

**MINUTES OF THE  
CONROE CITY COUNCIL**

**August 22 & 23, 2018**

**CALL TO ORDER  
CALL OF ROLL**

**PRESENT:** Mayor Powell  
Mayor Pro Tem Coon  
Council Members Gibson, McDonald, and Czajkoski  
City Administrator Paul Virgadamo  
City Secretary Soco Gorjón

**ABSENT:** Council Member Ham  
City Attorney Marcus Winberry

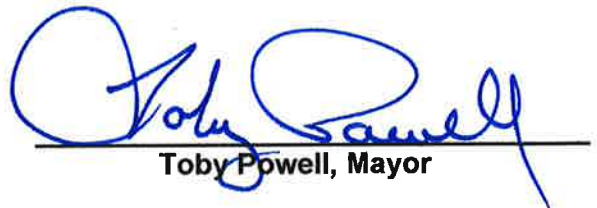
After a roll call by the City Secretary establishing a quorum was present, the meeting was called to order at 2:00 p.m. by Mayor Powell.

The meeting agenda, which was posted in accordance with the Texas Government Code, Chapter 551, was presented.

Agenda folders containing data relating to agenda items had been furnished to Council Members prior to the meeting of the Council.

Agenda items were considered by the Council. The action taken concerning such item is shown on the official Council Action Sheet attached hereto and made a part of these Minutes.

After all business properly brought before the Council had been considered, City Council adjourned.

  
Toby Powell, Mayor

**ATTEST:**

  
Soco Gorjón, City Secretary

**OFFICIAL MINUTES OF THE CONROE CITY COUNCIL**

Mayor Powell recognized Officer R. Cruz for 11 years of service with the Conroe Police Department.

**TEXAS MUSIC OFFICE – CONROE TO BECOME A CERTIFIED “MUSIC FRIENDLY COMMUNITY”**

Convention & Visitors Bureau Manager Shannon Overby informed Council that the Convention & Visitors Bureau (CVB) was working towards Conroe becoming a Certified “Music Friendly Community”. Mrs. Overby informed Council that currently only a handful of communities in Texas have this designation and a local group has begun the process to get Conroe on the map. She advised that Conroe would be the first City in the Houston area and there will be no cost to the City. Mrs. Overby introduced Frank Jackson, the individual who brought this information to the CVB. Mr. Jackson shared additional information, reiterating that no City funds would be required. Mrs. Overby stated that the Tourism Advisory Council was 100% behind this and stated there would be a Town Hall Meeting that would involve people in the music industry and local stakeholders.

**CHAP. 14 VARIANCE OR EXCEPTION – BUILDINGS/BUILDING REGULATIONS – 701 N. FRAZIER**

Director of Community Development Nancy Mikeska asked Council to consider approving a variance or exception to Chapter 14, Buildings and Building Regulations, Section 14.35 (f) of the City Code of Ordinances, for a proposed commercial project known as the Loft Apartments, located at 701 N. Frazier, to encroach into the building setback line to place an elevator and two sets of stairs on the north side of building #1.

Councilman Czajkoski asked if the variance was given, would they be able to finish the project. Mrs. Mikeska answered that the builder would be able to finish, clarifying that this variance was for building #1 only. Mrs. Mikeska further explained that this variance would allow the building to be up to code for Handicap regulations, and pointed out that without the variance, this building could not pass inspection. Mrs. Mikeska added that this would be at the Developer’s expense.

Councilman McDonald inquired as to why we were just now addressing this issue regarding the stairway and elevator; asking if the Developer was not aware of the requirement. Mrs. Mikeska stated that there had been a number of issues surrounding this development; stating that the Developer thought his plans were correct; however, Ms. Mikeska stated that from the City’s viewpoint the plans were not correct.

Mayor Pro Tem Coon inquired about the platting for this project. Mrs. Mikeska stated that the project was built on four plats. Mayor Pro Tem Coon inquired as to why this project was allowed to move forward on four plats, instead of replatting into one plat. City Engineer Chris Bogert stated that he would research the Planning Commission minutes to find the answer.

Councilman Gibson inquired as to how many trees would be removed. Mrs. Mikeska stated that she was not exactly sure how many trees would need to be removed, but wanted to alert Council to that possibility. Mrs. Mikeska reiterated that the variance would not encroach on the business adjacent to Loft Apartments.

**FOUR EASEMENTS-PARTIAL ABANDONMENT - PROPOSED CEDAR CREEK SECTION 3 SUBDIVISION**

Chris Bogert City Engineer addressed Council asking them to consider the partial abandonment of four easements in the proposed Cedar Creek Section 3 Subdivision as requested on behalf of Habitat for Humanity Montgomery County. Mr. Bogert explained that the easements were previously required for drainage, sanitary sewer collection and water distribution for the development of the earlier developed Cedar Creek Sections 1 and 2 and other previously developed properties. He pointed out that the areas of the easements to be partially released were located within the proposed right-of-ways and would become obsolete when the plat for Section 3 becomes recorded. Mr. Bogert stated that the preliminary plat of Cedar Creek Section 3 has been conditionally approved by the Planning Commission and the partial abandonments were conditions, which must be addressed prior to final plat approval.

Mayor Pro Tem Coon asked if the Director of Capital Projects/Transportation Tommy Woolley and the Director of Public Works Norm McGuire were both in agreement with this request and both answered in the affirmative.

**PUBLIC HEARING—PARTIAL ABANDONMENT OF FOUR EASEMENTS-CEDAR CREEK SECTION 3 SUBD.**

At 2:22 pm, Mayor Powell recessed the Open Meeting in order to conduct a Public Hearing for a request of partial abandonment of four easements in the proposed Cedar Creek Section 3 Subdivision.

After receiving no comments from those present, Mayor Powell closed the Public Hearing at 2:32 pm.

**INTERLOCAL AGREEMENT – SCHOOL ZONE AT SACRED HEART CATHOLIC SCHOOL**

Director of Capital Projects/Transportation Tommy Woolley presented multiple requests for installation of a school zone for Sacred Heart Catholic School on FM 2854 for Council's review and consideration. Mr. Woolley pointed out that the school expressed interest in an interlocal agreement with the City where the school would pay for the signs and the City would install and maintain them. He advised that the proposed school zone would be a 25 mph speed limit (when flashing) and would extend 300-feet east and west of Madeley Street.

**NEW DOWNTOWN LED LIGHTING**

Director of Public Works Norman McGuire asked Council to consider approval of funding to install new permanent LED Lighting Downtown on approximately 36 buildings. Mr. McGuire would like approval prior to the beginning of the fiscal year, in an effort to have them installed for the 2018 Christmas season, pointing out that it would save the City approximately \$60,000, which is the normal expense to put up lights for the Christmas season. Councilman McDonald inquired about the life span of the LED lighting; Mr. McGuire stated between 7 to 10 years and clarified that this was only for the rooftop lighting.

**CHASE RUN WATERLINE MATERIAL BID - COBURN SUPPLY COMPANY**

Director of Public Works Norman McGuire asked Council to consider awarding the waterline material for Chase Run bid to Coburn Supply Company in the amount of \$93,165.98, which was the lowest bidder and met all material specifications. Mr. McGuire pointed out that the labor would be done in-house, so this would only be the material cost.

**NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION – NOT TO EXCEED \$98,300,000**

Assistant Finance Director Collin Boothe addressed Council regarding the schedule of events and consideration of a proposed Resolution authorizing Publication of Notice of Intention to Issue the 2018-B Certificates of Obligation, in an aggregate principal amount not to exceed \$98,300,000 for the design, acquisition, construction and improvement of certain public work. Mr. Boothe pointed out that this was the first step in the process for issuing CO's. Mr. Boothe introduced John Robuck of BOKFS, Inc. who spoke at length; stating it was a good time to sell bonds. Mayor Pro Tem Coon inquired about the maturity length; Mr. Robuck stated it was 20 years.

**NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION – NOT TO EXCEED \$48,100,000**

Assistant Finance Director Collin Boothe addressed Council regarding the schedule of events and consideration of a proposed Resolution authorizing Publication of Notice of Intention to Issue the 2018-A Certificates of Obligation, in an aggregate principal amount not to exceed \$48,100,000 for the design, acquisition, construction and improvement of certain public work. Mr. Boothe pointed out that this was the first step in the process for issuing CO's. Mr. Boothe introduced John Robuck of BOKFS, Inc. who spoke at length; stating it was a good time to sell bonds. Mayor Pro Tem Coon inquired about the maturity length; Mr. Robuck stated it was 20 years.

**FUNDING FOR VETERANS MEMORIAL PARK**

Mayor Powell addressed Council regarding a request to provide additional funding for the Veterans Memorial Park. Mayor Powell supported the request for funding and encouraged others to support this project financially as well. Mayor Powell acknowledged Former Judge Jimmie Edwards and his efforts on this project. Mayor Pro Tem Coon asked to recuse himself for today's and tomorrow's discussion since he served on that Board.

**ORDINANCE – DENY RATE INCREASE MADE BY ENTERGY TEXAS, INC – FILED MAY 15, 2018**

City Administrator Paul Virgadamo presented a proposed Ordinance denying request for rate increase made by Entergy Texas, Inc. filed on May 15, 2018. Staff recommended approval.

**PROPOSED ADDENDUM TO THE FIREARMS TRAINING FACILITY AGREEMENT OF 1994**

Police Chief Jeff Christy addressed Council regarding a proposed Addendum to the original 1994 agreement between Conroe and the FBI extending the original agreement by 14 years from the end of the original agreement in consideration for \$2 million in funding to assist with Harvey flood damages. Staff recommended approval.

**BRIEFING**

None

**COUNCIL MEMBERS INQUIRY TIME**

None

**There being no further business brought before the Council, the meeting was recessed until tomorrow at 9:30 a.m.**

RECONVENE

THURSDAY, August 23, 2018 – 9:30 A.M.

OFFICIAL ACTION OF THE CONROE CITY COUNCIL

CALL TO ORDER  
CALL OF ROLL

**PRESENT:** Mayor Powell  
Mayor Pro Tem Coon  
Council Members Gibson, McDonald, Ham and Czajkoski  
City Administrator Paul Virgadamo  
City Attorney Marcus Winberry  
City Secretary Soco M. Gorjón

**INVOCATION/PLEDGE:** Pastor Sue Lanza – Harvest Family Church  
Pledge and Presentation of Colors – John Kleinfert – The Masonic Lodge

Mayor Powell recognized Police Officer J Phillips for his 19 years of service to the Police Department.

**RECOGNITIONS:** Sandy Hilderbrand – Employee of the Month  
“The King” from Texas Renaissance Festival

**CITIZEN INQUIRY**

City Attorney Marc Winberry addressed Council regarding the donation of the Wedgewood Golf Course property. Mr. Winberry referenced an article in the Conroe Courier that reported Mr. Winberry and City Administrator Paul Virgadamo failed to acknowledge ownership of their property within the Wedgewood Community. Mr. Winberry stated it was an unintentional oversight on his part. The purpose of the Council Workshop was to present the item to the public and invite discussion; it served that purpose. Mr. Winberry stated the second story in the newspaper that appeared August 23<sup>rd</sup>, in his opinion was not fair and balanced. The article focused on Chapter 71/Conflict of Interest Statue. The article referenced an August 14<sup>th</sup> Open Records Request for Winberry and Virgadamo’s Conflict of Interest record. Mr. Winberry responded to the request that same afternoon. Mr. Winberry pointed out that his response was not accurately reported in the newspaper. He proceeded to read his entire email response to the Conroe Courier reporter. Mr. Winberry stated he believed the statue does not apply to himself or Mr. Virgadamo since they are considered public servants and not elected officials. He gave a detailed response regarding his due diligence, talking with the District Attorney and gathering information on this matter. Furthermore, Mr. Winberry stated that both of them (Winberry and Virgadamo) are vitally concerned with transparency and desire to make certain that the citizens of this community have faith in their city government. He regretted anything that he might have done or failed to do that could have caused embarrassment to the City or Council. He stated that if the District Attorney directed him to file a Conflict of Interest form, he would do so under protest. He closed his address by stating that he, along with Mr. Virgadamo have always attempted to serve the City of Conroe faithfully, ethically, and with honor, and he hoped that he can continue to retain the confidence of the Council.

**701 N. FRAZIER - CHAPTER 14 VARIANCE OR EXCEPTION-BUILDINGS AND BUILDING REGULATIONS**

Due to lack of a motion, the item failed.

**RATIFY PROPERTY TAX REVENUE INCREASE FOR FY 18-19**

Assistant Finance Director Collin Boothe recommended that the City Council ratify the increase property tax revenue reflected in the FY 2018-2019 proposed budget. Mr. Boothe stated that House Bill 3195, passed by the Texas Legislature in 2007, amended the budget process to require that adoption of a municipal budget that projects more revenue from property taxes than the previous fiscal year budget requires the City Council to ratify any increase in revenues from property taxes by a separate vote.

Councilman Gibson made a motion to ratify the increased property tax revenues reflected in the FY 18-19 as presented. Councilman McDonald seconded the motion. Motion passed unanimously.

## **ADOPT FISCAL YEAR 2018-2019 OPERATING BUDGET**

**Councilman Czajkoski made a motion to approve the proposed Ordinance adopting the Operating Budget for the fiscal year beginning October 1, 2018 and ending September 30, 2019 as presented. Councilman Gibson seconded the motion. Motion passed unanimously.**

## **ADOPT DEBT SERVICE TAX RATE FOR THE 2018 TAX YEAR**

Assistant Finance Director Collin Boothe asked Council to consider adopting the fiscal year 2018-2019 (i.e. 2018 tax year) debt service tax rate, which being proposed at \$0.1250 per \$100 assessed valuation. Mr. Boothe pointed out that this was not an increase from last year.

**Councilman McDonald made a motion to approve the Debt Service Tax Rate for the 2018 tax year to be set at \$0.1250 per \$100 assessed valuation as presented. Councilman Czajkoski seconded the motion. Motion passed unanimously.**

## **ADOPT THE MAINTENANCE AND OPERATIONS TAX RATE FOR THE 2018 TAX YEAR**

Assistant Finance Director Collin Boothe asked Council to consider adopting the proposed Maintenance and Operations Tax Rate for 2018-2019 Tax Year, which is being proposed at \$0.2925 per \$100 assessed valuation. Mr. Boothe noted that this was not an increase from last year.

**Councilman Gibson made a motion to approve the Maintenance and Operation Tax Rate for the 2018 Tax Year as presented. Councilman Ham seconded the motion. Motion passed unanimously.**

## **ADOPT THE TAX RATE FOR THE 2018 TAX YEAR**

Assistant Finance Director Collin Boothe asked Council to consider the proposed Ordinance adopting the fiscal year 2018-2019 (i.e. 2018 tax year), which was being proposed at \$0.4175 per \$100 assessed valuation. Mr. Boothe noted that this was not an increase from last year.

**Mayor Pro Tem Coon made a motion to adopt the proposed Property Tax Rate for the 2018 Tax Year to be set at \$0.4175 per \$100 assessed valuation, which is the same as last year. Councilman Gibson seconded the motion. Councilman Ham voted Nay. Motion passed.**

## **ADOPT THE FISCAL YEAR 2018-19 CAPITAL BUDGET**

**Councilman Gibson made a motion to adopt the Fiscal Year 2018-2019 Capital Budget as requested. Councilman McDonald seconded the motion. Motion passed unanimously.**

## **AMEND CITY ORDINANCE TO REFLECT AN INCREASE IN WATER AND SEWER RATES**

Assistant Finance Director Collin Boothe asked Council to consider the proposed Ordinance reflecting an increase in water and sewer rates as presented. Mr. Boothe pointed out that no changes to the SJRA pass-through fees and the Lone Star Groundwater pass-through fees. He stated the increase was necessary to cover the rising costs of maintaining and operating the City's water and sewer system as well as to cover necessary improvements and modifications to our current water and sewer infrastructure.

**Mayor Pro Tem Coon made a motion to amend the City Ordinance to reflect an increase in water and sewer rates as discussed and presented. Councilman Gibson seconded the motion. Councilman Ham voted Nay. Motion passed.**

## **CONSIDER FY 18-19 GARBAGE AND RECYCLING RATES**

Assistant Finance Director Collin Boothe stated the contract with Waste Management that began on October 1, 2017, had an automatic annual rate increase of 1.9% effective October 1<sup>st</sup> of each year of the contract.

**Mayor Pro Tem Coon made a motion to accept the FY 18-19 Garbage and Recycling Rates as discussed and presented. Councilman Ham seconded the motion. Councilman McDonald voted Nay. Motion passed.**

## **JULY 2018 MONTHLY FINANCIAL SUMMARY REPORT**

Director of Finance/CFO Steve Williams presented a detailed July 2018 Monthly Financial Report to Council for their review and consideration.

**Councilman McDonald made a motion to approve the July 2018 Monthly Financial Summary Report as discussed and presented. Councilman Czajkoski seconded the motion. Motion passed unanimously.**

## **FUNDING FOR THE VETERANS MEMORIAL PARK**

Mayor and Council simultaneously voiced their support for the Veterans Memorial Park. Former Judge Jimmie Edwards addressed Council and praised them for their decision to support the Veterans. He acknowledged the guidance and leadership of Mayor Powell, City Administrator Paul Virgadamo, and the trusted resource of City Attorney Marc Winberry made the Veteran Memorial Park a reality. He have praise and appreciation to the city employees that he worked with him, and pointed out that a soldier dies twice; once when he takes his last breath on earth and second when he is forgotten. Former Judge Edwards note that this would not be true in this City or County; they will not be forgotten. Thanks to the help and support of Council and the Mayor's leadership.

**Councilman Czajkoski made a motion to approve funding \$150,000.00 for the Veterans Memorial Park. Councilman Ham seconded the motion. Mayor Pro Tem Coon recused himself; he is a member of the Board. Motion passed.**

## **BRIEFING**

Mayor Pro Tem Coon addressed Council regarding (Item 6) the adoption of the Tax Rate for the 2018 tax year. He thanked staff for preparing the budget and acknowledged the City's accomplishments of the past year. Proud for the accomplishment of adding a 4<sup>th</sup> fire fighter to the trucks, a Grant Writer, numerous roads and street improvements, and a new Waste Water Treatment Plant being designed and built. Mayor Pro Tem Coon thanked all City staff, Mayor, Council, City Administrator Paul Virgadamo, and City Attorney Marc Winberry for all of their hard work and commitment, and noted all this was accomplished without raising taxes, keeping our tax rate at \$0.4175 per \$100.

## **NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION – NOT TO EXCEED \$98,300,000**

Councilman Ham made a motion to approve the Schedule of Events and approval of a Resolution authorizing Publication of Notice of Intention to issue Certificates of Obligation, in an aggregate principal amount not to exceed \$98,300,000 for the design, acquisition, construction and improvement of certain public works, and authorizing certain other matters relating thereto, as presented. Councilman Gibson seconded the motion. Motion passed unanimously.

## **NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION – NOT TO EXCEED \$48,100,000**

Councilman Ham made a motion to approve the Schedule of Events and approval of a Resolution authorizing Publication of Notice of Intention to issue Certificates of Obligation, in an aggregate principal amount not to exceed \$48,100,000 for the design, acquisition, construction and improvement of certain public works, and authorizing certain other matters relating thereto, as presented. Councilman Gibson seconded the motion. Motion passed unanimously.

## **CONSENT AGENDA**

**A motion was made by Councilman Gibson, seconded by Councilman McDonald to approve the Consent Agenda, Items 12, 13, 14, 17, 18, 19 and 20 as presented. The motion carried unanimously.**

- Approved Partial abandonment of four easements in the proposed Cedar Creek Section 3 Subdivision
- Approved new Downtown LED lighting to be purchased in the current fiscal year
- Award Chase Run Waterline Material Bid to Coburn Supply Company as discussed
- Approved Ordinance denying rate increase made By Entergy Texas, Inc. filed on May 15, 2018
- Approve Minutes held on July 31, 2018.
- Payment of Statements:

• Stealth Partner Group	Inv. Aug – Stop Loss Coverage	\$ 86,860.80
• Wade Con, LLC	Inv. No. 1 – Construction Grace Crossing Extension	\$161,381.25
• T Construction LLC	Inv. No. 3 – SSOI Sec. 6 Sewer Rehab/Construction	\$210,769.97
• Lockwood, Andrews & Newnam, Inc	Inv. No. 44 – New WWTP Project Phase IV	\$152,481.69
• Doughtie Construction Company, Inc	Inv. No. 4 – WWTP Effluent Outfall Structure	\$587,100.00
- Proposed addendum to the Firearms Training Facility Agreement of 1994.

**There being no further business to consider, a motion was made by Mayor Pro Tem Coon seconded by Councilman Czajkoski to adjourn the meeting.**