no growth like Mr. Muckleroy was saying earlier but that is the most conservative option because while they have projected neighborhoods that are coming in they also do

not know what is coming on the housing market. Things could dry up and all the developers go on hold. To summarize, when they were doing this they tried to keep the lowest impact on your low use single family customers and wanted to impact them the least. There is a larger impact on commercial, multi-family, institutional, and higher single family users. What you are ultimately looking at with this is if you look at the box on the right half of it with the blue title that says single family total monthly bill, your average user is going to see about a $9.00 increase in the water bill and this is after not increasing rates for seven years. Your minimum user would go from $28.50 to $35.00 which is just based on the base rate and the minimum users that were non-zero. When they are looking at this minimum user they eliminated the zero flow meters which are meters that have been set but no one has moved in and it skews the data if they included those. The maximum user would see about a $650 jump. You see what this would potentially do to commercial and multi-family irrigation and institutional as well. Assuming no growth, this would give you an additional $400,000 which would allow you to cover your current deficit. The reason they ran this was if you wanted to cover the $1.4 million that they are proposing this would allow for a $2 million loan. She understands the perspective of wanting to save the issuance for next year. They also compared this scenario to what your neighbors are doing. Keep in mind this is before the City of Conroe just raised their rates last week. You are currently sitting at half of what the City of Conroe is and maybe two-thirds for the City of Magnolia. If that eases any concerns about your water rates being much higher than your neighbors, you are doing pretty well comparatively when it comes to your single family users. The others get a little bit squirrelly just because of how each city chooses to breakdown their water and sewer bills for the different classifications. All in all, when it comes to a rate increase she would like for Council to take this home and just think about it and if this evening they can get some feedback on do you want to impact a different classification of end users, would you like them to run it a different way of maybe not impacting commercial or not impacting schools. She said to remember schools and churches do not pay property taxes. She is not saying that to sway Council but it is more just a statement of fact. Ms. Vu said the other page she included in the packets is including the projected growth. You will see the rate increase is much lower that is being proposed and will still get you the $400,000 but again that is assuming that every development that is currently in the works develops at the rate that the developer has advised them they are going to do.

Councilmember Casey Olson asked if Ms. Vu can explain the irrigation rate and why it is so much higher than one that actually uses water and sewer. Ms. Vu said if you look at the rate table the irrigation rate structure is broken down by less than one-inch meter and greater than one-inch meter so your base rate for most residents if they have an irrigation meter is going to be less than one-inch so that is the $12.00 base rate. Usually the greater than one-inch you start to see those on the commercial users or if someone has a very large lot. On average that user is getting around a $144.00 water bill. For the purposes of this study they assumed all irrigation meters were greater than one-inch. Mayor Countryman asked what do typical restaurants and like a Home Depot use. Ms. Vu said a Home Depot and a restaurant are very different. Mayor Countryman asked separately what do they use. Ms. Vu said it is hard to say specifically but for a Home Depot she would expect between five and 10 thousand gallons. Mr. Muckleroy said it is going to be low because it is just restrooms. Ms. Vu said also spraying the nursery but those are just misters it is not high water usage like at a restaurant. She said some restaurants policy is they just leave the tap open in the kitchen so they can be rinsing dishes constantly and they see extreme high water usage.

Councilmember Casey Olson asked if the water includes the sewer percentage built into it. Ms. Vu said it does include the sewer percentage. Councilmember Casey Olson said for example if he has two meters and he looks at this rate he is going to say turn the irrigation meter off and run it all through the house because it is cheaper. Mr. Muckleroy said the sewer is not built into the irrigation rate. Ms. Vu said there is a water rate column and a sewer rate column so when you are looking at a base water fee of $16.00 for a single family you are also looking at a base sewer rate of $12.50. She said essentially each single family user is paying a base rate of $28.50 for their domestic meter. If they also have an irrigation meter we will assume it is less than one-inch because we are talking single family they are paying $12.00 for their base rate. Mr. Muckleroy said there is a number of gallons that it makes sense to get an irrigation meter. He does not remember exactly what it is now but Randy built a spreadsheet on this and they would use it for customers and explain it. If he remembers correctly the number was around 12,000 whereas if you are using under 12,000 gallons a month it is actually cheaper to just stay on one. If you are using over that amount the spreadsheet would show you how you start saving on the sewer charges to a point where you would save money. Councilmember said that is what he is getting at is when you do the math on this until you get way up here on eight, to 10, even 15,000 gallons you are better off running it all through the sewer. Ms. Vu said that is when it does not make sense to get an irrigation meter. She said that is when it comes to each individual property owner to decide if it is worth it for them to get an irrigation meter. Councilmember Casey Olson said they have to be able to explain that to them. Ms. Vu said it is not any different than it how it currently is. Councilmember Casey Olson said he understands that but when you have a $300 water bill or an $800 water bill or a $100 water bill and people that have pools the customers he hears because the city water bill they have when they have a pool cost them $800 a month and they raise it, it is going to go up significantly higher than it already is. He said he is all for a rate increase but he just needs to make it make sense. Ms. Vu said there are different ways they can look at this to see who do you want to have a bigger impact from the rate increase on and who do you want to safeguard a bit more. She said ultimately the whole point of this is to get a total delta that the City needs. They can slice and dice the rates in all sorts of different ways but what they have presented are just two different ways to do it but if there is something different you would like to see like you do not want to affect the low end single family users and want there to be a zero percent increase that is fine. They can run that scenario and bring it back to Council. She said they are not asking for a decision tonight. They just need to know what guidance would you like, how they prioritized it, and would you like to see it a different way. She said ultimately it would do you well to start thinking about a water and sewer rate increase and an ordinance for that. Mr. Muckleroy said last time they did this Council's direction was impact the low end user the least amount as possible and the high end irrigation users put that burden there and let them deal with it. Councilmember Casey Olson said he agrees with that for the most part but just needs to understand how they are going to do this because why would they take on the burden of a second meter if they could run it all through their house and it is cheaper. Councilmember Casey Olson said there is no cost benefit with two meters. Mr. Muckleroy said there is but it is just at a certain point and you have to get to a certain point to reach that cost benefit. Ms. Vu said that is not something they can decide for people, they have to know their own individual usage and look at the payback period for the meter.

Mayor Countryman asked how many house are they expecting to be on the ground this next year that they will start billing water to. Ms. Vu said do not hold her to this number but about 150. Mayor Countryman said she is assuming that is Pulte. Ms. Vu said Pulte,

Redbird Meadows, and Hills of Town Creek section five, Tri-Point depending on how quickly they are able to move and how quickly Marjorie is able to move. The big ones are going to be Pulte, Hills Five, and Redbird Meadows. Mr. Muckleroy said Pulte is probably going to put 20 homes in place Wednesday morning if you approve their infrastructure.

Mr. Palmer said they would like to workshop this with you on September 9th to go over the rate study. Councilmember Carol Langley said she is not going as she is not voting for it. She said she is not doing a rate increase until after May.

Ms. Vu asked if there are different scenarios they would like them to look at between now and September 9th. Councilmember Stan Donaldson said he missed the point where there rest of the money that is short where are they going to get it because you said $400,000 and they are still $400,000 - 500,000 short. Ms. Vu said what the $400,000 allows you to do is it pays for your current debt service as there is a deficit right now. The remaining $200,000 of that $400,000 revenue gives you the ability to take out an additional $2 million loan which would cover the $1.4 million and to Councilmember Casey Olson's point it gets you through this year. She said with the rates as they currently are she cannot say with an educated answer how much more of a loan you would be able to get. Looking at next year, yes you have some big dollar amounts but without a rate increase you would not be able to get a loan for those either. Councilmember Casey Olson said he does not want to borrow any money this year because they are between a rock and a hard spot next year and they have no choice that they are going to have to make the decision to borrow money and other than that it would be to raise taxes. Councilmember Stan Donaldson asked if they raise it now is it going to carry over to next year. Councilmember Casey Olson said he is not against a rate change this year so they can cover their deficit and free up some money for a debt payment for next year. He said $2 million is not even a fraction of what they have to borrow next year. His thought process on this is there are some items on here they do not have to do and he would like to try and use as much of their funds they have to cover it without borrowing anything this year because they are going to have borrow money, they do not have a choice.

Mayor Countryman asked Mr. Muckleroy if they can do the committed and then the need, the first two, does that bring well #1, #2, #3, and #4 up to working order and all systems go. Mr. Muckleroy said well #1 is decommissioned and does not even exist anymore and well #2 is a complete redrill. Mayor Countryman asked if there will be no more rehabbing and if they will be up and running now and it will just be maintenance. Ms. Vu said as far as the wells yes that will get wells #2, #3, and #4 operational. What is on here is water plant #4 which is going to be another well. Councilmember Casey Olson asked if they have to design the well right now because it is design only. Ms. Vu said it is design only and design of a water plant like that can take six to nine months and you are also getting permits for a brand new water plant site and then in looking at construction timing they wanted to get that in front of Council now. She said it is not a next week discussion but it is not something that you can afford to wait a couple years. Councilmember Casey Olson said but they can wait a year. Ms. Vu said it will get you very tight if you wait a year. Ms. Vu said that $400,000 is what they are estimating the cost of a design to be. It does not mean you need to start spending that $400,000 on October 1st but you could potentially afford to wait until the spring to select an engineer and start getting those design funds going. All of that $400,000 might not be in this fiscal year. She is hesitant to say you can continue to wait on water plant #4 especially with the growth they have coming in. They have been very fortunate to have well #4 stay online this entire time. It has been very critical.

Mr. Palmer asked if there are other scenarios Council would like to see. Councilmember Casey Olson said no he is fine with it. Councilmember Stan Donaldson said they do not know technically that they are going to get to supply water to Redbird because they are in court. Councilmember Cheryl Fox asked if they will for the first phase. Ms. Vu said she has not been kept up to date with the standings of the lawsuit so she cannot speak on that.

Councilmember Cheryl Fox asked Ms. Vu if they had the differences between Magnolia and Conroe. Ms. Vu said she did not have it printed but she emailed it to Mr. Palmer.

Councilmember Casey Olson asked if they cut out all priority two that brings them to $949,000. He asked what does the water plant #3 booster pump addition do for them. Mr. Muckleroy said it is adding a fourth booster pump. They have three in place but it is adding a fourth one for redundancy. Councilmember Casey Olson asked if all three are needed now. Mr. Muckleroy said they alternate and run in succession so if one does not meet the demand of the pressure then the second pump kicks in. Mr. McCorquodale said it does add a capacity to hold a number of connections that you can have on the system. It does give you some buffer. Councilmember Casey Olson asked how many connections are they comfortable with right now without doing anything to the system. He said they have to figure out the timing on it and how much room do they have for both right now. Ms. Vu said there is a difference between the State capacity limits and the realistic boots on the ground capacity limits. Right now in the State's eyes our booster pump capacity is our limiting factor on what they are allowed to serve. Adding a fourth booster pump increases the capacity they are allowed to serve. You have plenty of hydra tank capacity and plenty of ground storage tank capacity. Councilmember Casey Olson said from a strategic standpoint they are better off with that pump than they are with moving forward on a water plant design that they do not necessarily need right now. Ms. Vu said adding a booster pump is a much simpler way to get you more capacity faster. She said it will not get you all the way there but gets you a little bit further. What it does not do is help pressure issues on the west side. Mayor Countryman said she thought the water pressure issues improved. Councilmember Casey Olson said as the loop gets completed it will help with the water pressure as well. Ms. Vu said it will help but right now Tri-Point is only proposing to take it to their property line and right now it is not yet proposed to take it all the way around. Ms. Vu said that will help and Redbird Meadows loop may help some as it just gives another feed to the west side of town but the biggest impact will be water plant #4. Councilmember Casey Olson said water plant #4 is to up their capacity as they grow, but if they do not necessarily need it at this moment. Ms. Vu said since you are limited by booster pump capacity that will get you to around the middle of next year without the booster pump. Councilmember Casey Olson said that should be more a priority than a study as they are not going to be able to drill for a while. Mayor Countryman asked if they can put the study toward this time next year so they do not have to pay $400,000 out of this budget. Ms. Vu said there is another facet of needing water plant #4. It is not just about gallons capacity. She said the State requires that you build an elevated storge tank that is a water tower at 2,500 connections. If things go as they are projecting that is going to be mid-year 2026. Ms. Vu said for prospective, the water plant #2 improvements projects has a one year contract because you are drilling a new well and most of that is the well. She said she would plan for a good year just for construction of water plant #4 and at least six to nine months for design and that does not include permitting time. Mayor Countryman asked how can they staddle two budgets and said maybe that is what they should look into. Ms. Vu said that is why they only have the design in here now and not the full project.

Mayor Countryman said she understands but even the design portion of it. Ms. Vu said you can, they have it all in here to be, she does not want to say conservative because it makes it sound unrealistic because there is a good chance that this could be spent this fiscal year depending on when they need to move on this. She said she would not recommend completely delaying the design of the water plant for a year. It makes her very nervous that you are going to run into capacity issues. Mayor Countryman asked then what item #1 or #2 would you hold. Ms. Vu said doing the booster pump will get you a little further down the road on a gallon standpoint but it does not help you on your connections. The city-wide drainage improvements and the city-wide drainage assessment is up to you. Ms. Vu said all the people in here have plenty of water to drink right now. She is just providing another perspective and these are really hard decisions Council is having to make and she recognizes that. Councilmember Casey Olson said if they have to sacrifice growth of people who are not here yet and have not paid taxes to them he is going to sacrifice in a heartbeat. He said if they have to wait a year or two years to build because they have to catch up with their infrastructure because our dollars will not go far enough he wants to make sure that the people who are here and have paid taxes for the last decade or more are taken care of. Ms. Vu said she completely agrees. She said there is also a part of Redbird Meadows contract that if the City ends up in a cashflow bind that they will front a portion of the water plant cost that is then deducted from their impact fees later on. Councilmember Casey Olson said the total cost of water plant #4 is around $5 million. He said if they delay one part of it basically a year to get them through because they know they are going to have to take out a large loan next year for 2025-2026, but to get them to that point so that way they are borrowing the least amount of money they could until they hear this is what they have currently to pay debt and then they borrow money, then they look at raising taxes to say here is what they have to do, they do not have a choice. He said just to incrementally raise it for maybe it is going to happen and let us take care of the future people that do not exist yet and disregard the people that do exist is not a wise choice. He would rather push it down the road because none of us can predict the future and if the future comes and says you do not have enough water for the connections then they do not make the connections because they do not live here yet. Ms. Vu agreed. Mr. Muckleroy said to keep in mind they have been looking at this water plant #4 for years and knowing that they are going to try to hit that point where this is the year they need to design and the Engineer is recommending this is the year you need to design.

Mr. Palmer said he thinks they need to go back, work some contingencies, see what can be worked out, and see if there are areas they can straddle over a couple fiscal years and come back with some recommendations if there are any. He said you have to manage that risk. Ms. Vu said absolutely and she completely understands and appreciates where Council is coming from. She said she is trying to reinforce the importance of these because she knows it is very hard to make these kind of decisions. Ms. Vu said she will find out when the absolute must start date is for when they will need to start design and they are all playing with a crystal ball on what is actually going to get built.

Mayor Countryman asked if the Plez Morgan erosion repairs which is atrocious is a hard number. Ms. Vu said that is not a ballpark number. It is still high level to be sure but they did not pull it out of thin air. It is an educated number.

Mr. Palmer said they can plan a workshop for September 9th to continue this discussion and schedule as many workshops as needed.

Councilmember Casey Olson asked how long do they have to have the budget done. Mr. Palmer said they are not required to adopt a capital budget by a certain time. They just need to have whatever transfers in now needs to be in the adopted general fund budget they discussed covering the water and sewer this year.

Mayor Countryman said to keep this $400,000 in to start the design they start in January and keep it in this fiscal year but also straddling the next year so they can stay on track for 2026 and not have to push it out so they know for sure they can plan now $16 million for the 2026 fiscal year. Ms. Vu said they can do that. Councilmember Casey Olson said either way they do not have the money whether they straddle or not. He said they have to figure out a way to pay $400,000 whether they do that in January or now. Mayor Countryman said but they also know they are going to have some surpluses. Councilmember Casey Olson said this goes back to Ms. Carl when she said things need to be zero so when you budget you need to know how you will do it. Mayor Countryman said she gets that and what Mr. Palmer says in managing risk. Councilmember Casey Olson said if he is going to take a risk he is going to take a risk on the conservative side that says the building is not going to come as fast as they think it is and if he is wrong that is okay because the people will still have the water they need and the drainage they complain about because he gets it, thousands get flooded and damaged. He said he will always adhere to the people who live here.

Councilmember Cheryl Fox asked what is the path for putting a moratorium on new construction. Mr. Palmer said it is a legislative process. You would have to do public hearings, pass an ordinance, and qualify. To continue a moratorium you need to keep coming back and qualifying that moratorium.

Mayor Countryman asked if they are confident the Jasper and the Catahoula wells are in good shape and have enough water. Mr. Muckleroy said with water plant #3 being back online they are sitting good again but anything can happen. He said the well that went down is repaired now and is just holding tight until the VFD gets installed. Once installed they will fire it up and get the blending going again. He said it is ready to go and if something were happen right now they could flip a switch and it would be running. Councilmember Casey Olson said when they first lost the well the water volume was very poor. He said over the weekend even with his carbon system it was not as yellow as some people but it had a tint to it but now it is crystal clear. Mr. Muckleroy said the piped got used to the new water. He said every water main that is in the ground has a buildup on the inside of and they all do. Whenever you start sending water through the pipes in a different direction or you change the type of water you are sending. The Catahoula and the Jasper are completely different types of water. The Catahoula is super soft with the characteristics being different as it starts passing through those pipes it pulls stuff with it. He said they knew that was going to happen. Normally they would go out and just do flushing but did not want to go out and do extensive flushing being on one well. He said they will see that again when they jump over to the #3 and are going to introduce it slowly. They will probably see some water quality complaints but now they will be able to go out and do some flushing and try and get everything directionally flushed out.

ADJOURNMENT

Mayor Countryman moved to adjourn the meeting at 7:21 p.m. **All in favor. (5-0)**

Submitted by: _____ Date Approved:_____
Diana Titus, Deputy City Secretary

_____
Sara Countryman, Mayor

City Council Regular Meeting
MINUTES
August 13, 2024 at 6:00 PM

CALL TO ORDER:

Mayor Sara Countryman called the meeting to order at 6:05 p.m.

Present:	Sara Countryman	Mayor
	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5
Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Mike Muckleroy	Public Works Director
	Anthony Solomon	Police Chief
	Diana Titus	Deputy City Secretary
	Alan Petrov	City Attorney
	Katherine Vu	City Engineer

INVOCATION:

PLEDGE OF ALLEGIANCE TO FLAGS:

PUBLIC FORUM:

No members of the public addressed the City Council.

CONSENT AGENDA

1. Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery, Texas and Montgomery ISD for planned renovations and expansion of the Montgomery ISD Athletic Complex. (Dev. No. 2413)

2. Review and Approve the City Council Meeting Minutes for the: July 22, 2024 City Council Budget Workshop

   Councilmember Stan Donaldson moved to accept the consent agenda collectively items #1 and #2 as presented. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

REGULAR AGENDA

3. Consideration and possible action on the Final Plats for Redbird Meadows Sections One, Two, and Three (Dev. No. 2006).

   Ms. Vu stated these are the final plats for sections one through three also known as Phase IA of the Redbird Meadows Developments. They reviewed these plats in accordance with

the development agreement between the City and the developer Redbird Meadows as well as the amendment to the agreement. This agreement allows them to have 24-foot pavement width and 50-foot right-of-way for minor residential streets means those serving less than 50 homes. They are allowed five-foot side yard setbacks but 20 percent of the shared lot lines between two adjacent homes will have no less than a total of 15-feet between the side yards and the back so either a five and a 10 or seven and a half and seven and a half. They were also granted a variance to allow a maximum of 47 percent of the platted lots to be a minimum of 60 feet wide and 8,400 square feet. These three plats are in accordance with the terms of the development agreement and they are in line with the land plan that was presented in there. They recommend approval of the plats.

Councilmember Stan Donaldson asked if they have done multiple plats at the same time. Ms. Vu said they have for Montgomery Bend.

Councilmember Carol Langley asked if Ms. Vu knows the size of the lots on all three sections. Ms. Vu said they vary even within the sections. There are some as small as 60 feet wide, some 70 feet, and some 80 feet wide. Councilmember Casey Olson said they broke up three percent a piece, basically a third.

Councilmember Casey Olson moved to accept the final plats from Redbird Meadows Section One, Two, and Three. Councilmember Carol Langley seconded the motion. **Motion Passed (5-0).**

4. Consideration and possible action regarding acceptance of the infrastructure for Montgomery Bend Section 1 and Montgomery Bend Lift Station (Lift Station No. 15).

Ms. Vu said they held a final inspection for this project on July 16th. The developers have been working through addressing punch list items and since that time they held a reinspection to ensure that all punch items were addressed which they were with the exception of one item at the lift station. She said what Council is considering tonight is acceptance of the section one infrastructure. You have already accepted water so if you remember a few months ago you accepted water only to allow model homes to be built. Tonight you would be accepting sanitary drainage and paving so storm sewer and paving and the lift station. The lift station needs to be accepted at the same time as the sanitary so that it can continue to serve section one. The part of the lift station they are not recommending acceptance of tonight is the generator. At this time natural gas has not been run through Montgomery Bend and has not been hooked up to the generator. They are recommending that when natural gas is hooked up to the generator that it be accepted with Section Two. They have been in contact with CenterPoint about bringing gas out to the neighborhood and have also discussed with the developer about bringing a propane tank out to set at the generator in the meantime until permanent gas is made available that way after the City has accepted the lift station if for whatever reason the generator is needed there is a fuel source already there on site.

Councilmember Casey Olson said on the punch list there are two incomplete items that have to do with the one-year warranty period for the lighting and the sidewalks. He asked

where does that year start. He asked if it starts now when they accept because those are still incomplete. Ms. Vu said the one-year warranty period would begin today August 13th. Councilmember Stand Donaldson asked if this is going to supply water for the whole section or is it just for the model homes. Ms. Vu said this will supply water, sanitary, drainage for the whole section. She said the lift station is sized to serve the entire neighborhood.

Councilmember Casey Olson moved to accept the infrastructure for Montgomery Bend Section 1 and Montgomery Bend Lift Station No. 15 excluding the generator. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

5. Consideration of approving the Montgomery County Emergency Communication District Budget for FY2025.

Mr. Palmer said this requires cities within District to include a resolution.

Councilmember Casey Olson moved to approve the Montgomery County Emergency Communication District Budget for FY2025. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

6. Consideration and possible action to adopt a Resolution approving the Bank Depository Agreement between the City of Montgomery and First Financial Bank.

Ms. Carl said this is a follow-up to the last meeting. She is in agreement with First Financial Bank.

Councilmember Stan Donaldson moved to adopt a Resolution approving the Bank Depository Agreement between the City of Montgomery and First Financial Bank. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

7. Consideration and possible action to approve the proposed FY 2024-2025 tax rate for the City of Montgomery.

Ms. Carl stated the tax calculations were completed and posted on the City's website. This year's no-new-revenue tax rate is $0.3813/$100 and this year's voter-approval tax rate is $0.5099/$100. She recommends to keep consistent.

Councilmember Casey Olson moved to approve the proposed FY 2024-2025 tax rate for the City of Montgomery. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

8. Consideration and possible action to approve the proposed FY 2024-2025 budget for the City of Montgomery.

Ms. Carl said very little was adjusted. The only increase was to cover GrantWorks, remove Spillman, but include five percent. Councilmember Stan Donaldson said he wants Spillman back on. Ms. Carl said they went with 4 percent above trend and staff did not recommend.

This does not fall in line with what they historically had. They expect to exceed in revenue and need to show how to make up for it. Councilmember Stan Donaldson asked if they had a surplus. Ms. Carl said the amount in the surplus account is 83 percent. It is how many months of expenses. They must maintain a 45 percent fund balance. This brings them then to 75 percent. Councilmember Stan Donaldson asked if there is another surplus for this year. Ms. Carl said she does not have the numbers but is not expecting to be under. Mr. Muckleroy said it is hard to predict and does not like to over project. Councilmember Casey Olson said the budget needs to be conservative on revenue to have a strong budget. The surplus for this year will replace and remain exactly where they are. They need to have a healthy surplus.

Councilmember Carol Langley asked if it only totals through March. Ms. Carl said it is customary to use six months. The report for the month of July will be year-to-date. They have always taken a six month date. She is looking at numbers daily.

Councilmember Stan Donaldson said he has no problem with the budget but he wants Spillman back in or he will not approve. Mayor Countryman said MEDC did not accept and asked if they accept theirs. Ms. Carl said it is not contingent on MEDC. Councilmember Carol Langley asked if $187,000 is coming from MEDC. Ms. Carl said if MEDC says no after 30 days they need to make an adjustment. Councilmember Carol Langley asked if it is 30 days from today. Ms. Carl said the 30 days begins tomorrow.

Councilmember Stan Donaldson moved to approve the proposed FY 2024-2025 budget for the City of Montgomery and to include Spillman. Councilmember Carol Langley seconded the motion. The motion carried with 4-Ayes and 1 Nay vote by Councilmember Casey Olson**. Motion Passed (4-1).**

9. Call for Public Hearing to be held at 6 pm on Monday, September 16, 2024, regarding the Proposed Fiscal Year 2025 Tax Rate and Fiscal Year 2025 Annual Budget.

Mayor Countryman adjourned into the Public Hearing at 6:38 p.m.

Mayor Countryman reconvened into the Regular Meeting at 7:02 p.m.

Councilmember Casey Olson moved to call a Public Hearing to be held at 6 pm on Monday, September 16, 2024, regarding the Proposed Fiscal Year 2025 Tax Rate and Fiscal Year 2025 Annual Budget. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

10. Consideration and possible action on: AN ORDIANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS (THE CITY), ORDERING A SPECAIL ELECTION TO BE HELD JOINTLY WITH MONTGOMERY COUNTY ON NOVEMBER 5, 2024, FOR THE PURPOSE OF EXTENDING THE TERM OF OOFFICE FOR MAYOR AN DCOUNCIL FROM TWO YEAS TO FOUR YEARS; APPROVING ELECTION SERVICE AGREEMENTS WITH MONTGOMERY COUNTY, TEXAS; AND PROVIDING DTAILS RELATING TO THE HOLDING OF SUCH ELECTION; AND PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Mr. Alan Petrov, City Attorney said this is drafted with a transition 2025 term initial of three years, otherwise back to back.

Councilmember Casey Olson moved to approve AN ORDIANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS (THE CITY), ORDERING A SPECAIL ELECTION TO BE HELD JOINTLY WITH MONTGOMERY COUNTY ON NOVEMBER 5, 2024, FOR THE PURPOSE OF EXTENDING THE TERM OF OOFFICE FOR MAYOR AN DCOUNCIL FROM TWO YEAS TO FOUR YEARS; APPROVING ELECTION SERVICE AGREEMENTS WITH MONTGOMERY COUNTY, TEXAS; AND PROVIDING DTAILS RELATING TO THE HOLDING OF SUCH ELECTION; AND PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

11. Consideration and possible action on the adoption of the Election Services Agreement with Montgomery County.

Councilmember Casey Olson moved to adopt the Election Services Agreement with Montgomery County. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

12. Consideration and possible action on the adoption of the Joint Election Services Agreement with Montgomery County.

Councilmember Carol Langley asked if they have a cost yet. Chief Solomon said the cost will be provided when turned in but $30,000 is the range for both. Councilmember Carol Langley asked where the voting locations will be. Mr. Palmer said Exhibit B lists the locations.

Councilmember Casey Olson moved to adopt the Joint Election Services Agreement with Montgomery County. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

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

Mr. Palmer said they recently approved this agreement. The ordinance reflects changes effective August 1, 2024. Mayor Countryman asked if the agreement was for five years. Mr. Palmer said yes.

Councilmember Stan Donaldson moved to approve AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE RATES TO BE CHARGED FOR SOLID WASTE COLLECTION SERVICE INSIDE THE CITY OF

MONTGOMERY, TEXAS; PROVIDING FOR A PENALTY FOR FAILURE TO PAY ACCOUNTS; PROVIDING CONDITIONS UPON WHICH SERVICE WILL BE RESUMED; REPEALING ALL CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE. Councilmember Casey Olson seconded the motion. **Motion Passed (5-0).**

COUNCIL INQUIRY:

Councilmember Carol Langley reminded everyone of TML's annual conference in Houston. Mr. Palmer will send information via email.

Mayor Countryman said State of the Precinct address will be held October 1st same night as Faith & Blue.

Councilmember Carol Langley asked if a claim was sent and filed for the well issue. Mr. Palmer said yes.

Mayor Countryman said they did a great job on the bridge at FM 1097 and asked what happens next. Mr. Muckleroy said they ran into a supply issue so they do not know when the date will be scheduled. Councilmember Casey Olson asked if they accessed the area west of there. Mr. Muckleroy said yes in front of Summit which was done first. Councilmember Stand Donaldson asked if they set up a schedule for the bridge inspection. Mr. Muckleroy said TxDOT inspects yearly.

Councilmember Stan Donaldson asked if country roads are inspected. Mr. Muckleroy said they receive a report once a year. Mayor Countryman said the issue is with those who do the inspection. Ms. Vu said they keep an eye on all bridges and keep TxDOT up to date. Mayor Countryman asked what the County's response is. Ms. Vu said the County is good.

EXECUTIVE SESSION:

Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, Section(s): of the State of Texas.

551.071 (consultation with attorney)

551.074 (personnel matters)

Council adjourned into Executive Session at 7:25 p.m.

Council reconvened into Open Session at 9:13 p.m.

ACTION FROM EXECUTIVE SESSION:

No action was taken on items from Executive Session.

ADJOURNED at 9:15 P.M.

Date Approved:_____

Submitted by: _____ _____
Diana Titus, Deputy City Secretary Mayor, Sara Countryman

City Council Regular Meeting
MINUTES
August 27, 2024 at 6:00 PM

CALL TO ORDER:

Mayor Sara Countryman called the meeting to order at 6:00 p.m.

Present:	Sara Countryman	Mayor
	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5
Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Maryann Carl	Finance Director
	Alan Petrov	City Attorney
	Katherine Vu	City Engineer

CALL TO ORDER:

INVOCATION:

PLEDGES OF ALLEGIANCE:

PROCLAMATION:

Mayor Countryman stated they have a very special guest this evening read the following Proclamation: *Whereas September 17th 2024 marks the 237th anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention and whereas it fitting and proper to accord official recognition to this magnificent document and its memorable anniversary and to the patriotic celebrations which will commemorate the occasion and whereas Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17th through the 23rd as Constitution week. Now therefore I, Sara Countryman by virtue of the authority vested in me as the Mayor of the City of Montgomery do hereby proclaim the week of September 17th through the 23rd as Constitution week and ask our citizens to reaffirm the ideas of the framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties remembering the lost rights may never be regained. In witness whereof I have here unto set my hand and cause the Seal of the City to be affixed to this 27th day of August of the year of our Lord 2024.*

Mayor Countryman presented the Proclamation to the Daughters of the American Revolution. A member of the chapter said she wanted to thank Council on behalf of the Daughters of the American Revolution. She said they are the chapter chartered out of Willis but most of their members live in Montgomery and so they very much appreciate this Proclamation that supports their three pillars which are education, patriotism, and historic preservation.

PUBLIC FORUM:

No member of the public addressed the City Council.

Mayor Countryman said she wanted to do a Proclamation and read a letter dated June 13, 2024. "Dear Mayor Sara, City of Montgomery councilmembers, and the residents of the City of Montgomery, Texas. The heart of a city is not just a geographical dot but the tone and the beat of its citizens. I would like to recognize one of Montgomery's lifelong resident who has continued to raise the bar of civic pride. John Ed Johnny Young has faithfully cared for a very special dot for my family. The Peele Cemetery that lies in the northwest corner of the Old Methodist Cemetery. Johnny's faithful oversite of this resting place should not go without any acknowledgement and recognition of what makes Montgomery a city of emotional glue for all. May his dedication serve as a model for all. Most sincerely, Sarah Peele Mabry."

Mayor Countryman said she is proud of our citizens and those that give back to the City. She said Ms. Mabry wanted to make sure that everybody knew Johnny's good work and deeds.

CONSENT AGENDA

1. Approval of the July 23, 2024 Regular City Council Meeting Minutes

   Councilmember Casey Olson moved to approve the Consent Agenda. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

REGULAR AGENDA

2. Consideration and possible action on a sign variance request as submitted by Signs Above for 15325 Summit Park Drive.

   Mr. McCorquodale said he spoke with the attorneys on this who had some questions about it in terms of the clarity that he had laid out for you. He said if they had questions it is very likely someone else does. On page 24 of the packet on the agenda memo you see a table. We look at where the frontage is for what the sign size can be. In other words when they look at Table A over on the far right hand column it talks about SH 105, FM 149, CB Stewart, and Lone Star Parkway. He said FM 1097 is not allowed to have the same size sign as those that are allowed to have a six-foot sign, maximum 60-foot square foot area. The roadway is very similar in nature so based on that the applicant has submitted a variance application request. Mr. Larry Slade with the sign company is here this evening if you have any questions. He stated staff has no objections to the request.

   Councilmember Stan Donaldson asked if he is correct in saying that is a 10 x 10 sign. Mr. McCorquodale said the proposed sign would be and that is what the variance is being asked for to go to a 10 x 10 sign. Councilmember Stan Donaldson said instead of six feet. Mr. McCorquodale said instead of 6 x 10.

   Councilmember Casey Olson asked if it on a curve or it is not how close to the road. Mayor Countryman said like it is not going to impede that four-way stop. Councilmember Casey Olson said no.

   Councilmember Casey Olson moved to approve item 2 as presented. Councilmember Carol Langley seconded the motion. **Motion Passed (5-0).**

3. Consideration and possible action authorizing the issuance of a Request for Qualifications for engineering services for the Water Plant No. 4 Project.

Ms. Vu said what is before you tonight is consideration of a Request for Qualifications for the Water Plant No. 4 project construction of that Water Plant No. 4. Ms. Vu stated she wanted to go over a few things of what this is and what this is not to hopefully answer some questions that she knows this has. She said what this is is an ad for engineering services to complete the design for the Water Plant No. 4 project. She said this is not authorizing that design to begin today. This is only requesting qualifications from engineering firms. This project is not authorizing construction to begin.

Ms. Vu said as they have been discussing they monitor the City's water plant capacity closely based on the existing needs and current future needs developments that they know are coming developments that they anticipate to come whether they are feasibility studies that have been completed, whether a development agreement has been executed, or they are in plans or even in construction. They monitor the build out projections of the City very closely. Keeping in mind of what you have and what is coming they recommend proceeding and releasing a request for qualifications for this plant to keep up with future demand of what is coming in the City. As far as a timeline from start to finish for a water plant of this capacity which includes the drilling of a new Jasper well and construction of an elevated storage tank bar tower, you are looking at between 18 months to two years. Looking ahead that is around when this capacity would be needed when your existing facilities and an additional booster pump to be constructed at water plant no. 3 you would exceed all of those capacities. The TCEQ also requires an elevated storage tank to be constructed once you reach 2,500 connections to the system which they are expecting to happen close to the end of 2026.

Ms. Vu said their recommendation tonight is to authorize the issuance of this request for qualifications and allow them to bring proposals from engineering firms back to Council to consider. Councilmember Casey Olson asked how long does the qualification last. Ms. Vu said what the firms submit is just qualifications. There is no pricing that is submitted with it. It is just a statement of qualifications. She said she believes this has been out for about a month and are requesting qualifications to come back on September 26th based on just what is in here. It is about a month to get completed and then submitted but as far as when do the qualifications necessarily expire, she is not aware of a time they would expire. Councilmember Casey Olson said just as long as it does not have a time. Ms. Vu said there is not a time written into the request for qualifications. Ms. Vu said just to remind you on how the selection process works, you are not allowed to select an engineer based on price. You have to select based on qualifications. You receive the statements of qualifications from the firms and you select who you believe to be the most qualified firm and then you enter into contract negotiations with that one engineering firm. If you cannot come to an agreement with that one firm they are then rolled and you go to your next most qualified engineering firm and begin contract negotiations. You cannot go back to that first engineer at that time. You must select based on qualifications.

Mayor Countryman asked if it is just for water plants to do it that way. Ms. Vu said no it is not. It is part of the Professional Services Procurement Act so this applies to attorneys, engineers, surveyors, and other professional services.

Councilmember Carol Langley asked if this is advertised in The Conroe Courier. Ms. Vu said it will go in The Courier, it will go on a few websites, and they will post it on one called Civcast which is where they post for the construction projects as well. She said it will also go on the City's website.

Councilmember Stan Donaldson asked if these firms are going to be involved from the design work to the completion. Ms. Vu said the way they have it proposed in here is that these firms will complete the design from start to finish. Once the project enters construction those firms would be available to respond to RFIs from the contractor and review submittals based on the design. From there they would propose that as your city engineer take over construction administration and inspection for the project.

Councilmember Stan Donaldson asked is the money they allocated for CIP the $400,000 for design work and is that part of the funds they are going to talk to these people about once they pass their qualifications. Ms. Vu said correct. The $400,000 that is in the proposed budget is their estimate for what they feel a design should take but of course you actually get that hard number from whichever engineering firm you select. The $400,000 is only for design.

Councilmember Cheryl Fox asked if Ms. Vu can give a downside of not approving this item tonight. Ms. Vu said the downside of not approving it tonight would be that you are delaying increasing your capacity based on your future needs. It opens you up to the risk of potentially being limited on your capacity and delaying this type of project she would not recommend it just based on the capacities that you have and knowing what is coming. Not doing this project would put you at risk at not being able to provide service to the future residents and future developments.

Councilmember Stan Donaldson moved to accept item 3 as presented. Councilmember Casey Olson seconded the motion. **Motion Passed (5-0).**

4. Consideration and possible action on setting a new Public Hearing date related to a Special Use Permit application for a paramedical and fine-line tattooing business located at 14375 Liberty Street, Montgomery, Texas.

Mr. McCorquodale said they did not get a legal notice in the paper on time and are asking to recall this public hearing so they can get the legal notice published.

Councilmember Casey Olson moved to set a public hearing for September 24, 2024 at 6:00 p.m. to be held at City Hall considering the paramedical and fine line tattooing business located at 14375 Liberty Street. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

5. Consideration and possible action on calling a Public Hearing related to a rezoning application of 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential as submitted by SPT Montgomery, LLC (Dev. No. 2215).

Mr. McCorquodale said this is a rezoning application that they have received from a project that has been on again and off again in the City for several years. When they receive the

application they bring it to Council. The ordinance says that the Council calls a public hearing. There is no real analysis or recommendations, they are just trying to call the public hearing this evening.

Councilmember Casey Olson said there are two pieces. One is industrial and one is commercial. Mr. McCorquodale said currently it is all zoned industrial. Councilmember Casey Olson asked if the L-shaped piece off Lawson between Lawson and Lone Star came to them before earlier this year or late last year. Mr. McCorquodale said yes it was some time last year and they have also been looking at that bigger hunk to the far west. Councilmember Casey Olson asked if they are applying again. Mr. McCorquodale said yes. Ms. Vu said this is the same people, this is Superior Properties and they are the ones that came to you earlier wanting to do a multi-family duplex style on the west side of the development and on the eastern side do commercial which is why there is a split zoning of B-Commercial and multi-family to accommodate both of their proposed developments. Once they get the rezoning they are ready to move forward with the platting process but the zoning decides how the setbacks look on the plat. This is the first step for them. Councilmember Casey Olson asked if they deny the public hearing what happens. Mr. Alan Petrov, City Attorney said they have a right to a hearing. Council can decide to deny the application after the hearing. Ms. Vu said this was the same type of development that was included in the feasibility study they presented to you. They have not changed what they are proposing.

Councilmember Casey Olson moved to call a public hearing for October 8, 2024 at 6:00 p.m. to be held at Montgomery City Hall considering rezoning application for 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential to be submitted by SPT Montgomery, LLC. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

6. Consideration and possible action on the final design documents as prepared by MERJE Design for the City of Montgomery, Texas Wayfinding Program.

Mr. McCorquodale said the EDC started this project in late 2022, early 2023. There have been a couple joint meetings or one joint meeting along the way to discuss the design with Council. He said the EDC started this and funded this and they approved it at their last meeting. The action tonight is to ask Council to approve this plan. They have a formal plan to go back and pull from when they are ready to start implementing those signs. After going through the budget items recently he knows they are all aware that there is not a lot of money sitting around for Way Finding signs but what this does is it locks in this design so the EDC or the City does not go out to spend more money on the Way Finding design when you get to that point when you are ready. Councilmember Casey Olson said MEDC is ready to move forward with some of the signs and they have a piece of the budget set aside to start building a couple of these signs. He thinks the plan is to move forward with pieces of it every year and just add to the signs. Councilmember Stan Donaldson asked if basically they are binding themselves up to this plan for these types of signs and these types of locations. Councilmember Casey Olson said the locations not so much, the sign design yes. Mr. McCorquodale said it is about $69,000 total on the design for the signs.

Councilmember Casey Olson moved to approve item 6 as presented. Councilmember Cheryl Fox seconded the motion. **Motion Passed (5-0).**

DEPARTMENTAL REPORTS

7. Public Works Report.

Councilmember Cheryl Fox said the easement off of Worsham Street looks awesome. Mr. Muckleroy thanked Councilmember Cheryl Fox. Councilmember Stan Donaldson said he has seen it and it looks okay. He said they have a few things going on there. Mr. Muckleroy said the play on that is to use it through the construction phase and then it will be a secondary entrance for the future but it will not be an everyday entrance. They will go back to Houston Street once all the construction is complete.

Councilmember Stan Donaldson said thank you again for helping the citizens just outside of the city limits get their water.

Mayor Countryman asked if all the debris has picked up from Beryl and if they received help from the County. She said she has seen a lot of it gone so does not know if it was the County or Public Works. Mr. Muckleroy said he is not sure if the County came through or not. He said they have one resident outside the city limits that had a pile and are hoping the County is going to get it.

Mayor Countryman asked you maintains the restrooms at the park. Mr. Muckleroy said his crew. Mayor Countryman said they are extremely clean every time she goes. She said they are doing a great job. Mr. Muckleroy thanked Mayor Countryman and said they have tossed it over the years whether they contract that out or not and have always come back to the conclusion they hear compliments like that and he knows as soon as they start farming it out the care factor is not going to be there.

8. Utility Operations Report – Hays Utility North.

Mr. Wright said in looking at the report everything is looking really good but it does not show what a tough month July was. He said there was the hurricane and the clarifier went down at the sewer plant again.

Looking at the water consumption there is 97 percent accountability and then for the wastewater treatment plant you see where there was an excursion on the TSS. He said it just got to the point where they could not do anything anymore so they just continued making their repairs and turn it around for August. If the TCEQ has any issues with this excursion, there was hurricane Beryl, and the clarifier drive went down and that is what they will discuss with the TCEQ. He thinks they will be understanding of it concerning the hurricane.

Mr. Wright said in regard to the Lone Star report it looks like they are right where they need to be and they will continue to monitor that for the rest of the year.

Mayor Countryman asked if there is anything more they can do to be proactive and improve upon. Mr. Wright said they are doing it and Mr. Muckleroy works great with them. He said if this is the worst he thinks they are doing okay.

Councilmember Casey Olson asked what was the outcome with the roof on the building in the park. Mr. Muckleroy said it was under insurance and received the check for it but they still have to get multiple quotes. They have two right now and are waiting on the third quote.

9. Municipal Court Report

Ms. Duckett said on the July 2024 report citations were 122 and the revenue was $33,867.49.

Mayor Countryman said she noticed that in the last three to four months they have collected more than they have in the past two years and asked what she is doing different. Ms. Duckett said she has visited a few different courts and came back implementing new things. She said they had a cadet who was helping them do collection calls on old warrants and their FTAs before they are actually entered into the system they do follow up calls. Also, clients that are entered into Omni before they put a suspension on their drivers license they call them and once they get those letters they will quickly pay it. Mayor Countryman asked if they are doing everything good compared with the courts she has seen. Ms. Duckett said she thinks they are doing awesome. She said a lot of courts call her as well to try and see what changes they have going on.

10. Police Department and Code Enforcement Report

Councilmember Carol Langley asked if the massage place is closed. Chief Solomon said they took an officer who had human trafficking training and she happened to notice some things that were going on and she went in for an inspection. He said as they drove around at night they saw the sign that is put up in the back that says massage. They did another inspection and got with the investigator and more agencies and started looking at it. They sent someone in and found out they start doing these things after 3 p.m. He said they need to change their ordinance. He said the people that came to get the permit to build this place out were not the people who operate the place. A lot of times if you have stand alone places you can normally tell if it is changing hands by the utility bills but with this one you really could not tell because it was owned by the strip center and the strip center is paying those utility bills. They are still looking into investigating for human trafficking. In changing the ordinance they are looking at the legalities of things where maybe they can get those guys to register and do a criminal history on them and they need to look at that just because of the type of city we are. They will take a look into making those changes and that way they can see what is going on. He said it is not only for massage parlors but for tattoo and smoke shops. Mayor Countryman asked if it was a resident running the parlor. Chief Solomon said no.

Mayor Countryman said she has not heard from Taylor about the church and the music and asked if that has died down. Mr. Palmer said they are working on that.

11. Financial Reports

Ms. Carl said their general fund revenue is less than 20 percent away from achieving their projected revenues for the year so they will definitely have surplus revenue. She said all

departments are below or on trend to come in right at or slightly below in expenses. On page 246 of the packet is a part of the utility revenue report. Before you were used to seeing two reports that looked like this with the blue table. She said that one report literally comes straight out of Incode so they are giving you the report out of Incode instead of putting it into excel. You will still continue to get the information on the next page although they are looking at that as well as she thinks there is a report that can come out of Community Core that tells them the type of permits. She said you already have the amounts like the revenue with the dollar amount that maybe more importantly on permits would be like the number of permits that were issued. They are looking at what they may be able to bring you in regard to that report.

Mayor Countryman said it was mentioned a long time ago about Six Shooter the boutique getting their taxes. She has not gotten an update if they are receiving those yet or not and that in another situation that they are claiming Magnolia is their home hub but yet they are getting sales tax here. Mayor Countryman asked if they have figured that out yet. Ms. Carl said they are working with HDL. There have been a handful of entities that have been identified. Ms. Carl said she told her she would be reaching out to her after the holiday weekend to discuss the status of where they are at. She should have some additional information next week. Mayor Countryman said in retail certain zip codes are protected so that retailers do not have the same stuff. She is claiming Magnolia so that is putting stuff that other retailers have here. She thinks maybe that is the reason why too we are not receiving those taxes on her end. Ms. Carl said if you give her that information and send an email with that she will make sure that they are on the list. She said it is a process when it goes to the comptroller as it can take a few months in order to get any feedback from them but usually what happens is they reach out to the comptroller and ask them to look at these that these are potential and then they go in through the process and look at what has been going on. Mayor Countryman asked if that had been done as that was brought to their attention a year ago. Ms. Carl said they are currently not on their confidential data which can mean one of two things. One is they are not paying sales tax to us or two, they have not reached the threshold. You have to have $60,600 in taxable sales in order to reach the threshold. She said it is a rolling 12 months. There is also something when a business has multiple locations there is a clause for having a home location and that could be what they are involved in at the moment. There might be a home location. She said they have been working on it since we provided them that information right after we signed up back in March or April.

Councilmember Stan Donaldson asked what is ISJ Underground Utilities LLC. Ms. Vu said it is Old Plantersville force main extension the one they are extending the force main from Redbird Meadows.

Councilmember Stan Donaldson said they sent a check to Tyler Technologies for $3,000 and asked if that was monthly. Ms. Carl said there are several things that happen with Tyler. They do have some monthly amounts that go to Tyler. She said typically it is $41 a month that they pay on the utility side for that payment portal they have on their website for people to be able to pay their water bills. They have also been doing some work on the system. They did a software upgrade that was budgeted this year for the Tyler content management which allows them to be able to scan and see invoices that have been attached to a vendor within the system which allows them to utilize the contract management portion of the system and allows them to be able to see personnel information including pay stubs. Employees now can actually access their pay stubs through the employee self-serve portal.

They were not able to do that prior to that piece so that is a part of it. Another is the actual subscriptions that happen. Some of those renew like the PD one renews October 1st. There are different things that renew at different times during the year. She said typically it is not that much each month. There is just a multitude of pieces with Tyler.

12. City Engineer's Report.

Ms. Vu said regarding Water Plant No. 2 improvements they had a pre-construction for this project on July 31st where they issued a notice to proceed and the project has begun. They are starting with some clearing work on the water plant site as well as redoing the road along Houston Street to redo that eastern access to allow the contractor to get in and they will be working from both sides of the plant to complete the construction.

Ms. Vu said all the field work for the 2023 Sanitary Sewer Rehab Phase 1 project is complete and they are working on doing their post CCTV inspections and then they will be submitting a set of videos to them. She said one thing she wanted to point out is during some of the pipe bursting work that they were completing in Lone Star Estates there was some debris and silt that entered the well at lift station no. 2 and caused two of the pumps to break. Hays and Public Works responded very quickly and got some replacement pumps installed and all costs associated with the damages, the cleanup, and time spent out there is being back charged against the contractor.

Ms. Vu said for 2023 Sanitary Sewer Rehab Phase 2 the bore was completed underneath SH 105 and you probably noticed there was one lane at SH 105 right outside the City Hall that was closed for about a week or so. They were completing some trenchless construction underneath SH 105 that was done and they were out of the way for school starting that completed the work over the weekend. All of the field work for that project is already complete so they will be doing the final inspection shortly.

Ms. Vu said the Old Plantersville force main as she mentioned they completed the bore underneath the railroad crossing. They are essentially complete with all of the work and are proceeding with site restoration.

Ms. Vu said the Old Plantersville waterline as begun bidding. They started advertising today and will hold a pre-bid in their office on September 10th and they will receive bids on September 17th. She said depending on how those bids come in they are planning to present a recommendation of award at the September 24th Council meeting. This is being funded by Redbird Meadows. Councilmember Casey Olson asked if most of that road is County. Ms. Vu said on this side of the city limits it is a city road and just outside of the city limits it is a County road and then all of Old Dobbin Plantersville Road by the high school is a County road. Councilmember Casey Olson asked if it is Redbird's right-of-way or is it in the County or City right-of-way next to the road. Ms. Vu said it is going in the City right-of-way five feet off of the property line. Redbird is also dedicating additional right-of-way as part of the project so it is going five feet off of that new right-of-way dedicated area. Until that right-of-way is platted it is going in a temporary easement along Redbird's property. As it goes up Old Dobbin Plantersville it will be a mix of right-of-way and easement on MISD's property. Councilmember Casey Olson said the reason he asks is because that road is not going to be big enough the way it is now. It will have to be widened quite a bit to handle the traffic that is going to be there. He just wants to make

sure they do not have to dig it up again. Ms. Vu said they will not and thinking about the widening of the road is why they requested additional right-of-way from Redbird Meadows and then they are putting it five feet inside from the right-of-way which is County requirements.

Ms. Vu said on page three of the report the Buffalo Springs Drive road reconstruction is proceeding with the work and they are expecting their last concrete pour to be completed this Thursday and they will be able to complete striping and signage next week. They are expecting the road to be open on September 13th.

Ms. Vu said they are waiting on signal heads for the traffic signal to arrive so they can be installed. They have been coordinating quite a bit with Entergy to get power to the signal and this has been a real challenge for both them and Home Depot. Home Depot was able to pull some strings and the latest that she heard is that they were energized as of today. They are still confirming whether or not the signal itself has power but they have always been told is the Home Depot has it, the signal has it. They are still confirming though as it is very fresh news.

Councilmember Stan Donaldson asked if it was December 13th for the road construction. Ms. Vu said September 13th. Councilmember Stan Donaldson asked if they were planning on opening around November. Ms. Vu said correct.

Ms. Vu said they have two feasibility studies for Mia Lago Reserve out on the east side of town and then Villages of Montgomery right here across from City Hall king of going around Thomas Printing and Solomon Electric. Both of those they are planning to present at the September 10th Council meeting.

Ms. Vu said they had a small handful of plan reviews in and out this past last month specifically Firestone and MISD Athletic Complex both came in and they sent comments back to both of them. She said there were just a small handful of plat reviews.

Ms. Vu said Hills of Town Creek Section Five has started construction so this is an additional 72 homes she believes. Ms. Vu said it also includes extending Emma's Way all the way to Lone Star Parkway. Councilmember Stan Donaldson said he has a question about that because it came up at their HOA meeting last week. He said some of the residents seem to think that is not going to be part of Hills of Town Creek because they have already closed out the first four sections and established an HOA. For us to take them in they have to give permission from our HOA to be put together with the current sections and asked if that is correct or not. He is just trying to figure out if they are just using this as a name until they get their construction completed or if they really can be part of what is already there because there seems to be some concern about it. They were told initially once they set up the HOA that any new development would have to be like a new subdivision and establish their own HOA. Ms. Vu said she can not speak to how it would work getting it added to the HOA as she is not involved in that kind of process. They have always known it as Hills of Town Creek Section Five and that is how the developer presented it to them and how the engineer provided their plans to them as Section Five. Councilmember Casey Olson said it depends on how the developer filed that HOA with the State. Councilmember Stan Donaldson said they approved this back in 2021 and part of the agreement they made with them back in 2021 was if they came in and we gave them the smaller lots they were going to have more green space. He said he has looked at the maps and cannot figure out where

the green space is. He asked if there is any way you have anything that would define what portion of what they are doing is green space because they have already upset some of their people because they cut some trees down that were on the other side of the fence on Colby's Way. He said he did not realize this and is not saying the developer did not have a right to cut them down, he is just saying they got cut down and it made people mad. He said they revisited this and approved it back in March but the original plat and everything was done in 2021. Ms. Vu said she will go back and look at the calculations for compensating green space that they did back in 2021 and will get back to you on how that all works out and where that is coming from.

Ms. Vu said for Montgomery Bend Section Two they are addressing punch list items and they are planning to bring acceptance of Section Two to you when natural gas is available to the generator at the lift station and just do that all at once. They are doing some clearing on site for Redbird Meadows and believes they are planning to get started with their water sewer drainage soon.

Ms. Vu said they are still working with TxDOT on their access management plan from along SH 105 from Grimes County to Shepperd Street. She said they have meetings with them weekly to discuss any utility relocations that need to be done, working through conflicts, determining elevations and such.

Mayor Countryman asked if she was able to look into the Lincoln Elementary drainage. Ms. Vu said they constructed it all according to plans and there was nothing that they noticed that was amiss or was done extra or done outside of their approved plans showed.

Councilmember Stan Donaldson said he went by Redbird the other day and they had a huge dozer out there as it was on the trailer and does not know if they just loaded it or were taking it off. He said that thing was so big they barely had room to pass as they street is so narrow. He said just like Councilmember Casey Olson said those streets need to be widened for future traffic. Councilmember Casey Olson said that is part of their agreement with him that he has to work with the County.

Mayor Countryman said at the drainage at Lincoln has changed as it is a lot more than it used to be. She said you can see the degradation down FM 149. She asked if there are any plans or anything they can do or get TxDOT involved to get that washout addressed. Ms. Vu said just like all the others they have done with TxDOT they are continuing to make them aware of erosion that is threatening their roads as well as that one. Ms. Vu said as far as the change in drainage patterns she cannot speak too much to that but she does know they constructed it according to plans and that not only has there been construction at Lincoln there has also been some changes in what is along Martin Luther King so it could be multifaceted as to why things potentially look different. Mayor Countryman asked what changed on Martin Luther King. Ms. Vu said she understands a couple new homes have been built. She said her understanding is one property owner received a home grant. A different home could change in the area, a different footprint.

Councilmember Carol Langley asked if Lupe Tortilla is open. Councilmember Casey Olson said it is open but by invitation only so you have to go invite yourself and then you get on a waiting list because they are doing what they call a soft opening to train their employees.

Councilmember Casey Olson moved to accept all departmental reports as presented. Councilmember Stan Donaldson seconded the motion. **Motion Passed (5-0).**

COUNCIL INQUIRY:

Councilmember Casey Olson said he has a candidate to fill the vacant Council seat. He said if there are other people who have a candidate they should do it all at once.

Mayor Countryman said Mr. Palmer can confirm but she thinks Entergy and Joseph his situation is good. Mr. Palmer said they are communicating and he thinks he is good. Mr. Palmer said he knows Entergy has been communicating with him.

Mayor Countryman commented that she saw the new flag up at Simmons Bank and that is good.

EXECUTIVE SESSION:

Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, Section(s):

Sections 551.071 (consultation with attorney)

551.072 (deliberation regarding real property

551.074 (personnel matters)

City Council adjourned into Executive Session at 7:00 p.m.

City Council reconvened into Regular Session at 9:08 p.m.

ACTION FROM EXECUTIVE SESSION:

No action taken.

ADJOURNMENT:

Councilmember Carol Langley moved to adjourn the meeting. Councilmember Cheryl Fox seconded the motion. Motion Passed (5-0).

The meeting was adjourned at 9:08 P.M.

Date Approved:_____

Submitted by: _____ _____

Diana Titus, Deputy City Secretary Mayor, Sara Countryman

City Council Regular Meeting
MINUTES
September 10, 2024 at 6:00 PM

CALL TO ORDER:

Mayor Sara Countryman called the meeting to order at 6:05 p.m.

Present:	Sara Countryman	Mayor
	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5
Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Mike Muckleroy	Public Works Director
	Anthony Solomon	Police Chief
	Diana Titus	Deputy City Secretary
	Alan Petrov	City Attorney
	Katherine Vu	City Engineer

INVOCATION:

Councilmember Stan Donaldson gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS:

Mayor Sara Countryman led the Pledge of Allegiance to the United States and State of Texas flags.

PUBLIC FORUM:

No members of the public addressed the City Council.

CONSENT AGENDA

There were no items for consideration on the Consent Agenda.

REGULAR AGENDA

1. Consideration and Possible Action on a minor amendment to the service contract between the City of Montgomery and Kendig Keast Collaborative to add an additional in-person meeting ($4,600) to present the Interim Ordinance Amendments at a joint meeting between the City Council, Planning and Zoning Commission and MEDC on October 01, 2024.

   Mr. Palmer explained that part of the scope of work with KKC included developing Interim Ordinances for the city to adopt immediately to regulate incoming development while permanent Ordinances are being finalized. Given the complexity and broad regulatory implications of the amendments, Mr. Palmer suggested that KKC should present the Interim Ordinance Amendments in person and address Councilmembers' questions at a

joint meeting. This joint meeting is scheduled for October 1, 2024, at 6:00 p.m., the regular time for the Planning and Zoning meeting.

Councilmember Stan Donaldson, referring to the tentative budget document, asked if the joint meeting would provide the Council with an understanding of KKC's progress toward completing the tasks outlined in the work schedule. Mr. Palmer noted that KKC is ahead of schedule, and they have been asked to pause working until the beginning of the new fiscal year.

Councilmember Casey Olson moved to approve the minor amendment to the service contract between the City of Montgomery and Kendig Keast Collaborative (KKC) to add an additional in-person meeting ($4,600) to present the Interim Ordinance Amendments at a joint meeting with the City Council, Planning and Zoning Commission, and MEDC on October 01, 2024. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

2. Consideration and possible action on Lake Creek Village's request to dedicate their private roads (and underlying storm sewer infrastructure) into the City's publicly funded system.

Mr. Gary Palmer, City Administrator, explained that the Lake Creek Village Homeowner's Association had requested the City to take over their private roads and sewer infrastructure into the City's publicly funded system. He clarified that for the City to accept the sewer and roadway, the HOA would first need to upgrade the infrastructure and roadway to meet the City standards, as determined by the City Engineer.

Council Member Casey Olson inquired about the results of the road compaction and concrete test. Ms. Vu responded that the staff had not yet received the testing results by the time the packet was completed and that only the storm sewer system had been reviewed.

Mr. Chris Roznovsky, City Engineer, stated that during construction the developer specifically asked that time not be spent reviewing roads since they weren't being turned over to the City. He did not want the City Engineer to inspect that work. The reports included testing of the additional system.

Mayor Sara Countryman noted there had not been any issues with Lake Creek Village. Councilmember Casey Olson rebutted that the City accepted roads based on the initial project specifications; therefore, when the concrete pipe is installed and the City watches the process, it is accepted as seen. This was after the fact and was not concrete.

Council Member Cheryl Fox felt the City had some culpability for this issue.

Councilmember Casey Olson asked if the type of pipe and life span was known. Ms. Vu said it was plastic pipe, and the City's standard is concrete pipe. She said at the time the development was constructed, it was private and as stated previously, the City was told not to inspect the storm sewer or the road construction. She referenced the City's request for

the CCTV videos of the storm sewer, which indicated multiple obstructions throughout the pipes, causing concern to the City about the quality of the storm sewer system.

Several public speakers commented on the request, expressing concern about the flow of water in the existing sewer system and debris left from past construction. The complexity of the situation was highlighted, and the City Council was urged to consider accepting the facilities carefully without ensuring they are brought up to City standards first.

Mayor Sara Countryman felt there may be an injustice to taxpayers if the City does not approve the request.

Councilmember Casey Olson expressed concern about the damage. He said the pictures submitted to the City showed powerlines running through the middle of the culvert. He stated that if the problems were fixed, the City would have no issue taking over the roads and sewer system.

Councilmember Cheryl Fox asked Mr. Fink to state the HOA's main reason for this request. Mr. Fink responded it was for public safety. Police Chief Anthony Solomon responded that his department had conducted traffic control in the development.

Councilmember Cheryl Fox moved to accept the action on Lake Creek Village's request to dedicate their private roads (and underlying storm sewer infrastructure) to the City's publicly funded system. Councilmember Carol Langley seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

A citizen stated that a gate would be necessary and that paperwork would be required to sign off on the transfer. Councilmember Olson wondered if, once the City took ownership, if they could make a claim for damage done by the contractor.

Rusty Herridge inquired about ownership of the light poles in Lake Creek Estates.

3. Consideration and possible action regarding approving expenses for improvements at Memory Park.

Mr. Mike Muckleroy, Public Works Director, stated that the local Rotary Club had offered to pay the larger portion of the improvements at Memory Park if the City was willing to assist. He noted that $40,000 had been budgeted in capital projects, and there is currently $12,100 left in the line item for Park Improvements. The total amount for the project is $43,560, and Rotary has agreed to pay the difference of $31,460.

Mayor Sara Countryman asked if there were any repairs anticipated before the end of the fiscal year and Mr. Muckleroy affirmed that no repairs were anticipated.

Councilmember Casey Olson moved to approve the expenses for improvement at Memory Park. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

4. Consideration and possible action regarding approving expenses for repairs to the blacksmith's shop at Fernland Park.

Mr. Mike Muckleroy noted that one bid was obtained quickly for repairs due to wind damage. He said the one bid is from Dry Tex Restoration and has worked for the City in the past. He noted that this repair had not been budgeted and would be paid by an insurance claim.

Councilmember Casey Olson moved to approve the expenses as presented in the amount of $11,355.02 to Dri-Tex Restoration. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

5. Consideration and possible action approving an Administrative Services Agreement with GrantWorks for the American Rescue Plan Act funds.

Ms. Maryann Carl, Director of Finance, mentioned that ARPA funds were discussed during the budget workshops. The City received an estimate for the administration of services from GrantWorks, which has a full ARPA division.

Councilmember Casey Olson asked about the timeline for ARPA projects. Ms. Carl explained that projects must be committed by December 30, 2024, with funds to be expended by 2026, provided the City makes a good-faith effort to appropriately expend the funds. She emphasized the benefit of having an Administrative Agreement to help identify qualifying projects, noting that an annual report must be submitted in March.

Mayor Sara Countryman asked if the vendor would offer protection to the City in case ARPA funds were misdirected. City Attorney Alan Petrov confirmed that the extra layer of administration would provide such protection.

Councilmember Olson asked how much money was involved, and Ms. Carl said approximately $372,000, including interest. She added that staff would provide a list of potential projects, and GrantWorks would help determine which projects clearly qualify for ARPA funding and which might require additional steps. Councilmember Olson did not like borrowing money from the federal government, but he understood and knew that GrantWorks could benefit the City. Ms. Carl clarified that the ARPA funds were given to local districts because of the COVID pandemic.

Councilmember Casey Olson moved to approve an Administrative Services Agreement with GrantWorks for the American Rescue Plan Act funds. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

6. Consideration and possible action authorizing the City Engineer to begin work on the West Lone Star Parkway Waterline Extension Project.

Ms. Vu explained that this project would extend the 12-inch waterline along Lone Star Parkway from the county's Community Center west to the western boundary of the proposed Tri Pointe Development. As outlined in their approved development agreement, Tri Pointe will fund the engineering and construction of this project.

Councilmember Stan Donaldson asked who the field project representative would be. Ms. Vu the project would be assigned to an inspector from the City Engineer's Office.

Councilmember Casey Olson made a motion to authorize the City Engineer to begin work on the West Lone Star Parkway Waterline Extension Project upon receipt of developer funds. Councilmember Carol Langley seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

7. Consideration and possible action on a Development Agreement by and between the City of Montgomery, Texas, and Taylor Morrison for a proposed 56-acre single-family residential development (Dev. No. 2404).

Mr. Chris Roznovsky, City Engineer, reviewed the highlights within the development agreement, stating that as part of their design for the development, the development would be connected to the waterline on Lone Star Parkway and the line at Buffalo Springs to close the loop in the system. The proposed project had been presented to the City Council in a Feasibility Study and developer presentations. He noted that the Development Agreement was based on the City's regulations and approved variances granted to the developer.

Councilmember Casey Olson moved approve the Development Agreement as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

8. Consideration and possible action authorizing the City Engineer to begin work on the Lift Station No. 10 Improvements – Phase II Project.

Mr. Roznovsky stated this project was development-driven and would serve the Taylor Morrison project. He provided the highlights of the project.

Councilmember Casey Olson moved approve the Development Agreement as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

9. Presentation and acceptance of a Feasibility Study for proposed 50.8-acre mixed-use development by Devpoint, LLC known as the Villages of Montgomery (Dev No. 2412)

Ms. Vu explained that Devpoint, LLC has proposed a mixed-use development along SH-105 west of Sheppard Street, also referred to as the Villages of Montgomery tract. The property is located within the City limits. The property is currently zoned R-1 residential and B commercial. Dependent upon the proposed permitted use, the developer may be required to rezone the property, which would require approval of the Planning and Zoning Commission and the City Council.

With the proposed lot sizes, the Developer would be requesting variances for lot width (the proposed minimum lot width is 45'), lot depth (the proposed lot depth is 100'), and lot area (4,950 sf). The request is for 71 - 45' single-family lots, 27 - 50' single-family lots, commercial pads, and a mixed-use area. She noted that some of the lots are currently being proposed as alley-loaded lots.

Ms. Vu discussed the analysis, which indicated that after completion of the City's Water Plant No. 2 Improvements project currently underway, the City would have the water capacity to serve the development and existing developments for the next few years but would need additional water plant capacity to serve all existing and proposed developments at full build-out. Once the well at Water Plant #2 is back online, the immediate next steps would be to install an additional booster pump at Water Plant #3 to get the capacity up to 730,000 gallons per day. This development is proposing approximately 26,230 gallons per day based on information provided by the developer. They will be connecting to the 12" water line on the south side of SH-105, as well as the water lines on College Street and Caroline Street. It will be a loop system and will benefit the residents of College and Caroline Streets.

The analysis also showed that the City would have the sanitary sewer capacity to serve the proposed development, existing developments, and committed developments at full build-out when the Town Creek Wastewater Treatment Plan project is completed.

Additional requirements for the developer will include submission of a drainage impact analysis to the City, a traffic impact analysis for the development, and in conjunction with the homes being added along Sheppard Street, the developer will be required to extend Shepperd St. to the full 28' asphalt pavement width to SH-105.

Councilmember Casey Olson asked about the line along SH-105 that will be relocated. Ms. Vu discussed the development costs, stating the developer would be responsible for impact fees for this development. Based on recently updated impact fees, they will pay approximately $268,000 in water impact fees and $257,000 in impact fees. In the feasibility study, staff has outlined what deposit would be required for the City to hold in Escrow to cover plan review and inspection fees, as well as the off-site sanitary sewer improvements. She said the City would generate approximately $20,273 per year in debt service and $63,327 in operations and maintenance revenue from this development.

Councilmember Casey Olson asked about relocation of utilities along SH-105. Ms. Vu responded that as far as what needs to be relocated for TexDOT, some of it is along the frontage. A lot of the required storm sewer adjustments will be vertical, and the City's utilities run the opposite direction. She noted that if one of the sanitary sewer lines was found to be in conflict, they would take care of that with the office extension.

Mayor Sara Countryman explained why the variance is being discussed since the homes will be vertical and long, bringing a lot of value to the City. Ms. Vu stated that this evening, the City Council is only accepting the presentation, this action does not enter the City into a development agreement.

A brief discussion ensued about the style of homes and the project engineer was present to answer questions.

Councilmember Casey Olson moved to accept the Feasibility Study as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

10. Presentation and acceptance of a Feasibility Study for a proposed 73.7-acre single-family residential development by Dunhill Builders, Inc., known as Mia Lago Reserve (Dev. No. 2411).

Ms. Vu explained that Dunhill Builders, Inc. has proposed a single-family development on a 73.7-acre tract located east of Lone Star Bend and Mia Lago Drive, also known as the Mia Lago Reserve Tract. The tract is located outside City limits and would need to be fully annexed prior to receiving utility service. The development would consist of approximately 59 ¾ acre single-family lots for in-city service or partial service at full build out. The final land plan may affect the estimated costs and revenues associated with the development. Ms. Vu noted that the capacity issues are similar to those described in the previous agenda item presentation.

Councilmember Casey Olson asked about the location of the property. Ms. Vu responded the property is a majority in the City of Conroe Extraterritorial Jurisdiction (ETJ) and a portion is in the City of Montgomery ETJ. They are allowed to present to the Montgomery ETJ because of the portion that is in the City. She stated that before this property may be annexed into the City, they will have to be decertified from the City of Conroe ETJ, and the City of Montgomery would have to receive confirmation of the decertification prior to annexation.

Mayor Sara Countryman asked about the probability of the City of Conroe releasing the property to Montgomery. Mr. McCorquodale responded that during the most recent legislative session, this process was simplified by allowing developers to exclude themselves from the ETJ with a petition. However, in speaking with the City Attorney last week, Mr. McCorquodale learned that the City of Conroe has historically chosen not to take action, and the statute states that if there is no action within 45 days, the process happens automatically. The attorney general is in agreement and there are several lawsuits underway that will provide more clarity to the process.

Ms. Vu stated there would be one entrance/exit for this development and as part of that the City is requesting that they receive approval from the Montgomery County Fire Marshall. They would also be required to produce a traffic impact analysis for the impact on Lone Star Bend and the two neighboring intersections.

Mayor Sara Countryman wondered if this project would connect to another project where land is being cleared for construction along Bois D'Arc Bend. Ms. Vu noted the developments would not connect.

Councilmember Stan Donaldson noted there was a request to construct a boat dock. He also referred to the developer's request to use septic tanks, and he had no objection to that request.

Ms. Vu said they would be required to connect their waterline to Mia Lago Drive, as well as the one on Lone Star Bend to create a loop system. She discussed sanitary sewer and said the developer has requested septic service. The ordinance does not allow septic service. However, she said it would be up to the City Council to approve a variance to allow septic service. She shared pros and cons of a septic system.

Ms. Vu stated that staff had evaluated the drainage side of their storm sewer system, which would be considered public with retention ponds . She noted that the channel at the southern side of that property is currently proposed in their land plan to be individually owned by the residents. Staff has requested that be modified and the whole channel be dedicated as a single reserve, to create one entity for the maintenance of the channel.

The developer would be responsible for impact fees which would include a sanitary impact fee if they receive service from the City, and if septic is permitted, then they would only pay a water impact fee. The estimated water impact fees would be $119,747 and wastewater impact fees would be $115,109. Tax revenue to the City would be approximately $42,389 per year in debt service and $132,411 in operations and tax revenue.

Councilmember Casey Olson moved accept the Feasibility Study as presented. Councilmember Stan Donaldson seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

11. A Resolution Of The City Council of the City of Montgomery, Texas Authorizing The Change In Name On The Construction Account; Closing Inactive Accounts; Assigning Authorized Signers For All City Of Montgomery Banking Accounts With First Financial Bank; And Providing An Effective Date.

    Mayor Sara Countryman read the Resolution by title only.

    Ms. Maryann Carl, Director of Finance, announced that this item is housekeeping in nature. She outlined the changes that would occur as a result of adopting this Resolution.

    Councilmember Carol Langley asked about the line item for the utility fund. She asked if there was another utility account, and Ms. Carl said yes, at the investment level. She stated that in the next financial report, she would print out the claim on cash information. She stated that this change was recommended by the City's auditors. She answered questions asked by the City Councilmembers.

    Councilmember Stan Donaldson moved to adopt the Resolution to update bank accounts and bank signers with an effective date of September 10, 2024. Councilmember Cheryl Fox seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

12. Consideration and possible action on appointment of Wayne Joe to City Council Place 3 to serve the remainder of the term expiring in May 2025.

    Councilmember Casey Olson proposed no action be taken on item 12 due to Mr. Wayne Joe not being present. No action was taken.

COUNCIL INQUIRY:

Mayor Sara Countryman inquired about what a resident should do if a worker enters their property but is unable to speak English. She noted that due to new development there are a lot of workers in the City, and residents have asked this question. There was no actionable offense with respect to workers unless there was unwelcome disruption of private property. It was advised that Comcast has multiple independent subcontractors working for them on issues throughout the City.

Councilmember Casey Olson asked if contractors could be asked to leave if they were being caught taking water without permission. Police Chief Anthony Solomon responded. He advised there is a scam with people dressing up like utility workers and if this type of activity was witnessed, a resident should call the Police Department (911).

Councilmember Stan Donaldson said that Hope Brown contacted Habitat for Humanity to discuss her father's home. He was hopeful that they would receive some assistance. He also thought it would be nice if the City could provide information about opportunities for assistance to residents who are having financial difficulties.

EXECUTIVE SESSION:

Adjourn into Closed Executive Session as authorized by the Texas Open Meetings Act, Chapter 551 of the Government Code, Section(s): of the State of Texas.

551.074 (personnel matters) – City Secretary Recruitment

551.074 (personnel matters) – Finance Director Discussion

Council adjourned into Executive Session at 7:37 p.m.

Council reconvened into Open Session at 8:19 p.m.

ACTION FROM EXECUTIVE SESSION:

No action was taken on items from Executive Session.

ADJOURNED at 8:20 P.M.

Date Approved:_____

Submitted by: _____ _____
Diana Titus, Deputy City Secretary Mayor, Sara Countryman

City Council Special Meeting
MINUTES
September 16, 2024, at 6:00 PM

CALL TO ORDER

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

Present:	Casey Olson	Mayor Pro Tem
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Stan Donaldson	City Council Place #5
Also Present:	Gary Palmer	City Administrator
	Dave McCorquodale	Director of Planning & Development
	Maryann Carl	Finance Director
	Diana Titus	Deputy City Secretary

INVOCATION

Councilmember Cheryl Fox gave the invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

Pledges to the American and Texas Flag were conducted.

PUBLIC FORUM

No Speakers.

PUBLIC HEARING

The City Council will convene into a Public Hearing to receive comments from the public. Speakers will be limited to three (3) minutes each.

1. Hear comments on the Proposed 2024 Tax Rate of $0.4000 per $100 of assessed valuation.

   Convene into Public Hearing at 6:01 p.m.

   Reconvene into Regular Meeting at 6:01 p.m.

2. Hear comments on the Proposed FY2025 City of Montgomery Annual Budget.

   Convene into Public Hearing at 6:01 p.m.

   Reconvene into Regular Meeting at 6:02 p.m.

REGULAR AGENDA

3. Consideration and possible action, by record of vote, on: AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR 2024-2025.

   THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF $145,499, WHICH IS A 7.49 PERCENT INCREASE FROM LAST YEAR'S BUDGET, THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS $73,825.

   Ms. Carl said what is before Council this evening is the proposed budget that was approved back in August and has been posted on the website since August 14th when it was filed with the Deputy City Secretary. This is what they are presenting for consideration.

   Councilmember Casey Olson made a motion to adopt the proposed 2024-2025 fiscal year budget. Councilmember Stan Donaldson seconded the motion.
   Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye. **Motion Passed (5-0).**

4. Consider, Adopt and Set by Ordinance the 2024 Ad Valorem Tax Rate for Maintenance and Operations, **$.3089/$100.**

   Ms. Carl said this item is the breakdown of the overall tax rate you will be considering in item #6. We have to have a motion for the maintenance and operation separate as well as the debt service separate before we combine any in the ordinance.

   Councilmember Casey Olson made a motion to adopt item #4 as presented. Councilmember Stan Donaldson seconded the motion. All in favor. **Motion Passed (5-0).**

5. Consider, Adopt, and Set by Ordinance the 2024 Ad Valorem Tax Rate for Debt Service, **$0.911/$100.**

   Councilmember Casey Olson made a motion to adopt item #5 as presented. Councilmember Stan Donaldson seconded the motion. All in favor. **Motion Passed (5-0).**

6. Consideration and possible action, by record vote, on: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, SETTING THE AD VALOREM TAX RATE OF THE CITY OF MONTGOMERY, FOR THE YEAR 2024 AT A RATE OF **$0.4000** PER ONE HUNDRED DOLLARS ($100) VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF MONTGOMERY AS OF JANUARY 1, 2024 SPECIFYING SEPARATE COMPONENTS OF SUCH RATE FOR OPERATIONS AND MAINTENANCE AND FOR DEBT SERVICE; LEVYING AN AD VALOREM TAX FOR THE YEAR 2024 PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING FOR COLLECTION AND ORDAINING OTHER RELATED MATTERS.

Ms. Carl said this is now the combination of the maintenance and operation and the debt service. This also requires a record vote.

Councilmember Casey Olson asked how long has it been since they raised the taxes. Ms. Carl said she believes it was 2017 that Council started adopting the 40 cents.

Councilmember Casey Olson moved to approve the property tax rate be increased by the adoption of a tax rate of $.4000 per 100 dollars which is effectively a 4.9 percent increase in the tax rate. Councilmember Carol Langley seconded the motion. Councilmember Carol Langley – Aye, Councilmember Casey Olson – Aye, Councilmember Cheryl Fox – Aye, Councilmember Stan Donaldson – Aye**. Motion Passed (5-0).**

ADJOURNMENT:

Mayor Countryman moved to adjourn the meeting. Councilmember Casey Olson seconded the motion. **Motion Passed (5-0).**

The meeting was adjourned at 6:07 P.M.

Date Approved: _____

Submitted by: _____ _____

Diana Titus, Deputy City Secretary Mayor Sara Countryman

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Police Department	**Prepared By: Anthony Solomon**

Subject

Recognition of Dr. Taylor Robertson, Mr. Arnette Easley, and Larry "Bubba" Evans for their generous contributions.

Discussion

The Police Department would like to recognize the generosity and hard work of both Dr. Taylor Robertson and Mr. Arnette Easley to our Faith & Blue event. Dr. Robertson used his experiences and ideas to help our Faith & Blue event be successful. He was an integral part of the planning process and of the night itself as MC. Mr. Easley generously donated light trailers, his smoker, snow cone trailer and his time for our event. He was at the community center early the day of assisting with set up as well.

Faith & Blue wouldn't have been as successful without the assistance of both.

The Police Department and Municipal Court would like to recognize the years of service and contributions from Larry "Bubba" Evans. Bubba was a Reserve Officer and Court Bailiff for 11 years, retiring earlier this year. During that time, he volunteered his time to serve as Bailiff as well as security for City Council meetings. He was a vital part of events as well.

Approved By

Chief of Police	Anthony Solomon	Date: 10/4/24

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Receive the Planning & Zoning Commission's Recommendation and Report related to a rezoning application of 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential as submitted by SPT Montgomery, LLC (Dev. No. 2215).

Recommendation

Motion to accept the P&Z Report and Recommendation as submitted.

Discussion

The Planning & Zoning Commission held a Public Hearing on October 1, 2024 before drafting the report. The Public Hearing was well-attended by residents and constructive input received and considered by the Commission before unanimously approving the attached report recommending to approve the rezoning of the property as requested.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/03/2024

PLANNING & ZONING COMMISSION RECOMMENDATION AND REPORT

TO: MONTGOMERY MAYOR AND CITY COUNCIL

FROM: PLANNING & ZONING COMMISSION

October 1, 2024

SUBJECT: REPORT CONCERNING A REZONING REQUEST OF 15.46-ACRES ALONG LONE STAR PARKWAY WEST OF LIBERTY STREET FROM ID-INDUSTRIAL TO B-COMMERCIAL AND R2-MULTI-FAMILY RESIDENTIAL.

Mayor and City Council,

Pursuant to Sections 98-30 and 98-53 of the City of Montgomery Code of Ordinances, the Montgomery Planning & Zoning Commission met on October 1, 2024 to consider a request from Superior Properties to rezone 15.46-acres of ID-Industrial land to 7.77-acres of B – Commercial and 7.69-acres of R2 – Multi Family Residential. Maps of the property showing the current and proposed zoning are attached to this report.

A duly noticed public hearing was held and attended by nearby resident who provided comments concerning the requested rezoning classification to the Commission. After all comments were heard and the matter deliberated, the Planning & Zoning Commission recommends unanimously (4-0) to **APPROVE** the rezoning as requested subject to the following provisions:

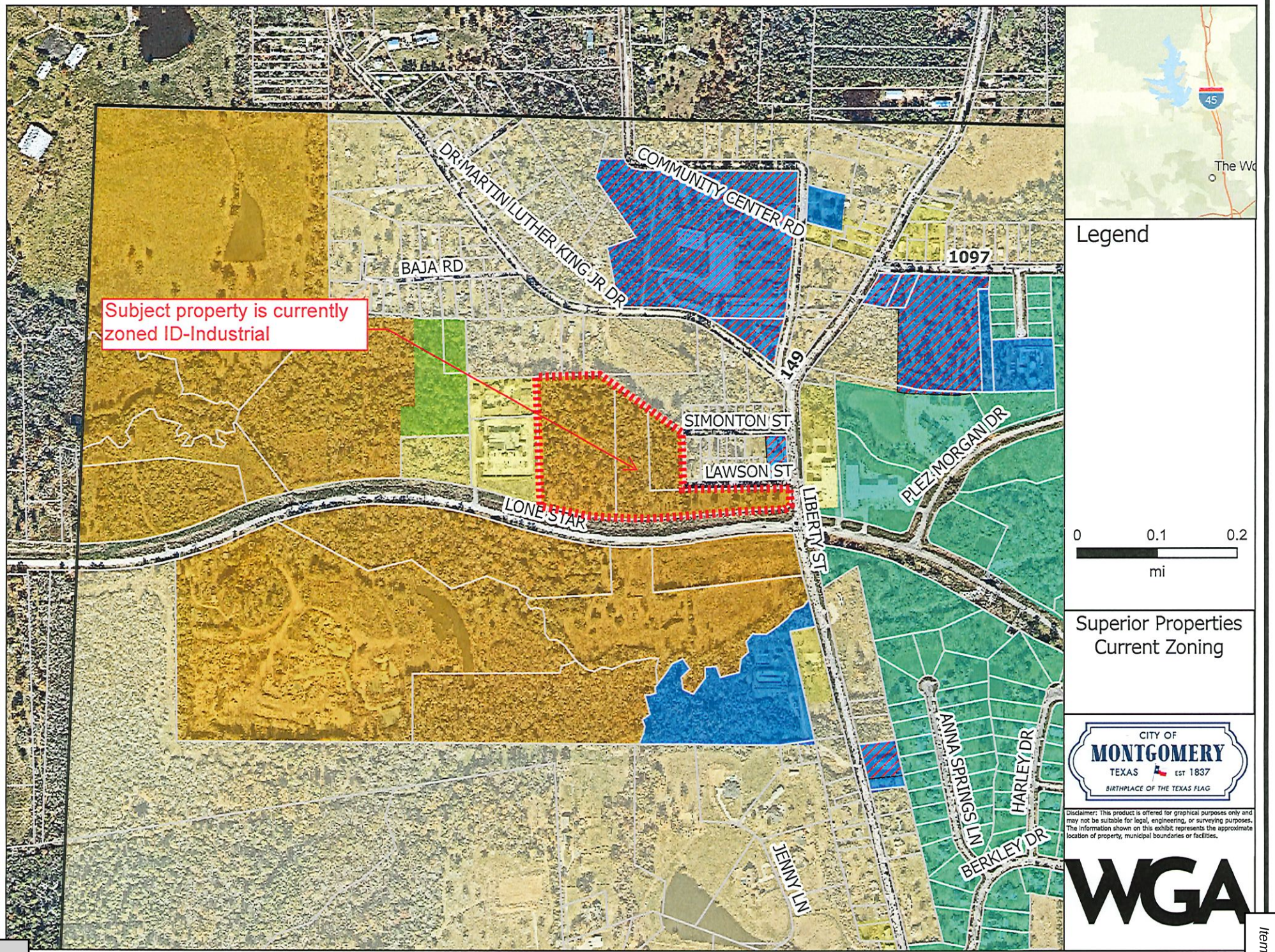
1. That Simonton and Lawson Streets do **not** connect to the development and remain dead end streets. Should the Fire Marshal require life-safety access from Lawson Street, it should be available only to emergency services personnel.

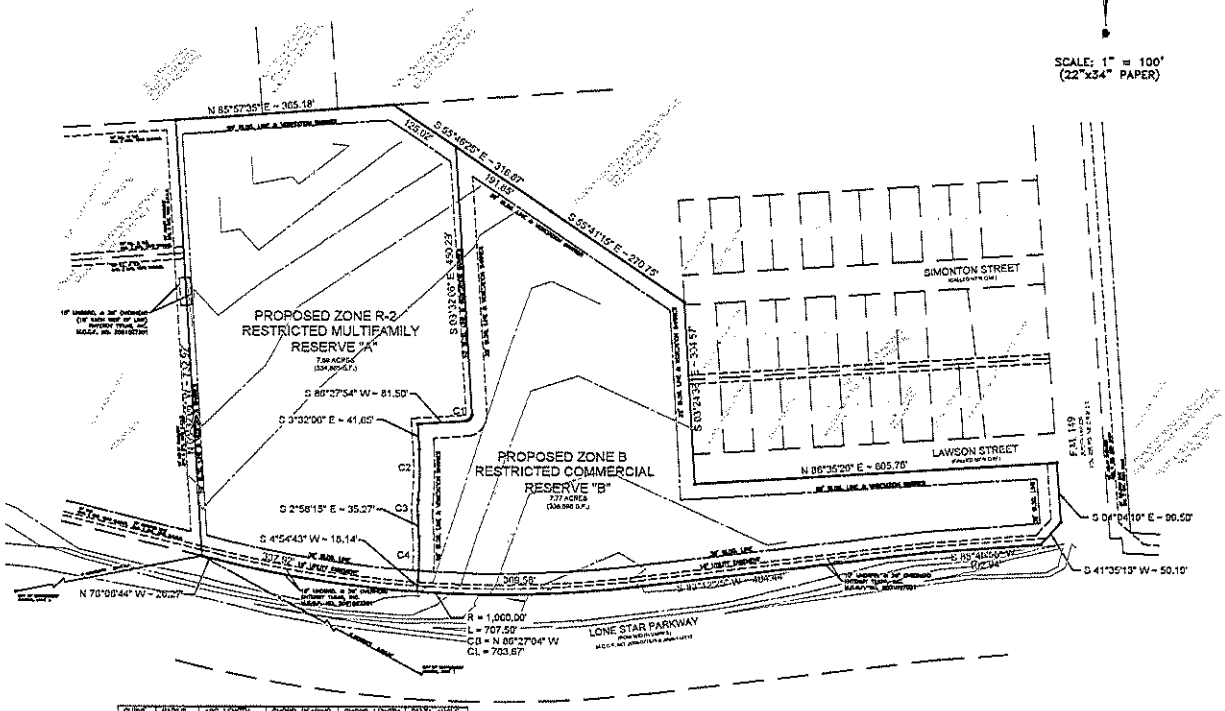
2. Maintain the required 25-foot vegetative buffer between new commercial areas and the existing residential neighborhood.

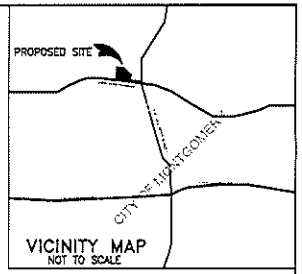
3. All commercial lighting be oriented away from residential areas and full cutoff fixtures used where required by City lighting regulations.

Signed: Bill Simpson 10/3/2024

Bill Simpson, Chairman Date


Subject property is currently zoned ID-Industrial
DR MARTIN LUTHER KING JR DR
COMMUNITY CENTER RD
BAJA RD
1097
149
SIMONTON ST
LAWSON ST
LONE STAR
LIBERTY ST
PLEZ MORGAN DR
ANNA SPRINGS LN
HARLEY DR
BERKLEY DR
JENNY LN
45
The Wo
Legend
0
0.1
0.2
mi
Superior Properties
Current Zoning
CITY OF
MONTGOMERY
TEXAS
EST 1837
BIRTHPLACE OF THE TEXAS FLAG
Disclaimer: This product is offered for graphical purposes only and may not be suitable for legal, engineering, or surveying purposes. The information shown on this exhibit represents the approximate location of property, municipal boundaries or facilities.
WGA





CURVE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH	DELTA ANGLE
C1	15.00'	15.71'	N 31°27'04" W	14.15'	60°00'00"
C2	1,059.87'	60.00'	S 85°01'01" W	59.99'	3°14'44"
C3	84.00'	24.54'	S 10°31'49" W	24.45'	16°44'06"
C4	309.87'	74.41'	S 15°07'49" W	74.24'	13°45'41"

ZONING NOTES:
1. Existing Zoning Type:
   A. Industrial (I) – 15.48 Acres – Undeveloped Condition
2. Requested Zoning Type:
   A. Multi-Family (R-2) – 7.69 Acres – Planned Single-Family Duplex Units
   B. Commercial (B) – 7.77 Acres – Planned Development Type:
      a. Office/Retail and Office/Warehouse
      b. Self Storage Units

GENERAL NOTES:
1. Coordinates shown hereon are Texas Central Zone State Plane Coordinates (NAD 83) and may be brought to surface by applying combined scale factor of 0.999922.
2. Distances shown on curves are arc lengths.
3. All set corners are 5/8 inch iron rods with caps; existing found corners are identified on map.
4. Flood Statement: This site is located in unshaded Zone "X" or areas to be outside the 100-year and 500-year floodplain, according to FEMA Flood Insurance Rate Map (FIRM) No. 48339C0320G dated August 18, 2014. This statement is based on scaling and is based on FEMA FIRM that does not necessarily identify all areas subject to flooding under specific conditions and does not imply that the property and/or structures therein will be free from flooding.

J.A. COSTANZA & ASSOCIATES

OWNER/DEVELOPER:
SPT MONTGOMERY, LLC
26111 UPPER BEACON PLACE
MONTGOMERY, TEXAS 77316
PHONE (936) 647-0420

EXHIBIT OF
REQUEST FOR ZONING CHANGE
SUPERIOR PROPERTIES AT LONE STAR

BEING 15.48 ACRES OUT OF THE
B. RIGSBY SURVEY, ABSTRACT NO. 31,
MONTGOMERY COUNTY, TEXAS
2 RESERVES

SHEET 1 OF 1

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Convene into a Public Hearing to receive comments on a rezoning request of 15.46 acres along Lone Star Parkway west of Liberty Street from ID-Industrial to B-Commercial and R2-Multi-family Residential as submitted by SPT Montgomery, LLC (Dev. No. 2215).

Recommendation

Open the Public Hearing.

Hear and consider any comments from the public on the requested rezoning.

Close the Public Hearing.

Discussion

This Public Hearing is a necessary step when addressing rezoning requests. In addition to the City Council Public Hearing, a Public Hearing was held on 10/1/24 by the Planning & Zoning Commission. Sixty (60) letters were mailed to property owners within 200-feet of the property requested to be rezoned on 9/20/24. Legal notice of the Hearings was published in the newspaper on 9/11/24 and 9/13/24.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/03/2024

CITY OF MONTGOMERY
TEXAS EST 1837
BIRTHPLACE OF THE TEXAS FLAG

September 19, 2024

Dear City of Montgomery Property Owner:

You are receiving this notice because you own property located within 200 feet of a property whose owner has requested a rezoning action. The property is currently zoned ID-Industrial and is requested to be rezoned partly to B-Commercial and partly to R2-Multi Family Residential. The 15.46-acre property is located on the northwest corner of Lone Star Parkway and Liberty Street (FM 149 N) and is described as follows:

Benjamin Rigsby Survey, Abstract 31, 8.00 acres
Benjamin Rigsby Survey, Abstract 31, 7.46 acres
(A location map has been included for reference)

The rezoning process allows a property owner to request a change from the current zoning designation to one that allows for the highest and best use of the property. Information regarding zoning changes will be provided by City staff at the Public Hearings and there will be an opportunity for questions and comments.

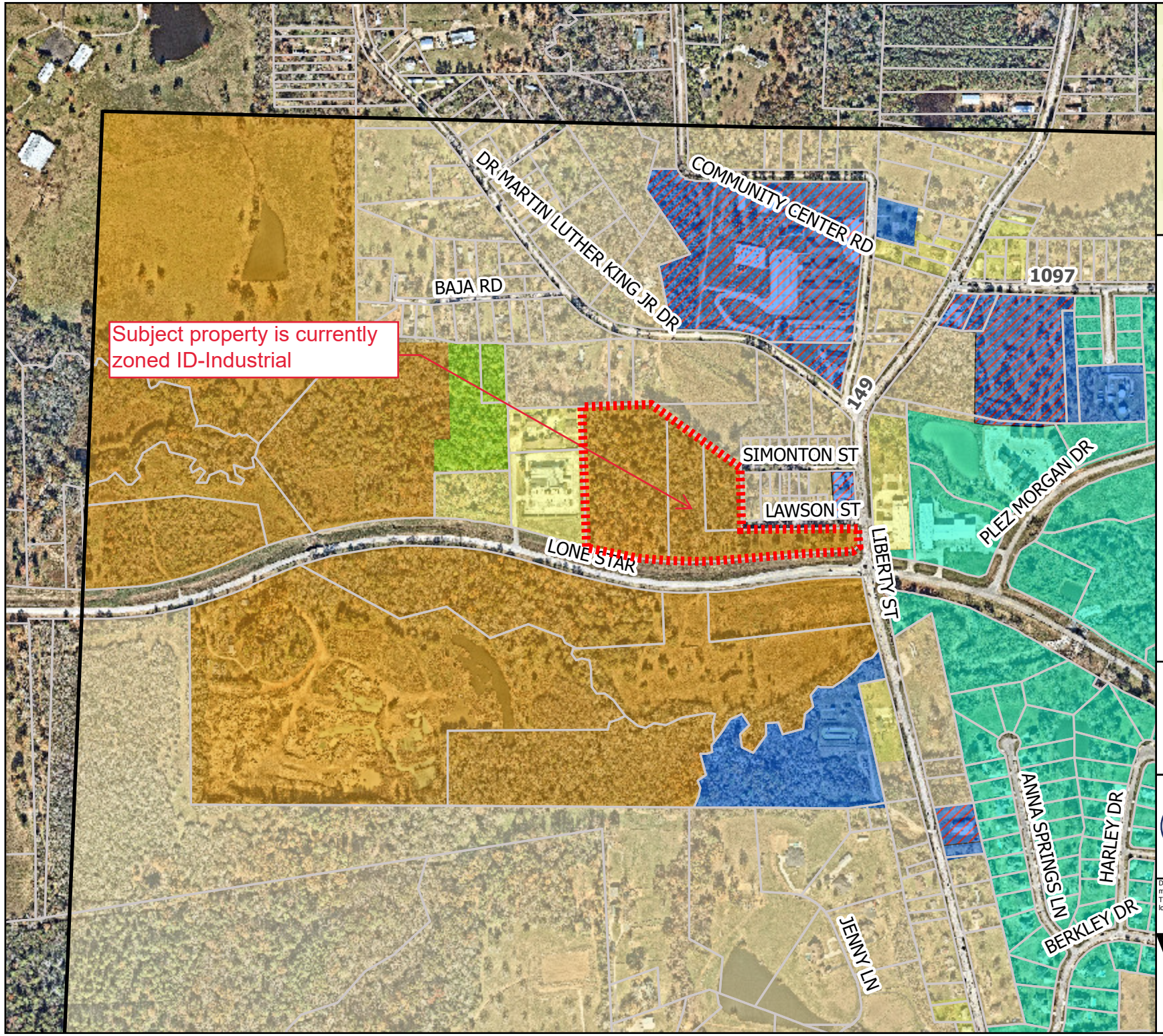
The Montgomery Planning and Zoning Commission is required to conduct a Public Hearing regarding the rezoning application. The City Council is then required to receive the P&Z recommendation prior to conducting their own Public Hearing. You are welcome to attend both. The Public Hearing schedule is:

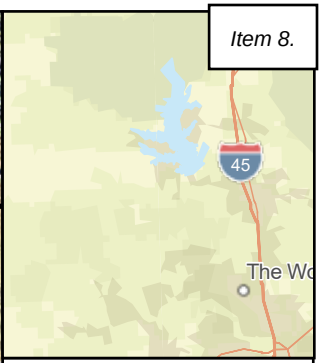
- **Planning and Zoning Commission Public Hearing**: **October 1, 2024 at 6 p.m.** at Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas 77316
- **City Council Public Hearing**: **October 8, 2024 at 6:00 p.m.** at Montgomery City Hall, 101 Old Plantersville Rd., Montgomery, Texas 77316

A location map is enclosed for your reference. If you have any questions, please feel free to contact me by email at dmccorquodale@ci.montgomery.tx.us or by phone at 936-597-3235.

Sincerely,

/s/Dave McCorquodale, RLA, AICP, CPM
Assistant City Administrator
Director of Planning & Development





Legend

0 0.1 0.2

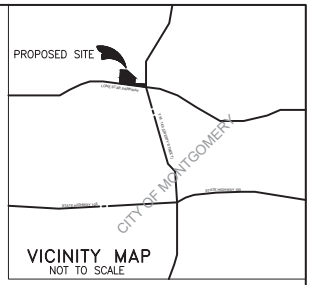
mi

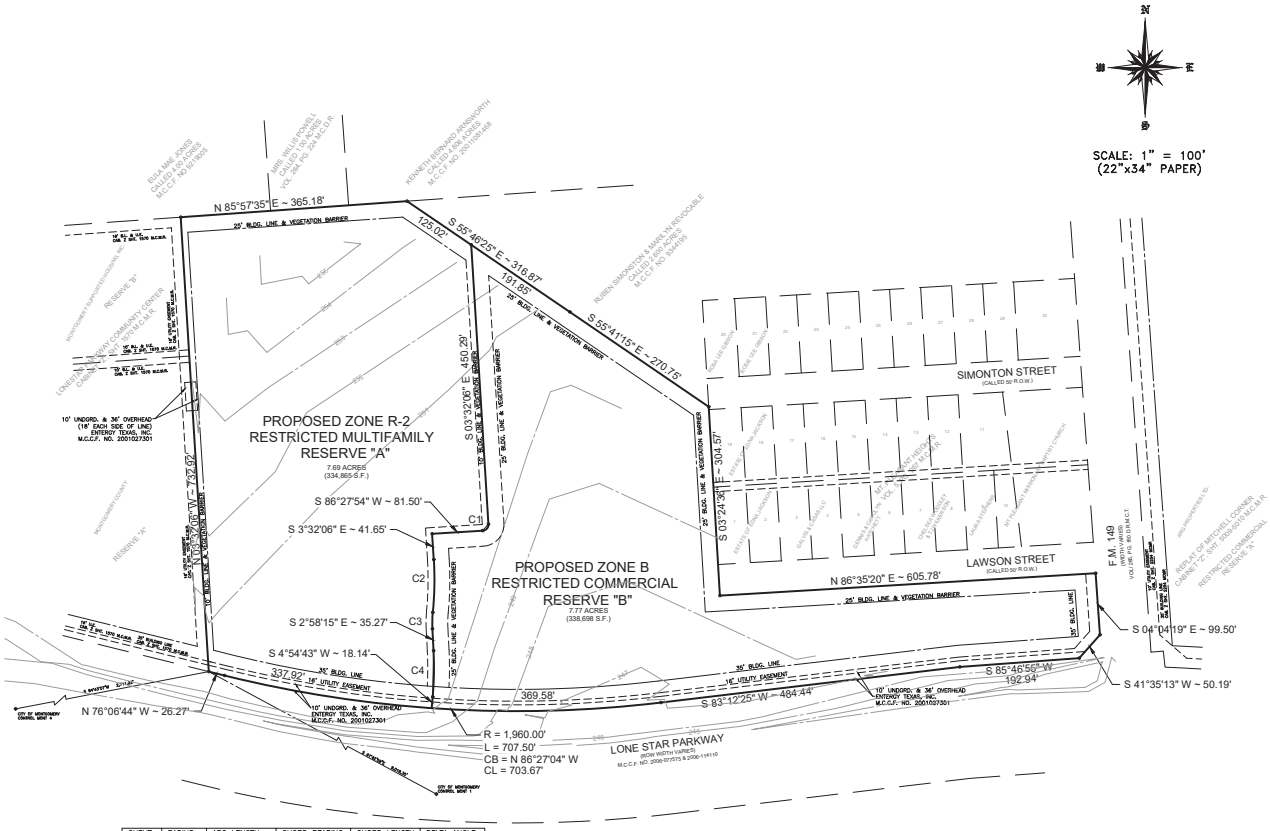
Superior Properties
Current Zoning

CITY OF MONTGOMERY
TEXAS EST 1837
BIRTHPLACE OF THE TEXAS FLAG

Disclaimer: This product is offered for graphical purposes only and may not be suitable for legal, engineering, or surveying purposes. The information shown on this exhibit represents the approximate location of property, municipal boundaries or facilities.

WGA





CURVE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH	DELTA ANGLE
C1	10.00'	15.71'	S 41°27'54" W	14.14'	90°00'00"
C2	529.97'	85.05'	S 1°05'06" W	84.96'	9°11'44"
C3	189.50'	26.58'	S 1°02'49" W	26.58'	8°02'09"
C4	509.87'	74.41'	S 1°02'49" W	74.34'	8°21'41"

ZONING NOTES:
1. Existing Zoning Type:
   A. Industrial (ID) – 15.46 Acres – Undeveloped Condition
2. Requested Zoning Types:
   A. Multi-Family (R-2) – 7.69 Acres – Planned Single-Family Duplex Units
   B. Commercial (B) – 7.77 Acres – Planned Development Type:
      a. Office/Retail and Office/Warehouse
      b. Self Storage Units

GENERAL NOTES:
1. Coordinates shown hereon are Texas Central Zone State Plane Coordinates (NAD 83) and may be brought to surface by applying combined scale factor of 0.999922.
2. Distances shown on curves are arc lengths.
3. All set corners are 5/8 inch iron rods with caps; existing found corners are identified on map.
4. Flood Statement: This site is located in unshaded Zone "X" or areas to be outside the 100-year and 500-year floodplain, according to FEMA Flood Insurance Rate Map (FIRM) No. 48339C0200G dated August 18, 2014. This statement is based on scaling and is based on FEMA FIRM that does not necessarily identify all areas subject to flooding under specific conditions and does not imply that the property and/or structures therein will be free from flooding.

JA COSTANZA & ASSOCIATES ENGINEERING, INC.
T.B.P.E. FIRM REGISTRATION NO. F-652
4301 CENTER ST. DEER PARK, TX 77536 281-930-9339

OWNER/DEVELOPER:
SPT MONTGOMERY, LLC
26111 UPPER BEACON PLACE
MONTGOMERY, TEXAS 77316
PHONE (936) 647-0420

EXHIBIT OF
REQUEST FOR ZONING CHANGE
SUPERIOR PROPERTIES AT LONE STAR

BEING 15.46 ACRES OUT OF THE
B. RIGSBY SURVEY, ABSTRACT NO. 31,
MONTGOMERY COUNTY, TEXAS
2 RESERVES

SHEET 1 OF 1

STAFF NOTE: Citizen comment received via email for P&Z Public Hearing on 10/1/24

Re: The Montgomery Planning and Zoning Commission Public Hearing scheduled for 1 October 2024 – Resident Comment – Not on the Agenda

Dear Planning Commissioners Chairman Mr. William "Bill" Simpson and Members Mr. John Fox, Mr. Daniel Gazda, Mrs. Merriam Walker and Mr. Tom Czulewicz,

c/o City of Montgomery
Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas 77316

Subject: Benjamin Rigsby Survey, Abstract 31, 8.00 acres and Benjamin Rigsby Survey, Abstract 31, 7.46 acres

My name is Annie Butler. I am an Active-Duty Service Member whose permanent home of record is 526 Lawson Street within Lawson Estates. I am unable to attend the Public Hearing due active-duty status. My son, a Houston Police Officer, resides in the home. He is unable to attend due to his shift.

I realize that some may only see the property as a field that requires development and not focus too much on the safe and quiet neighborhood behind it. I grew up on this street and could leave the door open because we all knew each other and watched out for one another. Lawson Estates is not just a community; we are family. Many families have resided here a long time. I have lived here for over 40 years.

I understand that we cannot stop progress. The City of Montgomery is developing at a rapid rate.

By rezoning the adjunct and congruent parcels as requested, change the residential dynamics of Lawson Estates. Commercial properties near this residential area may cause a variety of issues e.g., increased noise, an increase in rodents, parking issues, increased traffic in an already congested area (FM 149, Lawson Street, Simonton Street, and Lone Star). It is difficult to enter Lawson and Simonton Street from FM 149 due to traffic.

I only ask that we compromise in the rezoning e.g., switch the Multi-Family (R-2) and Commercial (B) parcels. This would allow the current residential and Multi-Family zoned parcels to be adjacent and congruent. The Commercial (B) parcel would be adjacent and congruent to already designated Commercial (B) parcels (as designated by The Montgomery Planning and Zoning Commission current website map).

I believe my request aligns with the Planning and Zoning Commission's intent to create thriving and sustainable neighborhoods. This can be achieved with this compromise that balances land use and community growth by aligning the residential and commercial zoning areas, respectively.

I urge the Planning and Zoning Commission to think about all these points I've mentioned, consider a motion to approve the rezoning according to the proposed compromise.

Sincerely,

Annie L. Butler
[redacted]

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action on: AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE ZONING CLASSIFICATIONS AS DEFINED IN THE CITY CODE OF ORDINANCES CHAPTER 98, "ZONING," FOR A 15.46-ACRE TRACT SITUATED IN THE B. RIGSBY SURVEY, ABSTRACT NUMBER 31, MONTGOMERY COUNTY, TEXAS LOCATED AT THE NORTHWEST CORNER OF LONE STAR PARKWAY AND LIBERTY STREET, MONTGOMERY, TEXAS FROM "ID"- INDUSTRIAL, AS FOUND ON THE CITY'S OFFICIAL ZONING MAP, TO 7.77-ACRES OF "B" COMMERCIAL AND 7.69-ACRES OF "R2" MULTI-FAMILY RESIDENTIAL ZONING DISTRICT CLASSIFICATIONS; AND TO AMEND THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE AND PUBLICATION.

Recommendation

Considering the City's current zoning regulations, the information in the applicant's request, feedback from nearby residents to the P&Z and the current Industrial Zoning designation, staff recommends approval of the rezoning request as submitted.

Approval of the ordinance will rezone the property as requested. (requires simple majority vote).

Denial of the ordinance will keep the current zoning of the property (requires 3/4 majority vote).

Discussion

Consider the information received in the Council's Public Hearing along with the Commission's Report and Recommendation. The developer's representative will be at the meeting to discuss the request and answer questions from the Council.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/03/2024

SPT MONTGOMERY LLC
26111 Upper Beacon Place
Montgomery, TX 77316
(936) 647-0420

July 16, 2024

Mr. Dave McCorquodale
Planning & Development
City of Montgomery
101 Old Plantersville Road
Montgomery, TX 77316

Re: Request to Rezone 15.46 Acres of Land
SPT Montgomery LLC
NW Corner of Lone Star Parkway and Liberty Street (FM 149)
City of Montgomery, Texas

Dear Mr. McCorquodale:

It is the desire of SPT Montgomery LLC to develop 15.46 acres of land at the NW corner of Lone Star Parkway and Liberty Street. The current land plan includes 7.69 acres of proposed multi-family development (duplex community) and 7.77 acres of proposed commercial development.

The 15.46 acres of land is currently zoned as Industrial (ID). As a result, SPT Montgomery LLC kindly requests the City of Montgomery consider rezoning 7.69 acres of land as Multi-Family Residential (R-2) and 7.77 acres of land as Commercial (B). The 7.69 acres of land is planned for approximately 30 Duplex Buildings for a total of 60 units served by an entrance to Lone Star Parkway. The 7.77 acres of land is planned for two office/retail buildings, two office-warehouse buildings along the frontage of Lone Star Parkway and a self-storage facility on the back portion of the property. The preliminary land plan is included as part of this request.

We look forward to working with your office and the City of Montgomery. If you have any questions or comments, please contact us.

Sincerely,
SPT Montgomery LLC

Anthony Broussard, Managing Partner

September 27, 2024

The Planning and Zoning Commission
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Rezoning Application
Superior Properties of Texas (Dev. No. 2215)
City of Montgomery

Dear Commission:

We have received an application for rezoning from Superior Properties of Texas, LP ("the Developer"). The proposed 15.46-acre development is located on the northwest corner of Lone Star Parkway and FM 149 and is currently zoned Industrial (ID). It is our understanding that the Developer plans to subdivide and develop the tracts for approximately 5.64-acres of Commercial (B) and 9.62-acres of Multi-Family (R2) use. As a reminder, this development has completed an economic and feasibility study that was presented and approved by City Council at their January 24, 2023 meeting.

The current land plan shows that the development will consist of 58 townhome style multi-family units and a combination of commercial office space and warehouse along the frontage of Lone Star Parkway and self-storage space in the back of the development adjacent to Simonton and Lawson Street.

We have reviewed the land plan against the City's Code of Ordinances Chapter 98 Article III and find no issue with the proposed rezoning request. Based on the land plan provided, the Developer is providing adequate parking for both the multifamily and commercial space, but we plan to review in-depth once the Developer submits their plats and civil construction drawings for approval.

If you have any questions or comments, please do not hesitate to contact Chris Roznovsky, or myself.

Sincerely,

Katherine Vu

Katherine Vu, PE,CFM
Engineer for the City

CVR/zlgt
Z:\00574 (City of Montgomery)_900 General Consultation\Correspondence\Letters\2024\2024.09.27 MEMO to P&Z RE Superior Properties Rezoning Application.docx
Enclosures: Rezoning Application
Proposed Land Plan
Cc (via email): Mr. Gary Palmer – City of Montgomery, City Administrator
Mr. Dave McCorquodale – City of Montgomery, Director of Planning and Development
Ms. Diana Titus – City of Montgomery, Deputy City Secretary
Mr. Alan Petrov – Johnson Petrov, LLP, City Attorney

ORDINANCE NO. 2024 - _____

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS AMENDING THE ZONING CLASSIFICATIONS AS DEFINED IN THE CITY CODE OF ORDINANCES CHAPTER 98, "ZONING," FOR A 15.46-ACRE TRACT SITUATED IN THE B. RIGSBY SURVEY, ABSTRACT NUMBER 31, MONTGOMERY COUNTY, TEXAS LOCATED AT THE NORTHWEST CORNER OF LONE STAR PARKWAY AND LIBERTY STREET, MONTGOMERY, TEXAS FROM "ID"- INDUSTRIAL, AS FOUND ON THE CITY'S OFFICIAL ZONING MAP, TO 7.77-ACRES OF "B" COMMERCIAL AND 7.69-ACRES OF "R2" MULTI-FAMILY RESIDENTIAL ZONING DISTRICT CLASSIFICATIONS; AND TO AMEND THE OFFICIAL ZONING MAP; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE UPON PASSAGE AND PUBLICATION.

WHEREAS, the City Council has passed the City of Montgomery Zoning Ordinance providing certain rules and regulations concerning zoning within the City of Montgomery, as found in the Code of Ordinances ("CODE") at Chapter 98; and

WHEREAS, the Property described in attached Exhibit "A," (the "Property") is currently zoned "ID" (Industrial) on the City's Official Zoning Map; and

WHEREAS, the Owner, SPT Properties, has requested that the City Council rezone the Property as 7.77-acres of "B" Commercial and 7.69-acres of "R2" Multi-Family Residential Zoning Districts as shown on attached Exhibit "B" as authorized by Section 98-30 of the CODE; and

WHEREAS, the Planning and Zoning Commission conducted a public hearing on the proposed zoning reclassification of the Property on October 1, 2024; and

WHEREAS, pursuant to Section 98-30(c) of the CODE, the City Planning and Zoning Commission has submitted a Final Report to the City Council in which it has voted to recommend approval of the rezoning request as submitted; and

WHEREAS, a public hearing was also conducted on October 8, 2024 before the City Council, as authorized by Section 98-30(d) of the CODE, in order to consider the Final Report and the proposed amendment of the zoning classification of the Property to; and

WHEREAS, the City Council finds that all notifications and other procedures required by Section 98-30 of the CODE have been followed; and

WHEREAS, the City Council has determined that it is not contrary to the interests of the citizens of the City that the Property should be reclassified as 7.77-acres of "B" Commercial and 7.69-acres of "R2" Multi-Family Residential Zoning Districts as shown on Exhibit "B".

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, MONTGOMERY COUNTY, TEXAS THAT:

Section 1. Adoption of Recitals. The recitals in the preamble to this Ordinance are hereby adopted as the findings and conclusions of the City Council.

Section. 2. Amendment to the City Zoning Map. Pursuant to Section 98-30 of the Code of Ordinances, City of Montgomery, Texas, the Official Zoning Map of the City of Montgomery is hereby amended so that the zoning classification of the Property as described in the attached Exhibit "A" and Exhibit "B", is reclassified as "B" Commercial and "R2" Multi-Family Residential.

Section 3. Codification of this Ordinance. Wherever any provision of this Ordinance provides for the amendment of the Code of Ordinances, City of Montgomery, Texas, such provision shall be liberally construed to provide for the codification of the specified provision and for such other provisions of the Ordinance that the codifier in its discretion deems appropriate to codify. The codifier may change the designation or numbering of chapters, articles, divisions or sections as herein specified in order to provide for logical ordering of similar or related topics and to avoid the duplicative use of chapter, article or section numbers. Neither the codification nor any application of the codified Ordinance shall be deemed invalid on the basis of a variance in the number or section of this Ordinance and its codified provisions. The failure to codify the specified provisions of this Ordinance shall not affect their validity or enforcement.

Section 4. Repeals all Ordinance in Conflict with this Ordinance. Any and all provisions of ordinances in conflict with this Ordinance are hereby expressly repealed.

Section 5. Savings Clause. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portion of this Ordinance shall not be affected hereby, it being the intention of the City Council of the City of Montgomery in adopting and of the Mayor in approving this Ordinance, that no portion hereof or provisions or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation.

Section 6. Effective Date. The effective date of this Ordinance shall be upon its passage and publication.

PASSED AND APPROVED this 8th day of October, 2024.

CITY OF MONTGOMERY, TEXAS

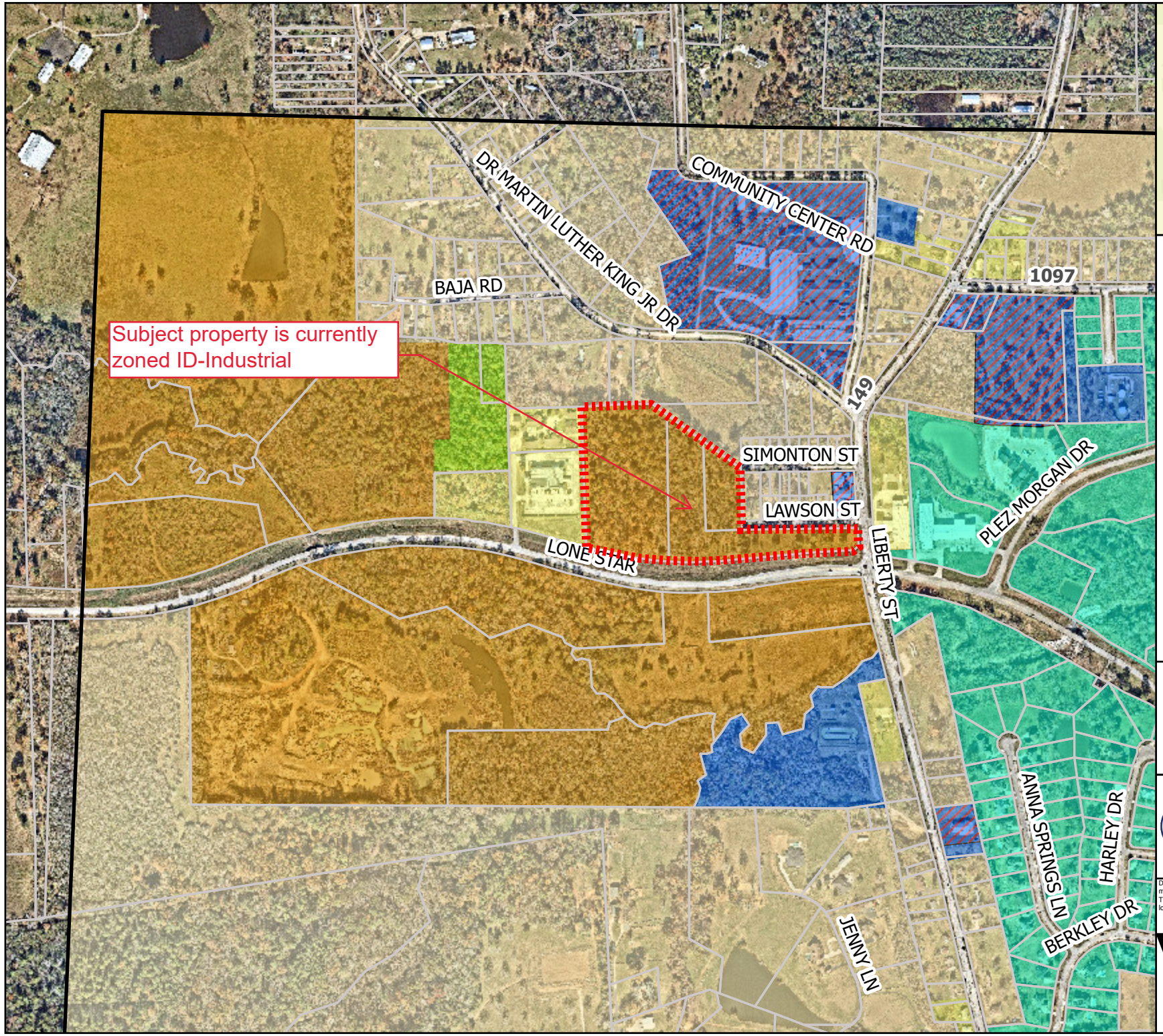
_____
Sara Countryman, Mayor

ATTEST:

_____
Diana Titus, Deputy City Secretary

APPROVED AS TO FORM:

_____
Alan P. Petrov, City Attorney



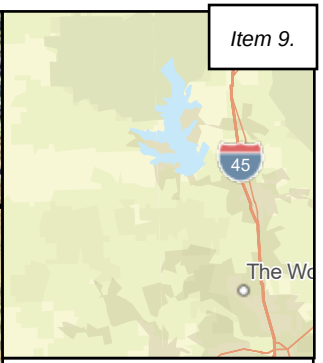


Exhibit "A"

0 0.1 0.2
mi

Superior Properties
Current Zoning

CITY OF MONTGOMERY
TEXAS EST 1837
BIRTHPLACE OF THE TEXAS FLAG

Disclaimer: This product is offered for graphical purposes only and may not be suitable for legal, engineering, or surveying purposes. The information shown on this exhibit represents the approximate location of property, municipal boundaries or facilities.

WGA

Exhibit "A"

15.46 Acres
B. Rigsby Survey, A-31
Montgomery County, Texas

15.46 ACRES OF LAND
OUT OF
B. RISBY SURVEY, ABSTRACT NO. 31
MONTGOMERY COUNTY, TEXAS

Being all of a called 8.00-acre tract conveyed to SPT Montgomery, LLC by deed recorded under Montgomery County Clerk's File No. 2023026603 and all of a called 7.46-acre tract conveyed to SPT Montgomery, LLC by deed recorded under Montgomery County Clerk's File No. 2023029736, for a total of 15.46 acres of land located in the B. Rigsby Survey, Abstract No. 31, Montgomery County, Texas. Said 15.46-acre tract being more fully described by metes and bounds as follows:

All Bearing referenced herein are based on NAD. 83, Texas Central Zone.

BEGINNING at a 5/8" iron rod marking the southwest corner of the said 8.00-acre tract, same marking the southeast corner of Restricted Reserve "A" in Lonestar Parkway Community Center plat as recorded in Cabinet Z, Sheet 1570, Montgomery County Plat Records, also being along the northerly right-of-way line of Lonestar Parkway (width varies), same being the southwest corner of the herein described tract;

THENCE North 03°32'06" West, along the common line of said 8.00-acre tract and said Reserve "A", passing at 508.91 feet a 5/8" iron rod marking the northeast corner of said Restricted Reserve "A", same marking the southeast corner of Restricted Reserve "B" in said Lonestar Parkway Community Center plat, and continuing along the common line of said 8.00-acre tract and said Restricted Reserve "B", a total distance of 732.92 feet to a 5/8" iron rod marking the northeast corner of said Restricted Reserve "B", same being on the southerly line of a called 4.00-acre tract as recorded under Montgomery County Clerk's Volume 1090, Page 136, and being the northwest corner of the herein described tract;

THENCE North 85°57'35" East, along the common line of said 8.00-acre tract and said 4.00-acre tract, a distance 365.18 feet to a fence corner marking the southeast corner of said 4.00-acre tract, same marking the southwest corner of a called 4.806-acre acre tract recorded under Montgomery County Clerk's File No. 20011081468, same marking the northwest corner of a called 2.600-acre tract of land as recorded in Montgomery County Clerk's File No. 9344195, and being a corner angle point of the herein described tract;

THENCE South 55°46'25" East, along the common line of said 8.00-acre tract and said 2.600-acre tract for a distance of 100.68 feet to a 5/8" iron rod marking the northeasterly corner of said 8.00-acre, continuing along the common line of said 7.46-acre tract and said 2.600-acre tract, a total distance of 316.87 feet to a ½" iron rod marking an angle point of the herein described tract;

THENCE South 55°41'15" East, continuing along the common line of said 7.46-acre tract and said 2.600-acre tract, a distance of 270.75 feet to a fence corner marking the southwest corner of said 2.600-acre tract, also being on the west line of Mt. Pleasant Heights plat as recorder in Volume 5, Page 267, Montgomery County Map Records, and being an angle point of the herein described tract;

THENCE South 03°24'36" East along the common line of said 7.46-acre tract and said Mt. Pleasant Heights plat, for a distance of 304.57 feet to a 5/8" iron rod, being an interior corner of the herein described tract, same being on the southerly right-of-way of Lawson Street (called 50' width);

Exhibit "A"

15.46 Acres
B. Rigsby Survey, A-31
Montgomery County, Texas

THENCE North 86°35'20" East, along the common line of said 7.46-acre tract and south right-of-way line of said Lawson Street, a distance of 605.78 feet to a 5/8" iron rod for the southeast corner Lawson Street, also being on the west right-of-way line of Farm to Market Road (FM) 149, and being the most southern northeast corner of the herein described tract;

THENCE South 04°04'19" East, along the common line of said 7.46-acre tract and the west line of said FM 149 for a distance of 99.50 feet to a 5/8" iron rod marking a right-of-way cutback of said FM 149, and being the northern most southeast corner of the herein described tract;

THENCE South 41°35'13" West, along the common line of said 7.46-acre tract and said right-of-way cutback of FM 149 and Lonestar Parkway, a distance of 50.19 feet to a 5/8" iron rod marking the southern southeast corner of the herein described tract, same being on the north right-of-way of said Lonestar Parkway;

THENCE South 85°46'55" West, along the common line of said 7.46-acre tract and the south right-of-way of said Lonestar Parkway, a distance of 192.94 feet to a 5/8" iron rod;

THENCE South 83°12'25" West, continuing along the common line of said 7.46-acre tract and north right-of-way of said Lonestar Parkway, a distance of 484.44 feet to a 5/8" iron rod, and being the beginning of a curve to the right;

THENCE along said curve to the right, being the common line of said 7.46-acre tract (passing into said 8.00-acre tract at a chord length of 369.58') and the north right-of-way of said Lonestar Parkway, having a radius of 1,960.00 feet, an arc length of 707.50 feet, chord bearing of North 86°27'04" West, and chord distance of 703.67 feet;

THENCE North 76°06'44" West, continuing along the common line of said 8.00-acre tract and the north right-of-way of said Lonestar Parkway, a distance of 26.27 feet to the **POINT OF BEGINNING** and containing within these calls 15.46 acres of land.

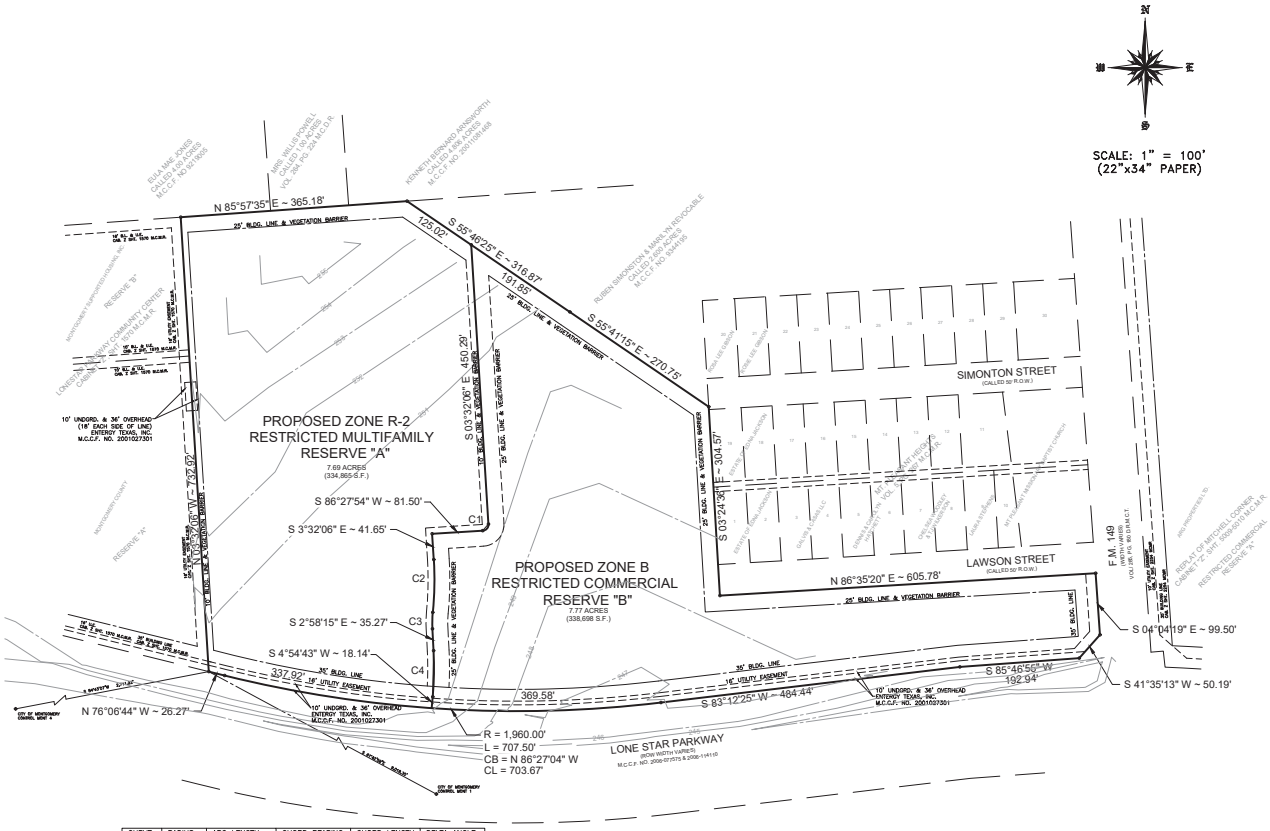
Prepared by:
J.A. COSTANZA & ASSOCIATES ENGINEERING, INC.
4301 Center Street
Deer Park, Texas 77536
(281) 930-9339
TxBPELS Surveying Firm No. 10114300

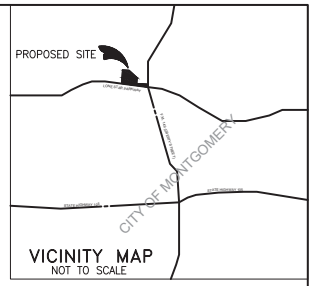
June 5, 2023



P:\Active\B023 2325/SURVEY/B023 2325 15.46 Acres Legal Description.doc

Exhibit "B"





CURVE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH	DELTA ANGLE
C1	10.00'	15.71'	S 41°27'54" W	14.14'	90°00'00"
C2	529.97'	85.05'	S 1°05'06" W	84.96'	9°11'44"
C3	189.50'	26.58'	S 1°02'49" W	26.58'	8°02'09"
C4	509.87'	74.41'	S 1°02'49" W	74.34'	8°21'41"

ZONING NOTES:
1. Existing Zoning Type:
   A. Industrial (ID) – 15.46 Acres – Undeveloped Condition
2. Requested Zoning Types:
   A. Multi-Family (R-2) – 7.69 Acres – Planned Single-Family Duplex Units
   B. Commercial (B) – 7.77 Acres – Planned Development Type:
      a. Office/Retail and Office/Warehouse
      b. Self Storage Units

GENERAL NOTES:
1. Coordinates shown hereon are Texas Central Zone State Plane Coordinates (NAD 83) and may be brought to surface by applying combined scale factor of 0.999922.
2. Distances shown on curves are arc lengths.
3. All set corners are 5/8 inch iron rods with caps; existing found corners are identified on map.
4. Flood Statement: This site is located in unshaded Zone "X" or areas to be outside the 100-year and 500-year floodplain, according to FEMA Flood Insurance Rate Map (FIRM) No. 48339C0200G dated August 18, 2014. This statement is based on scaling and is based on FEMA FIRM that does not necessarily identify all areas subject to flooding under specific conditions and does not imply that the property and/or structures therein will be free from flooding.

JA COSTANZA & ASSOCIATES ENGINEERING, INC.
T.B.P.E. FIRM REGISTRATION NO. F-652
4301 CENTER ST. DEER PARK, TX 77536 281-930-9339

OWNER/DEVELOPER:
SPT MONTGOMERY, LLC
26111 UPPER BEACON PLACE
MONTGOMERY, TEXAS 77316
PHONE (936) 647-0420

EXHIBIT OF
REQUEST FOR ZONING CHANGE
SUPERIOR PROPERTIES AT LONE STAR
BEING 15.46 ACRES OUT OF THE
B. RIGSBY SURVEY, ABSTRACT NO. 31,
MONTGOMERY COUNTY, TEXAS
2 RESERVES

SHEET 1 OF 1

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action on setting a new Public Hearing date related to a Special Use Permit application for a paramedical and fine-line tattooing business located at 14375 Liberty Street, Montgomery, Texas.

Recommendation

Staff recommends re-calling the Public Hearing for November 12, 2024 at 6:00 pm to be held at Montgomery City Hall.

Discussion

The owner of the business has applied for a Special Use Permit, which is required for tattoo establishments per the city's zoning regulations. The action tonight is to call the Public Hearing to allow the applicant to continue the process of complying with city regulations.

City Council has called a Public Hearing twice for this item—most recently scheduled for the 9/24/24 meeting. Staff is asking for Council to call the hearing a third time to allow us to get the subsequent steps correct and get this item before the City Council for action.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/03/2024

Montgomery City Council
AGENDA REPORT

Meeting Date: October 08, 2024	**Fiscal Impact:** lost revenue if approved
Department: Administration	**Prepared By:** G. Palmer

Subject

Consideration and possible action on a request from the Montgomery First Baptist Church for relief from Chapter 90 Utilities, Section 90-68(a) which governs the cost of the City's public water system tap.

Recommendation

No action thereby letting the regulations stand

Discussion

Montgomery First Baptist Church added square footage to their existing building which kicked in the fire suppression requirements. I assume a new tap is needed for the increased capacity for the fire suppression. The church is required to obtain a "water tap" from the city to connect the new line(s) to the public water system. Section 90-68(a) of our adopted regulations states:

Sec. 90-68. - Commercial water and sewer tap charges.

(a) If a tap or connection is made for the commercial, ***institutional***, or industrial consumer to the city's water distribution system, the charge to be made for such tap shall be the sum of:

(1) The actual costs and expenses incurred by the city of providing the service (including labor and materials); and

(2) Two hundred percent of said actual costs and expenses.

The church has formally requested the Council provide financial relief by waiving the fee in part or entirely. I do not see any variance options or any language in our Ordinance providing for appeal or relief so I will defer to the City Attorney for the process, if there is one, in which the Council can waive this requirement.

Approved By

City Administrator	Gary Palmer	Date: October 1, 2024

CITY OF MONTGOMERY
TEXAS EST 1837
BIRTHPLACE OF THE TEXAS FLAG

101 Old Plantersville Rd.
Montgomery, TX 77316
Main: 936-597-6434 Fax: 936-597-6437

Tap Fee for First Montgomery Baptist Church

20423 Eva St

August 8,2024

Tap Type	Tap Cost	Plan Review Cost	Total (Cost + 200%)
12”x6” Fire Tap	$7,500.00	$900.00	$25,200.00

Total tap fees = $25,200.00

FirstMontgomery BAPTIST CHURCH

Gary Palmer, City of Montgomery
101 Old Plantersville Rd
Montgomery, Texas 77316

Dear Sirs:

First Montgomery Baptist Church was established in 1850 and has been in our current location since 1979. We have recently added about 200 sq feet to our foyer, which triggered the need to bring our building up to code for the fire Marshall. We raised over $300,000 from our congregation to do this, which took us 2 years. Upon installation, we learned that the tap to city water just to power the fire suppression system would cost an unbudgeted $25K (approximately). Two-thirds of this cost is a 200% markup that the City of Montgomery charges.

Given that the need for the tap is solely to power the fire suppression system that was also mandated to us, and given that the tap will never be used except in the event of a fire, I am writing this to ask for relief from the 200% markup the city is imposing.

Sincerely,



Chris Gober
Senior Pastor, First Montgomery Baptist Church
20423 Eva St, Montgomery, TX 77356
Church Office: 936.597.4230

Montgomery City Council
AGENDA REPORT

Meeting Date: September 24, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action on a Development Agreement by and between the City of Montgomery, Texas and Morning Cloud Investments and Solid Bridge Construction for Montgomery Crossing, a proposed 86-acre single-family residential development (Dev. No. 2403).

Recommendation

Staff has no objections to the Development Agreement and recommends approval.

Discussion

The City Council an initial presentation from the developer on this proposed single-family residential development in January of this year. The city engineers presented a Feasibility Study of the project in April, and the developer presented again to the City Council in July.

The attached Development Agreement outlines the terms and conditions of the agreement, including:

65-ft wide minimum lot width
7.5-ft side yard setbacks

The development proposes to use a Public Improvement District to fund construction of the development. The notable feature of a PID is an annual assessment levied and collected through the county tax assessor on each property in the PID. Unlike MUD taxes that change with assessed valuation, the PID assessment is a fixed amount for the life of the PID.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 09/20/2024

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF MONTGOMERY, TEXAS AND MORNING CLOUD INVESTMENTS

This DEVELOPMENT AGREEMENT (the "Agreement") is entered into between MORNING CLOUD INVESTMENTS, LLC, a Texas limited liability company, its successors or assigns ("Developer"), and THE CITY OF MONTGOMERY, TEXAS ("City") to be effective on the date on _____, 2024 (the "Effective Date").

RECITALS

The Developer intends to acquire approximately 86.48 acres (the "Tract"). The Tract will be composed of 45.744 acres of land outside of the corporate limits of the City (the "Tract I") and 40.74 acres of land inside of the corporate limits of the City (the "Tract II"), in Montgomery County, Texas.

The Developer intends to develop the Tract for primarily single-family residential purposes. The Developer represents that the development of the Tract requires the creation of a public improvement district (the "District"), pursuant to and in accordance with the terms, provisions, and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code over the Tract to fund certain public infrastructure, and an agreement with the City will provide for long-term certainty concerning development of the Tract.

The Developer intends to petition the City for voluntary annexation of Tract I into the corporate limits of the City. The City intends to adopt a resolution consenting to the formation of the District over the boundaries of the Tract and also annexing the Tract I into the corporate limits of the City after Developer acquires the Tract I.

The City is a Type A general-law municipality with all powers except those specifically limited by the Constitution and laws of the State of Texas.

The City wishes to provide for the orderly, safe and healthful development of the Tract, and the City and the Developer agree that the development of the Tract can best proceed pursuant to a development agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, obligations, and benefits contained herein as well as other good and valuable consideration, the sufficiency of which is acknowledged by the parties, the City and Developer agree as follows:

ARTICLE I. DEFINITIONS AND EXHIBITS

1.1 Definitions. Unless the context indicates others, the following words as used in this Agreement shall have the following meanings:

City means the City of Montgomery, Texas.

District means a public improvement district, pursuant to and in accordance with the terms, provisions, and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code.

Developer means Morning Cloud Investments, a Texas limited liability company, its successors or assigns.

ESFC means that amount of water or wastewater, as applicable, set by the City that constitutes an Equivalent Single Family connection, which amount may be changed from time to time. At the time of this Agreement, an ESFC of water means 300 gallons per day and an ESFC of wastewater means 200 gallons per day.

Facilities means the water distribution, sanitary sewer collection, transportation and treatment, and storm water collection, detention and drainage systems, roads and improvements in aid thereof, constructed or acquired or to be constructed or acquired by the District to serve lands within its boundaries, and all improvements, appurtenances, additions, extensions, enlargements or betterments thereto, together with all contract rights, permits, licenses, properties, rights-of-way, easements, sites and other interests related thereto.

Parties means the City and the Developer, collectively.

Tract means the 86.45 acres of land to be developed by Developer, as described in **Exhibit A**, and any additional land that may be annexed into the District as approved by the City.

Tract I means the 45.744 acres of land to be annexed by the City upon petition of the Developer, as described in **Exhibit B**.

Tract II means the 40.741 acres of land inside of the corporate limits of the City, as described in **Exhibit C**.

1.2. Exhibits. The following Exhibits attached to this Agreement are a part of the Agreement as though fully incorporated herein:

Exhibit A	Metes and Bounds Description of the Tract
Exhibit B	Metes and Bounds Description of Tract I
Exhibit C	Metes and Bounds Description of Tract II
Exhibit D	Utility Exhibit
Exhibit E	Form of Utility Agreement
Exhibit F	Proposed Thoroughfare - Paving and Traffic Planning

ARTICLE II.
DEVELOPER OBLIGATIONS

Section 2.1. Utilities.

a. *Water, Sanitary Sewer and Drainage Facilities*. Developer agrees that all water, sanitary sewer and drainage facilities to serve the Tract, whether on the Tract or off-site, will be constructed in accordance with the applicable City regulations and ordinances, including the City of Montgomery Code of Ordinances, as amended (the "City Code"). The Developer is responsible for the design and construction of all internal water and sanitary sewer lines and associated facilities and drainage facilities to serve the Tract. The City will provide retail water and sanitary sewer service to customers within the Tract, all in accordance with a Utility Agreement, the form of which is attached hereto as **Exhibit E**. Following acceptance by the City, the water and sanitary sewer infrastructure will be owned, operated, and maintained by the City per normal practice and as described in the Utility Agreement. The City agrees to provide the Tract with its ultimate requirements for wastewater treatment and water capacity in accordance with the Utility Agreement and as further described herein.

b. *Water Supply Facilities*. The parties acknowledge that the Tract will be developed with ultimate water requirements of 55,350 gpd to serve approximately 235 connections. Parties agree that the Developer will develop the Tract in accordance with this Agreement.

    1. The Tract will consist of approximately 235 ESFCs necessitating 55,350 gpd of water capacity. The City agrees that it will have the capacity in its water treatment system to serve the Tract; however, the Developer is required to fund the construction of certain improvements to the City's water supply system in order to provide sufficient pressure for the Tract.

        i. **Water Lines and Connections**. The Developer agrees to connect the 12-inch waterline along Old Dobbins Plantersville Road to the 8-inch waterline along Old Plantersville Road upon the development being built out completely. Additionally, the Developer will be responsible for installing an 8-inch waterline terminating at the most northern point of the Proposed Thoroughfare, attached hereto as **Exhibit F**. These Water Lines and Connections will be constructed in public right of way or easement and to the extent necessary, the Developer will be responsible for acquiring any necessary public right of way required for the construction of the Water Lines and Connections. The Water Lines and Connections will be sized to serve the Tract.

ii. **Funding**. The Developer agrees to cover all costs to design and construct the Water Lines and Connections.

iii. **Timing**. The Developer is responsible for providing engineered plans and specifications for the water distribution system interior to the development and the Water Line and Connections to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council and development approvals and permits.

iv. **Ownership**. The City will accept such Water Line and Connections for ownership and operation in accordance with the terms of the Utility Agreement subject to a one-year maintenance bond to be enforceable by the City from the contractor.

c. *Wastewater Treatment Facilities*. The parties acknowledge that the Tract will be developed in phases with ultimate wastewater requirements of 36,900 gpd to serve 235 connections. The ultimate alignment of sanitary sewer lines interior to the Tract will depend on the final land plan of the proposed development. Developer agrees to construct an on-site public lift station within the development to serve the Tract, a public force main with multiple feasible routes for ultimate discharge, and a gravity line at a sufficient depth, to be provided by the City Engineer, to serve a portion of the potential development north of the tract to be extended to the northern most point of the proposed thoroughfare. Developers shall place sanitary sewer lines within public utility easements located in public right of way or placed within the public right of way interior to the development and constructed per all applicable City and TCEQ design criteria.

i. **On-Site Public Lift Station**. City agrees to design and construct an on-site public lift station to serve the Tract, as generally shown on **Exhibit D** (the "Lift Station").

ii. **Public Force Main**. City agrees to design and construct a public force main extension (the "Force Main") to serve the Tract along Old Dobbin Plantersville Road and SH 105 discharging at an existing sanitary sewer manhole as shown on **Exhibit D**. The Force Main improvements shall be sized to serve the Tract. The force main running from the lift station to Old Dobbin Plantersville Road is to be designed and constructed by the Developer.

iii. **Upsizing the Existing 8-inch Sanitary Sewer Line**. City agrees to design and construct the upsizing of the existing 8-inch sanitary

sewer line that will accept the flow from the proposed Force Main ("Sanitary Sewer Extension") as shown on **Exhibit D**.

iv. **Funding**. The City will provide the Developer and the District a cost estimate of the engineering and construction costs of the Lift Station, Force Main, and Sanitary Sewer Extension, and upon presentation of such estimate, the Developer agrees to deposit with the City the funds due for design (including preliminary design, design, topographic survey, reimbursable expenses, and bid phase services) of the Lift Station, Force Main and Sanitary Sewer Extension. The City will be responsible for bidding the Lift Station, Force Main, and Sanitary Sewer Extension in accordance with competitive bidding laws. Upon receipt and review of bids, the Developer will deposit the amount of the accepted bid plus 10% contingencies, the estimated cost for construction administration and inspection, construction staking, construction materials testing, and reimbursable expenses with the City. The Developer shall have the right to review all bids received for the construction of the Lift Station, Force Main, and Sanitary Sewer Extension, approve award of the construction contract for the Lift Station, Force Main, and Sanitary Sewer Extension and review and approve all pay estimates and change orders related thereto. The City will keep accurate records of Developer deposits and Lift Station, Force Main, and Sanitary Sewer Extension costs and make such records available for Developer inspection upon request. Within 45 days of City acceptance of the Lift Station, Force Main, and Sanitary Sewer Extension the City shall perform a reconciliation and final accounting and reimburse the Developer any unpaid funds under the construction contract. In the event the City has expended more than the deposit amount, the Developer will reimburse the City for any excess cost. After completion of the one-year warranty and action by City Council to officially end the warranty period, the City shall perform a reconciliation and final accounting within 45 days and reimburse the Developer any unused funds or request additional funds.

v. **Timing.** The Developer is responsible for providing engineering plans and specifications for the sanitary sewer conveyance system interior to the development to the City Engineer for review and approval prior to commencing construction. The Developer is also responsible for obtaining all Planning and Zoning Commission, City Council, and development approvals and required permits.

vi. **Ownership**. The City will accept such Lift Station, Force Main, and Sanitary Sewer Extension for ownership and operation in accordance with the terms of the Utility Agreement subject to a one-year maintenance bond to be enforceable by the City from the contractor.

d. *Impact Fees*. The Developer agrees to pay impact fees for water supply facilities and wastewater treatment facilities ("Impact Fees") in the amount as stated in the City's current adopted Impact Fees, or as may be amended from time to time. The Developer will be assessed and pay Impact Fees at the time of the City's approval of the final plat for each section.

e. *Paving and Traffic*. Per the preliminary land plan submitted by the Developer, the streets are proposed to be public and accepted by the City. The Developer is responsible for providing engineered plans and specifications for the roads interior to the development to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council, and development approvals and permits. Currently, the preliminary land plan provides for two (2) proposed connections to Old Dobbins Plantersville Road and Old Plantersville Road to provide access to the entire 235-home subdivision. The Developer will need to perform a Traffic Impact Analysis to assess the impact on the City's roadway system and coordinate with Montgomery County on the connection to Old Dobbin Plantersville Road. Per the City and Montgomery County's most recently adopted thoroughfare plan, the current land plan considers the planned extension of Westway Drive. Developer is to construct this extension within the limits of the Tract, as shown on **Exhibit F**. The collector will have a 70-foot dedicated ROW with 36-foot-wide concrete pavement. Finally, the Developer must also provide access to the property adjacent to the north (MCAD Property ID: 270662) due to the property being landlocked if no access is given. Based on the preliminary land use plan provided, this requirement is being fulfilled as shown in **Exhibit F**. Any changes to the land use plan must consider and fulfill this requirement.

f. *Drainage Facilities*. The onsite storm sewer system will be designated public and accepted by the City upon completion of the development. Any detention ponds will remain the responsibility of the Developer. All drainage and detention improvements must be designed per the City's Code of Ordinances requiring compliance with the City's floodplain regulations and all applicable Montgomery County Drainage Criteria Manual Standards. The Developer also agrees to perform and submit a drainage study showing the development's impact on the drainage downstream of the Tract and on adjacent properties. The drainage study must be submitted to the City for review and approval prior to approval of the construction plans. The Developer is responsible for providing engineering plans and specifications for the drainage and detention system interior to the

development to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council, and development approvals and permits.

Section 2.4. Parks and Open Space Areas. The Developer shall design and construct at least 6 parks and open space areas to total at least 6.8 acres to serve the Tract in accordance with the City Code and any applicable Montgomery County standards. Any park and open space areas will not be accepted by the City but owned and maintained by the District. Developer agrees to design and construct at least 3 detention basins of 8.5 acres with walking trails and park seating. Developer also shall maintain a tree buffer of at least 20 foot width along the railroad for privacy.

Section 2.5. Development Regulations. Developer agrees that the development of the Tract shall be in accordance with the City Code except as to lot size and side yard setback: all platted single-family residential lots within the District may be a minimum of 65 feet wide and 7,800 square feet with a side yard setback of 7.5 feet on adjacent lots on each side of the property line. This Agreement constitutes the City's acceptance of the described variance from its City Code.

ARTICLE III.
DEFAULT AND TERMINATION

Section 3.1. Material Breach of Agreement. It is the intention of the parties to this Agreement that the Tract be developed in accordance with the terms of this Agreement.

a. The parties acknowledge and agree that any substantial deviation by the Developer from the material terms of this Agreement would frustrate the intent of this Agreement, and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by the Developer shall be deemed to have occurred in the event of failure of the Developer to comply with a provision of this Agreement or the City Code provisions applicable to the Tract.

b. The parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by the City shall be deemed to have occurred in the following instances:

(i) An attempt by the City to dissolve the District without complying with the terms of this Agreement or in violation of the provisions of the Utility Agreement;

(ii) An attempt by the City to delay or limit reimbursement to the Developer in violation of the provisions of this Agreement; or

(iii) An attempt by the City to enforce any provisions of the City Code within the Tract that is inconsistent with the terms and conditions of this Agreement.

In the event that a party to this Agreement believes that another party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article III shall provide the remedies for such default.

Section 3.2. Notice of Developer's Default.

a. The City shall notify Developer in writing of an alleged failure by the Developer to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. Developer shall, within thirty (30) days after receipt of the notice or a longer period of time as the City may specify in the notice, either cure the alleged failure or, in a written response to the City, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

b. The City shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether the failure is excusable; and (iii) whether the failure has been cured or will be cured by Developer. The alleged defaulting party shall make available to the City, if requested, any records, documents or other information necessary to make the determination, except to the extent that such information is protected by attorney/client privilege.

c. If the City determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City, or that the failure is excusable, the determination shall conclude the investigation.

d. If the City determines that a failure to comply with a provision has occurred and that the failure is not excusable and has not been or will not be cured by Developer in a manner and in accordance with a schedule reasonably satisfactory to the City, then the City may pursue any and all remedies it has at law or equity.

Section 3.3. Notice of City's Default.

a. Developer shall notify the City in writing specifying any alleged failure by the City to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. The City shall, within thirty (30) days after receipt of the notice or the longer period of time as Developer may specify in the notice, either cure the alleged failure or, in a written response to Developer, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

b. Developer shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether the failure is excusable; and (iii) whether the failure has been cured

or will be cured by the City. The City shall make available to the Developer, if requested, any records, documents or other information necessary to make the determination that are subject to the Public Information Act, Chapter 551, Texas Government Code.

c. If Developer determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to Developer, or that the failure is excusable, the determination shall conclude the investigation.

d. If Developer determines a failure to comply with a provision has occurred and that the failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to Developer, then Developer may pursue any and all remedies it has at law or equity.

Section 3.4. Remedies. In addition to all the rights and remedies provided under the laws of the State of Texas, because of the peculiar damage each party hereto might suffer by virtue of a default by another party, each party shall be entitled to the equitable remedy of specific performance or mandamus, as well as all other legal and equitable remedies available.

ARTICLE VI.
CITY'S CONSENT TO CREATION; VOLUNTARY ANNEXATION; DISTRICT ANNEXATION OF LAND

Section 4.1. (a) Petition for the Establishment of the District. Within ten (10) days of the closing date of Tract I and Tract II, Developer shall submit to the City its petition to establish the District in accordance with Chapter 372.004 and 372.005 of the Texas Local Government Code. The City hereby approves the formation of the District over the Tract. If the Developer fails to submit a petition to the City within thirty (30) days of the closing date of Tract I and Tract II, this Agreement shall terminate and the City shall be released from all obligations under the Agreement.

(b) Following Developer's closing on the Tract and the creation of the District, Developer and the City shall enter into a reimbursement agreement pursuant to which Developer shall develop the Tract and the City shall reimburse Developer for the public water, sewer and drainage facilities and public roads ("Authorized Improvements") to the maximum extent allowed by law ("Reimbursement Agreement").

(c) The reimbursement agreement shall provide that Developer shall be reimbursed solely from assessments levied on the lots developed within the Tract, which assessments shall be levied on a developed lot for a term of 30 years.

(d) The assessment levied on each lot shall be $2,000 per year, including both principal and interest.

(e) Interest in the monies advanced by Developer for the Authorized Improvements shall be equal to the maximum amount allowed under Texas Local Government Code, Section 372.023 (e) 2.

(f) The City acknowledges that the Developer may assign the Reimbursement Agreement to an out of state public facility authority ("PFA"), which may issue its bonds secured by the proceeds from the Reimbursement Agreement. The City consents to such assignment as long as the PFA acknowledges that the PFA is solely allowed to receive the monies otherwise due to Developer pursuant to the Reimbursement Agreement.

Section 4.2. Consent to Annexation of City. Developer shall submit to the City its petition for annexation of Tract I into the corporate limits of the City within ten (10) days of Council approval of the formation of the District. The City hereby annexes Tract I into the corporate limits of the City, and Tract I shall be entitled to all the rights and privileges and bound by all regulations of the City.

Section 4.3. Annexation of Land by District. The District may not annex additional land into the boundaries of the District or serve property outside the boundaries of the District without the consent of the City. In the event land is annexed into the boundaries of the District with the City's consent, the terms of this Agreement shall apply to the annexed land.

ARTICLE V.
DISSOLUTION

Section 5.1. The City and the Developer agree that this Agreement constitutes Developer's petition to dissolve the District under Section 372.011, Texas Local Government Code, and the City is hereby authorized to dissolve the District, in the event that: the Developer does not acquire the Property on or before December 31, 2024. Developer will not oppose the City's dissolution of the District undertaken in accordance with this Agreement, and will cooperate with the City to cause the District to be dissolved.

ARTICLE VI.
MISCELLANEOUS

Section 6.1. Sale of Tract; Assignability. Any agreement by Developer to sell the entirety or any portion of the Tract to a person intending to develop the tract or such portion thereof (a "Successor Developer," whether one or more) and any instrument of conveyance for the entirety or any portion of the Tract to such Successor Developer shall recite and incorporate this Agreement and provide that this Agreement be binding on such Successor Developer. This Agreement is not intended to be, and shall not be, binding on the ultimate purchasers of parcels out of the Tract. This Agreement is assignable upon written notice to the City; such notice of assignment shall be given within 30 days of an assignment and such notice shall include evidence that the assignee has assumed the obligations under this Agreement.

Section 6.2. Force Majeure. In the event a party is rendered unable, wholly or in part, by force majeure, to carry out any of its obligations under this Agreement, it is agreed that on such party's giving notice and full particulars of such force majeure in writing to the other parties as soon as possible after the occurrence of the cause relied upon, then the obligations of the party giving such notice, to the extent it is affected by force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided, but for no longer period. Such cause shall as far as possible be remedied with all reasonable dispatch.

The term "force majeure" as used herein shall include, but not be limited to, acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy or of terrorism, war, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, droughts, tornadoes, hurricanes, arrests and restraints of governments and people, suspension of issuance of permits by environmental agencies outside the control of any party, explosions, breakage or damage to machinery or pipelines and any other inabilities of any party, whether similar to those enumerated or otherwise, and not within the control of the party claiming such inability, which by the exercise of due diligence and care such party could not have avoided.

Section 6.3. Law Governing. This Agreement shall be governed by the laws of the State of Texas, and no lawsuit shall be prosecuted on this Agreement except in a federal or state court of competent jurisdiction.

Section 6.4. No Additional Waiver Implied. No waiver or waivers of any breach or default (or any breaches or defaults) by any party hereto of any term, covenant, condition, or liability hereunder, or the performance by any party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstances.

Section 6.5. Addresses and Notice. Unless otherwise provided in this Agreement, any notice, communication, request, reply, or advise (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any party to another (except bills), must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of three (3) days after it is deposited. Notice given in any such other manner shall be effective when received by the party to be notified. For the purpose of notice, addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to the City, to:

City of Montgomery, Texas

101 Old Plantersville Road
Montgomery, TX 77535
Attention: City Administrator

With a copy to City attorney:

Johnson Petrov LLP
2929 Allen Parkway, Suite 3150
Houston, TX 77019
Attention: Alan P. Petrov

If to the Developer, to:

Morning Cloud Investments, LLC
Attention: Marjorie Cox, Member
P.O. BOX 8262
Spring, Texas 77387-8262

With a copy to:
Coats Rose, P.C.
Attn: Tim G. Green
9 Greenway Plaza, Ste. 1000
Houston, Texas 77046

The parties shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify any other address by at least fifteen (15) days' written notice to the other parties.

Section 6.6. Merger and Modification. This Agreement, including the exhibits that are attached hereto and incorporated herein for all purposes, embodies the entire agreement between the parties relative to the subject hereof. This Agreement shall be subject to change or modification only with the mutual written consent of all the parties.

Section 6.7. Severability. The provisions of this Agreement are severable, and if any part of this Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of part of this Agreement to other persons or circumstances shall not be affected thereby.

Section 6.8. Benefits of Agreement. This Agreement is for the benefit of the City and Developer, and shall not be construed to confer any benefit on any other person except as expressly provided for herein.

Section 6.9. Recordation. The City shall record this Agreement and any amendments thereof in the deed records of Montgomery County. In addition, any assignments of this Agreement shall be recorded in the deed records of Montgomery County. This Agreement, when recorded, shall be a covenant running with the land and binding upon the Tract, the parties and their assignees during the term of this Agreement. However, this Agreement shall not be binding upon and shall not constitute any encumbrance to title as to any purchaser of a tract or lot within the Tract who does not intend to resell, subdivide or develop the tract or lot in the ordinary course of business.

Section 6.10. Term. This Agreement shall be in force and effect from the Effective Date and continue for a term of thirty (30) years unless otherwise previously terminated pursuant to some term or condition of this Agreement or by express written agreement by the City and Developer. Upon expiration of thirty (30) years from the Effective Date of this Agreement, this Agreement may be extended upon mutual consent of the Developer and the City.

Section 6.11. Authority for Execution. The City hereby certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the City Code. The Developer hereby certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the articles of incorporation and bylaws or partnership agreement of such entity.

Section 6.12. Execution of Agreement by District. After approval of the formation of the District, Developer shall cause the assignment, execution and adoption of the Utility Agreement in the form attached hereto as **Exhibit D** within 30 days after formation of the District.

(Signature Pages to Follow)

Executed by the Developer and the City to be effective on the Effective Date.

MORNING CLOUD INVESTMENTS, LLC,
a Texas limited liability company

By: _____
Name: Marjorie Cox
Title: Member

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this _____ day of _____, 2024, by Marjorie Cox, Member of Morning Cloud Investments, LLC, a Texas limited liability company.

_____
Notary Public, State of Texas

(NOTARY SEAL)

CITY OF MONTGOMERY, TEXAS

_____
Sara Countryman, Mayor

ATTEST:

_____
Deputy City Secretary

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this _____ day of _____, 2024, by Sara Countryman, Mayor, City of Montgomery, Texas, on behalf of said City.

_____
Notary Public, State of Texas

(NOTARY SEAL)

Exhibit A - Metes and Bounds Description of the Tract

(Collectively, Exhibit B and Exhibit C)

Exhibit B – Metes and Bounds of Tract I

Legal description of land:

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 as follows (With bearing basis being the State Plane Coordinate System, Central Zone no. 4203, NAD 83. The coordinates shown hereon are Grid Coordinates and may be brought to the surface by multiplying the combined scale factor of 1.000069595. All distances are surface distances):

BEGINNING N= 10,133,702.65, E= 3,750,438.47 at a 5/8-inch iron rod with cap stamped "WEISSER ENG HOUSTON, TX" set at the intersection of the northeast line of a tract of land conveyed to G.C. & S.F. Railroad Company, by deed recorded in Volume 6, Page 530 of the Montgomery County Deed Records (M.C.D.R.) and the south right-of-way line of Old Dobbin Plantersville Road (60' wide) as recorded under M.C.C.F. No. 9401426 of the O.P.R.M.C., Texas, from which a found fence corner post bears North 83 Deg. 45 Min. 25 Sec. West, a distance of 2.38 feet;

THENCE North 51 Deg. 03 Min. 16 Sec. East, with the southeast right-of-way line of said Old Dobbin Plantersville Road, with a northwest line of said 55.389- acre tract and with a northwest line of said tract herein described, a distance of 609.10 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG HOUSTON, TX" set for an angle point;

THENCE North 65 Deg. 32 Min. 16 Sec. East, with the southeast right-of-way line of Old Dobbin Plantersville Road, with the northwest line of said 55.389- acre tract and with a northwest line of said tract herein described, a distance of 153.21 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG HOUSTON, TX" set for the most westerly northwest corner of said tract herein described;

THENCE South 43 Deg. 36 Min. 11 Sec. East, over and across said 55.389- acre tract and with the northeast line of said tract herein described; a distance of 1,125.26 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG HOUSTON, TX" set in the west line of a called 8.81 acre tract of land conveyed to Billy G. Giles by deed recorded in volume 896, page 821, of the Montgomery County Deed Records and for an angle point in an easterly line of said tract herein described;

THENCE South 02 Deg. 35 Min. 44 Sec. East, with the west line of said 8.81- acre tract with an east line of said 55.389 acre tract and with an east line of said tract herein described, a distance of 75.04 feet to a 5/8 inch iron rod with cap stamped "WEISSER ENG HOUSTON, TX" set for an interior angle point said tract herein described;

THENCE North 70 Deg. 34 Min. 16 Sec. East, with the southeast line of said 8.81- acre tract, with the southeast line of a called 13.05-acre tract conveyed to Billy G. Giles, by deed recorded in Volume 896, Page 825, of the Montgomery County Deed Records, with the south line of a called 34.831-acre tract of land conveyed to Alan Mann, by deed recorded in Montgomery County Clerk's File No, 2006-118991, Film Code No. 194-11-2542, with a northwest line of said 55.389-acre. tract and with a northwest line of said tract herein described, a distance of 860.50 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG. HOUSTON, TX" set for the north corner of herein described tract, said point being the west corner of a called 9.992 -acre tract of land conveyed to Edward Lopez and Wife, Sonja Lopez by deed recorded in Montgomery County Clerk's File No. 2012107577 of the Official Public Records of Montgomery County, Texas, being the north corner of said 55.389-acre tract, from which a found 2-inch iron pipe bears South 43 Deg. 04 Min. 42 Sec. East, a distance of 0.85 feet;

THENCE South 02 Deg. 45 Min.17 Sec. East, with the west line of said 9.992- acre tract, with the west line of a called 20.019-acre tract conveyed to C.A. Stowe, by deed recorded in Montgomery County Clerk's File No. 9612142, Film Code No. 136-00-0930 of the Official Public Records of Montgomery County, Texas, with the east line of said 55.389-acre tract and with the east line of said tract herein described, a distance of 1,497.73 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG.

HOUSTON, TX" set in the northerly line of said G.C. &S.F. Railroad Company Tract, for the south corner of said 20.019 acre and the south corner of said tract herein described;

THENCE North 75 Deg. 51 Min. 44 Sec. West, with a northeast line of said G.C. & S.F. Railroad tract, with a southwest line of said 55.389- acre tract and with a southwest line of said tract herein described, a distance of 304.50 feet to a set 5/8-inch iron rod with cap stamped ("WEISSER ENG., HOUSTON, **TX")** for an angle point in said tract the herein described;

THENCE North 63 Deg. 06 MM. 44 Sec. West, with a northeast line of said G.C. & S.F. Railroad tract, with a southwest line of said 55.389 acre tract and with a southwest line of said tract herein described, a distance of 271.40 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG. HOUSTON, TX" set for an angle point;

THENCE North 52 Deg. 53 MM. 44 Sec. West, with a northeast line of said G.C. & S.F. Railroad tract, with a southwest line of said 55.389- acre tract and with a southwest line of said tract herein described, a distance of 244.60 feet to a 5/8-inch iron rod with cap stamped "WEISSER ENG. HOUSTON, TX" set for an angle point;

THENCE North 49 Deg. 42 Min. 44 Sec. West, with a northeast line of said G.C. & S.F. Railroad tract, with a southwest line of said 55.389- acre tract and with a southwest line of said tract herein described, a distance of 2,023.70 feet to the POINT OF BEGINNING and containing 45.744 acres (1,992,589 square feet) of land.

Exhibit C – Metes and Bounds of Tract II

BEING 40.741 ACRES OF LAND SITUATED IN THE ZACHARIAH LANDRUM SURVEY, ABSTRACT NUMBER 22 IN MONTGOMERY COUNTY, TEXAS, AND BEING ALL OF THAT CALLED 11.709 ACRE TRACT (SAVE & EXCEPT 1.000 ACRES) CONVEYED IN DEED TO C.A. STOWE RECORDED UNDER COUNTY CLERK'S FILE NUMBER 9764002 OF THE REAL PROPERTY RECORDS OF MONTGOMERY COUNTY, TEXAS, AND BEING ALL OF THAT CALLED 20.019 ACRE TRACT CONVEYED IN DEED TO C.A. STOWE RECORDED UNDER COUNTY CLERK'S FILE NUMBER 9612142 OF THE REAL PROPERTY RECORDS OF MONTGOMERY COUNTY, TEXAS, AND BEING ALL OF THAT CALLED 10.005 ACRE TRACT CONVEYED IN DEED TO CHARLES A. STOWE & WIFE, FRANCES E. STOWE RECORDED UNDER COUNTY CLERK'S FILE NUMBER 9764002 OF THE REAL PROPERTY RECORDS OF MONTGOMERY COUNTY, TEXAS; SAID 40.741 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS WITH ALL BEARINGS AND COORDINATES REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE NAD 83 (ALL DISTANCE SHOWN ARE GROUND):

BEGINNING at a 1/2 inch iron rod, found for the Northwest corner of said 20.019 acre tract, being the Southwest corner of a called 9.992 acre tract conveyed in deed to Edward Lopez & wife Sonja Lopez recorded under County Clerk's File Number 2012-107577 of the Real Property Records of Montgomery County, Texas, and being in the apparent East line of a called 45.744 acre tract conveyed in deed to Nestor S. Sales & Spouse, Remedios M. Sales recorded under County Clerk's File Number 2016-059780 of the Real Property Records of Montgomery County, Texas, and being the lower Northwest corner of the herein described tract;

THENCE North 68°49'20" East, along the North line of said 20.019 acre tract and South line of said 9.992 acre tract, passing at 426.39 feet and 0.30 feet South a 1 inch iron pipe, found for the apparent Southeast corner of said 9.992 acre tract, being the apparent Southwest corner of a called 10.005 acre tract conveyed in deed to Brian Auld & wife Sonja Auld recorded under County Clerk's File Number 9714597 of the Real Property Records of Montgomery County, Texas, continuing a total distance of 850.78 feet to a 1/2 inch iron rod, found for the Southeast corner of said Auld 10.005 acre tract, being the Southwest corner of said Stowe 10.005 acre tract, and being an interior corner for the herein described tract;

THENCE North 10°40'39" West, along the West line of said Stowe 10.005 acre tract and East line of said Auld 10.005 acre tract a distance of 1,148.51 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S. 4639", set for the Northwest corner of said Stowe 10.005 acre tract, being the Northeast corner of said Auld 10.005 acre tract, being in the apparent South line of a called 34.831 acre tract conveyed in deed to Alan Mann recorded under County Clerk's File Number 2006-118991 of the Real Property Records of Montgomery County, Texas, and being the Northwest corner of the herein described tract;

THENCE North 70°43'15" East, along the North line of said Stowe 10.005 acre tract and apparent South line of said 34.831 acre tract a distance of 300.00 feet to a 1/2 inch iron rod, found for the Northeast corner of said Stowe 10.005 acre tract, being the Northwest corner of a called 10.005 acre tract conveyed in deed to Jerry D. McHam recorded under County Clerk's File Number 9749498 of the Real Property Records of Montgomery County, Texas, and being the Northeast corner of the herein described tract;

THENCE South 20°26'06" East, along the East line of said Stowe 10.005 acre tract and West line of said McHam 10.005 acre tract a distance of 1,061.37 feet to a 1/2 inch iron rod, found for the Southeast corner of said Stowe 10.005 acre tract, being the Southwest corner of said McHam 10.005 acre tract, being in the North line of said Stowe 20.019 acre tract, and being an interior corner for the herein described tract;

THENCE North 59°04'37" East, along the North line of said Stowe 20.019 acre tract and South line of said McHam 10.005 acre tract passing at 439.98 feet a bent 3/8 inch iron rod, found for the apparent Southeast corner of said McHam 10.005 acre tract, being the apparent Southwest corner of called 7.6417 acre tract conveyed in deed to Carl W. Kiser recorded under County Clerk's File Number 2007-102941 of the Real Property Records of Montgomery County, Texas, continuing a total distance of 658.38 feet to a 1/2 inch iron rod, found for the Northeast corner of said Stowe 20.019 acre tract, being the Southeast corner

of said Kiser 7.6417 acre tract, also being an angle point for a called 12.108 acre tract conveyed in deed to Lonestar Cowboy Church recorded under County Clerk's File Number 2008-057191 of the Real Property Records of Montgomery County, Texas, and being the lower Northeast corner of the herein described tract;

THENCE South 30°55'01" East, along the East line of said Stowe 20.019 acre tract and the Southwest line of said 12.108 acre tract a distance of 435.76 feet to a 1/2 inch iron rod inside a 3/4 inch iron pipe, found for the Southeast corner of said Stowe 20.019 acre tract, being the South corner of said 12.108 acre tract, also being in the North line of said Stowe 11.709 acre tract, and being an interior Corner for the herein described tract;

THENCE North 59°24'55" East, along the Southeast line of said 12.108 acre tract and the Northwest line of said Stowe 11.709 acre tract a distance of 600.56 feet to a 5/8 inch iron rod with cap stamped "Glezman", found for the West corner of a called 1.000 acre tract conveyed in deed to Christopher C. Stowe recorded under County Clerk's File Number 2014-084857 of the Real Property Records of Montgomery County, Texas, and being the Southernmost Northeast corner of the herein described tract;

THENCE South 30°34'15" East, along the West line of said 1.000 acre tract a distance of 199.94 feet to a 5/8 inch iron rod with cap stamped "Glezman", found for the South corner of said 1.000 acre tract, and being an interior corner for the herein described tract;

THENCE North 59°23'12" East, along the South line of said 1.000 acre tract a distance of 216.90 feet to a 5/8 inch iron rod with cap stamped "Glezman", found for the beginning of a curve to the right, being the Southeast corner of said 1.000 acre tract, being in the West Right-of-Way line of Old Plantersville Road (Undetermined right-of-way width), also being in the East line of said Stowe 11.709 acre tract, and being the East corner of the herein described tract;

THENCE with the West Right-of-Way line of Old Plantersville Road and East line of said Stowe 11.709 acre tract, with said curve to the right, having a radius of 388.18 feet, an arc length of 218.94 feet, a delta angle of 32°18'57", a chord bearing of South 02°38'46" East, and chord distance of 216.05 feet to a 5/8 inch iron rod, found for a point of tangency for the said Stowe 11.709 acre tract and for the herein described tract;

THENCE South 36°00'06" West, continuing along the above mentioned line a distance of 371.91 feet to a 1/2 inch iron rod, found for the beginning of a curve to the right for said Stowe 11.709 acre tract and for the herein described tract;

THENCE continuing along the above mentioned line with said curve to the right having a radius of 165.93 feet, an arc length of 70.30 feet, a delta angle of 24°16'31", a chord bearing of South 48°07'03" West, and a chord distance of 69.78 feet to a 1/2 inch iron rod, found for a point of tangency for said 11.709 acre tract and for the herein described tract;

THENCE South 60°16'46" West, continuing along the above mentioned line a distance of 92.79 feet to a 5/8 inch iron rod, found for the beginning of a curve to the left for said Stowe 11.709 acre tract and for the herein described tract;

THENCE continuing along the above mentioned line with said curve to the left having a radius of 226.55 feet, an arc length of 58.83 feet, a delta angle of 14°52'42", a chord bearing of South 52°47'24" West, and a chord distance of 58.66 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S. 4639", set for the South corner of said Stowe 11.709 acre tract, being in the North line of the residual of Burlington Northern & Santa Fe Railroad conveyed in Volume 3, Page 135 & Volume 6, Page 530 of the Deed Records of Montgomery County, Texas, and being the Southeast corner of the herein described tract;

THENCE along the South line of said Stowe 11.709 acre tract and North line of the residual of Burlington Northern & Santa Fe Railroad with a curve to the left, having a radius of 1,496.19 feet, an arc length of 1,231.91 feet, a delta angle of 47°10'32", a chord bearing of South 86°45'22" West, and a chord

distance of 1,197.41 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S. 4639", set for a point of compound curvature for said Stowe 11.709 acre tract and the herein described tract;

THENCE continuing along the above mentioned line with said compound curve to the left, having a radius of 2,073.58 feet, an arc length of 73.25 feet, a delta angle of 02°01'27", a chord bearing of South 62°09'21" West, and a chord distance of 73.25 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S. 4639", set for the point of termination for said compound curve and for the West corner of said Stowe 11.709 acre tract, being in the South line of said Stowe 20.019 acre tract, and being a corner of the herein described tract;

THENCE with the South line of said Stowe 20.019 acre tract and North line of the residual of the Burlington Northern & Santa Fe Railroad the following courses and distances:

1. South 57°03'00" West, a distance of 18.84 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for an angle point for said Stowe 20.019 acre tract and the herein described tract;
2. North 32°31'58" West, a distance of 50.20 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for an angle point for said Stowe 20.019 acre tract and the herein described tract;
3. South 60°19'44" West, a distance of 400.00 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for an angle point for said Stowe 20.019 acre tract and the herein described tract;
4. South 70°48'44" West, a distance of 300.00 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for an angle point for said Stowe 20.019 acre tract and the herein described tract;
5. South 81°23'44" West, a distance of 200.00 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for an angle point for said Stowe 20.019 acre tract and the herein described tract;
6. North 88°31'30" West, a distance of 295.00 feet to a 5/8 inch iron rod with cap stamped "Jeff Moon R.P.L.S 4639", set for the Southwest corner for said Stowe 20.019 acre tract, being the Southeast corner of said Sales 45.744 acre tract, and for the Southeast corner of the herein described tract;

THENCE North 02°46'49" East, along the West line of said Stowe 20.019 acre tract and the East line of said Sales 45.744 acre tract, a distance of 285.10 feet, back to the **POINT OF BEGINNING** and containing 40.741 acres of land, based on the survey and plat prepared by Jeffrey Moon and Associates, Inc., dated September 19, 2024.

Exhibit D – Utility Exhibit

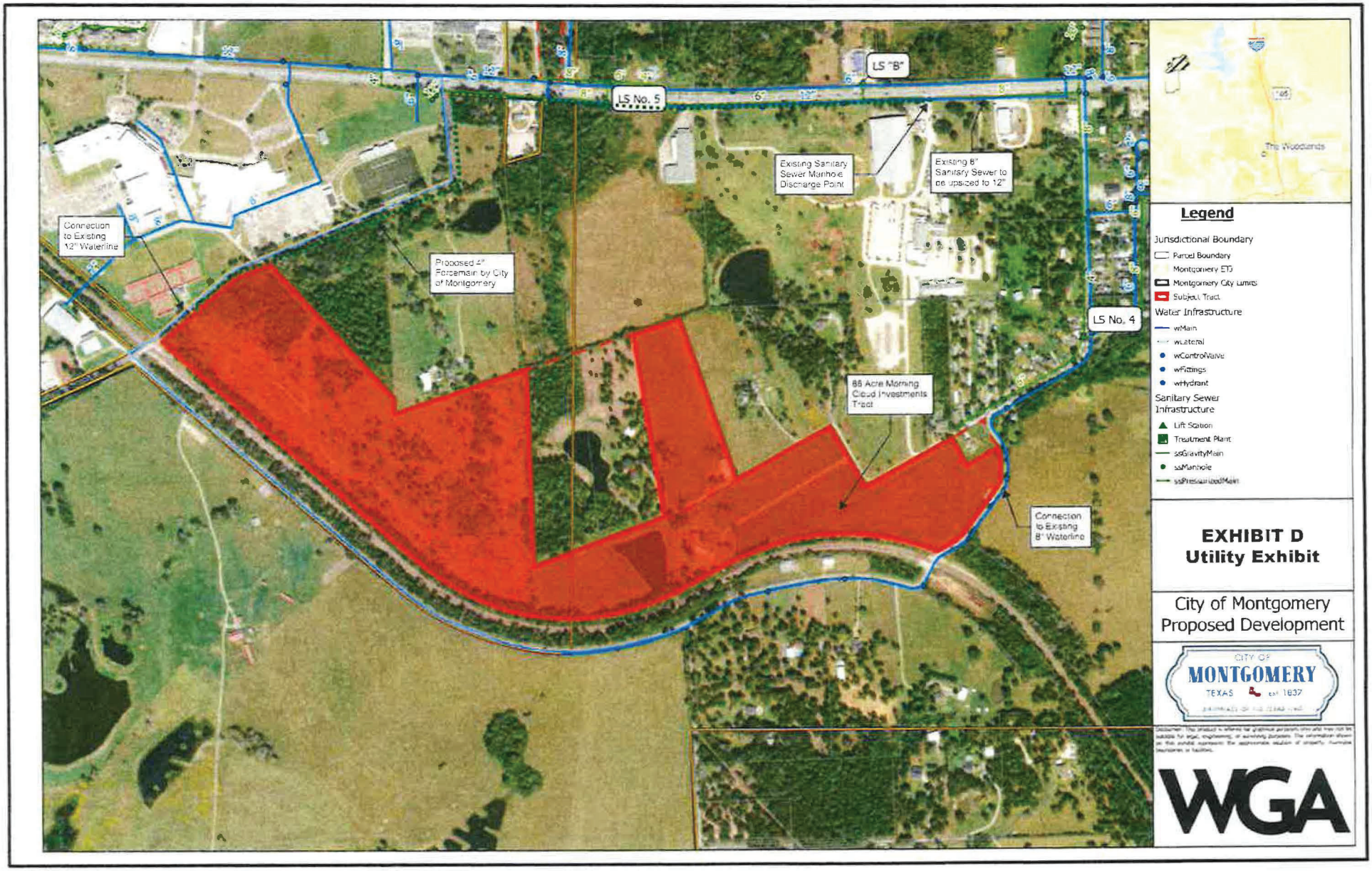

LS No. 5
LS "B"
Existing Sanitary Sewer Manhole Discharge Point
Existing 8" Sanitary Sewer to be upsized to 12"
Connection to Existing 12" Waterline
Proposed 4" Forcemain by City of Montgomery
LS No. 4
86 Acre Morning Cloud Investments Tract
Connection to Existing 8" Waterline
The Woodlands
Legend
Jurisdictional Boundary
Parcel Boundary
Montgomery ETJ
Montgomery City Limits
Subject Tract
Water Infrastructure
wMain
wLateral
wControlValve
wFittings
wHydrant
Sanitary Sewer Infrastructure
Lift Station
Treatment Plant
ssGravityMain
ssManhole
ssPressurizedMain
EXHIBIT D
Utility Exhibit
City of Montgomery
Proposed Development
CITY OF
MONTGOMERY
TEXAS
est 1837
WGA

Exhibit E - Form of Utility Agreement

FORM OF UTILITY AGREEMENT

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

THIS AGREEMENT is made and entered into as of the date herein last specified, by and between the CITY OF MONTGOMERY, TEXAS (the "City"), a Type A general-law municipality located in Montgomery County, Texas, and MORNING CLOUD INVESTMENTS, LLC, a Texas limited liability company ("Developer")

WITNESSETH:

WHEREAS, under the authority of Chapter 791, Texas Government Code and Section 552.001, Texas Local Government Code, the City and the Developer may enter into an agreement under the terms of which the Developer will acquire for the benefit of, and for ultimate conveyance to, the City, the Facilities needed to provide utility service and roads to lands being developed within the District and the City; and

WHEREAS, the City and the Developer have determined that they are authorized by the Constitution and laws of the State of Texas to enter into this Agreement and have further determined that the terms, provisions and conditions hereof are mutually fair and advantageous to each; NOW, THEREFORE;

AGREEMENT

For and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the District and the City contract and agree as follows:

ARTICLE I
DEFINITIONS

The capitalized terms and phrases used in this Agreement shall have the meanings as follows:

"City Code" shall mean the Code of Ordinances adopted by the City, as amended from time to time.

"City Administrator" shall mean the City Administrator of the City.

"Development Agreement" shall mean that certain Development Agreement, dated _____, 2024, between the City and Morning Cloud Investments, LLC, a Texas limited

company, as may be amended from time to time.

"District" means a public improvement district, pursuant to and in accordance with the terms, provisions, and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code.

"ESFC" means that amount of water or wastewater, as applicable, set by the City that constitutes an Equivalent Single Family connection, which amount may be changed from time to time. At the time of this Agreement, an ESFC of water means 300 gallons per day and an ESFC of wastewater means 200 gallons per day.

"Facilities" means the water distribution, transportation and treatment, and storm water collection, detention and drainage systems, roads and improvements in aid thereof, constructed or acquired or to be constructed or acquired by the District to serve lands within its boundaries, and all improvements, appurtenances, additions, extensions, enlargements or betterments thereto, together with all contract rights, permits, licenses, properties, rights-of-way, easements, sites and other interests related thereto.

"Parties" shall mean the City and the Developer, collectively.

ARTICLE II
DESCRIPTION, DESIGN, FINANCING AND CONSTRUCTION OF THE FACILITIES

2.01. Facilities. The Facilities shall be designed and constructed in compliance with all applicable requirements and criteria of City regulations and ordinances. All plans and specifications for the Facilities shall be submitted to the City for approval prior to construction and advertising for bids. The plans and specifications shall be prepared in accordance with the applicable provision of the City Code, as they may be amended from time to time.

2.02. Water Distribution and Supply Facilities. The City shall provide the District with its ultimate requirements for water production supply of 55,350 gpd to serve approximately 235 ESFCs. The Developer agrees to connect the 12-inch waterline along Old Dobbins Plantersville Road to the 8-inch waterline along Old Plantersville Road upon the development being built out completely (the "Water Line and Connections"). Additionally, the Developer will be responsible for installing an 8-inch waterline terminating at the most northern point of the Proposed Thoroughfare. The Water Line and Connections will be constructed in public right of way or easement and to the extent necessary, the Developer will be responsible for acquiring any necessary public right of way required for the construction of the Facilities. The Water Line and Connections will be sized to serve the Tract. The Developer agrees to cover all costs to design and construct the Water Line and Connections. The Developer is responsible for providing engineered plans and specifications for the water distribution system interior to the development and the Water Line and Connections to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council and development approvals and permits. The City will accept such Facilities for ownership and

operation in accordance with the terms of the Utility Agreement subject to a one-year maintenance bond to be enforceable by the City from the contractor.

2.03. Impact Fees. The Developer agrees to pay impact fees for water supply facilities and wastewater treatment facilities ("Impact Fees") in the amount as stated in the City's current adopted Impact Fees, or as may be amended from time to time. The Developer will be assessed and pay Impact Fees at the time of the City's approval of the final plat for each section based on the number of connections in such plat.

2.04. Paving and Traffic. Per the preliminary land plan submitted by the Developer, the streets are proposed to be public and accepted by the City. The Developer is responsible for providing engineered plans and specifications for the roads interior to the development to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council, and development approvals and permits. Currently, the preliminary land plan provides for two (2) proposed connections to Old Dobbins Plantersville Road and Old Plantersville Road to provide access to the entire 235-home subdivision. The Developer will need to perform a Traffic Impact Analysis to assess the impact on the City's roadway system and coordinate with Montgomery County on the connection to Old Dobbin Plantersville Road. Per the City and Montgomery County's most recently adopted thoroughfare plan, the current land plan considers the planned extension of Westway Drive. Developer is to construct this extension within the limits of the Tract as defined in Exhibit F of the Development Agreement. The collector will have a 70-foot dedicated ROW with 36-foot-wide concrete pavement. Finally, the Developer must also provide access to the property adjacent to the north (MCAD Property ID: 270662) due to the property being landlocked if no access is given. Based on the preliminary land use plan provided, this requirement is being fulfilled. Any changes to the land use plan must consider and fulfill this requirement. The streets will be conveyed to the City upon final completion and subject to final acceptance by the City.

2.05 Drainage Facilities. The onsite storm sewer system will be designated public and accepted by the City upon completion of the development. Any detention ponds will remain the responsibility of the Developer. All drainage and detention improvements must be designed per the City's Code of Ordinances requiring compliance with the City's floodplain regulations and all applicable Montgomery County Drainage Criteria Manual Standards. The Developer also agrees to perform and submit a drainage study showing the development's impact on the drainage downstream of the Tract and on adjacent properties. The drainage study must be submitted to the City for review and approval prior to approval of the construction plans. The Developer is responsible for providing engineering plans and specifications for the drainage and detention system interior to the development to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council, and development approvals and permits.

2.06 Parks and Recreational Facilities. The Developer shall design and construct at least 6 parks and open space areas to total at least 6.8 acres to serve the Tract in accordance with the City Code and any applicable Montgomery County standards. Any park and open space areas will not be accepted by the City but owned and maintained by the District. Developer agrees to design and construct at least 3 detention basins of 8.5 acres with walking trails and park seating. Developer

also shall install a tree buffer of at least 20-foot width along the railroad for privacy.

2.07 Minor Modifications. Minor modifications to the District's utility plan are authorized under this Agreement upon review and approval of the City Administrator, or its designee, and no amendment to this Agreement is required. A minor modification would include, but is not limited to, an adjustment or relocation of public utility infrastructure if approved by the City Administrator or its designee; or any modification that is an elaboration, refinement or clarification of this Agreement and deemed to be a minor modification by the City Administrator.

ARTICLE III
OWNERSHIP, OPERATION AND MAINTENANCE OF FACILITIES

3.01. Ownership by the City. As the Facilities are completed and become operational, the District shall convey the same to the City, free and clear of all encumbrances.

3.02. Operation by the City. As the Facilities are completed, representatives of the City shall inspect the same and, if the City finds that the same has been completed in accordance with the approved plans and specifications, the City will accept the same, whereupon such portion of the Facilities shall be operated and maintained by the City at its sole expense as provided herein. In the event that the Facilities have not been completed in accordance with the approved plans and specifications the City will immediately advise the Developer in what manner the infrastructure does not comply, and the District shall immediately correct the same; whereupon the City shall again inspect the Facilities and accept the same if the defects have been corrected. During the term of this Agreement, the City will operate the Facilities and provide retail water and sanitary sewer service to all users within the District without discrimination. The City shall at all times maintain the Facilities or cause the same to be maintained, in good condition and working order and will operate the same, or cause the same to be operated, in an efficient and economical manner at a reasonable cost and in accordance with sound business principles in operating and maintaining the Facilities, and the City will comply with all contractual provisions and agreements entered into by it and with all valid rules, regulations, directions or orders by any governmental administrative or judicial body promulgating the same.

3.03. Rates and Meters. The City shall bill and collect fees from District customers of the water and wastewater system and shall from time to time fix such rates and charges for such customers of the system as the City, in its sole discretion, determines are necessary; provided that the rates and charges for services afforded by the system will be equal and uniform to those charged other similar classifications of users in the City. All water and wastewater revenues from the District customers shall belong exclusively to the City. The City shall be responsible for providing and installing any necessary meters for the individual customers.

3.04. Tap Fees / Connection Charges. Notwithstanding anything in the City Code to the contrary, the City will impose a charge for tap fees or connections to the water and wastewater system at a rate to be determined from time to time by the City, provided the charge is equal to the sums charged other City users for comparable connections, and the connection charges shall belong exclusively to the City.

ARTICLE IV
REMEDIES IN EVENT OF DEFAULT

The parties hereto expressly recognize and acknowledge that a breach of this Agreement by either party may cause damage to the non-breaching party for which there will not be an adequate remedy at law. Accordingly, in addition to all the rights and remedies provided by the laws of the State of Texas, in the event of a breach hereof by either party, the other party shall be entitled but not limited to the equitable remedy of specific performance or a writ of mandamus to compel any necessary action by the breaching party. In the event that a party seeks a remedy as provided in this Article or any monetary damages as otherwise provided in this Agreement, the breaching party shall be required to pay for the non-breaching party's attorneys fees and court costs.

ARTICLE V
MISCELLANEOUS PROVISIONS

5.01. Force Majeure. In the event either party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, then the obligations of such party, to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused, to the extent provided, but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the party whose contractual obligations are affected thereby shall give notice and the full particulars of such force majeure to the other party. Such cause, as far as possible, shall be remedied with all reasonable diligence.

5.02. Approvals and Consents. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution or order adopted by the governing body of the appropriate party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of the party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

5.03. Address and Notice. Unless otherwise provided in this Agreement, any notice to be given under this Agreement shall be given in writing and may be given either by depositing the notice in the United States mail postpaid, registered or certified mail, with return receipt requested; delivering the notice to an officer of such party; or sending the notice by prepaid telegram, when appropriate. Notice deposited by mail in the foregoing manner shall be effective the day after the day on which it is deposited. Notice given in any other manner shall be effective only when received by the party to be notified. For the purposes of notice, the addresses of the parties shall be as follows:

If to the City, to:

City of Montgomery, Texas
101 Old Plantersville Road
Montgomery, TX 77535
Attention: City Manager

With a copy to City attorney:

Johnson Petrov LLP
2929 Allen Parkway, Suite 3150
Houston, TX 77019
Attn: Alan P. Petrov

If to the Developer, to:

Morning Cloud Investments, LLC
Attention: Marjorie Cox, Member
P.O. BOX 8262
Spring, Texas 77387-8262

With a copy to:
Coats Rose, P.C.
Attn: Tim G. Green
9 Greenway Plaza, Ste. 1000
Houston, Texas 77046

The parties shall have the right from time to time to change their respective addresses by giving at least fifteen (15) days' written notice of such change to the other party.

5.04. Assignability. This Agreement may not be assigned by either except upon written consent of the other party

5.05. No Additional Waiver Implied. The failure of either party to insist upon performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other party.

5.06. Reservation of Rights. All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.

5.07. Parties in Interest. This Agreement shall be for the sole and exclusive benefit of the parties hereto and shall not be construed to confer any rights upon any third parties.

5.08. Merger. This Agreement embodies the entire understanding between the parties and there are no representations, warranties or agreements between the parties covering the subject matter of this Agreement other than the Consent Resolution between the City and the District. If any provisions of the Consent Resolution appear to be inconsistent or in conflict with the provisions of this Agreement, then the provisions contained in this Agreement shall be interpreted in a way which is consistent with the Consent Resolution.

5.09. Captions. The captions of each section of this Agreement are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the parties hereto or any provisions hereof, or in ascertaining the intent of either party, with respect to the provisions hereof.

5.10 . Interpretations. This Agreement and the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.

5.11. Severability. If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect.

5.12. Term and Effect. This Agreement shall remain in effect until the earlier to occur of (i) the dissolution of the District by the City or (ii) the expiration of thirty (30) years from the date hereof.

[EXECUTION PAGES FOLLOW.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, on this ____ day of _____ 2024.

THE CITY OF MONTGOMERY, TEXAS

_____
Mayor

ATTEST/SEAL:

_____
City Secretary

MORNING CLOUD INVESTMENTS, LLC, a Texas limited liability company

By: _____
Name: Marjorie Cox
Title: Member

STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this _____ day of _____, 2024, by Marjorie Cox, Member of Morning Cloud Investments, LLC, a Texas limited liability company.

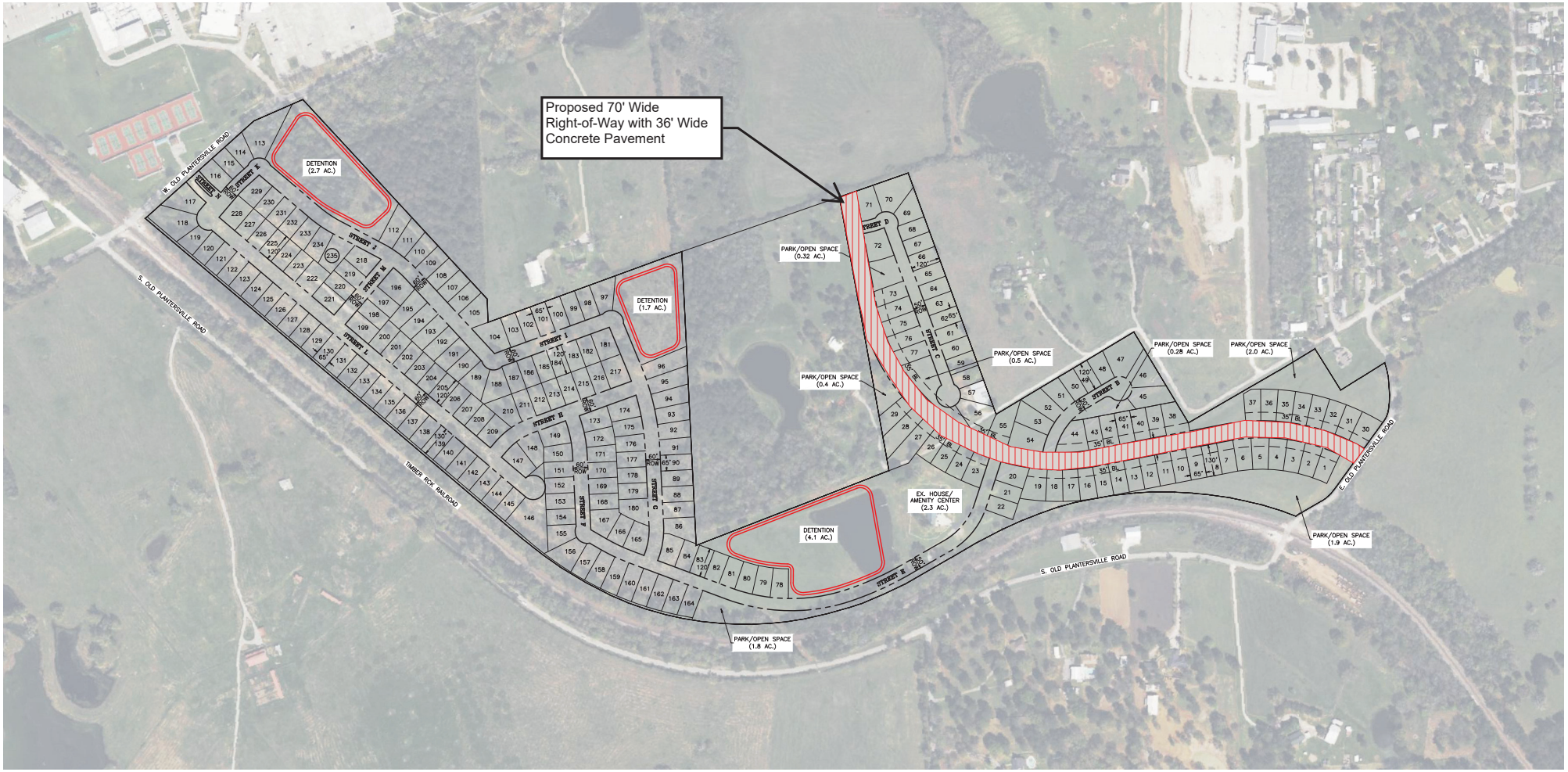
_____
Notary Public, State of Texas

(NOTARY SEAL)

Exhibit F - Proposed Thoroughfare - Paving and Traffic Planning

BLEYL ENGINEERING

ORIGINAL LAYOUT SIZE - 22X34



SITE DATA TABLE	
LOT COUNT	235 LOTS
TYP. LOT DIMENSION	65' x 120'
TYPE. COLLECTOR LOT DIMENSION	65' x 130'
MIN. LOT DIMENSION	65' x 110'

PROJECT NAME:	STOWE & SALES 86-ACRE
PROJECT NUMBER:	13341
PREPARED FOR:	
DATE:	JUNE 04, 2024

PRELIMINARY LANDPLAN

BLEYL ENGINEERING
TEXAS FIRM REGISTRATION NO. F-678
100 NUGENT STREET, CONROE TEXAS 77301
PHONE 936-441-7833 FAX 936-760-3833
WWW.BLEYLENGINEERING.COM

6/4/2024 10:00:11 AM
GDRAKE
F:\13300\13341 STOWE & SALES TRACTS\04 CAD\CONCEPTUAL\240425 STOWE & SALES LANDPLAN.DWG

BLEYL ENGINEERING

Montgomery City Council
AGENDA REPORT

Meeting Date: September 24, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action on the following items related to the sale of right-of-way to TxDOT along SH 105 at city hall for their upcoming SH105 improvements project:

a. Memorandum of Agreement.
b. Possession and Use Agreement.
c. Property deed of 0.0517-acre portion of city hall site.

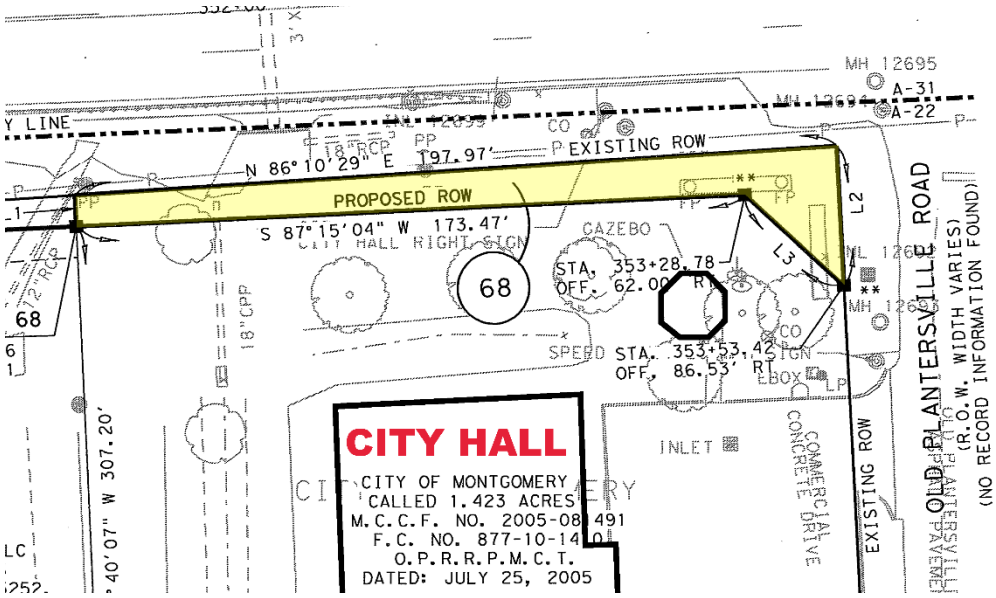
Recommendation

Staff recommends a motion to approve:

- The two agreements as presented, and
- Sale of the property to TxDOT as described.

Discussion

As you are aware, TxDOT is planning expansion of SH105 on the western side of the city. They are in the property acquisition phase of the project and have approached the city about acquiring a portion of the city hall site as shown below:



The sale price offered by TxDOT is $48,405 for 2,251 square feet along the existing ROW of SH105. Staff finds the offer reasonable and recommends approving the sale of the property to TxDOT.

Montgomery City Council
AGENDA REPORT

Approved By		
Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 09/20/2024

Memorandum of Agreement

August 2, 2024

City of Montgomery, a political subdivision of the State of Texas
101 Old Plantersville Road
Montgomery, Texas 77316

County: Montgomery

Highway No.: SH 105
Location: 101 Old Plantersville Road, Montgomery, TX 77316
Project No.: R00004616
ROW CSJ No.: 0338-02-043
District: Houston
Parcel No.: P00073138.001 (68)

Dear Ms. Countryman,

You have indicated a willingness to sign a deed for your property which consists of 0.0517 acres located 101 Old Plantersville Road, Montgomery, Texas 77316.

It is important to confirm this agreement in order to avoid any possible misunderstanding as to the details of the purchase or the process by which the Texas Department of Transportation (TxDOT) will make payment. The payment of $48,405.00 as herein agreed will constitute full payment to be made by TxDOT for the property to be conveyed to the State.

TxDOT and the owner(s) have agreed to the following provisions.

Until payment is made by TxDOT, title and possession of the property to be conveyed remains with you. You shall bear all risk of loss to any and all such property prior to such payment. Either you or TxDOT shall have the right to terminate this agreement.

And for the same consideration described above, and upon the same conditions, Grantors do hereby bargain, sell and convey unto the State of Texas that portion of the following improvement(s) located on the remaining property out of which the above-described premises were originally a portion, to wit:

1 Brick Monument Sign & Planter

Grantors understand and agree that it will be necessary for the State to enter upon their remaining property out of which the above-described property was conveyed for the purpose of removing that portion of the above-described improvement(s) which is located on such Grantors' remaining property. Grantors hereby authorize the State, its agents or assigns, to enter upon such remaining property for the purpose of removing said improvement(s) and expressly waive all damages or claims that may result to the remaining property of the Grantors as a result of such entry and removal of said improvement(s). The payment of the amount herein stated and the terms provided constitute the only promises, consideration and conditions of this purchase; and no other promises, consideration or conditions have been signified or implied, save and except any benefits which may accrue under the State's Relocation Assistance Program and the mutual

benefits to be derived by you and TxDOT from the signing of this agreement.

The State, without cost to the owner, will pay the cost of recording all instruments conveying title to the State.

It is suggested that you carefully review the proposed Right of Way Deed and satisfy yourself (selves) as to its provisions. With your signing of this agreement and execution of the deed the State will proceed with the issuance of a State warrant which will be made out jointly to you and to Community National Title Company.

This company has been designated as the State's closing agent and is responsible to see that TxDOT obtains clear title. They will not endorse the warrant and make payment until clear title is secured. At the same time, you have the right to withhold endorsement of the warrant and not accept payment until you are fully satisfied on all details of the transaction.

Sincerely,

Halff Associates, Inc.

_____

Wendy Schwienteck, R/W-NAC, Right of Way Agent
on behalf of Texas Department of Transportation

I (We) fully understand the Texas Department of Transportation proposal as contained in this agreement and hereby acknowledge receipt of the brochure entitled *"Relocation Assistance."*

I (We) understand that relocation assistance benefits are handled entirely separate from and in addition to this transaction and agree that my (our) execution of the Right of Way Deed is based on this understanding.

_____

Sara Countryman, Mayor

_____

Date

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Texas Department of Transportation
Form ROW-N-14
(Rev. 11/20)

DEED

TxDOT ROW CSJ: 0338-02-043

TxDOT Parcel ID: P00073138.001 (68)

Grantor(s), whether one or more:

City of Montgomery, a political subdivision of the State of Texas

Grantor's Mailing Address (including county):

101 Old Plantersville Road
Montgomery, Texas 77316
(Montgomery County)

Grantee:

The State of Texas, acting by and through the Texas Transportation Commission

Grantee's Authority:

The Texas Transportation Commission is authorized under the Texas Transportation Code to purchase land and such other property rights (including requesting that counties and municipalities acquire highway right of way) deemed necessary or convenient to a state highway or turnpike project to be constructed, reconstructed, maintained, widened, straightened, or extended, or to accomplish any purpose related to the location, construction, improvement, maintenance, beautification, preservation, or operation of a state highway or turnpike project.

The Texas Transportation Commission is also authorized under the Texas Transportation Code, Chapter 203 to acquire or request to be acquired such other property rights deemed necessary or convenient for the purposes of operating a state highway or turnpike project, with control of access as necessary to facilitate the flow of traffic and promote the public safety and welfare on both non-controlled facilities and designated controlled access highways and turnpike projects.

Grantee's Mailing Address (including county):

Texas Department of Transportation
125 E. 11th Street
Austin, Texas 78701
(Travis County)

Consideration:

The sum of Forty-Eight Thousand Four Hundred Five and no/100 Dollars ($48,405.00) to Grantor in hand paid by Grantee, receipt of which is hereby acknowledged, and for which no lien is retained, either expressed or implied.

Property:

All of that certain tract or parcel of land in Montgomery County, Texas, being more particularly described in the attached Exhibit A (the "**Property**").

And for the same consideration described above, and upon the same conditions, Grantors do hereby bargain, sell and convey unto the State of Texas that portion of the following improvement(s) located on the remaining property out of which the above-described premises were originally a portion, to wit:

(1) 1 Brick Monument Sign & Planter

Grantors understand and agree that it will be necessary for the State to enter upon their remaining property out of which the above-described property was conveyed for the purpose of removing that portion of the above-described improvement(s) which is located on such Grantors' remaining property. Grantors hereby authorize the State, its agents or assigns, to enter upon such remaining property for the purpose of removing said improvement(s) and expressly waive all damages or claims that may result to the remaining property of the Grantors as a result of such entry and removal of said improvement(s).

Reservations from and Exceptions to Conveyance and Warranty:

This conveyance is made by Grantor and accepted by Grantee subject to the following:

1. Visible and apparent easements not appearing of record.

2. Any discrepancies, conflicts, or shortages in area or boundary lines or any encroachments or any overlapping of improvements which a current survey would show.

3. Easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and encumbrances for taxes and assessments (other than liens and conveyances) presently of record in the Official Public Records of Montgomery County, Texas, that affect the property, but only to the extent that said items are still valid and in force and effect at this time.

Grantor reserves all of the oil, gas, and sulfur in and under the Property but waives all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for same; however, nothing in this reservation shall affect the title and rights of the Grantee, its successors and assigns, to take and use all other minerals and materials thereon, therein, and thereunder.

Grantor is retaining title to the following improvements ("**Retained Improvements**") located on the Property, to wit:

IMPROVEMENT	**RETENTION VALUE**
2 Typical Flagpoles	$1.00

Grantor covenants and agrees to remove the Retained Improvements from the Property 30 days after closing, subject to such extensions of time as may be granted by Grantee in writing. In the event Grantor

fails, for any reason, to remove the Retained Improvements within the time prescribed, then, without further consideration, title to all or part of such Retained Improvements not so removed shall pass to and vest in Grantee, its successors and assigns, forever.

Access on and off Grantor's remaining property to and from the State highway facility shall be permitted except to the extent that such access is expressly prohibited by the provisions set out in Exhibit "A". Grantor acknowledges that such access on and off the State highway facility is subject to regulation as may be determined by the Texas Department of Transportation to be necessary in the interest of public safety or by applicable local municipal or county zoning, platting, or permitting requirements.

GRANTOR, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's heirs, successors, and assigns to Warrant and Forever Defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

EXECUTED on the date(s) of acknowledgment indicated below.

GRANTOR:

City of Montgomery, a political subdivision of the State of Texas

by: _____
Sara Countryman, Mayor

Corporate Acknowledgment

State of Texas
County of Montgomery

This instrument was acknowledged before me on _____, 2024 by Sara Countryman as Mayor of the City of Montgomery, a political subdivision of the State of Texas, on behalf of said entity.

The acknowledging person personally appeared by:

☐ physically appearing before me.

☐ appearing by an interactive two-way audio and video communication that meets the requirements for online notarization under Texas Government Code, Chapter 406, Subchapter C.

Notary Public's Signature

EXHIBIT A

County: Montgomery
Highway: State Highway 105
Limits: Grimes County Line to FM 149
RCSJ: 0338-02-043

Property Description for P00073138.001 (Parcel 68)

Being a 0.0517 of an acre (2,251 square feet) parcel of land situated in the Zachariah Landrum Survey, Abstract No. 22, Montgomery County, Texas; said 0.0517 of an acre parcel of land being out of and a part of a called 1.423 acre tract of land described in a deed dated July 25, 2005, from Montgomery County to City of Montgomery, recorded under Montgomery County Clerk's File (M.C.C.F.) No. 2005-081491, Film Code 877-10-1410, of the Official Public Records of Real Property of Montgomery County, Texas (O.P.R.R.P.M.C.T.); said 0.0517 of an acre parcel of land being more particularly described by metes and bounds as follows:

COMMENCING at an axle found at the southwest corner of said 1.423 acre tract and the southeast corner of a called 2.6269 acre tract of land described in a deed executed April 28, 2017, from Todd Eric Stowe and wife, Glenda Carol Stowe to TG Stowe Holdings, LLC, recorded under M.C.C.F. No. 2017035252, of the Official Public Records Montgomery County, Texas;

THENCE, North 02° 40' 07" West, along the west boundary line of said 1.423 acre tract and the east boundary line of said 2.6269 acre tract, a distance of 307.20 feet to a 5/8 inch iron rod with TxDOT aluminum cap set in the proposed south right-of-way line of State Highway 105 (SH 105) for the southwest corner of the herein described parcel and the **POINT OF BEGINNING** having coordinates of N= 10,135,568.55, E= 3,755,910.41; said point being 62.00 feet right from the proposed SH 105 baseline station 351+55.30;

1) **THENCE,** North 02° 40' 07" West, continuing along the west boundary line of said 1.423 acre tract and the east boundary line of said 2.6269 acre tract, a distance of 7.99 feet to a point in the existing south right-of-way line of SH 105 (width varies per Volume 242, Page 284, Volume 243, Page 582, Volume 245, Page 140 of the Deed Records of Montgomery County, Texas and Condemnation-Cause No. 1814 of the Commissioners Court of Montgomery County, Texas) for the northeast corner of said 2.6269 acre tract and the northwest corner of said 1.423 acre tract and of the herein described parcel;

EXHIBIT A

2) **THENCE**, North 86° 10' 29" East, along the existing south right-of-way line of said SH 105 and the north boundary line of said 1.423 acre tract, a distance of 197.97 feet to a point in the existing west right-of-way line of Old Plantersville Road (width varies – no record information found) for the northeast corner of said 1.423 acre tract and of the herein described parcel;

3) **THENCE,** South 03° 00' 44" East, along the existing west right-of-way line of said Old Plantersville Road and the east boundary line of said 1.423 acre tract, a distance of 36.24 feet to a 5/8 inch iron rod with TxDOT aluminum cap set in the proposed south right-of-way line of SH 105 for the southeast corner of the herein described parcel;**

4) **THENCE,** North 47° 52' 50" West, along the proposed south right-of-way line of SH 105, a distance of 34.77 feet to a 5/8 inch iron rod with TxDOT aluminum cap set for an angle point of the herein described parcel;**

5) **THENCE**, South 87° 15' 04" West, continuing along the proposed south right-of-way line of SH 105, a distance of 173.47 feet to the **POINT OF BEGINNING** and containing 0.0517 of an acre (2,251 square feet) parcel of land.

Notes:

All bearings and coordinates are based on the Texas Coordinate System, Central Zone (4203), North American Datum of 1983 (NAD83), 2011 Adjustment, Epoch 2010.00. All distances and coordinates shown are surface values and may be converted to grid by dividing by a Combined Adjustment Factor of 1.00003.

TXDOT Monument Nos. H 2001-0050 and H 2001-0054 prepared by J.F. Thompson, Inc., dated Jan. 28, 2003, CSJ No. 0338-02-032, and revised by Landtech, Inc. September 17, 2017 were held for horizontal control. All measurements are in U. S. Survey feet.

** The monument described and set in this call may be replaced with a TxDOT Type II right-of-way marker upon completion of the highway construction project under the supervision of a Registered Professional Land Surveyor, either employed or retained by TxDOT.

A parcel plat of even date was prepared in conjunction with this property description.

Access will be permitted to the remainder property abutting the highway facility.

Abstracting was completed in December, 2023.

January, 2024
P00073138.001 (Parcel 68)

EXHIBIT A

I hereby certify that this survey was performed on the ground under my supervision and that this property description and accompanying parcel plat represent the facts as found at the time of the survey. Survey date: January, 2024

01/31/24

Leo M. Delatorre Date
Registered Professional Land Surveyor
Texas Registration No. 5113



Landtech, Inc.
2525 North Loop West, Suite 300
Houston, Texas 77008
(713) 861-7068
TBPELS Firm No. 10019100

LEGEND

- PROPOSED R.O.W. LINE
- PROPOSED R.O.W. AND ACCESS DENIAL LINE
- EXISTING R.O.W. LINE
- PROPERTY LINE
- SURVEY LINE
- FENCE LINE

O.P.R.M.C.T. - OFFICIAL PUBLIC RECORDS MONTGOMERY COUNTY

O.P.R.R.P.M.C.T. - OFFICIAL PUBLIC RECORDS OF REAL PROPERTY MONTGOMERY COUNTY

M.C.C.F. - MONTGOMERY COUNTY CLERK'S FILE

M.R.M.C.T. - MAP RECORDS MONTGOMERY COUNTY, TEXAS

D.R.M.C.T. - DEED RECORDS MONTGOMERY COUNTY, TEXAS

C.C.M.C.T. - COMMISSIONERS COURT OF MONTGOMERY COUNTY, TEXAS

U.E. - UTILITY EASEMENT

B.L. - BUILDING LINE

A.E. - AERIAL EASEMENT

D.E. - DRAINAGE EASEMENT

I.R. - IRON ROD

I.P. - IRON PIPE

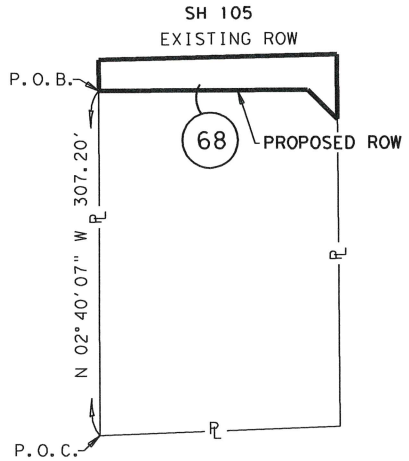
■ SET 5/8" IR. W/TXDOT ALUM CAP (UNLESS OTHERWISE NOTED)

□ FOUND 5/8" IR. W/TXDOT ALUM CAP

● SET (AS INDICATED)

◎ FOUND PROPERTY CORNER (AS DESCRIBED)

ZACHARIAH LANDRUM SURVEY, ABSTRACT NO. 22



PARENT TRACT INSET FOR PARCEL NO. 68

N.T.S.

NOTES:

1. ALL BEARINGS AND COORDINATES ARE BASED ON THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE, (4203), NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. ALL DISTANCES AND COORDINATES SHOWN ARE SURFACE VALUES AND MAY BE CONVERTED TO GRID BY DIVIDING BY THE COMBINED ADJUSTMENT FACTOR OF 1.00003.

2. TXDOT MONUMENT NOS. H 2001-0050 AND H 2001-0054 PREPARED BY J.F. THOMPSON, INC., DATED JAN. 28, 2003, CSJ NO. 0338-02-032, AND REVISED BY LANDTECH, INC. SEPTEMBER 17, 2017 WERE HELD FOR HORIZONTAL CONTROL. HORIZONTAL SURVEY METHOD: BASE STATION (RTK) AND TXDOT RTN.

3. UNIT OF MEASURE: U.S. SURVEY FEET

4. ** THE MONUMENT DESCRIBED AND SET MAY BE REPLACED WITH A TXDOT TYPE II RIGHT-OF-WAY MARKER UPON COMPLETION OF THE HIGHWAY CONSTRUCTION PROJECT UNDER THE SUPERVISION OF A REGISTERED PROFESSIONAL LAND SURVEYOR, EITHER EMPLOYED OR RETAINED BY TXDOT.

5. ABSTRACTING WAS COMPLETED IN DECEMBER, 2023.

6. A PROPERTY DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS PARCEL PLAT.

7. FIELD SURVEYS WERE COMPLETED IN JANUARY, 2024.

8. RIGHT-OF-WAY MAP WAS COMPLETED IN JANUARY, 2024.

9. ALL EASEMENTS AND BUILDING LINES SHOWN WITHIN THE BOUNDARY OF ANY SUBDIVISION ARE PER THAT SUBDIVISION'S RECORDED PLAT UNLESS OTHERWISE NOTED.

STATE OF TEXAS
REGISTERED
LEO M. DELATORRE
5113
PROFESSIONAL
LAND SURVEYOR

I HEREBY CERTIFY THAT THIS SURVEY WAS PERFORMED ON THE GROUND UNDER MY SUPERVISION AND THAT THIS PARCEL PLAT REPRESENTS THE FACTS AS FOUND AT THE TIME OF THE SURVEY.

01/31/24

LEO M. DELATORRE DATE
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 5113

AREA TABLE (ACRES)			
EXISTING AC.	TAKING AC./S.F.	REMAINDER AC. LEFT	REMAINDER AC. RIGHT
1.423	0.0517 2,251		1.3713

LANDTECH
2525 NORTH LOOP WEST SUITE 300
HOUSTON, TX 77008
713-861-7068
TBPELS FIRM NO. 10019100

PARCEL PLAT

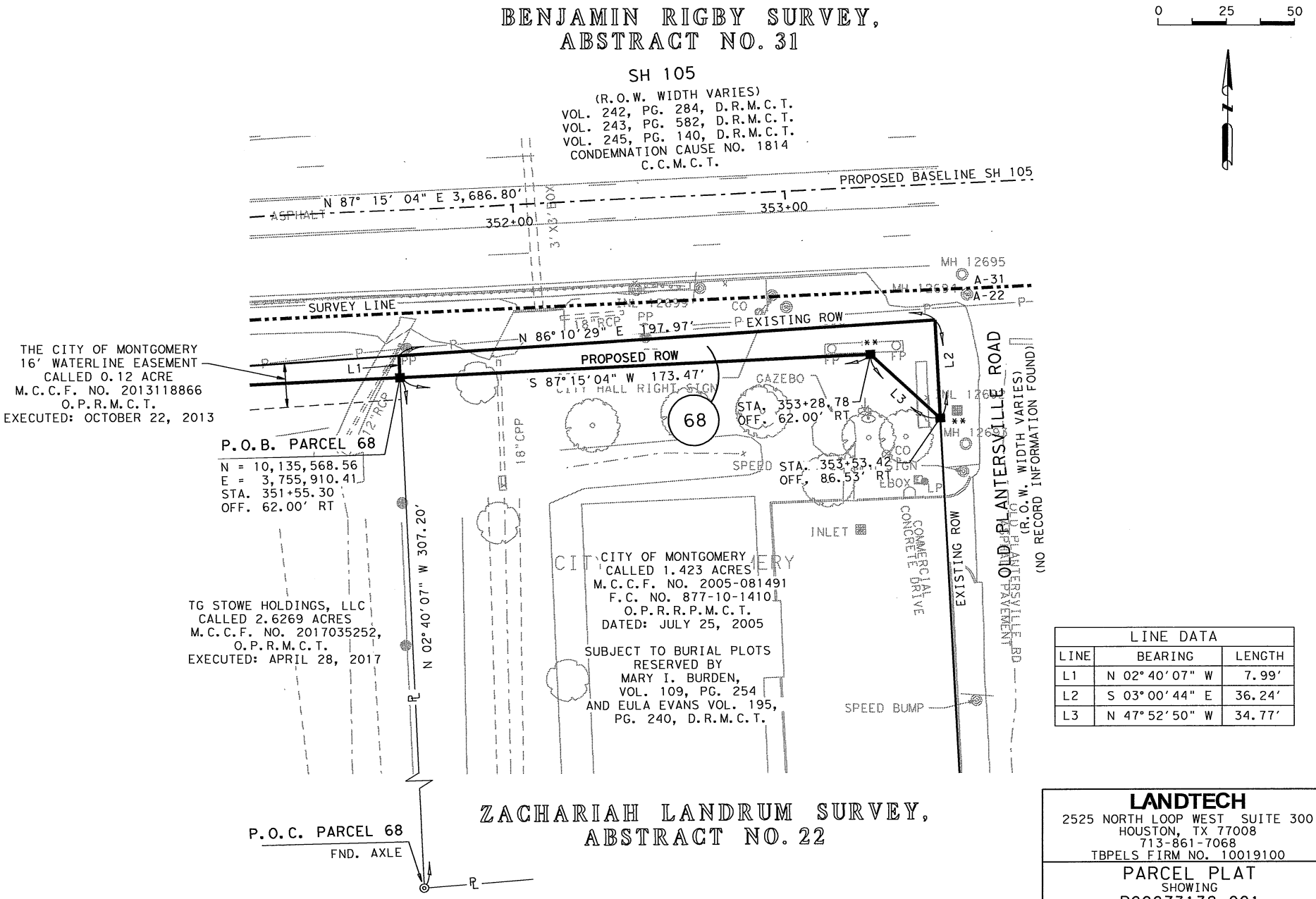
SHOWING

P00073138.001

(PARCEL 68)

STATE HIGHWAY 105
MONTGOMERY COUNTY
R.C.S.J. NO. 0338-02-043
JANUARY, 2024

PAGE 4 OF 5 SCALE: N.T.S.



LINE DATA		
LINE	BEARING	LENGTH
L1	N 02° 40' 07" W	7.99'
L2	S 03° 00' 44" E	36.24'
L3	N 47° 52' 50" W	34.77'

LANDTECH
2525 NORTH LOOP WEST SUITE 300
HOUSTON, TX 77008
713-861-7068
TBPELS FIRM NO. 10019100

PARCEL PLAT
SHOWING
P00073138.001
(PARCEL 68)
STATE HIGHWAY 105
MONTGOMERY COUNTY
R.C.S.J. NO. 0338-02-043
JANUARY, 2024

PAGE 5 OF 5 SCALE: 1"=50'

SH 105 PARCEL 68.TXT

HIGHWAY: SH 105
LIMITS: GRIMES COUNTY LINE TO FM 149
RCSJ: 0338-02-043
PARCEL P00073138.001 (PARCEL 68)
DATE: JANUARY, 2024

POC 7735

From Pt	Bearing	Distance	To Point	Delta North	Delta East	Delta Elev
7735	N 02°40'07"W	307.20	7685	306.86452	-14.30287	

*--
* Prepared by: Landtech, Inc.
* Routine: Area Summary Coord File: 2320052-Calcs.crd 8/14/23 9:25:17
* Input Scale Factor: 1.000000000 Output Scale Factor: 1.000000000
*--

SH 105 PARCEL 68

POB
N = 10135568.54996
E = 3755910.40736

Point ID	Ang Rt	Bearing	Distance	Point ID	Northing	Easting
7685		N 02°40'07"W	7.99	7726	10135576.53279	3755910.03528
7726	91°09'24"	N 86°10'29"E	197.97	4106	10135589.74031	3756107.56654
4106	89°11'13"	S 03°00'44"E	36.24	7688	10135553.54880	3756109.47100
7688	44°52'06"	N 47°52'50"W	34.77	7689	10135576.86946	3756083.67912
7689	224°52'06"	S 87°15'04"W	173.47	7685	10135568.54996	3755910.40736
7685	89°55'11"					

Perimeter: 450.45 Cumulative Perimeter: 450.45

Sq. Feet: 2251 Acres: 0.0517
Total - Sq. Feet: 2251 Acres: 0.0517

Texas Department of Transportation

POSSESSION AND USE AGREEMENT FOR TRANSPORTATION PURPOSES WITH ADDITIONAL PAYMENT OF INDEPENDENT CONSIDERATION

STATE OF TEXAS	§	ROW CSJ: 0338-02-043
	§	Parcel ID: P00073138.001 (68)
COUNTY OF MONTGOMERY	§	Project No.: SH 105

This Possession and Use Agreement For Transportation Purposes (the "Agreement") between the State of Texas, acting by and through the Texas Department of Transportation (the "State"), and City of Montgomery, a political subdivision of the State of Texas (the "Grantor" whether one or more), grants to the State, its contractors, agents and all others deemed necessary by the State, an irrevocable right to possession and use of the Grantor's property for the purpose of constructing a portion of SH 105 (the "Highway Construction Project"). The property subject to this Agreement is described more fully in field notes and plat map (attached as "Exhibit A") and made a part of this Agreement by reference (the "Property").

1. For the consideration paid by the State which is set forth in Paragraphs 2 and 3 below, the receipt and sufficiency of which is acknowledged, the Grantor grants, bargains, sells and conveys to the State of Texas the right of entry and exclusive possession and use of the Property for the purpose of constructing a highway and appurtenances thereto and the right to remove any improvements. Authorized activities include surveying, inspection, environmental studies, archeological studies, clearing, demolition, construction of permanent improvements, relocating, replacing, and improving existing utility facilities, locating new utility facilities, and other work required to be performed in connection with the Highway Construction Project. This Agreement will extend to the State, its contractors and assigns, owners of any existing utilities on the Property and those which may be lawfully permitted on the Property by the State in the future, and all others deemed necessary by the State for the purpose of the Highway Construction Project. This grant will allow the construction, relocation, replacement, repair, improvement, operation and maintenance of utilities on the Property.

2. In full consideration for this irrevocable grant of possession and use and other Grantor covenants, warranties, and obligations under this Agreement, the State will tender to the Grantor the sum of Zero Dollars ($0.00). The Grantor agrees that this sum represents adequate and full compensation for the possession and use of the Property. The State will be entitled to take possession and use of the Property upon tender of payment. The parties agree that the sum tendered represents zero percent of the State's approved value, which assumes no adverse environmental conditions affecting the value of the Property. The approved value is the State's determination of the just compensation owed to the Grantor for the real property interest to be acquired by the State in the Property, encumbered with the improvements thereon, if any, and damages to the remainder, if any, save and except all oil, gas and sulphur. The parties agree that the sum tendered to Grantor will be deducted from any final settlement amount, Special Commissioners' award or court judgment. In the event the amount of the final settlement or judgment for acquisition of the Property is less than the amount the State has paid for the possession and use of the Property, then the Grantor agrees that the original amount tendered represents an overpayment for the difference and, upon written notice from the State, the Grantor will promptly refund the overpayment to the State.

3. As additional consideration, the State will tender to the Grantor the sum of Four Thousand Eight Hundred Forty and 60/100 Dollars ($4,840.60), the receipt and sufficiency of which is acknowledged. The parties agree that the sum tendered under this Paragraph 3:

   (i) is independent consideration for the possession and use of Grantor's Property and represents no part of the State's compensation to be paid for the anticipated purchase of the Property; and
   (ii) will not be refunded to the State upon any acquisition of the Property by the State.

4. The effective date of this Agreement will be the date on which payment pursuant to Paragraphs 2 and 3 above was tendered to the Grantor by the State, or disbursed to the Grantor by a title company acting as escrow agent for the transaction, (the "Effective Date").

5. The Grantor warrants and represents that the title to the Property is free and clear of all liens and encumbrances or that proper releases will be executed for the Property prior to funds being disbursed under this Agreement. The Grantor further warrants that no other person or entity owns an interest in the fee title to the Property and further agrees to indemnify the State from all unreleased or undisclosed liens, claims or encumbrances affecting the Property.

6. The parties agree that the valuation date for determining the amount of just compensation for the real property interest proposed to be acquired by the State in the Property, for negotiation or eminent domain proceeding purposes, will be the Effective Date of this Agreement.

7. This Agreement is made with the understanding that the State will continue to proceed with acquisition of a real property interest in the Property. The Grantor reserves all rights of compensation for the title and interest in and to the Property which the Grantor holds as of the time immediately prior to the Effective Date of this Agreement. This Agreement shall in no way prejudice the Grantor's rights to receive full and just compensation as allowed by law for all of the Grantor's interests in and to the Property to be acquired by the State, encumbered with the improvements thereon, if any, and damages, if any, to the remainder of the Grantor's interest in any larger tract of which the Property is a part (the "Remainder"), if any; all as the Property exists on the Effective Date of this Agreement. The State's removal or construction of improvements on the Property shall in no way affect the fair market value of the Property in determining compensation due to the Grantor in the eminent domain proceedings. There will be no project impact upon the appraised value of the Property. This grant will not prejudice the Grantor's rights to any relocation benefits for which Grantor may be eligible.

8. In the event the State institutes or has instituted eminent domain proceedings, the State will not be liable to the Grantor for interest upon any award or judgment as a result of such proceedings for any period of time prior to the date of the award. Payment of any interest may be deferred by the State until entry of judgment.

9. The purpose of this Agreement is to allow the State to proceed with its Highway Construction Project without delay and to allow the Grantor to have the use at this time of a percentage of the estimated compensation for the State's acquisition of a real property interest in the Property. The Grantor expressly acknowledges that the proposed Highway Construction Project is for a valid public use and voluntarily waives any right the Grantor has or may have, known or unknown, to contest the jurisdiction of the court in any condemnation proceeding for acquisition of the Property related to the Highway Construction Project, based upon claims that the condemning authority has no authority to

acquire the Property through eminent domain, has no valid public use for the Property, or that acquisition of the Property is not necessary for the public use.

10. The Grantor reserves all of the oil, gas and sulphur in and under the land herein conveyed but waives all right of ingress and egress to the surface for the purpose of exploring, developing, mining or drilling. The extraction of oil, gas and minerals may not affect the geological stability of the surface. Nothing in this reservation will affect the title and rights of the State to take and use all other minerals and materials thereon, and thereunder.

11. The undersigned Grantor agrees to pay as they become due, all ad valorem property taxes and special assessments assessed against Property, including prorated taxes for the year in which the State takes possession under this agreement.

12. Notwithstanding the acquisition of right of possession to the Property by the State in a condemnation proceeding by depositing the Special Commissioners' award into the registry of the court, less any amounts tendered to the Grantor pursuant to Paragraph 2 above, this Agreement shall continue to remain in effect until the State acquires title to the Property either by negotiation, settlement, or final court judgment.

13. This Agreement will also extend to and bind the heirs, devisees, executors, administrators, legal representatives, successors in interest and assigns of the parties.

14. It is agreed the State will record this document.

15. Other conditions:

To have and to hold the Agreement herein described and conveyed, together with all the rights and appurtenances belonging to the State of Texas and its assigns forever, for the purposes and subject to the limitations set forth above.

GRANTOR:

City of Montgomery, a political subdivision of the State of Texas

by: _____
Sara Countryman, Mayor

Corporate Acknowledgment

State of Texas
County of Montgomery

This instrument was acknowledged before me on _____, 2024 by Sara Countryman as Mayor of the City of Montgomery, a political subdivision of the State of Texas.

The acknowledging person personally appeared by:

☐ physically appearing before me.

☐ appearing by an interactive two-way audio and video communication that meets the requirements for online notarization under Texas Government Code, Chapter 406, Subchapter C.

(seal)

_____
Notary Public's Signature

THE STATE OF TEXAS

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By: _____
Thien Nguyen, Right of Way Manager

Date: _____

EXHIBIT A

County: Montgomery
Highway: State Highway 105
Limits: Grimes County Line to FM 149
RCSJ: 0338-02-043

Property Description for P00073138.001 (Parcel 68)

Being a 0.0517 of an acre (2,251 square feet) parcel of land situated in the Zachariah Landrum Survey, Abstract No. 22, Montgomery County, Texas; said 0.0517 of an acre parcel of land being out of and a part of a called 1.423 acre tract of land described in a deed dated July 25, 2005, from Montgomery County to City of Montgomery, recorded under Montgomery County Clerk's File (M.C.C.F.) No. 2005-081491, Film Code 877-10-1410, of the Official Public Records of Real Property of Montgomery County, Texas (O.P.R.R.P.M.C.T.); said 0.0517 of an acre parcel of land being more particularly described by metes and bounds as follows:

COMMENCING at an axle found at the southwest corner of said 1.423 acre tract and the southeast corner of a called 2.6269 acre tract of land described in a deed executed April 28, 2017, from Todd Eric Stowe and wife, Glenda Carol Stowe to TG Stowe Holdings, LLC, recorded under M.C.C.F. No. 2017035252, of the Official Public Records Montgomery County, Texas;

THENCE, North 02° 40' 07" West, along the west boundary line of said 1.423 acre tract and the east boundary line of said 2.6269 acre tract, a distance of 307.20 feet to a 5/8 inch iron rod with TxDOT aluminum cap set in the proposed south right-of-way line of State Highway 105 (SH 105) for the southwest corner of the herein described parcel and the **POINT OF BEGINNING** having coordinates of N= 10,135,568.55, E= 3,755,910.41; said point being 62.00 feet right from the proposed SH 105 baseline station 351+55.30;

1) **THENCE,** North 02° 40' 07" West, continuing along the west boundary line of said 1.423 acre tract and the east boundary line of said 2.6269 acre tract, a distance of 7.99 feet to a point in the existing south right-of-way line of SH 105 (width varies per Volume 242, Page 284, Volume 243, Page 582, Volume 245, Page 140 of the Deed Records of Montgomery County, Texas and Condemnation-Cause No. 1814 of the Commissioners Court of Montgomery County, Texas) for the northeast corner of said 2.6269 acre tract and the northwest corner of said 1.423 acre tract and of the herein described parcel;

EXHIBIT A

2) **THENCE**, North 86° 10' 29" East, along the existing south right-of-way line of said SH 105 and the north boundary line of said 1.423 acre tract, a distance of 197.97 feet to a point in the existing west right-of-way line of Old Plantersville Road (width varies – no record information found) for the northeast corner of said 1.423 acre tract and of the herein described parcel;

3) **THENCE,** South 03° 00' 44" East, along the existing west right-of-way line of said Old Plantersville Road and the east boundary line of said 1.423 acre tract, a distance of 36.24 feet to a 5/8 inch iron rod with TxDOT aluminum cap set in the proposed south right-of-way line of SH 105 for the southeast corner of the herein described parcel;**

4) **THENCE,** North 47° 52' 50" West, along the proposed south right-of-way line of SH 105, a distance of 34.77 feet to a 5/8 inch iron rod with TxDOT aluminum cap set for an angle point of the herein described parcel;**

5) **THENCE**, South 87° 15' 04" West, continuing along the proposed south right-of-way line of SH 105, a distance of 173.47 feet to the **POINT OF BEGINNING** and containing 0.0517 of an acre (2,251 square feet) parcel of land.

Notes:

All bearings and coordinates are based on the Texas Coordinate System, Central Zone (4203), North American Datum of 1983 (NAD83), 2011 Adjustment, Epoch 2010.00. All distances and coordinates shown are surface values and may be converted to grid by dividing by a Combined Adjustment Factor of 1.00003.

TXDOT Monument Nos. H 2001-0050 and H 2001-0054 prepared by J.F. Thompson, Inc., dated Jan. 28, 2003, CSJ No. 0338-02-032, and revised by Landtech, Inc. September 17, 2017 were held for horizontal control. All measurements are in U. S. Survey feet.

** The monument described and set in this call may be replaced with a TxDOT Type II right-of-way marker upon completion of the highway construction project under the supervision of a Registered Professional Land Surveyor, either employed or retained by TxDOT.

A parcel plat of even date was prepared in conjunction with this property description.

Access will be permitted to the remainder property abutting the highway facility.

Abstracting was completed in December, 2023.

January, 2024
P00073138.001 (Parcel 68)

EXHIBIT A

I hereby certify that this survey was performed on the ground under my supervision and that this property description and accompanying parcel plat represent the facts as found at the time of the survey. Survey date: January, 2024

01/31/24

Leo M. Delatorre Date
Registered Professional Land Surveyor
Texas Registration No. 5113



Landtech, Inc.
2525 North Loop West, Suite 300
Houston, Texas 77008
(713) 861-7068
TBPELS Firm No. 10019100

LEGEND

- PROPOSED R.O.W. LINE
- PROPOSED R.O.W. AND ACCESS DENIAL LINE
- EXISTING R.O.W. LINE
- PROPERTY LINE
- SURVEY LINE
- FENCE LINE

O.P.R.M.C.T. - OFFICIAL PUBLIC RECORDS MONTGOMERY COUNTY

O.P.R.R.P.M.C.T. - OFFICIAL PUBLIC RECORDS OF REAL PROPERTY MONTGOMERY COUNTY

M.C.C.F. - MONTGOMERY COUNTY CLERK'S FILE

M.R.M.C.T. - MAP RECORDS MONTGOMERY COUNTY, TEXAS

D.R.M.C.T. - DEED RECORDS MONTGOMERY COUNTY, TEXAS

C.C.M.C.T. - COMMISSIONERS COURT OF MONTGOMERY COUNTY, TEXAS

U.E. - UTILITY EASEMENT

B.L. - BUILDING LINE

A.E. - AERIAL EASEMENT

D.E. - DRAINAGE EASEMENT

I.R. - IRON ROD

I.P. - IRON PIPE

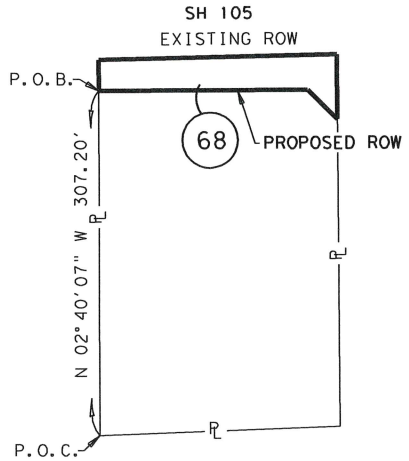
■ SET 5/8" IR. W/TXDOT ALUM CAP (UNLESS OTHERWISE NOTED)

□ FOUND 5/8" IR. W/TXDOT ALUM CAP

● SET (AS INDICATED)

◎ FOUND PROPERTY CORNER (AS DESCRIBED)

ZACHARIAH LANDRUM SURVEY, ABSTRACT NO. 22



PARENT TRACT INSET FOR PARCEL NO. 68

N.T.S.

NOTES:

1. ALL BEARINGS AND COORDINATES ARE BASED ON THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE, (4203), NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. ALL DISTANCES AND COORDINATES SHOWN ARE SURFACE VALUES AND MAY BE CONVERTED TO GRID BY DIVIDING BY THE COMBINED ADJUSTMENT FACTOR OF 1.00003.

2. TXDOT MONUMENT NOS. H 2001-0050 AND H 2001-0054 PREPARED BY J.F. THOMPSON, INC., DATED JAN. 28, 2003, CSJ NO. 0338-02-032, AND REVISED BY LANDTECH, INC. SEPTEMBER 17, 2017 WERE HELD FOR HORIZONTAL CONTROL. HORIZONTAL SURVEY METHOD: BASE STATION (RTK) AND TXDOT RTN.

3. UNIT OF MEASURE: U.S. SURVEY FEET

4. ** THE MONUMENT DESCRIBED AND SET MAY BE REPLACED WITH A TXDOT TYPE II RIGHT-OF-WAY MARKER UPON COMPLETION OF THE HIGHWAY CONSTRUCTION PROJECT UNDER THE SUPERVISION OF A REGISTERED PROFESSIONAL LAND SURVEYOR, EITHER EMPLOYED OR RETAINED BY TXDOT.

5. ABSTRACTING WAS COMPLETED IN DECEMBER, 2023.

6. A PROPERTY DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS PARCEL PLAT.

7. FIELD SURVEYS WERE COMPLETED IN JANUARY, 2024.

8. RIGHT-OF-WAY MAP WAS COMPLETED IN JANUARY, 2024.

9. ALL EASEMENTS AND BUILDING LINES SHOWN WITHIN THE BOUNDARY OF ANY SUBDIVISION ARE PER THAT SUBDIVISION'S RECORDED PLAT UNLESS OTHERWISE NOTED.

STATE OF TEXAS
REGISTERED
LEO M. DELATORRE
5113
PROFESSIONAL
LAND SURVEYOR

I HEREBY CERTIFY THAT THIS SURVEY WAS PERFORMED ON THE GROUND UNDER MY SUPERVISION AND THAT THIS PARCEL PLAT REPRESENTS THE FACTS AS FOUND AT THE TIME OF THE SURVEY.

01/31/24

LEO M. DELATORRE DATE
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 5113

AREA TABLE (ACRES)			
EXISTING AC.	TAKING AC./S.F.	REMAINDER AC. LEFT	REMAINDER AC. RIGHT
1.423	0.0517 2,251		1.3713

LANDTECH
2525 NORTH LOOP WEST SUITE 300
HOUSTON, TX 77008
713-861-7068
TBPELS FIRM NO. 10019100

PARCEL PLAT

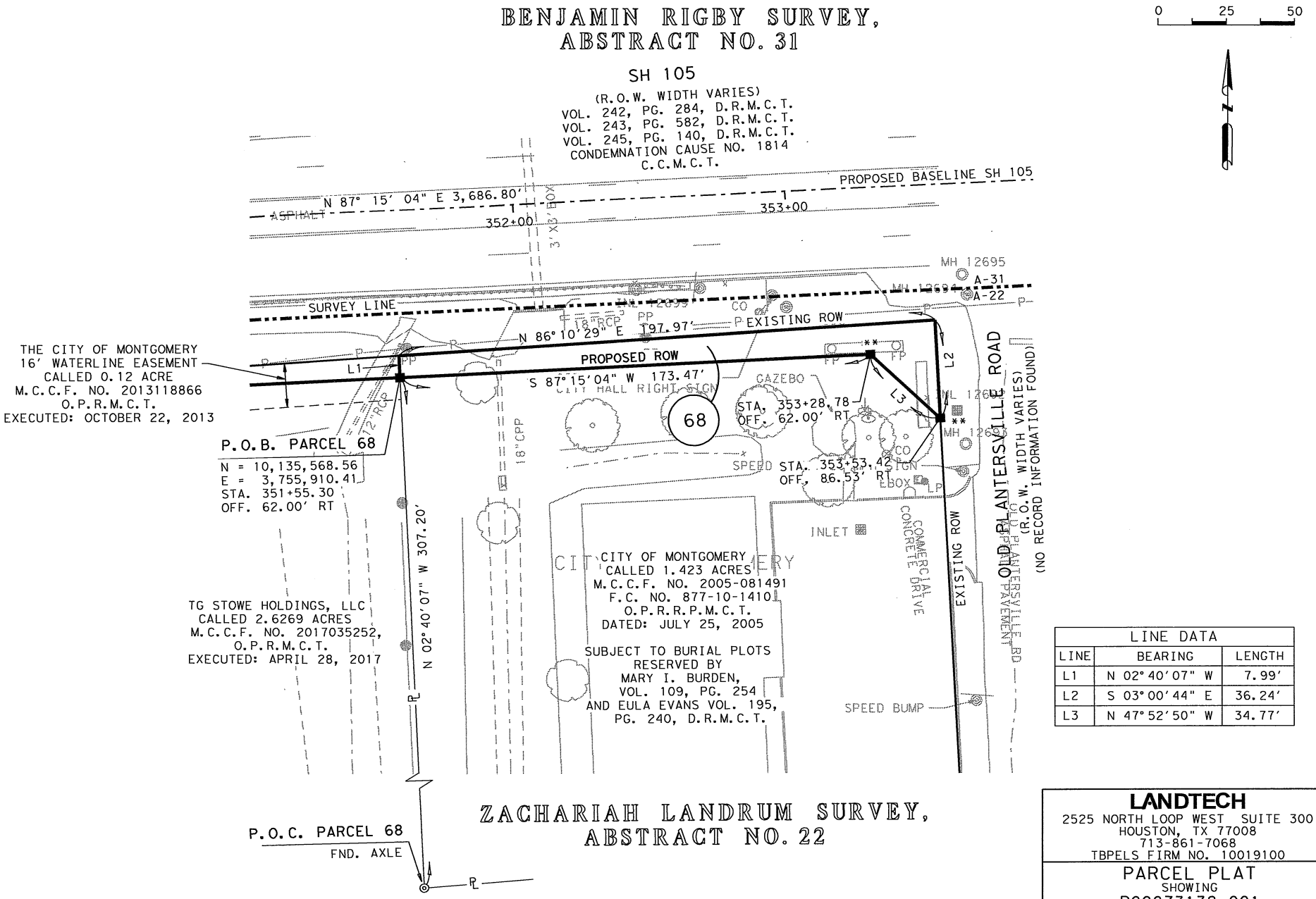
SHOWING

P00073138.001

(PARCEL 68)

STATE HIGHWAY 105
MONTGOMERY COUNTY
R.C.S.J. NO. 0338-02-043
JANUARY, 2024

PAGE 4 OF 5 SCALE: N.T.S.



LINE DATA		
LINE	BEARING	LENGTH
L1	N 02° 40' 07" W	7.99'
L2	S 03° 00' 44" E	36.24'
L3	N 47° 52' 50" W	34.77'

LANDTECH
2525 NORTH LOOP WEST SUITE 300
HOUSTON, TX 77008
713-861-7068
TBPELS FIRM NO. 10019100

PARCEL PLAT
SHOWING
P00073138.001
(PARCEL 68)
STATE HIGHWAY 105
MONTGOMERY COUNTY
R.C.S.J. NO. 0338-02-043
JANUARY, 2024

PAGE 5 OF 5 SCALE: 1"=50'

SH 105 PARCEL 68.TXT

HIGHWAY: SH 105
LIMITS: GRIMES COUNTY LINE TO FM 149
RCSJ: 0338-02-043
PARCEL P00073138.001 (PARCEL 68)
DATE: JANUARY, 2024

POC 7735

From Pt	Bearing	Distance	To Point	Delta North	Delta East	Delta Elev
7735	N 02°40'07"W	307.20	7685	306.86452	-14.30287	

*--
* Prepared by: Landtech, Inc.
* Routine: Area Summary Coord File: 2320052-Calcs.crd 8/14/23 9:25:17
* Input Scale Factor: 1.000000000 Output Scale Factor: 1.000000000
*--

SH 105 PARCEL 68

POB
N = 10135568.54996
E = 3755910.40736

Point ID	Ang Rt	Bearing	Distance	Point ID	Northing	Easting
7685		N 02°40'07"W	7.99	7726	10135576.53279	3755910.03528
7726	91°09'24"	N 86°10'29"E	197.97	4106	10135589.74031	3756107.56654
4106	89°11'13"	S 03°00'44"E	36.24	7688	10135553.54880	3756109.47100
7688	44°52'06"	N 47°52'50"W	34.77	7689	10135576.86946	3756083.67912
7689	224°52'06"	S 87°15'04"W	173.47	7685	10135568.54996	3755910.40736
7685	89°55'11"					

Perimeter: 450.45 Cumulative Perimeter: 450.45

Sq. Feet: 2251 Acres: 0.0517
Total - Sq. Feet: 2251 Acres: 0.0517

Outlook

2025 H-GAC Designations

From McKeehan, Vanessa <Vanessa.McKeehan@h-gac.com>
Date Tue 10/1/2024 2:36 PM
To McKeehan, Vanessa <Vanessa.McKeehan@h-gac.com>

2 attachments (315 KB)
2025 General Law Letter.pdf; General Law Designation Form.docx;

Good morning General Law Cities,

It is that time of year again to make your General Assembly designations. Please find attached a memo from H-GAC Executive Director Chuck Wemple regarding your 2025 General Assembly designations and a designation form for your use.

Once the designation form is complete, please feel free to email it back to me. The representatives you designate are encouraged to attend a dinner meeting of General Assembly cities on **Thursday, November 7, 2024 starting at 6:00 p.m..** It will be at The Royal Sonesta, 2222 W Loop S, Houston, TX 77027. There, the representatives will elect the 2025 General Law Cities' representatives to the H-GAC Board of Directors.

If you have any questions, please let us know. We look forward to continuing our work together.

Best,

VANESSA MCKEEHAN, MPA
Board Coordinator
Houston-Galveston Area Council
3555 Timmons Lane, Suite 120
Houston, TX. 77027
Mailing Address: P.O. Box 22777
Houston, TX. 77227
Direct | 713-993-2472
https://www.h-gac.com

CAUTION: External Sender. Please do not click on links or open attachments from senders you do not trust.

DESIGNATION OF REPRESENTATIVE AND ALTERNATE

HOUSTON-GALVESTON AREA COUNCIL

2025 GENERAL ASSEMBLY

****

BE IT RESOLVED, by the Mayor and City Council of _____, Texas that _____ be, and is hereby designated as its Representative to the **GENERAL ASSEMBLY** of the Houston-Galveston Area Council for the year 2025.

FURTHER, that the Official Alternate authorized to serve as the voting representative should the hereinabove named representative become ineligible, or should he/she resign, is _____.

THAT the Executive Director of the Houston-Galveston Area Council be notified of the designation of the hereinabove named representative and alternate.

PASSED AND ADOPTED, this ____ day of _____, 2024.

APPROVED:

_____

Mayor

ATTEST:

_____

HOUSTON-GALVESTON AREA COUNCIL
OFFICE OF THE EXECUTIVE DIRECTOR

To: Mayors – General Law Cities
Subject: 2025 General Assembly Designations
From: Chuck Wemple
Date: September 19, 2024

The Houston-Galveston Area Council has had an exciting and eventful 2024. We remain dedicated to better serving our member governments. We are working to do this by continuing to bring the conversation to your communities to listen to your needs and determining how we can help improve quality of life across the region. Thus far we have visited all of our regions' counties, and have started the second round of visits.

As we look forward to 2025, we ask that you appoint elected leaders from your governing body to represent your community and be a part of our decision-making progress. H-GAC bylaws allow each member of General Law cities to designate an elected official to represent you on the General Assembly and at the General Law cities caucus meeting. At the caucus meeting, General Law cities from across the region will elect two members to represent all General Law cities on the H-GAC Board of Directors, and two members to serve as alternates.

I have attached the nomination form on which you can designate your representatives. Please email the completed form to Vanessa.McKeehan@h-gac.com. If more information concerning General Assembly and Board of Directors membership would be useful, please contact me at 713-993-4514 or Rick Guerrero at 713-993-4598.

A dinner meeting of General Law city representatives is scheduled for Thursday, November 7, 2024 starting at 6:00 p.m.. It will be at the The Royal Sonesta, 2222 W Loop S, Houston, TX 77027. Your city's designees are highly encouraged to attend and help elect the 2025 General Law Cities' representatives to the H-GAC Board of Directors.

Thank you for your continuing participation and support for the Houston-Galveston Area Council. We look forward to working with you in the coming year.

Sincerely,

Charles Wemple (Oct 1, 2024 05:35 CDT)

Chuck Wemple

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action on a Resolution establishing the annual Christmas Parade as a public-purpose event and authorizing the City to enter into a 5-year agreement with TxDOT to close portions of SH149 and SH105 during the parade.

Recommendation

Staff recommends approval of the Resolution.

Discussion

This resolution is related to obtaining the necessary permits for closure of state roads for the Christmas parade event. The City Administrator has been working on this and can provide additional information at the meeting.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/04/2024

RESOLUTION NO. R-2024-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, ESTABLISHING THE ANNUAL CHRISTMAS PARADE AS A PUBLIC-PURPOSE EVENT AND AUTHORIZING THE CITY OF MONTGOMERY TO ENTER INTO AN AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT) FOR THE CLOSURE OF CERTAIN ROADS DURING THE EVENT.

WHEREAS, The City of Montgomery, Texas, has a rich tradition of celebrating the holiday season with an Annual Christmas Parade that fosters community spirit, brings together families and local businesses, and serves as a signature event for the city; and

WHEREAS, the Annual Christmas Parade provides significant cultural, social, and economic benefits to the City of Montgomery, enhancing the quality of life for its citizens and promoting tourism and business growth; and

WHEREAS, the City of Montgomery recognizes that the Annual Christmas Parade is a public purpose event that contributes to the health, safety, and welfare of its citizens by fostering a sense of community and belonging; and

WHEREAS, the successful planning and execution of the Annual Christmas Parade requires the closure of certain public streets within the City of Montgomery to ensure the safety of participants and spectators; and

WHEREAS, the Texas Department of Transportation (TxDOT) has jurisdiction over certain roadways within the city limits, and any closure of such roadways requires an agreement between the City of Montgomery and TxDOT; and

WHEREAS, the City Council of the City of Montgomery desires to formally recognize the Annual Christmas Parade as a public purpose and to authorize the City to enter into an agreement with TxDOT for the necessary road closures to facilitate the event.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS:

Section 1. Public Purpose Declaration
The City Council hereby declares the Annual Christmas Parade to be a public purpose event that benefits the citizens of Montgomery by promoting community engagement, cultural enrichment, and economic vitality.

Section 2. Authorization to Enter Agreement with TxDOT
The City Council hereby authorizes the City of Montgomery to enter into an agreement with the Texas Department of Transportation (TxDOT) for the temporary closure of roads within the city limits as necessary for the safe conduct of the Annual Christmas Parade.

Section 3. Event Coordination
The City Administrator, or their designee, is hereby authorized to coordinate with TxDOT and any other relevant state or local agencies to ensure the safe and efficient closure of roads for the Annual Christmas Parade, and to execute any necessary agreements related to such road closures.

Section 4. Effective Date
This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED this 8th day of October 2024, by the City Council of the City of Montgomery, Texas.

APPROVED:

_____
Sara Countryman
Mayor, City of Montgomery, Texas

ATTEST:

_____
Diana Titus
Deputy City Secretary, City of Montgomery, Texas

APPROVED AS TO FORM:

_____
Alan Petrov
City Attorney, City of Montgomery, Texas

Agreement No. _____
District # _____
Code Chart 64 #_____
Project: _____

STATE OF TEXAS §

CITY OF MONTGOMERY §

AGREEMENT FOR THE TEMPORARY CLOSURE OF STATE RIGHT OF WAY – MULTI-YEAR AGREEMENT

THIS AGREEMENT is made by and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the "State," and the City of Montgomery, a municipal corporation, hereinafter called "local government" acting by and through its duly authorized officers.

W I T N E S S E T H

WHEREAS, the State owns and operates a system of highways for public use and benefit, including **SH105 and SH149**, in Montgomery County; and

WHEREAS, the local government has requested the temporary closure of **SH105 around the SH105 and SH149 intersection and SH149 from approximately 100' south of Flagship Blvd to Clepper St.** for the **2024 HOLIDAY PARADE**, from 9:30 AM to 11:00 AM as described in the attached "**Exhibit A**," hereinafter identified as the "**Event**;" and

WHEREAS, the Event will be located within the local government's incorporated area; and

WHEREAS, the State, in recognition of the public purpose of the Event, wishes to cooperate with the local government so long as the safety and convenience of the traveling public is ensured and that the closure of the State's right of way will be performed within the State's requirements; and

WHEREAS, on the 8th day of October 2024, the Montgomery City Council passed Resolution (Res.#_____), attached hereto and identified as "**Exhibit B**," establishing that the Event serves a public purpose and authorizing the local government to enter into this agreement with the State; and

WHEREAS, 43 TAC, Section 22.12 establishes the rules and procedures for the temporary closure of a segment of the State highway system: and

WHEREAS, this agreement has been developed in accordance with the rules and procedures of 43 TAC, Section 22.12;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto, to be by them respectively kept and performed as hereinafter set forth, it is agreed as follows:

Agreement No. _____
District # _____
Code Chart 64 # _____
Project: _____

AGREEMENT

Article 1. CONTRACT PERIOD

This agreement becomes effective upon final execution by the State and the maximum duration of this agreement shall not exceed five years unless terminated or modified as hereinafter provided.

Article 2. EVENT DESCRIPTION

Standard City Christmas Parade: Saturday December 12, 2024, starting at 0930 through approximately 11am. Staging area and parade starts on Flagship Blvd. connecting to SR149 (Liberty St.), all lanes, heading toward Clepper in Downtown Montgomery, turning East on Clepper, all lanes, and ending at the City owned property on Clepper (old MISD property). Cars and some walkers will be in the parade. Approximately 2,000 attendees estimated. SEE *location map* Exhibit C.

Article 3. OPERATIONS OF THE EVENT

A. The local government shall assume all costs for the operations associated with the Event, to include but not limited to, plan development, materials, labor, public notification, providing protective barriers and barricades, protection of highway traffic and highway facilities, and all traffic control and temporary signing.

B. The local government shall submit to the State for review and approval the construction plans, if construction or modifications to the State's right of way is required, the traffic control and signing plans, traffic enforcement plans, and all other plans deemed necessary by the State. The State may require that any traffic control plans of sufficient complexity be signed, sealed and dated by a registered professional engineer. The traffic control plan shall be in accordance with the latest edition of the Texas Manual on Uniform Traffic Control Devices. All temporary traffic control devices used on state highway right of way must be included in the State's Compliant Work Zone Traffic Control Devices List. The State reserves the right to inspect the implementation of the traffic control plan and if it is found to be inadequate, the local government will bring the traffic control into compliance with the originally submitted plan, upon written notice from the State noting the required changes, prior to the event. The State may request changes to the traffic control plan to ensure public safety due to changing or unforeseen circumstances regarding the closure.

C. The local government will ensure that the appropriate law enforcement agency has reviewed the traffic control for the closures and that the agency has deemed them to be adequate. If the law enforcement agency is unsure as to the adequacy of the traffic control, it will contact the State for consultation no less than 10 workdays prior to the closure.

D. The local government will complete all revisions to the traffic control plan as requested by the State within the required timeframe or that the agreement will be terminated upon written notice from the State to the local government. The local government hereby agrees that any failure to cooperate with the State may constitute reckless endangerment of the public and that the Texas Department of Public Safety may be notified of the situation as soon as possible for the appropriate action, and failing to follow the traffic control plan or State instructions may result in a denial of future use of the right of way for three years.

Agreement No. _____
District # _____
Code Chart 64 # _____
Project: _____

E. The local government will not initiate closure prior to 24 hours before the scheduled Event and all barriers and barricades will be removed and the highway reopened to traffic within 24 hours after the completion of the Event.

F. The local government will provide adequate enforcement personnel to prevent vehicles from stopping and parking along the main lanes of highway right of way and otherwise prevent interference with the main lane traffic by both vehicles and pedestrians. The local government will prepare a traffic enforcement plan, to be approved by the State in writing at least 48 hours prior to the scheduled Event. Additionally, the local government shall provide to the State a letter of certification from the law enforcement agency that will be providing traffic control for the Event, certifying that they agree with the enforcement plan and will be able to meet its requirements.

G. The local government hereby assures the State that there will be appropriate passage allowance for emergency vehicle travel and adequate access for abutting property owners during construction and closure of the highway facility. These allowances and accesses will be included in the local government's traffic control plan.

H. The local government will avoid or minimize damage, and will, at its own expense, restore or repair damage occurring outside the State's right of way and restore or repair the State's right of way, including, but not limited to, roadway and drainage structures, signs, overhead signs, pavement markings, traffic signals, power poles and pavement, etc. to a condition equal to that existing before the closure, and, to the extent practicable, restore the natural and cultural environment in accordance with federal and state law, including landscape and historical features.

Article 4. OWNERSHIP OF DOCUMENTS

Upon completion or termination of this agreement, all documents prepared by the local government will remain the property of the local government. All data prepared under this agreement shall be made available to the State without restriction or limitation on their further use. At the request of the State, the Local Government shall submit any information required by the State in the format directed by the State.

Article 5.TERMINATION

A. This agreement may be terminated by any of the following conditions:

(1) By mutual written agreement and consent of both parties.
(2) By the State upon determination that use of the State's right of way is not feasible or is not in the best interest of the State and the traveling public.
(3) By either party, upon the failure of the other party to fulfill the obligations as set forth herein.
(4) By satisfactory completion of all services and obligations as set forth herein.

B. The termination of this agreement shall extinguish all rights, duties, obligations, and liabilities of the State and local government under this agreement. If the potential termination of this agreement is due to the failure of the local government to fulfill its contractual obligations as set forth herein,

Agreement No. _____
District # _____
Code Chart 64 #_____
Project: _____

the State will notify the local government that possible breach of contract has occurred. The local government must remedy the breach as outlined by the State within ten (10) days from receipt of the State's notification. In the event the local government does not remedy the breach to the satisfaction of the State, the local government shall be liable to the State for the costs of remedying the breach and any additional costs occasioned by the State.

Article 6. DISPUTES
Should disputes arise as to the parties' responsibilities or additional work under this agreement, the State's decision shall be final and binding.

Article 7. RESPONSIBILITIES OF THE PARTIES
The State and the Local Government agree that neither party is an agent, servant, or employee of the other party and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

Article 8. INSURANCE
A. Prior to beginning any work upon the State's right of way, the local government and/or its contractors shall furnish to the State a completed "Certificate of Insurance" (TxDOT Form 1560, latest edition) and shall maintain the insurance in full force and effect during the period that the local government and/or its contractors are encroaching upon the State right of way.

Article 9. AMENDMENTS
Any changes in the time frame, character, agreement provisions or obligations of the parties hereto shall be enacted by written amendment executed by both the local government and the State.

Article 10. COMPLIANCE WITH LAWS
The local government shall comply with all applicable federal, state and local environmental laws, regulations, ordinances and any conditions or restrictions required by the State to protect the natural environment and cultural resources of the State's right of way.

Article 11. LEGAL CONSTRUCTION
In case one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Article 12. NOTICES
All notices to either party by the other required under this agreement shall be delivered personally or sent by certified U.S. mail, postage prepaid, addressed to such party at the following respective addresses:

Agreement No. _____
District # _____
Code Chart 64 #_____
Project: _____

Local Government:	State:
City of Montgomery Gary Palmer City Administrator 101 Old Plantersville Rd.	Texas Department of Transportation Eliza C. Paul, P. E. District Engineer Houston District

All notices shall be deemed given on the date so delivered or so deposited in the mail, unless otherwise provided herein. Either party hereto may change the above address by sending written notice of such change to the other in the manner provided herein.

Article 13. SOLE AGREEMENT

This agreement constitutes the sole and only agreement between the parties hereto and supersedes any prior understandings or written or oral agreements respecting the within subject matter.

Each party is signing this agreement on the date stated beside that party's signature.

THE CITY OF MONTGOMERY
Executed on behalf of the local government by:

By_____ Date_____
City Official

Typed or Printed Name and Title _____

_____

THE STATE OF TEXAS

Executed for the Executive Director and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By_____ Date_____
District Engineer

Agreement No. _____
District # _____
Code Chart 64 #_____
Project: _____

Exhibit A
-"Event"

Standard City Christmas Parade: Saturday December 12, 2024, starting at 0930 through approximately 11am. Staging area and parade starts on Flagship Blvd. connecting to SR149 (Liberty St.), all lanes, heading toward Clepper in Downtown Montgomery, turning East on Clepper, all lanes, and ending at the City owned property on Clepper (old MISD property). Cars and some walkers will be in the parade. Approximately 2,000 attendees estimated. SEE *location map* Exhibit C.

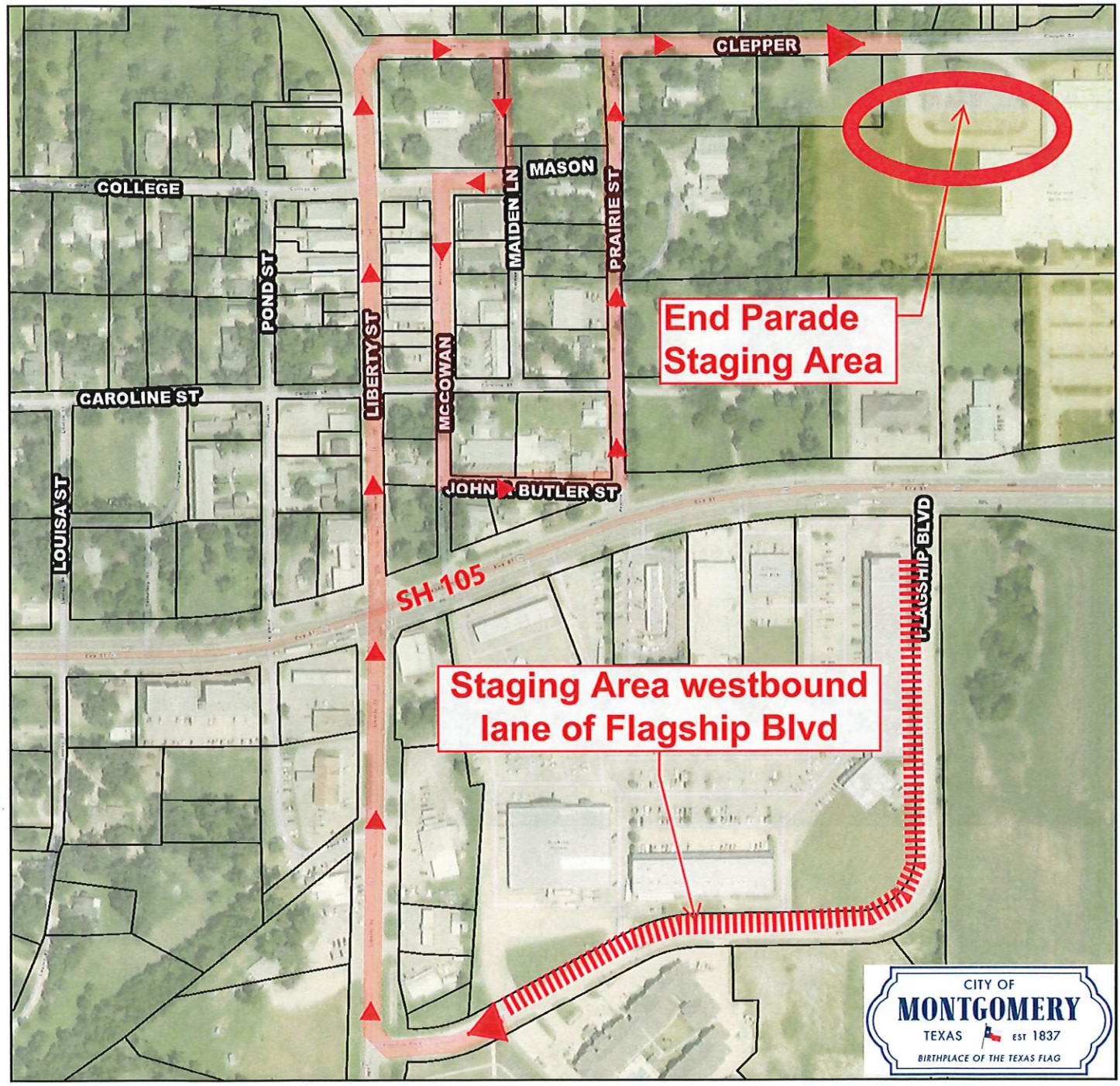
Agreement No. _____
District # _____
Code Chart 64 #_____
Project: _____

Exhibit B
Resolution / Ordinance

Agreement No. _____
District # _____
Code Chart 64 # _____
Project: _____

Exhibit C
LOCATION MAP

Christmas in Montgomery Parade Route

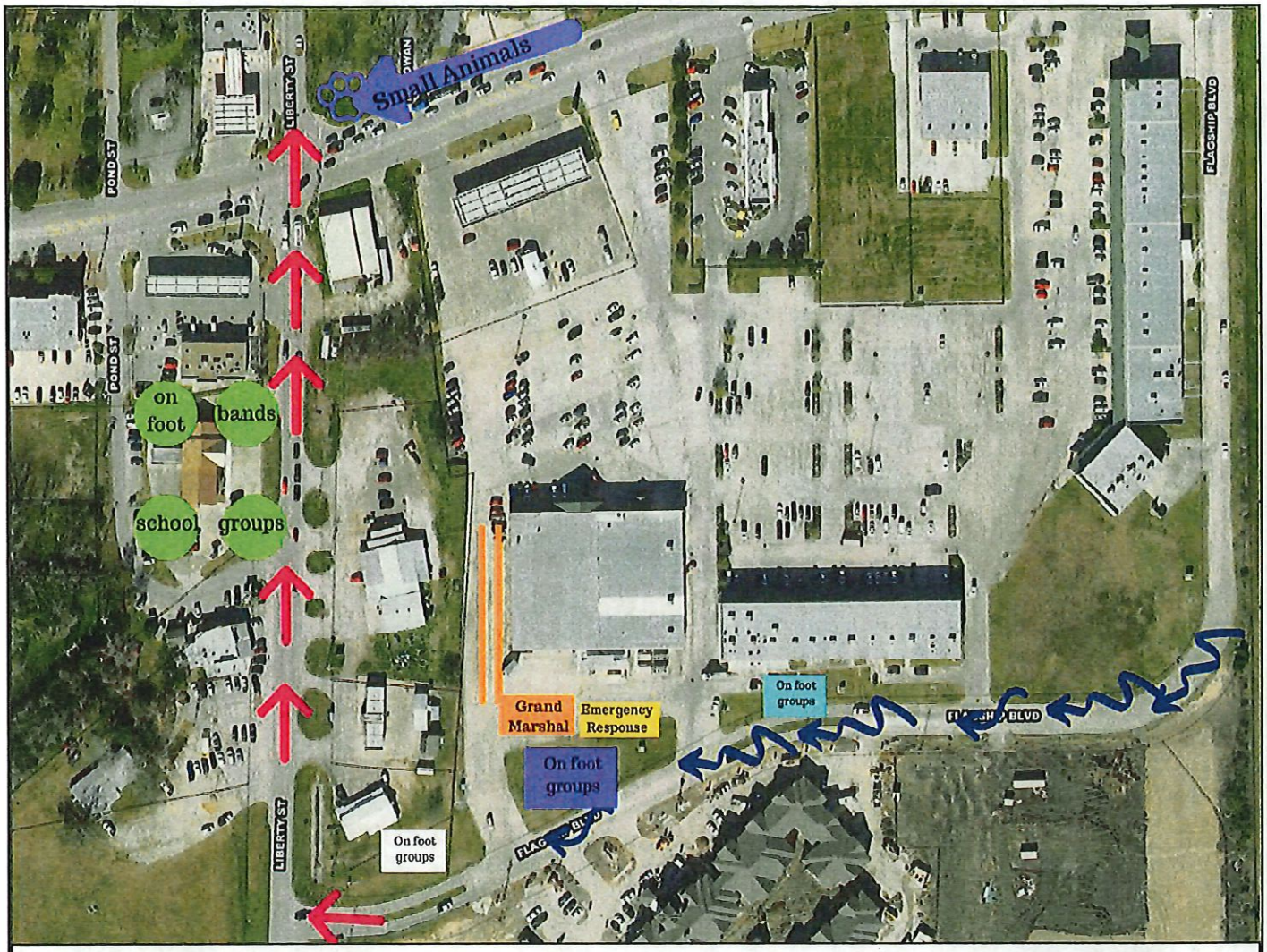


LEGEND

1 inch equals 350 Feet

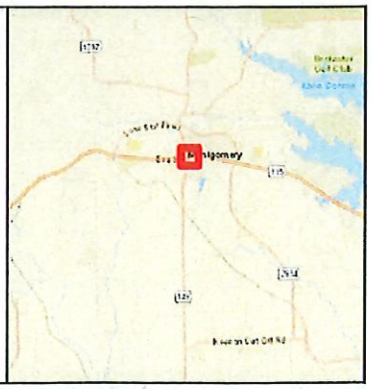


Christmas in Montgomery Parade Lineup



LEGEND

1 inch equals 350 Feet



CITY OF MONTGOMERY
POLICE DEPARTMENT

Chief: Anthony Solomon
101 OLD PLANTERSVILLE RD
MONTGOMERY, TX 77316
(P): (936) 597-6866

Date: October 06, 2022

To: TX dot Representative

From: Anthony Solomon

Re: Road Closure

I am writing to request a permit for the closure of the east and west bounds lanes of Highway 105 located within the city limits of Montgomery. The road will be closed starting at 9:30 am on Saturday December 12th, 2022.

The east bound closure will start at the 20,200 block of Eva Street at Buffalo Springs where the traffic will be detoured back to highway 105. The west bound traffic will be closed in the 22,800 block of Eva Street using Lone Star as a detour. Highway 105 will be close at 9:30 am.

The reason for this request is that each year the city of Montgomery holds an annual, Holiday parade. The parades duration is approximately 1 hours and 30 minutes. The closing of the streets will help us to assure the safety of both the participants and spectators.

I would like to say thanks and advance, and if you need to contact me, please feel free to contact at phone number listed below or via my email address listed below.

Sincerely

Anthony Solomon

Chief of Police

City of Montgomery

101 Plantersville Rd.

Montgomery Tx. 77356

832-250-4468

asolomon@ci.montgomery.tx.us

Texas Department of Transportation

CERTIFICATE OF INSURANCE

Form 1560
(Rev. 5/18)
Previous editions of this form may not be used.

Agents should complete this form by providing all requested information, then either email, fax, or mail this form as noted at the bottom of page two. Copies of endorsements listed below are not required as attachments to this certificate.

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not confer any rights or obligations other than the rights and obligations conveyed by the policies referenced on this certificate. The terms of the policies referenced in this certificate control over the terms of the certificate.

Insured: Montgomery

Street/Mailing Address: PO Box 708

City/State/Zip: Montgomery, Texas 77356-0708

Phone Number: (936) 597 - 3288

WORKERS' COMPENSATION INSURANCE COVERAGE:
Endorsed with a Waiver of Subrogation in favor of TxDOT.

Carrier Name: Texas Municipal League, IRP			**Carrier Phone #:** (512) 491 - 2300	
Address: PO Box 149194			**City, State, Zip:** Austin, TX 78714-9194	
Type of Insurance	**Policy Number**	**Effective Date**	**Expiration Date**	**Limits of Liability:**
Workers' Compensation	6827	10/01/24	10/01/25	Not Less Than: Statutory - Texas

COMMERCIAL GENERAL LIABILITY INSURANCE:

Carrier Name: Texas Municipal League, IRP			**Carrier Phone #:** (512) 491 - 2300	
Address: PO Box 149194			**City, State, Zip:** Austin, TX 78714-9194	
Type of Insurance:	**Policy Number:**	**Effective Date:**	**Expiration Date:**	**Limits of Liability:**
Commercial General Liability Insurance	6827	10/01/24	10/01/25	Not Less Than: $ 600,000 each occurrence

BUSINESS AUTOMOBILE POLICY:

Carrier Name: Texas Municipal League, IRP			**Carrier Phone #:** (512) 491 - 2300	
Address: PO Box 149194			**City, State, Zip:** Austin, TX 78714-9194	
Type of Insurance:	**Policy Number:**	**Effective Date:**	**Expiration Date:**	**Limits of Liability:**
Business Automobile Policy	6827	10/01/24	10/01/25	Not Less Than: $ 600,000 combined single limit

UMBRELLA POLICY (if applicable):

Carrier Name:			**Carrier Phone #:** ( ) -	
Address:			**City, State, Zip:**	
Type of Insurance:	**Policy Number:**	**Effective Date:**	**Expiration Date:**	**Limits of Liability:**
Umbrella Policy				

Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

THIS IS TO CERTIFY to the Texas Department of Transportation acting on behalf of the State of Texas that the insurance policies named are in full force and effect. *If this form is sent by facsimile machine (fax), the sender adopts the document received by TxDOT as a duplicate original and adopts the signature produced by the receiving fax machine as the sender's original signature.*

Agency Name	**Address**	**City, State, Zip Code**
Texas Municipal League, IRP	1821 Rutherford Ln # 100,	Austin, TX 78754

(512) 491 - 2300		10/1/2024
Authorized Agent's Phone Number	**Authorized Agent Original Signature**	**Date**

The Texas Department of Transportation maintains the information collected through this form. With few exceptions, you are entitled on request to be informed about the information that we collect about you. Under §§552.021 and 552.023 of the Texas Government Code, you also are entitled to receive and review the information. Under §559.004 of the Government Code, you are also entitled to have us correct information about you that is incorrect.

NOTES TO AGENTS:

Agents must provide all requested information then either email, fax, or mail this form as noted below.

Pre-printed limits are the minimum required; if higher limits are provided by the policy, enter the higher limit amount and strike-through or cross-out the pre-printed limit.

To avoid work suspension, an updated insurance form must reach the address listed below **one business day prior** to the expiration date. **Insurance must be in force in order to perform any work.**

Binder numbers are not acceptable for policy numbers.

The certificate of insurance, once on file with the department, is adequate for subsequent department contracts provided adequate coverage is still in effect. Do not refer to specific projects/contracts on this form.

List the contractor's legal company name, including the DBA (doing business as) name as the insured. If a staff leasing service is providing insurance to the contractor/client company, list the staff leasing service as the insured and show the contractor/client company in parenthesis.

The TxDOT certificate of insurance form is the only acceptable proof of insurance for department contracts.

List the contractor's legal company name, including the DBA (doing business as) name as the insured or list both the contractor and staff leasing service as insured when a staff leasing service is providing insurance.

Over-stamping and/or over-typing entries on the certificate of insurance are not acceptable if such entries change the provisions of the certificate in any manner.

This form may be reproduced.

DO NOT COMPLETE THIS FORM UNLESS THE WORKERS' COMPENSATION POLICY IS ENDORSED WITH A WAIVER OF SUBROGATION IN FAVOR OF TXDOT.

The SIGNATURE of the agent is required.

CERTIFICATE OF INSURANCE REQUIREMENTS:

WORKERS' COMPENSATION INSURANCE:

The contractor is required to have Workers' Compensation Insurance if the contractor has any employees including relatives.

The word STATUTORY, under limits of liability, means that the insurer would pay benefits allowed under the Texas Workers' Compensation Law.

GROUP HEALTH or ACCIDENT INSURANCE is not an acceptable substitute for Workers' Compensation.

COMMERCIAL GENERAL LIABILITY INSURANCE:

MANUFACTURERS' or CONTRACTOR LIABILITY INSURANCE is not an acceptable substitute for Comprehensive General Liability Insurance or Commercial General Liability Insurance.

BUSINESS AUTOMOBILE POLICY:

If coverages are specified separately, they must be at least these amounts:

Bodily Injury	$500,000 each occurrence

	$100,000 each occurrence Property
Damage	$100,000 for aggregate

PRIVATE AUTOMOBILE LIABILITY INSURANCE is not an acceptable substitute for a Business Automobile Policy.

Completed forms may be submitted by any of the following methods:

Email: CST_Insurance@txdot.gov
Fax: (512) 416-2536
Mail: Texas Department of Transportation
CST – Contract Processing
125 E. 11th Street
Austin, TX 78701-2483

Contact/Help

Certificate of Coverage

Member ID:6827

Member:
Maryann Carl
Finance Director
Montgomery
PO Box 708
Montgomery, Texas 77356-0708

Company Affording Coverage:
Texas Municipal League Intergovernmental Risk Pool
PO Box 149194 Austin, Texas 78714-9194
(512) 491-2300 or (800) 537-6655
Fax: (512) 491-2404

Certificate Holder:
Brookshire Brothers
21005 Eva St
Montgomery, Texas 77356

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s). Coverage is continuous until canceled.

General Liability	Effective Date: 10/01/2024	**Auto Liability**	Effective Date:
	Anniversary Date: 10/01/2025		Anniversary Date:
Limits of Liability(Each Occurrence):	$1,000,000	Limits of Liability(Each Occurrence):	
Sudden Events involving Pollution(Each Occurrence):	$1,000,000	Deductible per Occurrence:	
Annual Aggregate:	$2,000,000	**Auto Physical Damage**	Effective Date:
Deductible per Occurrence:	$0		Anniversary Date:
Law Enforcement Liability	Effective Date:	Limits of Liability:	
	Anniversary Date:	Collision Deductible:	
Limits of Liability(Each Occurrence):		Comprehensive Deductible:	
Annual Aggregate:			
Deductible per Occurrence:			
Errors and Omissions Liability	Effective Date:		
	Anniversary Date:		
Limits of Liability(Wrongful Act):			
Annual Aggregate:			
Deductible per Occurrence:			

DESCRIPTION:

Evidence of coverage for use premises during city sponsored events.

Cancellation: Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

Authorized Representative: Corby Bittner

Date Issued:
10/03/2024

Certificate of Coverage

Member ID:6827

Member:
Maryann Carl
Finance Director
Montgomery
PO Box 708
Montgomery, Texas 77356-0708

Company Affording Coverage:
Texas Municipal League Intergovernmental Risk Pool
PO Box 149194 Austin, Texas 78714-9194
(512) 491-2300 or (800) 537-6655
Fax: (512) 491-2404

Certificate Holder:
Montgomery ISD District Office
20774 Eva St
Montgomery, Texas 77356

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s). Coverage is continuous until canceled.

General Liability	Effective Date: 10/01/2024	**Auto Liability**	Effective Date:
	Anniversary Date: 10/01/2025		Anniversary Date:
Limits of Liability(Each Occurrence):	$1,000,000	Limits of Liability(Each Occurrence):	
Sudden Events involving Pollution(Each Occurrence):	$1,000,000	Deductible per Occurrence:	
Annual Aggregate:	$2,000,000	**Auto Physical Damage**	Effective Date:
Deductible per Occurrence:	$0		Anniversary Date:
Law Enforcement Liability	Effective Date:	Limits of Liability:	
	Anniversary Date:	Collision Deductible:	
Limits of Liability(Each Occurrence):		Comprehensive Deductible:	
Annual Aggregate:			
Deductible per Occurrence:			
Errors and Omissions Liability	Effective Date:		
	Anniversary Date:		
Limits of Liability(Wrongful Act):			
Annual Aggregate:			
Deductible per Occurrence:			

DESCRIPTION:

Evidence of coverage to use all MISD properties as additional parking for city events.

Cancellation: Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

Authorized Representative: Corby Bittner

Date Issued:
10/03/2024

Certificate of Coverage

Member ID:6827

Member:
Maryann Carl
Finance Director
Montgomery
PO Box 708
Montgomery, Texas 77356-0708

Company Affording Coverage:
Texas Municipal League Intergovernmental Risk Pool
PO Box 149194 Austin, Texas 78714-9194
(512) 491-2300 or (800) 537-6655
Fax: (512) 491-2404

Certificate Holder:
First Financial
14125 S Liberty St
Montgomery, Texas 77316

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s). Coverage is continuous until canceled.

General Liability	Effective Date: 10/01/2024	**Auto Liability**	Effective Date:
	Anniversary Date: 10/01/2025		Anniversary Date:
Limits of Liability(Each Occurrence):	$1,000,000	Limits of Liability(Each Occurrence):	
Sudden Events involving Pollution(Each Occurrence):	$1,000,000	Deductible per Occurrence:	
Annual Aggregate:	$2,000,000	**Auto Physical Damage**	Effective Date:
Deductible per Occurrence:	$0		Anniversary Date:
Law Enforcement Liability	Effective Date:	Limits of Liability:	
	Anniversary Date:	Collision Deductible:	
Limits of Liability(Each Occurrence):		Comprehensive Deductible:	
Annual Aggregate:			
Deductible per Occurrence:			
Errors and Omissions Liability	Effective Date:		
	Anniversary Date:		
Limits of Liability(Wrongful Act):			
Annual Aggregate:			
Deductible per Occurrence:			

DESCRIPTION:

Evidence of coverage for use of premises during city sponsored events.

Cancellation: Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

Authorized Representative: Corby Bittner

Date Issued:
10/03/2024

Certificate of Coverage

Member ID:6827

Member:
Maryann Carl
Finance Director
Montgomery
PO Box 708
Montgomery, Texas 77356-0708

Company Affording Coverage:
Texas Municipal League Intergovernmental Risk Pool
PO Box 149194 Austin, Texas 78714-9194
(512) 491-2300 or (800) 537-6655
Fax: (512) 491-2404

Certificate Holder:
Texas Department of Transportation
PO Box 1386
Houston, Texas 77251

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s). Coverage is continuous until canceled.

General Liability	Effective Date: 10/01/2024	**Auto Liability**	Effective Date:
	Anniversary Date: 10/01/2025		Anniversary Date:
Limits of Liability(Each Occurrence):	$1,000,000	Limits of Liability(Each Occurrence):	
Sudden Events involving Pollution(Each Occurrence):	$1,000,000	Deductible per Occurrence:	
Annual Aggregate:	$2,000,000	**Auto Physical Damage**	Effective Date:
Deductible per Occurrence:	$0		Anniversary Date:
Law Enforcement Liability	Effective Date:	Limits of Liability:	
	Anniversary Date:	Collision Deductible:	
Limits of Liability(Each Occurrence):		Comprehensive Deductible:	
Annual Aggregate:			
Deductible per Occurrence:			
Errors and Omissions Liability	Effective Date:		
	Anniversary Date:		
Limits of Liability(Wrongful Act):			
Annual Aggregate:			
Deductible per Occurrence:			

DESCRIPTION:
Evidence of coverage. Use of premises.

Cancellation: Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

Authorized Representative: Corby Bittner

Date Issued:
10/03/2024

Certificate of Coverage

Member ID:6827

Member:
Maryann Carl
Finance Director
Montgomery
PO Box 708
Montgomery, Texas 77356-0708

Company Affording Coverage:
Texas Municipal League Intergovernmental Risk Pool
PO Box 149194 Austin, Texas 78714-9194
(512) 491-2300 or (800) 537-6655
Fax: (512) 491-2404

Certificate Holder:
El Bosque
821 Eva St
Montgomery, Texas 77316

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s). Coverage is continuous until canceled.

General Liability	Effective Date: 10/01/2024	**Auto Liability**	Effective Date:
	Anniversary Date: 10/01/2025		Anniversary Date:
Limits of Liability(Each Occurrence):	$1,000,000	Limits of Liability(Each Occurrence):	
Sudden Events involving Pollution(Each Occurrence):	$1,000,000	Deductible per Occurrence:	
Annual Aggregate:	$2,000,000	**Auto Physical Damage**	Effective Date:
Deductible per Occurrence:	$0		Anniversary Date:
Law Enforcement Liability	Effective Date:	Limits of Liability:	
	Anniversary Date:	Collision Deductible:	
Limits of Liability(Each Occurrence):		Comprehensive Deductible:	
Annual Aggregate:			
Deductible per Occurrence:			
Errors and Omissions Liability	Effective Date:		
	Anniversary Date:		
Limits of Liability(Wrongful Act):			
Annual Aggregate:			
Deductible per Occurrence:			

DESCRIPTION:

Evidence of coverage for use of premises during city sponsored events.

Cancellation: Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

Authorized Representative: Corby Bittner

Date Issued:
10/03/2024

Montgomery City Council
AGENDA REPORT

Meeting Date: October 8, 2024	**Budgeted Amount:** N/A
Department: Admin	**Prepared By: Dave McCorquodale**

Subject

Consideration and possible action regarding termination of the warranty period and release of the maintenance bond for the Water Plant No. 3 Improvements project.

Recommendation

City engineers and staff recommend formally ending the one-year warranty period and releasing the Maintenance Bond for the project.

Discussion

The city engineer's memo is attached for your review.

Approved By

Assistant City Administrator & Planning & Development Director	Dave McCorquodale	Date: 10/03/2024

October 3, 2024

The Honorable Mayor and City Council
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Warranty Release
Water Plant No. 3 Improvements
City of Montgomery

Dear Mayor and City Council:

As you are aware, the Water Plant No. 3 Improvements Project is currently past its warranty period, which was scheduled to end on August 3, 2023. However, due to the unresolved punchlist items at the plant, the warranty period was not terminated.

The contractor for the project, R&B Group Inc., met with Hays Utility on site to address the outstanding punchlist items last month and it is our understanding that all punchlist items have been addressed. We recommend formally ending the warranty period and releasing the maintenance bond for the project.

If you have any questions or comments, please do not hesitate to contact me.

Sincerely,

Katherine Vu

Katherine Vu, PE, CFM
Engineer for the City

KMV/zlgt
Z:\00574 (City of Montgomery)_900 General Consultation\Correspondence\Letters\2024\2024.10.01 MEMO to Council RE Water Plant No. 3 Improvements Warranty Release.docx
Enclosures: N/A
Cc (via email): Mr. Gary Palmer – City of Montgomery, City Administrator
Ms. Diana Titus – City of Montgomery, Deputy City Secretary
Mr. Dave McCorquodale – City of Montgomery, Director of Planning & Development
Mr. Alan Petrov – Johnson Petrov, LLP, City Attorney