

MINUTES OF THE SPECIAL
CONROE CITY COUNCIL

THURSDAY, JANUARY 31, 2013 – 9:00 A.M.

CALL TO ORDER
CALL OF ROLL

PRESENT: Mayor Melder
Council Members, Gibson, Porter, Martin, Snider and Gentry
City Administrator Paul Virgadamo
City Attorney Marcus L. Winberry
City Secretary Marla J. Porter

A quorum being present, the meeting was called to order at 9:00 a.m. by Mayor Melder.

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.


Webb K. Melder, Mayor

ATTEST:


Marla J. Porter, TRMC, City Secretary

OFFICIAL ACTION OF THE CONROE CITY COUNCIL

MUD NO. 3 AND NO. 4 – STRATEGIC PARTNERSHIP AGREEMENTS

City Attorney Marc Winberry brought Council up to date on the negotiations under discussion by the Annexation Committee. See attached Exhibit A summary and analysis of the proposed agreements presented by Mr. Winberry to the Council.

At 9:16 a.m. following presentation by Mr. Winberry, the Council adjourned into Executive Session for further discussion regarding the agreements.

At 10:38 the meeting was reconvened.

There being no further business to be addressed by Council, a motion was made by Councilman Snider, seconded by Mayor Pro Tem Martin, to adjourn. The motion carried unanimously.

**Summary and analysis of the proposed
Strategic Partnership Agreements
(and Service Plan)**

THE FOLLOWING IS BASED ON THE S.P.A. DRAFT OF 1-28-2013 RESULTING FROM DISCUSSIONS BETWEEN THE APRIL SOUND ANNEXATION COMMITTEE AND CITY STAFF, WHICH IS SUBJECT TO FURTHER NEGOTIATION, PUBLIC HEARINGS, REVISION, ETC. IT HAS NOT BEEN APPROVED BY ANY OF THE GOVERNING BODIES.

Item	Description
Services by April Sound Districts (MCUD#3, MCUD#4)	Current services would continue: water, sewer, garbage, storm sewer
Services by POA	Current services would continue: gated entry, security, traffic, parks, street maintenance, etc.
Other services	Police and fire protection (similar to those currently provided by County and ESD) and general municipal services would be provided by City.
Management	<ul style="list-style-type: none"> ● District Boards (elected by residents of April Sound) would continue to manage the Districts and their services. Boards would set water-sewer rates, establish regulations, set District tax rates, etc. (as they do now). ● Management of the POA would not be affected by annexation. ● City Council would be responsible for City services (April Sound residents would vote in City Council elections).
Wastewater treatment plant	<ul style="list-style-type: none"> ● Plant would be retained and run by April Sound Districts. ● City would receive 300,000 GPD of capacity for future needs.
Water system, including wells	<ul style="list-style-type: none"> ● Water system would be retained and run by April Sound Districts. ● Districts would keep their existing groundwater reduction plan (separate from City/SJRA plan) and the new Catahoula well
Financial structure	<ul style="list-style-type: none"> ● April Sound Districts would receive regular water-sewer revenues, reduced property tax revenues and limited City payments. ● City would receive revenues from property taxes, sales tax, franchise fees, etc. <i>Note: Combined property tax rates after annexation (District + City) are not expected to exceed current levels (District + ESD).</i> ● City would defray debt service for the current Wastewater Treatment Plant expansion/reconstruction (MCUD#3 and MCUD#4) and three years of lease-purchase obligations (MCUD#3 only). ● POA revenues and expenses would not be affected by annexation.
Effective date	Upon annexation at the end of December 2014 (effectively January 1, 2015).
Term	Ten years from the Effective Date (subject to renewal).