

**Notice of City Council
AGENDA**

November 08, 2022 at 6:00 PM

NOTICE IS HEREBY GIVEN that a Meeting of the Montgomery City Council will be held on **Tuesday, November 08, 2022**, at **6:00 PM** at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas.

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

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

Citizens are invited to speak for three (3) minutes on matters relating to City Government that relate to agenda or non-agenda items. Prior to speaking, each speaker must be recognized by the Presiding Officer. All speakers should approach the podium to address Council and give their name and address before sharing their comments. City Council may not discuss or take any action on an item, but may place the issue on a future agenda.

CONSENT AGENDA:

- 1.** Consideration and approval of the following:
Minutes of the Regular City Council meeting 10-25-2022

CONSIDERATION AND POSSIBLE ACTION:

- 2.** Consideration and Possible Action to accept a donation from Charlie Diggs, Wade Nelson, and Robert Kluna of a fully equipped Command Center to the Montgomery Police Department.
- 3.** Presentation and acceptance of the Meadow Ridge Feasibility Study (Dev. No. 2213).

EXECUTIVE SESSION:

Adjourn into Closed Session in compliance with Section §551.001 etseq. Texas Government Code, to wit:

1. Section 551.074 Personnel matters - Interim City Administrator; and

- City Secretary & Director of Administrative Services.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

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

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.

ADJOURNMENT

/s/ Nici Browe

Nici Browe, City Secretary. TRMC

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on November 4, 2022 at 3:00 p.m.

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 accommodations.

**City Council Regular Meeting
MINUTES**

October 25, 2022, at 6:00 PM

CALL TO ORDER

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

Present:	Byron Sanford	Mayor
	Carol Langley	City Council Place #1
	Cheryl Fox	City Council Place #4
	Patricia Easley	City Council Place #5

Absent:	T.J. Wilkerson	City Council Place #3
	Casey Olson	City Council Place #2

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

INVOCATION

Mayor Sanford gave the Invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

VISITOR/CITIZENS FORUM:

No members of the public addressed city council.

CONSENT AGENDA:

1. Approval of the October 11, 2022, City Council Regular Meeting Minutes.
2. Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery, Texas and Josh Cheatham for the Montgomery Grove development (Dev. No. 2214).

Councilmember Carol Langley moved to approve the consent agenda as presented. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

Attorney Caleb Villarreal spoke to City Council and announced that the Executive Session item #3, the staff person has submitted a formal request for it to be heard in public, if Council wish to take that matter up now, they can.

Mayor Byron Sanford informed Council and the public that the attorneys had drafted a speech for him to read:

“Based on certain information there are some concerns with the City’s current Interim City Administrator job performance and work record. Therefore, it is in the best interest of the City to authorize Johnson Petrov to conduct an investigation and prepare a report of the result findings of the investigation. In this case it is appropriate to have a third party conduct

the investigation rather than an individual or entity that is at City Hall on a day-to-day basis.”

Mayor Byron Sanford stated that this is the attorneys recommendation and it is his recommendation is as it always has been, that I want to do what is legal and proper and through dozens of calls and counsel sessions with Mr. Villarreal, especially, this is what they are recommending, Council can do whatever they want to do, if there is a particular motion to carry through, we have the wording here suggested or if not you can do something else.

Councilmember Carol Langley requested the Mayor to read the statement again.

Mayor Byron Sanford re read the statement and said that is their recommendation and that he would submit that concerns were valid when Mr. McCorquodale, however, Council knows that this was intended for the meeting prior, but timing it just did not happen. With that said, Mr. Villarreal there is no reason to suggest that the Interim City Administrator would not have full ability and obviously it would be common sense that he would be questioned in an investigation, correct?

Mr. Villarreal responded that was correct.

Ms. Browe, City Secretary and Director of Administrative Services Director spoke to Mayor, Council and the public.

She stated that she is hired not just as a City Secretary, but as Director of Administrative Services, which is many things, but one large portion is Human Resources. You just made a statement that Mr. McCorquodale would be included. I have had a conversation with you and followed up in writing, I feel HR has been deliberately avoided, therefore I feel that the correct process has not been followed and want it on record.

Mayor Byron Sanford stated that he wanted it on record that you are completely wrong about that. I have been a City Councilmember here for a year and as five months as a mayor. I have not only consulted with Dave on numerous occasions but publicly I voiced my displeasure repeatedly. The notion that I have not talked to Mr. McCorquodale is completely bogus and false and out of line in your presumption. With that said specifically, when there is internal conflict, I am neglecting my duties, what I was told before, very clearly. If I have reason to believe something needs investigated, I go to the Police Chief.

Ms. Browe, stated No Sir, absolutely not, you go to HR first

Mayor Byron Sanford stated that was what I was told, and, in the investigation, there is specific information, that suggested internally that was not going to happen, that was not a subjective view on my part. When you see the testimony at such and such time, that will come out.

Councilmember Patricia Easley attempted to speak.

Mayor Byron Sanford responded, let me finish. When you have seen what I have seen and read what I have read, then let's talk about it, but right now the people sitting up here have seen and read what we need to see and read, I am a taxpayer.

Ms. Browe responded, but you did not inquire with the employee, in fact it was not ran thng the proper channels, you should notify police chief, if there is a criminal aspect, then of course take it to the Police Chief to conduct the investigation.

Mayor Sanford stated we did not say criminal.

Ms. Browe responded but you conducted investigations behind closed door...

Councilmember Patricia Easley spoke out and stated that she did not feel this is the Forum for this discussion. You are HR and are to remain impartial.

Ms. Browe stated that she agreed, had tried to talk to the Mayor but he refused. Her point was for fair for all employees.

Councilmember Cheryl Fox made a motion to table the motion. Councilmember Easley seconded the motion. Mayor Sanford, said the item is tabled, comes with that a new date for the item, the next available date being November 8, 2022, City Council meeting. Motion passed (3-0).

Councilmember Carol Langley inquired if this item would be back in Executive Session or in open session.

Mr. Caleb Villarreal responded that it would be in Executive Session under personnel matters, unless the employee requests the item in open session.

CONSIDERATION AND POSSIBLE ACTION:

3. Consideration and possible action regarding adoption of the following Resolution: "RESOLUTION CONSENTING TO THE CREATION OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 224; AND SETTING FORTH OTHER PROVISIONS RELATED THERETO"

Mr. Caleb Villarreal presented this item and explained that the Developer would need the consent of the City to create a MUD district.

Mr. Chris Roznovsky of WGA provided clarity on the project tract.

Councilmember Carol Langley moved to approve the resolution as presented. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

4. Consideration and possible action regarding the following:

(a) Review of the Annexation petition by Pulte Group.

(b) Convene into Public Hearing on the petition to annexation.

Mayor Byron Sanford **opened** the Public Hearing at 6:18 P.M.

No members of the public addressed City Council.

Mayor Bryon Sanford **closed** the Public Hearing at 6:18 P.M.

(c) ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS TO VOLUNTARILY ANNEX BY REQUEST OF THE PROPERTY OWNER APPROXIMATELY 79.910 ACRES OF LAND LOCATED IN THE OWEN SHANNON SURVEY, ABSTRACT NO. 36, MONTGOMERY COUNTY, CONVEYED TO PULTE HOMES OF TEXAS, LP, AS RECORDED UNDER CLERK'S FILE (C.F.) NO. 2022124616 OF THE OFFICIAL PUBLIC RECORDS MONTGOMERY COUNTY (O.P.R.M.C.) INTO

THE INCORPORATED MUNICIPAL BOUNDARIES OF THE CITY OF MONTGOMERY, TEXAS INCLUDING THE FOLLOWING: FINDINGS OF FACTS, EFFECTIVE DATE; REPEALER; SEVERABILITY; AND PROPER NOTICE AND MEETING.

Councilmember Carol Langley inquired if the property owners within 200ft were notified and if the annexation was advertised in the local paper.

Mr. Caleb Villarreal responded that as it is not a zoning change no, notifications fir 200ft are not required. City Secretary Nici Browe confirmed that the annexation was advertised in the paper and that no responses had been received.

Councilmember Carol Langley moved to approve the Annexation Ordinance as presented. Councilmember Cheryl Fox seconded the motion. Motion passed (4-0).

5. Consideration and possible action regarding the following:

(a) Review of the Annexation petition by HCR Ventures, Ltd.

(b) Convene into Public Hearing on the petition to annexation.

Mayor Byron Sanford **opened** the Public Hearing at 6:21 P.M.

No members of the public addressed City Council.

Mayor Bryon Sanford **closed** the Public Hearing at 6:22 P.M.

(c) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS TO VOLUNTARILY ANNEX BY REQUEST OF THE PROPERTY OWNER APPROXIMATELY 33.012 ACRE TRACT OF LAND SITUATED IN THE JOHN CORNER SURVEY, ABSTRACT NO. 8, MONTGOMERY COUNTY, TEXAS, BEING ALL OF THAT CERTAIN CALLED 33.014 ACRE TRACT DESCRIBED IN INSTRUMENT TO BLACKLINE PROPERTIES, LLC – STEWART SERIES, RECORDED IN CLERK'S FILE NO. 2014121541 OF THE OFFICIAL PUBLIC RECORDS OF MONTGOMERY COUNTY, TEXAS (O.P.R.M.C.T.), SAID TRACT BEING FORMERLY KNOWN AS STEWART CREEK FARMS, SECTION 1, REPLAT, AS SHOWN ON THE MAP OR PLAT, RECORDED IN CABINET Z, SHEET 1, OF THE MAP RECORDS OF MONTGOMERY COUNTY, TEXAS (M.R.M.C.T.), SAID MAP OR PLAT DECLARED AS CANCELED AND THE LAND WITHIN THE BOUNDARIES OF SAID MAP OR PLAT HAVING BEEN REESTABLISHED AS AN ACREAGE TRACT BY INSTRUMENT RECORDED IN CLERK'S FILE NO. 2008027757, O.P.R.M.C.T., INTO THE INCORPORATED MUNICIPAL BOUNDARIES OF THE CITY OF MONTGOMERY, TEXAS INCLUDING THE FOLLOWING: FINDINGS OF FACTS, EFFECTIVE DATE; REPEALER; SEVERABILITY; AND PROPER NOTICE AND MEETING.

Councilmember Carol Langley inquired if this annexation was advertised in the local paper.

City Secretary Nici Browe confirmed that the annexation was advertised in the paper and that no responses had been received.

Councilmember Carol Langley moved to approve the Annexation Ordinance as presented. Councilmember Cheryl Fox seconded the motion. Motion passed (4-0).

- 6. Consideration and possible action on: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS CONSENTING TO THE CREATION OF MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 179 IN MONTGOMERY COUNTY, TEXAS AND ESTABLISHING CONDITIONS APPLICABLE TO THE CREATION OF THE DISTRICT.

Mr. Caleb Villarreal provided background on this item, stating this is the City authorizing the creation of a MUD dating back to a resolution of 2019, now that the developer is ready to proceed.

Chris Roznovsky responded to Council inquiry as to the exact location.

Councilmember moved to approve the ordinance as presented. Motion was seconded by Councilmember Cheryl Fox. Motion passed (3-0).

- 7. Consideration and possible action on: AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF § 545.356, TEXAS TRANSPORTATION CODE, UPON THE BASIS OF AN ENGINEERING AND TRAFFIC INVESTIGATION, UPON CERTAIN STREETS AND HIGHWAYS, OF PARTS THEREOF, WITHIN THE CORPORATE LIMITS OF THE CITY OF MONTGOMERY, AS SET OUT IN THIS ORDINANCE; AND PROVIDING A PENALTY OF A FINE NOT TO EXCEED \$200 FOR VIOLATION OF THIS ORDINANCE; PROVIDING A REPEALING CLAUSE AND A TEXAS OPEN MEETINGS ACT CLAUSE; AND PROVIDING AN EFFECTIVE DATE AFTER PUBLICATION

Chief of Police, Anthony Solomon introduced this item and reminded Council of the discussion that took place recently about the speed limit differences from East and West bound on FM105. He provided a detailed explanation of the varying speeds into and out of the school zone.

Councilmember Patricia Easily moved to approve the ordinance as presented. Councilmember Carol Langley seconded the motion. Motion passed (3-0).

- 8. Consideration and possible action on authorizing the city engineer to begin work on the Flagship Boulevard Storm Sewer & Pavement Replacement Project.

Chris Roznovsky, WGA City Engineer provided Council with detailed information on the Flagship Blvd. Storm Sewer & Pavement Replacement Project and showed a slide show of the televising results.

Mr. Roznovsky responded to Council questions and concerns.

Councilmember Cheryl Fox moved to authorize the City Engineer to begin work on the project as presented. Councilmember Carol Langley seconded the motion. Motion passed (3-0).

- 9. Consideration and possible action on awarding the Downtown Sanitary Sewer Rehabilitation Project.

Mr. Chris Roznovsky, WGA City Engineer provided detailed information of the project. He responded to questions and concerns and informed Council that their recommendations for awarding the bid go to CruiseTech in the amount of \$170,750.

Councilmember Carol Langley moved to award the bid for Downtown Sanitary Sewer Rehabilitation to CruiseTech in the amount of \$170,750. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

10. Consideration and possible action on authorizing the city engineer to begin work on the 2023 Sanitary Sewer Rehabilitation Project.

Mr. Chris Roznovsky presented this item to City Council and used another slide show to show the deterioration and collapse of the sanitary sewer. He responded to all concerns, and questions specifically to the location of the camera of the sanitary sewer.

Councilmember Patricia Easley moved to approve the City Engineer to begin work on the 2023 Sanitary Sewer Rehabilitation Project. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

11. Consideration and possible action on authorizing the city engineer to begin work on the Lift Station No. 10 Improvements Project.

Mr. Chris Roznovsky presented this item to council by stating that this improvement is to increase capacity. The cost is borne by the Developer, Pulte Group however, there is a notion in concept only at this stage that there could be a cost share between Pulte and Summer wind developer. Once Summer wind begin construction, they will need to utilize the same lift station.

Councilmember Carol Langley moved to authorize the City Engineer to begin work on the Lift Station No. 10 Improvement Project. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

12. Consideration and possible action on the cancelling the November 22nd and December 27th Regular Meetings.

Ms. Browe reported to Council that Mr. McCorquodale had left her this item to discuss and seek approval from Council. Typically, the holidays fall in conflict with 2nd Council meetings of the month, therefore, this year staff is seeking Council to cancel November 22 and December 27 Council meetings.

Councilmember Cheryl Fox moved to Cancel the November 22 and December 27 Council meetings. Councilmember Patricia Easley seconded the motion. Motion passed (3-0).

DEPARTMENTAL REPORTS:

13. City Administrator's Report.

Ms. Browe stated that Mr. McCorquodale has provided a report, if there are any questions, it is her hope that either the Engineer or Legal Counsel can provide an answer.

14. Utility Report.

Ms. Browe presented the Utility Report highlighting revenues, delinquent account recovery actions, permits issued and number of active utility accounts.

15. Sales Tax Report.

SRI, City's Sales Tax consultant presented the Sales Tax Report and stated that they would be at the first meeting in December.

16. Finance Report.

Anthony Lasky, Senior Accountant provided a thorough accounting report for all City Funds.

17. Police Department and Code Enforcement Report.

Anthony Solomon, Chief of Police provided a detailed report on Police Department activity and that of the Code Enforcement Officer.

18. Municipal Court Report.

Kim Duckett, Municipal Court Administrator provided a detailed report of the Court Department, with a break down of cases, and revenues.

19. Public Works Report.

Mike Muckleroy, Public Works Director provided a comprehensive report of all activity within the Public Works Department and informed Council that he has hired a New Events and Recreation Specialist, Patricia Campuzano and that she will meet Council in the near future. He reminded Council that the position is funded between Public Works and MEDC.

20. Utility Operator's Report.

Jacob Howard, H2O the City's Utility Operators provided Council with a report for the month and confirmed there was 93% accountability.

21. City Engineer's Report.

Chris Roznovsky, WGA City Engineers provided Council with updates on projects not already discussed in the meeting, such as the 50-year Infrastructure Plan, is being updated and is in phase 2. The Next page of the report is the Meadow Ridge Feasibility Study, TXDOT projects, Lonestar Parkway improvements at the Bridge.

Mayor Sanford inquired at this point that he is always being asked by those who get a ridiculous water bill that indicates a leak, is that right?

Mr. Muckleroy responded that the water meters never overread.

Councilmember Carol Langley stated to the City Engineer that November 10 at the High School, TXDOT will be hosting discussions with Grimes County and others is that correct?

Mr. Roznovsky responded that there is a meeting for phase 3 for widening of sidewalks.

Mayor Byron Sanford stated that it may be a suitable time to discuss the turn lane for the Fast-growing church, time to take our concerns to TXDOT.

Mr. Roznovsky responded that there is a Forum for that kind of item.

Councilmember Carol Langley moved to approve the Department Reports. Councilmember Cheryl Fox seconded the motion. Motion passed (3-0).

EXECUTIVE SESSION:

Adjourn into Closed Session in compliance with Section §551.001 etseq. Texas Government Code, to wit:

- 1. Section 551.071 Consultation with Attorney.
- 2. Section 551.074 Personnel matters - Selection of finalists for the City Administrator position; and
- 3. Section 551.074 Personnel matters - Interim City Administrator.

Council adjourned into Executive Session at 7:37 P.M.

Council Reconvened into Regular Session at 8:57 P.M.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

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

Councilmember Carol Langley moved to interview candidates for the City Administrator Position on November 14, 2022, and November 15, 2022, at 6:00P.M.

Councilmember Cheryl Fox Seconded the motion. Motion Passed (3-0).

COUNCIL INQUIRY:

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

Mayor Sanford stated that he and Council have the data for festivals, and there is a need to revisit putting fences up. We do not need to hinder our Brick-and-Mortar businesses more than we have done.

Mayor Sanford stated that he has been able to talk with TXDoT in Austin and got a more favorable response and has found a person that can initiate the removal of “the pole” for the Right Turn Lane. The discussion also centered around the outage time, as some of our businesses need notice in advance, especially if there is a wedding occurring. He went on to say he has recommended early in a weekday. He stated that he would be calling back and requesting at least a week advance notice.

Mayor Sanford stated that Mr. Matt Fuqua of Flagship discussed rerunning the buses again especially for things like sip n stroll, or Saturdays, to prevent folks having to cross the dangerous highway.

ADJOURNMENT

Councilmember Carol Langley moved to adjourn the meeting. Councilmember Cheryl Fox seconded the motion. Motion Passed (3-0).

ADJOURNED: 9:02 P.M.

Submitted by: _____

Date Approved: _____

Nici Browe, City Secretary

Byron Sanford, Mayor

Montgomery City Council
AGENDA REPORT

Meeting Date: November 8, 2022	Budgeted Amount:
Department: Police Department	Prepared By: Anthony Solomon

Subject
 Consideration and Possible Action to accept a donation from Charlie Diggs, Wade Nelson, and Robert Kluna of a fully equipped Command Center to the Montgomery Police Department.

Recommendation
 Accept the donation from Charlie Diggs, Wade Nelson, and Robert Kluna of a fully equipped Command Center to the Montgomery Police Department.

Discussion
 Charlie Diggs and Wade Nelson purchased a mobile Command Center and presented it to Chief Solomon as a donation for the department and asked for his specifications on getting it equipped. They approached Robert Kluna, who did the build out of the inside of the Command Center to make it match specifications set out by Chief Solomon. This Command Center is extremely beneficial during events and potential emergency situations. There has been no cost to the City to obtain and equip this Command Center. We would like City Council to officially accept the donation on behalf of the City and the Police Department.

Approved By		Date:
		Date:

RESOLUTION NO. 22-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, ACCEPTING A DONATION FROM CHARLIE DIGGS, WADE NELSON AND ROBERT KLUNA FOR THE MONTGOMERY POLICE DEPARTMENT.

WHEREAS, Charlie Diggs, Wade Nelson and Robert Kluna are donating a fully-equipped command center to the Montgomery Police Department; and

WHEREAS, the City Council of the City of Montgomery, Texas, deems that the acceptance of this donation is in the best interest of the City of Montgomery, Texas, and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS:

1. THAT the City Council of the City of Montgomery, Texas, hereby accepts the donation of the fully-equipped command center from Charlie Diggs, Wade Nelson and Robert Kluna for the Montgomery Police Department.

2. THAT the City Council of the City of Montgomery, Texas, hereby expresses the gratitude of the City and its citizens to Charlie Diggs, Wade Nelson and Robert Kluna.

PASSED AND APPROVED this the _____ day of _____, 2022.

Byron Sanford, Mayor

ATTEST:

Nicola Browe, City Secretary

APPROVED AS TO FORM:

Alan P. Petrov, City Attorney

Montgomery City Council
AGENDA REPORT

Meeting Date: November 8, 2022	Budgeted Amount: N/A
Department: Admin	Prepared By: Dave McCorquodale

Subject

Presentation and acceptance of the Meadow Ridge Feasibility Study (Dev. No. 2213).

Recommendation

Listen to the presentation and accept the Study as presented.

Discussion

City Council authorized this Study at the September 23rd meeting. The engineers will present the Study in detail at the meeting.

Approved By

		Date:
Interim City Administrator	Dave McCorquodale	Date: 11/04/2022

**MEADOW RIDGE
FEASIBILITY STUDY
(Dev. No. 2213)**

FOR

THE CITY OF MONTGOMERY

WGA PROJECT NO. 00574-124

NOVEMBER 2022

PREPARED BY

WGA

CONSULTING ENGINEERS

OVERVIEW

- 1 Executive Summary
- 2 Introduction
- 3 Analysis

Exhibits:

- A. Tract Boundary
- B. City Zoning
- C. Preliminary Site Plan
- D. Water and Wastewater Usage Projection
- E. Impact Fees
- F. Escrow Agreement
- G. Public Utility Extension Cost Estimate

1 EXECUTIVE SUMMARY

Morning Cloud Investments, LLC (the “Developer”) has requested the City of Montgomery (the “City”) to perform a feasibility study for the City to serve a future 28-acre single family development along Lone Star Parkway, also referred to as the Meadow Ridge tract. A majority of the tract falls within the City limits and would not require annexation. However, approximately 8.25 acres of the tract is located within the City’s Extraterritorial Jurisdiction (“ETJ”) and would require annexation into the City prior to receiving service.

This development would consist of approximately 81 single family lots for in-city service at full build out. The final land plan may affect the estimated costs of and revenues associated with the development.

The analysis shows that the City has the water capacity to serve the development, and existing developments, for the next few years but will need additional water plant capacity to serve all existing and proposed developments at full build out.

The analysis also shows that the City will have the wastewater treatment plant capacity to serve the development and existing developments for the next couple of years but will need additional sanitary sewer plant capacity to serve all existing and proposed developments at full build out.

The estimated total costs that will be associated with the development are:

Escrow Account	\$47,500
Water Impact Fee	\$91,206
Wastewater Impact Fee	\$203,553
Offsite Utility Improvements	\$762,500
<hr/>	
Total Estimated Costs	\$1,104,759

Based on information provided by the Developer the estimated a total assessed valuation for the development would be approximately \$36,000,000 at full build out. Based on the City’s estimated current tax rate (\$0.1050 debt service and \$0.2950 for operations and maintenance) financially, the development will bring in approximate tax revenues as shown below, assuming 95% collection and 75% of the properties receive a 20% homestead exemption:

Operations and Maintenance	\$30,524
Debt Service	\$85,756
<hr/>	
Total Estimated Annual Tax Revenue	\$116,280

2 INTRODUCTION

This undeveloped tract is located along Lone Star Parkway west of FM 149. Approximately 8.25 acres of the tract falls outside of City limits and would require annexation prior to receiving service. An exhibit showing the Tract's boundary in relation to the City's boundary is enclosed as **Exhibit A**. A preliminary site plan is enclosed as **Exhibit C** and indicates the Developer's intentions to subdivide the Tract into approximately 81 – 75' wide single family lots. Upon annexation of approximately 8.25 acres the tract will need to be zoned R-1 Residential. Enclosed as **Exhibit B** is a map showing the current zoning of the area surrounding the property.

Based on information from the Developer, construction of the development is planned to be complete in 2026. The estimates included in this feasibility are based on the anticipated land use provided by the developer at the time of the study. The final land plan may affect the estimated costs and revenues associated with the development.

3 ANALYSIS

Water Production and Distribution

The Tract is located primarily within the City and would need to be fully annexed into the City before receiving service. The City has three (3) active water wells and two existing water plants with a capacity of 2,500 connections or a 568,000 gallons per day (average daily flow) per Texas Commission on Environmental Quality (“TCEQ”) requirements.

The current average daily flow (“ADF”) in the City is approximately 434,400 gpd. Inclusive of existing connections, ultimate future projected connections within current platted developments, and developments that are currently in permitting or under construction, the City has committed approximately 593,665 gpd and 1,768 connections. A copy of the updated water usage projections is included as **Exhibit D**. This equates to approximately 104% of the total ADF capacity and 70% of the connection capacity. The City is not expected to hit these numbers or exceed the current average daily flow capacity until 2024. The addition of a booster pump would increase the ADF capacity to approximately 730,000 gpd.

Based on historical data from similar developments in the City, the Tract’s estimated water capacity requirement is approximately 18,225 gpd. Inclusive of existing connections, platted developments, developments currently underway, other developments in feasibility and design, and this development, the City will have committed approximately 934,170 gpd or 164% of the total ADF capacity and 136% of the connection capacity at full build out. Based on the projections shown in **Exhibit D**, the City would need additional water plant capacity around 2024. The addition of a booster pump would increase the ADF capacity to 730,000.

Based on the projected ADF, including this Tract, the City is projected to have sufficient water production capacity to meet the demand of the development within the City for the next couple of years. As the existing and upcoming developments build out, the City should be prepared to expand their water production and distribution capacity.

City records indicate that there is an existing 12-inch waterline along Lone Star Parkway, which will be able to serve the development as shown in **Exhibit A**. The Developer will extend this line to the tract’s western boundary to allow for a future closed loop of the City’s water system. A preliminary cost estimate for the construction costs of the waterline extension can be found in **Exhibit G**. The Developer will be responsible for all costs associated with the waterline extension and required easements. It is recommended that an environmental assessment be conducted to confirm potential wetlands and to identify the limits of the recorded floodplain. The results of this assessment may impact construction costs and timeline. Additionally this waterline is on the City’s capital improvements plan and included in the City’s Impact Fee calculation. The City should consider completing this waterline loop as part of this project and should take into consideration the sharing of cost of this waterline with the Developer.

The ultimate alignment of waterlines interior to the Tract will depend on the final land plan of the proposed development. These waterlines will need to be placed in public utility easements located along the public ROW or placed within public ROW interior to the development and constructed per all applicable City and

TCEQ design criteria. The developer is responsible for all costs associated with easement acquisitions and recordation.

The Developer is responsible for providing engineered plans and specifications for the water distribution 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.

Sanitary Sewer Collection and Treatment

The City's existing wastewater facilities include 18 public lift stations and two (2) wastewater treatment plants (one of which is currently decommissioned). The Stewart Creek Wastewater Treatment Plant (TPDES Permit No. WQ0011521001) has a permitted capacity of 400,000 gpd. The current ADF at the Stewart Creek Wastewater Treatment Plant is 184,330 gpd or 46%.

Inclusive of existing connections, platted developments, and developments which are in permitting or under construction, the City has committed approximately 351,477 gpd or 88% of existing permitted capacity at full build out. A copy of the wastewater usage projections is included as **Exhibit D**.

Based on the City's historical usage for similar types of development and information from the Developer, the Tract's estimated sanitary sewer capacity requirement is 10,530 gpd (315,900 gallons per month) at full build out. Inclusive of existing connections, platted developments, developments currently underway, other developments in feasibility and design, and this development, the City will have committed 564,467 gpd or 141% of existing permitted capacity.

The TCEQ requires the City to initiate design of a wastewater treatment capacity expansion when the ADF exceeds 75% of the City's 400,000 gpd permitted capacity for 3 consecutive months. The ADF for the City, including these Tracts and other tracts in design/feasibility, is not expected to exceed 75% of the permitted capacity (300,000 gpd) until around the first quarter of 2024. Additionally, the TCEQ requires the commencement of the construction phase of the expansion after 3 consecutive months of ADF exceeding 90% of the permitted capacity (360,000 gpd). This is expected to occur around third quarter of 2024. (Note: We are expecting the construction of Nantucket Apartments and Grand Monarch Apartments, consisting of 385 units and 72 units, respectively. The developments will account for 58,600 gpd at full build out. We are not anticipating all units to be filled within 2024 but are accounting for it in these calculations.)

Given the Tract's location relative to the City's existing sanitary sewer facilities and due to the topography across the tract, a new public lift station and force main will need to be constructed to serve the Tract. The Tract will be served by extending gravity sanitary sewer lines to the proposed lift station. The lift station will need to be located and constructed to a depth such that future gravity sanitary sewer lines can also be extended to the surrounding properties to receive sanitary sewer service in the future. This includes properties along Lone Star Parkway up to Town Creek.

The lift station pumps will initially be sized to serve only the Tract and existing developed properties within the City limits that do not currently receive sanitary sewer service. Additionally, the wet well and gravity sanitary sewer lines shall be constructed deep enough to serve a portion of the surrounding properties for future development as previously described. The final location of the lift station will determine the depth

and diameter of the wet wells. The lift station will need to be constructed with a permanent backup generator, and the pumps, controls, and design shall be reviewed and approved by the City. The Developer will be responsible for dedicating the necessary lift station site and easements to the City.

The proposed lift station will convey flow via a new public force main extending to the existing public gravity sanitary sewer line located at the southwest corner of the intersection of FM 149 and Lone Star Parkway. We evaluated routing the flow toward Lift Station No. 7; however, Lift Station No. 7 does not have the capacity to serve the Tract. Additionally, by discharging the force at the intersection of FM 149 and Lone Star Parkway, will minimize the number of times the flow would have to be pumped before reaching the City's wastewater treatment plant. A preliminary layout of the improvements can be found in **Exhibit A**, and construction cost estimates for the force main can be found in **Exhibit G**. The developer will need to prepare cost estimates for the proposed lift station and include them in their development cost. The alignment and cost of the improvements are subject to change based on the final land plan of the proposed development. The developer will be responsible for all costs associated with the improvements required to serve the Tract and all required easements.

We additionally evaluated the feasibility of extending a public gravity sanitary sewer line from the Tract to the existing manhole in Lone Star Estates. However due to the elevations of Town creek and the existing 12" sanitary sewer line, this option is not feasible to provide service to the Tract via gravity sanitary sewer.

Lift Station No. 2 is also already projected to be over its calculated capacity, based on a 6 hour per day run time, at full build-out of the existing developments, not including this Tract. (The reason to limit the capacity to 6 hours per day is it then allows for the lift station to handle the 4 times peaking factor.) The City will need to proceed with a study in the next few months to finalize the long-term plan to handle sanitary sewer treatment, which will include evaluation of future sanitary sewer line and lift station upsizing's.

The ultimate alignment of sanitary sewer lines interior to the Tract will depend on the final land plan of the proposed development. These sanitary sewer lines will need to be placed within public utility easements located along the public ROW or placed within the public ROW interior to the development and constructed per all applicable City and TCEQ design criteria.

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.

The Developer will need to coordinate the installation of sanitary sewer tap(s) into the public system with the City's department of Public Works and will be responsible for all costs associated with said work.

Drainage

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.

Failure to design and construct the drainage facilities per Montgomery County Criteria potentially jeopardizes eligibility for acceptance by the City. The Developer will also be required to perform and submit a drainage study showing the development ultimately has no 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.

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, combined with existing infrastructure, provides for two (2) proposed access points along Lone Star Parkway to provide access to the entire 81-home subdivision. The Developer is responsible for Montgomery County approval for the proposed access point onto Lone Star Parkway.

Per the 2021 Montgomery County Major Thoroughfare Plan, there is a proposed road that runs east/west across the southern portion of the property. The terminus points of the road per the plan are not feasible and the road would provide minimal benefit to the area. We recommend the developer stub out streets to the west, south, and east of the property to allow the option for future connection but not dedicate a full 60' wide right-of-way for a future collector street through the tract.

Development Costs

The Developer will need to engineer and construct the on-site and off-site water, sanitary sewer, paving, and drainage facilities to serve the proposed Tract.

The Developer will also need to pay water and wastewater impact fees to the City. The impact fees will be assessed at the time of recordation of the final plat and collected prior to receiving water and sanitary sewer taps. Enclosed as **Exhibit E** is Table 1.1 of the 2017 Revisions to the Montgomery Impact Fee Analysis Report.

The estimated ADF provided by the developer requires the equivalent use of 81 $\frac{5}{8}$ -inch water meters per the table.

An escrow agreement has been entered into between the Developer and the City and funds have been deposited to cover the cost of this feasibility study. An estimated additional \$47,500 will be required to cover the City's remaining expenses for the development, which includes administrative costs, legal fees, plan reviews, developer and construction coordination, construction inspection, and one year warranty

expenses. The fees calculation can be seen in **Exhibit F**. These additional funds must be deposited into the escrow prior to any work being completed by the City.

Below is a summary of the estimated costs associated with the development:

Escrow Account	\$47,500
Water Impact Fee	\$91,206
Wastewater Impact Fee	\$203,553
Offsite Utility Improvements	\$762,500
Total Estimated Costs	\$1,104,759

These estimates are based on the projected water and wastewater usage provided by the developer. The actual costs will depend on the final land plan, final design, and actual construction costs.

Financial Feasibility

The Developer estimates the total assessed value (A.V.) at full development to be approximately \$36,000,000. Based on the estimated total A.V., and assuming 95% collection and 75% of the residents receive a 20% homesteads exemption the in-city development would generate approximately \$85,756 per year in debt service revenue, and approximately \$30,524 per year in operations and maintenance revenue. These estimates are based on the City’s \$0.1050/\$100 valuation debt service tax rate and the \$0.2950/\$100 valuation Operations & Maintenance (O&M) tax rate.

This report is our engineering evaluation of the funds required to complete the anticipated future capital improvement for this Tract and of the potential increase in tax revenue to the City. This report is not intended to be used for the issuance of municipal financial products or the issuance of municipal securities. The City’s Financial Advisor(s) can address potential recommendations related to the issuance of municipal financial products and securities.

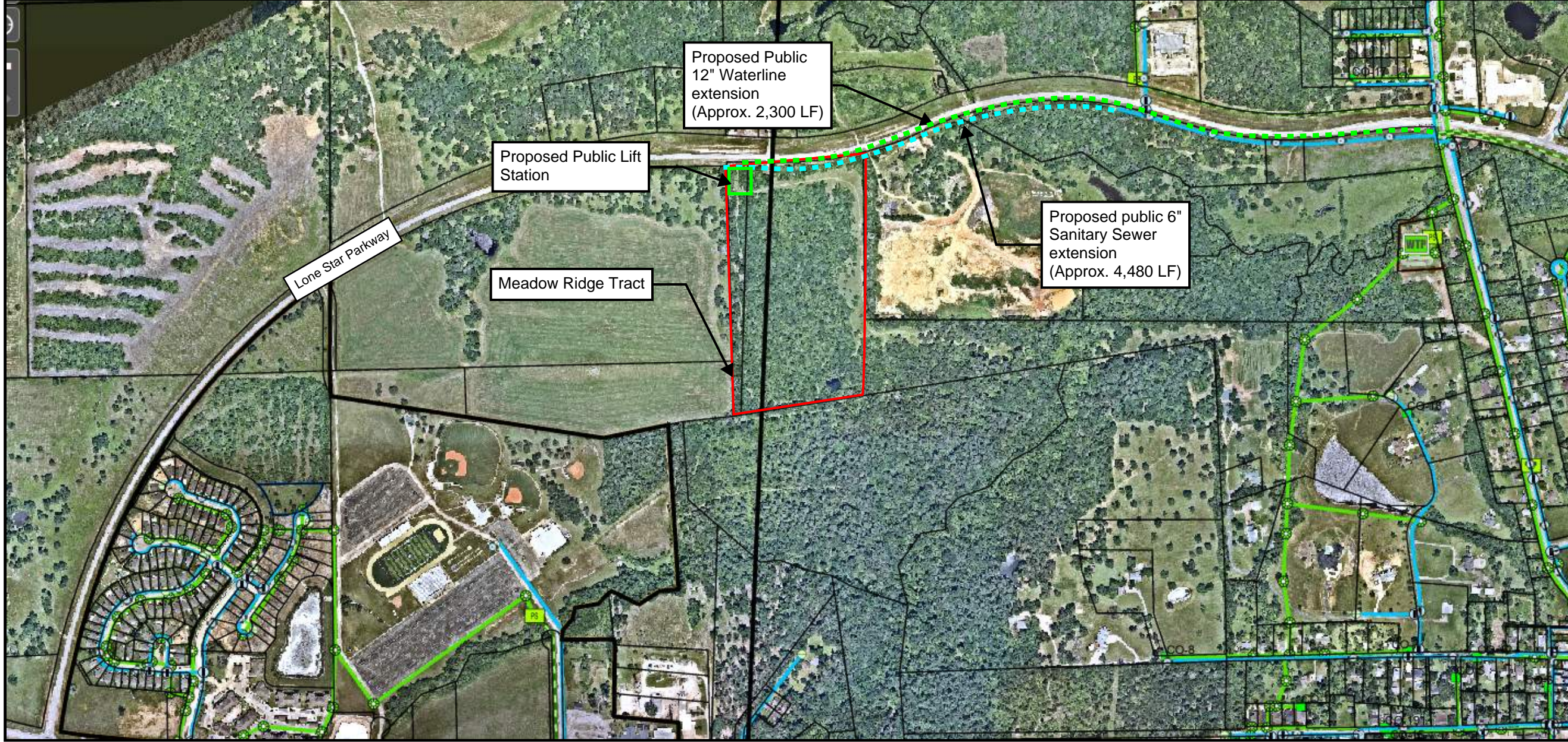
Thank you for the opportunity to complete this feasibility study and offer our recommendations. Please contact me or Ms. Katherine Vu should you have any questions.



Sincerely,

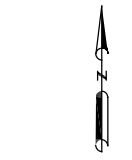
Chris Roznovsky, PE
Engineer for the City

CVR/kv:zlg

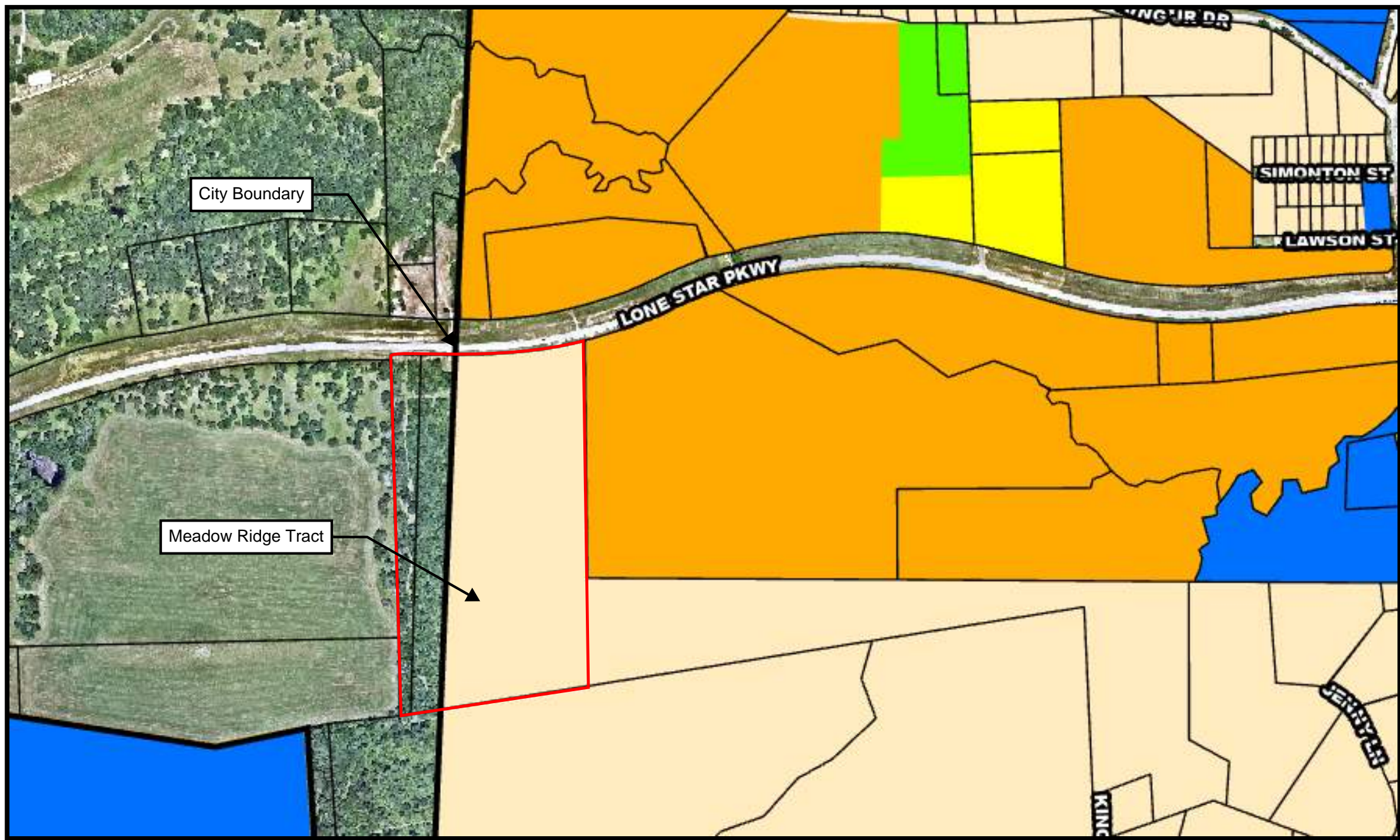


TRACT BOUNDARY

MEADOW RIDGE FEASIBILITY STUDY



SHEET
 EXHIBIT
 A



City Boundary

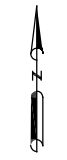
Meadow Ridge Tract

LEGEND

- SINGLE FAMILY
- INDUSTRIAL
- INSTITUTIONAL
- COMMERCIAL
- MULTIFAMILY

CITY ZONING

MEADOW RIDGE FEASIBILITY STUDY



SHEET
EXHIBIT
B

Table 1.1 September 2017 ESFC Table for Commonly Used Meters

Meter Size	Maximum Continuous Operating Capacity (GPM)	Equivalent Single Family Home (ESFC)	Maximum Assessable Water Fee (\$)	Maximum Assessable Waste Water Fee (\$)	Maximum Assessable Fee (\$)
5/8"	15	1.00	1,126	\$2,513	\$3,639
3/4"	25	1.67	1,881	\$4,198	\$6,079
1"	40	2.67	3,001	\$6,711	\$9,712
1 1/2"	120	8.00	9,006	\$20,103	\$29,112
2"	170	11.33	12,755	\$28,471	\$41,226
3"	350	23.33	26,264	\$58,626	\$84,890
4"	600	40.00	44,942	\$100,517	\$145,429
6"	1,200	80.00	90,064	\$201,035	\$291,099
8"	1,800	120.00	135,096	\$301,552	\$436,648

ESCROW AGREEMENT, SECTION 2.03 ATTACHMENT

BY AND BETWEEN

THE CITY OF MONTGOMERY, TEXAS,

AND

Meadow Ridge

Dev. No. 2213

THE STATE OF TEXAS ⤵

COUNTY OF MONTGOMERY ⤵

As per section 2.03, the Feasibility Study completed an estimate of the additional escrow amount, which was determined for administration costs, legal fees, plan and drainage report reviews, developer coordination, construction coordination, construction inspection, and warranty of services. The required additional amount is below:

Administration	\$ 7,500
City Attorney	\$ 7,500
City Engineer	\$ 32,500
<hr/>	
TOTAL	\$ 47,500



**Preliminary Cost Estimate
FOR
PUBLIC UTILITY IMPROVEMENTS
Meadow Ridge
11/3/2022**

<u>Item No.</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Cost</u>
<u>Site Preparation</u>					
1	Contractor Mobilization, Bonds, & Insurance	1	LS	\$20,000	\$20,000
2	Trench Safety	6,320	LF	1	7,000
3	Stormwater Pollution Protection Plan	1	LS	15,000	15,000
4	Site Restoration	1	LS	10,000	10,000
5	Traffic Control	1	LS	25,000	25,000
<u>Waterline</u>					
6	12 - inch (12") PVC Waterline (Open-Cut)	2,140	LF	65	140,000
7	12 - inch (12") PVC Waterline (Trenchless)	300	LF	120	36,000
8	Fire Hydrant	6	EA	4,500	27,000
9	12" Wet Connect	1	EA	3,000	3,000
10	12" Plug and Clamp	1	EA	1,500	2,000
11	12" Gate Valve & Box	2	EA	3,000	6,000
12	2" Blow-off Valve & Box	1	EA	2,000	2,000
<u>Sanitary Sewer</u>					
13	6-inch (6") Force Main (Open Cut)	4,180	LF	45	189,000
14	6-inch (6") Force Main (Trenchless)	300	LF	100	30,000
15	Air Release Valve and Manhole	1	EA	12,000	12,000
16	Corrosion Resistant Discharge Manhole	1	EA	15,000	15,000
17	Connection to existing Manhole	1	EA	2,000	2,000
Construction Subtotal					\$541,000
Contingencies (15%)					\$82,000
Environmental Assessment					\$16,500
Engineering Design					\$60,000
Construction Administration					\$18,000
Inspection					\$25,000
Reimbursable Expenses (Survey, Testing, Reproduction, Etc.) ⁽³⁾					\$20,000
Total					\$762,500

Notes:

- 1 All values rounded up to the nearest hundred.
- 2 This estimate is based on my best judgement as a design professional familiar with the construction industry. We cannot and do not guarantee that bids will not vary from this cost estimate.
- 3 This includes geotechnical investigation, construction materials testing, review fees, reproduction, advertising expenses, and other miscellaneous reimbursable costs.