CALL TO ORDER
CALL OF ROLL

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

After a roll call by the City Secretary establishing a quorum was present, the workshop 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

Soco M. Gorjón, City Secretary
CITIZEN INQUIRY
None

2020 CVB HOTEL OCCUPANCY TAX (HOT) GRANTS
CVB Manager Shannon Overby presented Council for their review and consideration the proposed 2020 CVB Hotel Occupancy Tax (HOT) Grants (Exhibit "A"). Mrs. Overby stated the requested grants totaled $248,900.00.

CHANGE ORDERS - ROBINWOOD WATER WELL CONSTRUCTION PROJECT
Director of Capital Projects/Transportation Tommy Woolley presented Council for their review and consideration Change Orders for the Robinwood Water Well Construction Project. Mr. Woolley explained that during the course of the construction it was determined to increase the pump horsepower, which required the upsize of electrical capacity, and upsizing the pump horsepower. Staff recommended approval of the Change Orders in the amount of $81,450.00 to avoid delaying the project.

ENCREACHMENT AGREEMENTS – KINDER MORGAN
Director of Capital Projects/Transportation Tommy Woolley presented Council for their review and consideration the proposed Encroachment Agreements with Kinder Morgan for the Conroe Park North Extension and Farrell Road Widening projects. Mr. Woolley stated that Kinder Morgan was the existing gas company in the project area and had agreed to allow construction of a concrete roadway in their parcel for the Conroe Park North Extension. He pointed out that Kinder Morgan had also agreed to a second encroachment in their parcel for the Farrell Road Widening Project. Staff recommended the approval of the agreements.

FY 19-20 – 1ST QUARTER REVENUE UPDATE
Assistant Finance Director Collin Boothe presented Council for their review and consideration a detailed FY 19-20 1st Quarter Revenue Update.

Y 19-20 – 1ST QUARTER INVESTMEN REPORT
Assistant Finance Director Collin Boothe presented Council a detailed FY 19-20 1st Quarter Investment Report for their review and consideration.

FINANCIAL MANAGEMENT POLICY REVIEW
Assistant Finance Director Collin Boothe presented Council for their review and consideration the proposed Financial Management Policy Review and the detailed proposed changes to the Purchasing Policy, Revenue Handling Manual, Investment Policy, Arbitrage Policy, and Post-Issuance Debt. Policy. Staff recommended the approval of the proposed policy changes a presented.

LONE STAR GROUNDWATER CONSERVATION DISTRICT
City Attorney Marcus Winberry presented Council for their review and consideration a proposed Resolution directing payment of pumping fees imposed by the Lone Star Groundwater Conservation District. Mr. Winberry informed Council that on February 23, 2017, in response to a significant fee increase, the City Council froze payment of the Lone Star Groundwater Conservation District pumping fee at $0.06 per thousand gallons. Mr. Winberry stated that the new elected Lone Star Board entered into a settlement agreement with the City of Conroe and has now lowered the fee to $0.085 for the 2020 Fiscal Year. The proposed Resolution would end the freeze and authorize future payments at the rate set by the Lone Star District and redirect payment of the fees directly to the Lone Star Groundwater Conservation District rather than to the San Jacinto River Authority. Mr. Winberry explained the proposed Resolution authorized a reconciliation payment of $30,164.75, which was the difference between fees paid at $0.06 and $0.0105 at the end of the last quarter and did not include any penalties or late fees. Mayor Powell inquired if this would bring the City up to date on payments and Mr. Winberry replied in the affirmative. Councilman Ham and Councilman Czajkoski both thanked staff for their hard work. Mr. Winberry stated that the new board of Directors had been very cooperative and have a good working relationship with City staff.
At 2:31 p.m., Mayor Powell along with Council, City Administrator Paul Virgadamo, City Attorney Marcus Winberry, and City Secretary Soco Gorjón, recessed into a Closed Executive Session Chapter 551.087 to deliberate the offer of a financial or other incentive to VGXI, Inc.

The Closed Executive Session was recessed at 2:49 p.m.

**AX ABATEMENT AGREEMENT – VGXI, INC**

City Attorney Marcus Winberry presented Council for their review and consideration the proposed Tax Abatement Agreement with VGXI, Inc. He noted that as discussed and recommended by Council, he will revise the proposed agreement by adding the additional year to the abatement at the 20% level. He noted that the proposed agreement with revised wording would be prepared for tomorrow’s meeting.

**BRIEFING**

None

**COUNCIL MEMBERS INQUIRY TIME**

None

Director of Capital Projects/Transportation Tommy Woolley made a correction to his statement concerning the Robinwood Water Well construction project and stated the pump would be lowered. Assistant Public Works Director Jason Miller also clarified the statement and stated there was plenty of water on this well.

There being no further business brought before the Council, the meeting was recessed until tomorrow at 9:30 a.m.
RECONVENE
THURSDAY, JANUARY 23, 2020 – 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 Socio M. Gorjón

INVOCATION & PLEDGE:  Pastor Jerry Frank – Cornerstone Church


SERVICE AWARDS:
Samuel Barless 1-Year Finance Department – IT Division
Melinda Kauggman 5-Years Police Department
Mindy Mack 15-Years Police Department
Stephen Davis 15 Years Parks & Recreation Department
Steve Williams 15 Years Finance Department
Jeff Bradford 25-Years Police Department

Mayor Powell recognized Police Officer Koska for his sixteen years of service to the Conroe Police Department.

CITIZEN INQUIRY
Robert Edwards, resident of 107 Cypress Lane, presented Council for their review and consideration a petition against the homeless project on Foster Drive and requested more Police patrol in the area. Mr. Edwards stated his concerns of increased theft in the area and lowering of property values due to the proposed project.

Lynn Nelson, resident of 103 Hillcrest Drive in Sunset Ridge, addressed Council concerning a severe problem with hogs in the area, which keep destroying her property. She informed Council that she had installed a small electrical fence that turns on at night to help with the hog problem, but now she received a code violation for it. Mrs. Nelson requested an exemption to keep her fence. Mayor Powell asked Public Works Director Norman McGuire to look into options to control the population of wild hogs from residential areas. Community Development Director Nancy Mikeska addressed Council, commented electrical fences were prohibited in the City limits and noted that Code Enforcement acts on resident complaints, and advised the code was established for safety reasons.

Suzanne and Mike Dunsmore, residents of 11 Sarah Lynn Lane, addressed Council and stated they lived behind Sunset Ridge and feral hogs had invaded their property as well. Mrs. Dunsmore stated that on May 27, 2017, they installed a small electrical fence that would not harm a person or an animal but helped repelled the feral hogs. They received a letter from Code Enforcement to remove the fence. The Dunsmores’ requested an exemption for the fence, as it was their only defense and protection from the hogs. Mr. Dunsmore informed Council that a citizen in Houston was killed and partially eaten by a wild hog and expressed their concerns. He presented several pictures showing severe destruction of their property from hogs.

Joe Cobb, a concerned member of the Arts Community, addressed Council concerning grants for 501C groups. He stated that he applied for a $15,000 grant for the Heritage Museum and $4,000 would go to a CPA for the required financial review. He requested consideration for a different accountability program that would not be so costly and stated it was a big waste of grant money for the groups. Mr. Cobb noted that he understood the request was established for a good reason but felt it was time for it to be re-evaluated.
TAX ABATEMENT AGREEMENT – VGXI, INC
City Attorney Marcus Winberry presented Council for their review and consideration a revised Tax Abatement Agreement with VGXI for their review and consideration.

Councilman Ham made a motion to approve the revised Tax Abatement Agreement with VGXI, Inc., as presented and discussed. Councilman McDonald seconded the motion. Motion carried unanimously.

020 CVB HOTEL OCCUPANCY TAX (HOT) GRANTS
Councilman Ham made a motion to award the 2020 CVB Hotel Occupancy Tax (HOT) Grants, as discussed and presented. Councilman Gibson seconded the motion. Councilman Czajkoski recused himself from any action and vote. Motion carried.

CHANGE ORDERS – ROBINWOOD WATER WELL CONSTRUCTION PROJECT
Councilman Ham made a motion to approve the Change Orders for the Robinwood Water Well Construction Project, as discussed and presented. Councilman Czajkoski seconded the motion. Motion carried unanimously.

ENCROACHMENT AGREEMENTS – KINDER MORGAN
Councilman McDonald made a motion to approve the Encroachment Agreements with Kinder Morgan for the Conroe Park North Extension and Farrell Road Widening Projects, as discussed and presented. Councilman Gibson seconded the motion. Motion carried unanimously.

DECEMBER 2019 MONTHLY FINANCIAL REPORT
Assistant City Administrator/CFO Steve Williams presented Council for their review and consideration the December 2019 Monthly Financial Summary Report and stated that 4 of 5 funds exceeded 25% of the budget. Mr. Williams stated the sales taxes were trending in a good direction.

Mayor Pro Tem Coon made a motion to approve the December 2019 Monthly Financial Summary Report, as discussed and presented. Councilman McDonald seconded the motion. Motion carried unanimously.

PUMPING FEES - LONE STAR GROUNDWATER CONSERVATION DISTRICT
Councilman Czajkoski made a motion to approve the Resolution directing payment of pumping fees imposed by the Lone Star Groundwater Conservation District, as discussed and presented. Councilman McDonald seconded the motion. Motion carried unanimously.

CONSENT AGENDA
A motion was made by Councilman Gibson, seconded by Mayor Pro Tem Coon to approve the Consent Agenda, Items 7 through 12, as presented. Motion carried unanimously.

• Approve TxDOT payment for final construction cost for Park & Ride under IH-45 at FM 2854 (CSJ:0675-08-108).
• Approve notification of Lot Consolidation approvals.
• Approve FY 19-20 1st Quarter Investment Report.
• Approve Council Minutes held January 13, 2020.

• Payment of Statements:
  • LEM Construction Co, Inc. Inv. No. 1 – New WWTP/Construction $ 1,945,125.00
  • Ride Right Inv. No. CTX026-201912 – Transit Service Provider $ 55,285.72
  • Triple B Services Inv. No. 7 & Final – Camelot Ext./Construction $ 68,311.83
  • T Construction, LLC Inv. No. 3 – Sewer Rehab – Forest Estates & Wroxton $ 144,511.08
  • Siddons Martin Inv. No. 101420 – Pierce Quantum Pumper 911,866.00
  • Siddons Martin Inv. No. 101421 – Pierce Velocity Ladder Truck $ 1,389,176.00

There being no further business to consider, a motion was made by Councilman Ham, seconded by Councilman Gibson to adjourn the meeting.
Hotel Occupancy Tax Grants 2019-2020

Tourist Council Attendees Present for Grant Presentations on January 10, 2020:

- Denton Florian, Chair
- Stephen Naleway
- Frank Jackson
- Janice Parish
- Gloria White
- Janet Chavez
- Kathy King
- Don Carpenter
- Mike Riggens
- Maria Avila
- Van Brackin
- Randy Young
- Tammy Kragh

Who:

American Junior Golf Association

History: 78 Top junior golfers in the world: from across the country and 8+ countries. Plus 3-5 spectators per player.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: money would be used to brand the event as Conroe AJGA, press releases and social media posts- all acknowledging Conroe AJGA.

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $7,500 (unable to fully fund)

Who:

Bull Mania 2020

History: 30 top bull riders from across the country come to Conroe on their quest to gain entry to the finals in Las Vegas. This high energy performance returns to Lone Star Convention center for its 6th year. Riders, crew, and spectators contribute to local economy.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion on print/radio/social media platforms

Requested: $25,000

Amount Recommended by the Tourist Advisory Council: $15,000 (max allowed)
Who:

Bulls, Bands & Barrels

History: First time event in Conroe, promoter has held event previously in Ft. Worth and several southern states. In 2020 this will be 5th stop on 8 event tour. This event features bull riding, barrel racing, and a concert with TX Country Artist Whiskey Myers. Estimated attendance of 5000 based on previous events in similar markets. Taking place at Lone Star Convention Center on May 30, 2020.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion on tv/print/radio/social media platforms

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $10,000 (1st time applicant)

Who:

Conroe Cajun Catfish Festival

History: 31st year. 3 day downtown festival that includes concerts, carnivals, food and local art vendors. Annual attendance estimated at 20,000 over the 3 days. Prominent country acts bring in visitors that generate hotel stays and the organizers work with local hotels to sell packages. Net revenues are donated to local non-profits, local groups also donate their time in order to benefit from the festival proceeds.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion on print/radio/social media platforms

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Conroe Kennel Club Holiday Classic

History: 1400 show dogs plus their handlers/owners spend 3+ days in Conroe as they compete for best in class at this well attended show. The local organizers are working to include community/education focused events and have started a partnership with the local school districts, focusing on art.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: money is used for marketing and promotion through the superintendent of the show.

Requested: $5,000

Amount Recommended by the Tourist Advisory Council: $5,000
Who:

Faith Fest

History: Christian music concert benefiting local non-profit groups held at Sacred Heart Church. Each year a nationally recognized singer is the headliner with 1-3 local artists rounding out the evening. Attendance of approximately 800-1000. Promotes Conroe as Music Friendly to a different genre of music lovers.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion on print/radio/social media platforms

Requested: $5,000

Amount Recommended by the Tourist Advisory Council: $5,000

Who:

Houston Money Show

History: 3 day show held at Lone Star Convention Center that brings 130 dealers from around the country (3 nights hotel), in addition to other vendors and attendance of approximately 1400. One of the most successful coin shows in the country with consistent high attendance since the move from Houston.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion primarily through print in trade magazines, direct mailings. Great partnership, provides ad placement, consistent acknowledgment, and space for table on site.

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Oilman Triathlon

History: After a year off due to resort closure, this event returns to Conroe/ Margaritaville Resort for its 17th year. Highly attended long distance tri brings in 900+ participants and their supporters. The organizer works with the resort to track hotel rooms. This event features Conroe on all merchandise: t-shirts, medals, swim caps, course markings.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: Money to spend solely on marketing, advertising, branding of Conroe in the event.

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000
Who:

Reguladores

History: Montgomery County Chapter of the Reguladores Motorcycle Club (law officers) hosts an annual meeting with representatives from 42 Chapters. Riders come from across the country to spend 3+ days in the Lake Conroe area, participating in club sponsored events that generate funds for needy families of officers.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion through direct email marketing and organizational materials in addition to administrative costs for event.

Requested: $3,000

Amount Recommended by the Tourist Advisory Council: $3,000

Who:

Texas 10

History: Conroe 10 Miler is part of the Texas 10 series. Participants range in age from children to seniors and come from across Texas. Well attended series, this year an additional incentive added in conjunction with Thanksgiving Day runs to increase attendance. Strong partnership with organizer, distributes Conroe material at all events, ad space in program, and branded materials for participants.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion website, event postcards, social media platforms, promotion at Houston Marathon, the Woodlands Marathon.

Requested: $5,000

Amount Recommended by the Tourist Advisory Council: $5,000

Who:

Cooking for Courage/ Texans United For Freedom (TUFF)

History: Annual sanctioned BBQ cook off event held over Veteran’s day weekend, brings in cookers from across the state as they pay tribute to America, veterans, active military and first responders. The event has expanded to include a kids cook off, children’s activities, concerts, a cornhole tournament, vendors, silent and live auctions.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000
Who:

Conroe Art League

History: The art scene in Conroe continues to grow as evidenced by increased attendance at the monthly art shows at the Madeley, increased numbers of art work on display, and increased entries in the Madeley National Juried show. Brett reaches out to partner on promotion throughout the state for the gallery and the show.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion through print and digital platforms outside of the Conroe area

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Montgomery County Choral Society

History: The MOCO Choral Society’s season consists of 3 shows throughout the year with anticipated attendance of about 500 per show.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/ public relations fees, printed brochures/ rack cards, digital signage, social media

Requested: $12,500

Amount Recommended by the Tourist Advisory Council: $9,400 (max based on budget)

Who:

Conroe Symphony Orchestra

History: A collection of approximately 50 musicians, the symphony has been providing programs in Conroe for 23 years. 5 concerts each typically draw audiences of 400. They are working to build a Music Lover’s package with local hotels.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/ public relations fees, printed brochures/ rack cards, digital signage, social media, entertainment writers/ music critics/ bloggers

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000
Who:

Stage Right

History: Local non-profit that presents 6 shows (10 performances of each) through the year. Zip codes are tracked on ticket sales to assess if outside of greater Conroe area.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/ public relations fees, printed brochures/ rack cards, digital signage, social media

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Montgomery County Literary Arts Council

History: For more than 25 years this group has been bringing their Writer’s in Performance series to Conroe. This event brings distinguished and accomplished writers to the area.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/ promotion

Requested: $5,000

Amount Recommended by the Tourist Advisory Council: $2,500 (based on budget)

Who:

Greater Conroe Arts Alliance (GCAA)/ Rising Stars & Legends

History: The GCAA is composed of 17 local arts and culture organizations in the Conroe area. GCAA promotes the organizations via marketing, public relations, social media and unites the organizations in the annual event: Rising Stars and Legends.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/ promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $7,500 (unable to fully fund)
Who:

Staged/ Walker Cable

History: New grant applicant Walker Cable, a film and television production company, seeks to film/produce/ market a 10 episode series in Conroe. The series will be filmed over the next year with marketing ready to start in fall 2020.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion on tv and digital platforms outside of the Conroe area

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

The Players

History: The Players Theatre Troupe has been performing in Conroe since 1967. A season of 7 shows (4 musicals, 3 others) draws an attendance of an estimated 250 people for each of 10 shows in a run.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Young Texas Artists (YTA)

History: A 3 day event/ vocal and musical instrument competition featuring 65 artists from across the state. The popular Bach, Beethoven & Barbeque Gala features the finalists in concert and awards ceremony. YTA also holds a lecture series throughout the year and has added a Career Development Initiative with a seminar in collaboration with Lone Star College.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: advertising/promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000
Who:

Crighton Theatre

History: The main venue for the performing arts groups in town, the theatre sees an attendance of 30,000+ each year. Major renovations have begun to improve the theatre experience for all of its users. The 551 seat theatre is often at capacity during shows.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000

Who:

Heritage Museum

History: The museum plans to create and implement a phone app to encourage visitation to the physical museum, interaction with current and future exhibits, and virtual visits. The app would allow history to come to life through videos and interviews that can be watched and interacted with.

Grant funds for ongoing expenses that meet the mission and goals of the organization are as follows: marketing and promotion

Requested: $15,000

Amount Recommended by the Tourist Advisory Council: $15,000