OFFICIAL ACTION OF THE CONROE CITY COUNCIL

CALL TO ORDER
CALL OF ROLL

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

ABSENT: Councilman McDonald

After a roll call by the City Secretary establishing a quorum was present, the meeting was called to order at 9:00 a.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 M. Gorjón, City Secretary
INOCATION & PLEDGE:  City Administrator Paul Virgadamo

SERVICE AWARDS:  Mike Cantu – 20 Years – Parks and Recreation Department

Mayor Powell recognized Police Officer K. Renteria for her service to the Police Department.

CITIZEN INQUIRY
John Nicks addressed Council and asked for their consideration to end the contract with Focused Advocacy. Mr. Nicks also stated that he did not support Item #10, “proposal to move the Police Department from Tele-Staff to Kronos Timekeeping”, and requested that Council lower the tax rate for City citizens.

1ST AMENDMENT TO CITY’S CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET FY 18-19
Assistant Finance Director Collin Boothe presented Council for their consideration the first amendment to the City’s Capital Improvement Program (CIP) Budget for FY 18-19. (Exhibit “A”)

Councilman Ham made a motion to approve the proposed first amendment to the City’s Capital Improvement Program (CIP) Budget for FY 18-19, as discussed and presented. Councilman Czajkoski seconded the motion. Motion carried unanimously.

MARCH 2019 MONTHLY FINANCIAL SUMMARY REPORT
Assistant City Administrator/CFO Steve Williams presented Council for their review and consideration the March 2019 Monthly Financial Summary Report. Mayor and Council pointed out that our City has been able to maintain our low taxes the same for almost two decades.

Councilman Ham made a motion to approve the March 2019 Monthly Financial Summary Report, as discussed and presented. Councilman Gibson seconded the motion. Motion carried unanimously.

CONSENT AGENDA
A motion was made by Councilman Gibson, seconded by Councilman Ham to approve the Consent Agenda in its entirety, Items 3 through 18, as presented. Motion carried unanimously.

- Approve Tax Abatement Agreement with Old Dominion Freight Line, Inc. to promote investment and job creation in the City of Conroe.
- Award Soccer Field Lighting at Carl Barton, Jr. Park Bid to Musco Sports Lighting for $661,937.
- Award Waterpark Improvements at Candy Cane Park to G.T.T. General Contractors for $5,414,800.
- Approve construction contract to DVL Enterprises for Sidewalk Improvements Project as discussed for $400,622.
- Award Construction Contract to Weisinger, Inc. for Robinwood Water Well Project for $2,230,890.
- Authorized purchase of four Flygt 15hp Pumps for the Wastewater Treatment Plant from Hahn Equipment Co., Inc. for $62,092.
- Award Annual Mosquito Fogging Bid to Cypress Creek Mosquito Control, Inc. for $85,800.
- Approve proposal to move the Police Department from Tele-Staff to Kronos Timekeeping system for $66,748.05.
- Approve Internal Audit Update as presented.
- Approve Fleet Service fund request to have Wiesner provide Original Equipment Manufacturer (OEM) parts for the City of Conroe vehicles for $60,000.
- Approve Information Technology fund request to purchase equipment from Dell for $90,000.
- Approve FY 18-19 2nd Quarter Investment Report.
- Approve an Ordinance denying the distribution cost recovery factor rate increase request of Entergy Texas, Inc., filed on March 28, 2019 and setting just and reasonable rates for Entergy Texas, Inc. service within the corporate limits.
CONSENT AGENDA - CONTINUATION

- Approve an Ordinance suspending implementation of proposed CenterPoint Energy Texas Gas Reliability Infrastructure Program (GRIP) rate increase filed on March 28, 2019.

- Approve Council Minutes held April 10 and 11, 2019.

- Payment of Statements:
  - Berkly/Senith Partner Group
  - Buckalew Chevrolet
  - Triple B Services
  - Blyl & Associates
  - CFG Industries LLC
  - Ride Right
  - Larry Young Paving
  - Buckalew Chevrolet
  - Lessman Roofing and Sheetmetal
  - Larry Young Paving

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There being no further business to consider, a motion was made by Councilman Ham, seconded by Councilman Czajkoski to adjourn the meeting.
First amendment to the City’s Capital Improvement Program Budget for FY18-19

Summary
Below is a listing of proposed amendments to the FY 18-19 Capital Improvements Program (CIP). These changes are a result of the shifting needs and priorities of the City since the beginning of this fiscal year, and they will only affect FY 18-19, as the CIP is appropriated by Council on an annual basis.

Streets
- **Road Extension – Freedom Boulevard (G35)** – At the May 24, 2018, City Council meeting, the construction contract was awarded and project costs are $82,000 higher than budget. Funding will be provided by the CIDC. At the September 27, 2018, City Council meeting, the Council approved Change Order 3 and Change Order 4. Change Order 3 ($43,000) will be funded by the CIDC. Change Order 4 ($9,500) will be reimbursed by Montgomery County. Department 7514 in the Streets CIP Fund will be amended.

- **Road Widening with Improvements - Old Conroe Road North & South Section** – At the November 8, 2018, City Council meeting, the Council approved the engineering consulting services contract in the amount of $3,980,000, which will be allocated 50%-50% proportionally between the north section (H31 - $1,990,000) and south section (G58 - $1,990,000). Funding for the south section will be paid by Montgomery County through the inter-local agreement approved by the City Council on November 8, 2018. The portion of 2018-A COs ($825,000) for this project is available to shift to another eligible project.

Regarding the north section, which is in TIRZ #3, $275,000 was issued for this project in the 2018-A COs. In order to fund the design cost of $1,990,000, an additional $1,715,000 is needed. $1,715,000 of 2018-A bond proceeds will shift from the TIRZ #3 - Longmire Road Phase 3 (P604) project allocation due to construction cost savings in that project.

Signals
- **Traffic Signal – Loop 336 at South Conroe Medical Dr (G56)** – The project was anticipated to be complete by September 30, 2018. Therefore, $293,000 must be appropriated to complete the project in FY 18-19. Funding will come from 2018-A CO’s. Additionally, at the September 13, 2018, City Council Meeting, the Council awarded the contract to Third Coast Services in the amount of $337,676. The additional amount needed is $45,000. Funding will come from 2018-A CO’s by shifting this amount from project G58 (Old Conroe Road South).
• Traffic Signal – FM1488 at Grace Crossing (F54) – The project was anticipated to be complete by September 30, 2018. Therefore, $59,000 must be appropriated to complete the project in FY 18-19. The project is now complete. Funding will come from 2018-A CO’s.

• Traffic Signal – SH75 at Wilson Road (G16) - The project was anticipated to be complete by September 30, 2018. Therefore, $295,000 must be appropriated in the current fiscal year to complete the project. The project is currently under construction. Funding will come from 2018-A CO’s.

• Traffic Signal – Hwy 105 at North Thompson (G31) – The project was anticipated to complete by September 30, 2018. Therefore, $514,000 must be appropriated in the current fiscal year to complete the project. $47,452 will be allocated out of the 2016 COs (041-4150-9030), and $466,548 will be appropriated out of the 2017-A COs (041-4160-9030).

Facilities

• Conroe Police Department Training and Classroom Building (G78) – On December 13, 2018, the City Council approved a contract with PGAL for the architectural and engineering design for the Police Firearms Training Classroom. The construction expense for the new building has now been estimated and determined that a portion will be spent in FY 18-19. Additionally, TML insurance proceeds for the existing building damages will be $1,481,000. This amendment is to authorize the change in project revenue and expense for FY18-19 based on the design contract. The total expected expense related to the design and construction of the new classroom building is $6,599,000. Also, the $2,000,000 grant from the FBI for this project was approved by the City Council on August 23, 2018, and October 25, 2018. This funding will not be needed until FY 19-20 due to the construction timeline.

Parks

• Carl Barton, Jr. Park Improvements (G25) – On September 20, 2018, the Conroe Industrial Development (CIDC) Board agreed to fund this project in the amount of $3,035,000. The amount was already issued as a part of the 2018-A CO’s. The portion of 2018-A COs ($3,035,000) for this project is available to shift to another eligible project. This project is accounted for in Fund 601.

• Aquatic Center Improvements (G33) – On September 20, 2018, the CIDC Board agreed to fund an additional $1,586,000 for this project. The total amount funded by the CIDC for this project is $5,086,000. This project is accounted for in Fund 601.

Drainage

• Flood Protection - Police Training Facility/Gun Range (H30) – The scope of this project is for berm and drainage system improvements to this facility, so it will be moved from the Drainage CIP to the Facility CIP. Certificates of Obligation 2018-A have been secured for this project in the amount of $400,000. The associated expense for FY 18-19 has been reduced from $400,000 to $136,000. This amendment is to adjust the planning and design to $136,000, which will cover the PGAL architectural proposal for the berm and drainage system. This contract was approved by Council on December 13, 2018. The total estimated expense related to the berm and drainage system at the Firearms Training Facility is $2,661,000.
Water

- **Water Line Rehab - Wedgewood Boulevard (H14)** - At the December 13, 2018, City Council Meeting, the Council awarded the construction contract for the Longmire Road widening project, which also included a portion for the Wedgewood Blvd. water line rehabilitation. The amount requested was $484,000. This amendment will move this project from FY19-20 to FY18-19 and will use the funding that was appropriated for Water Line Extension - FM 830 to Chase Run (H13) in the 2018-B COs.

- **Water Line - FM1488 at Pin Oak Drive (P-TBD)** - At the November 8, 2018, City Council Meeting, Council approved the participation in the construction cost to upsize a water main from an 8-inch to 16-inch at the intersection of Pin Oak Drive, in the City Limits, along FM1488. The City’s costs are not to exceed $150,000. This will be funded by a transfer in from the W&S Operating Fund. This project is accounted for in Fund 501.

- **Water Line Extension – SH 105 West (Beech to McCaleb Road) (G12)** - At the November 8, 2018, City Council Meeting, the Council approved a developer participation agreement with Jack McClanahan for cost sharing in a City water line extension to serve a warehouse at 13631 Poplar Business Park. The owner has agreed to participate in the amount of $80,000. This budget amendment will add the revenue to offset the cost of the project in the 2018-B COs (501-8040-6114). The $2,200,000 transfer in from the W&S Operating Fund will be lowered by $80,000.

- **Water Well #4 – Emergency Replacement (H32)** - At the February 25, 2019, City Council Meeting, the Council approved the emergency replacement of Water Well #4 on Main Street. The total amount requested was $1,663,000, and funding will come from a transfer in from the W&S Operating Fund. This project is accounted for in Fund 501.

- **Catahoula Water Well - SH 105 West (H03)** - At the February 14, 2019, City Council Meeting, the Council approved a real estate contract for the purchase of a water well site from Charles Caywood. The total amount requested was $310,000. Funding will come from savings in project G12 (Water Line Extension – Hwy 105 W) in the 2018-B CO’s.

Sewer

- **Sewer Rehab – River Point Area (G65)** - At the December 13, 2018 City Council Meeting, Council approved the contract to Instituiform Technologies, LLC in Chesterfield, MO. Two change orders and a professional services contract have been approved. This amendment will appropriate $400,000 for this project in FY18-19. Funding will come from 2018-B CO’s.

- **Sewer Line Relocated – Wilson Road East (F105)** - This project was anticipated to be complete by September 30, 2018. However, construction has continued into FY18-19, and $130,000 must be appropriated in the current fiscal year. Funding will come from a transfer in from the W&S Operating Fund to Fund 501.

- **Lift Station Replacement – Pebble Glen #2 Forest Estates (G69)** - This project was anticipated to be complete by September 30, 2018. However, design and construction has continued into FY18-19, and $289,000 will be appropriated in the current fiscal year. Funding will come from 2018-B CO’s.
The actual FY 18-19 appropriations will be amended to the following amounts:

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**Recommendation**

It is staff's recommendation that the Council approve this amendment as proposed.

**Fiscal Impact**

| Expenditure Amount: | $7,114,500 | Revenue Amount: | $7,114,500 |
| Account Number:     | Various CIP Funds |

Is a Budget Amendment Required?  ☒ Yes  ☐ No  *(if yes, please see attached Agenda Item Budget Amendment Form)*

Financial Review Complete: [Signature]

Revised Aug. 11, 2016