

Mayor Todd Kana
Daniel Miller, Position 1
Matthew Dantzer, Position 2
Richard Carby, Mayor Pro Tem, Position 3
Brenda Hoppe, Position 4
Jack L Huitt Jr., Position 5



Don Doering, City Administrator
Leonard Schneider, City Attorney
Kyle Montgomery, Police Chief
Beverly Standley, Finance/HR Administrator
Tim Robertson, City Engineer
Mike Kurzy, Baxter & Woodman
Christian Gable, Interim City Secretary

MINUTES OF PUBLIC MEETING OF THE MAGNOLIA CITY COUNCIL NOVEMBER 14, 2023

A meeting of the City Council was held on this date, November 14, 2023, beginning at 6:00 pm in the Sewall Smith Council Chambers 18111 Buddy Riley Blvd., Magnolia, Texas 77354.

1. CALL MEETING TO ORDER

Mayor Todd Kana called the meeting to order at 6:00 pm.

a. **INVOCATION**

Councilmember Dantzer delivered the invocation.

b. **PLEDGE OF ALLEGIANCE**

Mayor Kana led the Pledge of Allegiance to the USA and Texas flags.

c. **ROLL CALL AND CERTIFICATION OF A QUORUM**

Mayor Kana called the roll and certified a quorum was present with the following Council members in attendance: Todd Kana, Richard Carby, Daniel Miller, Matthew Dantzer, Brenda Hoppe, and Jack L Huitt Jr.

Absent: None

Staff present: City Administrator Don Doering, City Attorney Leonard Schneider, City Engineer Tim Robertson, Finance/HR Administrator Beverly Standley, Economic Development Director Rachel Steele, Police Chief Kyle Montgomery, Interim City Secretary Christian Gable.

2. CITIZEN COMMENTS, REQUESTS OR PETITIONS FROM THE PUBLIC

(This agenda item provides an opportunity for citizens to address the City Council on any matter not on the agenda).

Comments shall be limited to three (3) minutes per person. Comments by the governing body shall be limited to:

- a. *Statements of specific factual information given in response to an inquiry;*
- b. *A recitation of existing policy in response to an inquiry;*
- c. *A proposal to place the subject on a future agenda.*

Jason Shelton, owner of Magnolia Small Engine, spoke against the Ordinance that was recently passed prohibiting parking along Rolling Hills Drive. He understands the motive but explained how the "no parking" signs are negatively impacting his business and the safety of others.

Robert Barker, member of the Texas Floodplain Management Association, introduced himself and offered calendars to the Council members and the public. The calendar theme was "flood safety".

3. CONSENT AGENDA

(This portion of the agenda consists of items considered routine and will be enacted by one motion unless separate discussion is requested by a member of the City Council or a citizen. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.)

a. CONSIDERATION – APPROVAL OF MINUTES

Consideration and possible action to approve the minutes of the regular City Council Meeting held October 10, 2023.

b. CONSIDERATION – APPROVE INVESTMENT PORTFOLIO FOR QUARTER ENDING SEPTEMBER 2023

MOTION: Upon a motion to approve the Consent Agenda made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

4. CONSIDERATION AND POSSIBLE ACTION TO ADOPT ORDINANCE NO. O-2023-015 AUTHORIZING THE ISSUANCE OF CERTIFICATES OF OBLIGATION

(Mayor Todd Kana)

City Attorney Leonard Schneider provided background information regarding this item.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

5. CONSIDERATION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. R-2023-007 AUTHORIZING THE EXECUTION OF A PRINCIPAL FORGIVENESS AGREEMENT BETWEEN THE CITY AND THE TEXAS WATER DEVELOPMENT BOARD FOR FUNDING IN THE AMOUNT \$1,000,000 (Mayor Todd Kana)

Justin Hicks with Hunton Andrews Kurth LLP explained that this is a grant agreement for the \$1M and the Texas Water Development Board requires a separate resolution for the grant aside from previous steps taken to get this approved.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Huitt, the Councilmembers voted, and the motion carried unanimously, 5-0.

6. CONSIDERATION AND POSSIBLE ACTION TO APPROVE ESCONDIDO SANDRA DEE LANE SECTION 1, FINAL PLAT, +/- 1.925 ACRES (Mayor Todd Kana)

Planning Coordinator Christian Gable explained that this plat received plan review approval from the Engineering Department.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Huitt, the Councilmembers voted, and the motion carried unanimously, 5-0.

7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE ESCONDIDO GIRASOL STREET AND RESERVE, FINAL PLAT, +/- 13.384 ACRES (Mayor Todd Kana)

Planning Coordinator Christian Gable explained that this plat received plan review approval from the Engineering Department.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Huitt, the Councilmembers voted, and the motion carried unanimously, 5-0.

8. CONSIDERATION AND POSSIBLE ACTION TO REPEAL ORDINANCE NO. O-2019-015 WHICH DESIGNATED "NO PARKING" SIGNS ALONG LOOKOUT LAKE LANE (Mayor Todd Kana)

Mayor Kana explained the original purpose of this Ordinance and stated that it served its purpose and is no longer needed.

City Attorney Leonard Schneider clarified that this ordinance will amend Ordinance No. O-2019-015 and the new Ordinance to adopt is Ordinance No. O-2023-016.

MOTION: Upon a motion to approve Ordinance No. O-2023-016 amending Ordinance No. O-2019-015 made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

9. CONSIDERATION AND POSSIBLE ACTION ON AN AGREEMENT ALLOCATING AND PLEDGING ECONOMIC DEVELOPMENT SALES TAX REVENUE WITH THE MAGNOLIA 4A ECONOMIC DEVELOPMENT CORPORATION FOR THE 2011 TXDOT SIB LOAN REPAYMENT (Mayor Todd Kana)

Economic Development Director Rachel Steele presented the item based on the agreement provided in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

10. CONSIDERATION AND POSSIBLE ACTION ON AN AGREEMENT ALLOCATING AND PLEDGING ECONOMIC DEVELOPMENT SALES TAX REVENUE WITH THE MAGNOLIA 4A ECONOMIC DEVELOPMENT CORPORATION FOR THE 2017 TXDOT SIB LOAN REPAYMENT (Mayor Todd Kana)

Economic Development Director Rachel Steele presented the item based on the agreement provided in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Huitt, the Councilmembers voted, and the motion carried unanimously, 5-0.

11. CONSIDERATION AND POSSIBLE ACTION ON AN AGREEMENT ALLOCATING AND PLEDGING ECONOMIC DEVELOPMENT SALES TAX REVENUE FOR THE

YEAR 2023-2024 WITH THE MAGNOLIA 4B COMMUNITY DEVELOPMENT CORPORATION FOR THE 2021 TXDOT SIB LOAN REPAYMENT (Mayor Todd Kana)
Economic Development Director Rachel Steele presented the item based on the agreement provided in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Huitt, the Councilmembers voted, and the motion carried unanimously, 5-0.

12. CONSIDERATION AND POSSIBLE ACTION ON THE MAGNOLIA 4A ECONOMIC DEVELOPMENT CORPORATIONS 2024 ANNUAL PROJECTS LIST (Mayor Todd Kana)
Economic Development Director Rachel Steele presented this item based on the project list provided in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Dantzer, the Councilmembers voted, and the motion carried unanimously, 5-0.

13. CONSIDERATION AND POSSIBLE ACTION ON THE MAGNOLIA 4B COMMUNITY DEVELOPMENT CORPORATIONS 2024 ANNUAL PROJECTS LIST (Mayor Todd Kana)
Economic Development Director Rachel Steele presented this item based on the project list provided in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

14. CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. R-2023-008 APPROVING THE MAGNOLIA 4B COMMUNITY DEVELOPMENT CORPORATION'S 2024 ANNUAL PROJECTS LIST (Mayor Todd Kana)
Economic Development Director Rachel Steele presented this item and explained that no action should be taken until the second reading in December.

No action was taken.

15. CONSIDERATION – APPROVE RESOLUTION NO. R-2023-009 CASTING FIVE (5) VOTES FOR CANDIDATE TO SERVE ON BOARD OF DIRECTORS FOR MONTGOMERY CENTRAL APPRAISAL DISTRICT FOR THE 2024-2025 TERM (Mayor Todd Kana)

MOTION: Upon a motion to cast five (5) votes for candidate Matthew Dantzer to serve on Board of Directors for Montgomery County Appraisal District for the 2024-2025 term made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

16. CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION NO. R-2023-010 TO APPROVE PURCHASING OF +/- 1.532 ACRES OF PROPERTY (Mayor Todd Kana)

City Administrator Don Doering explained the purpose of the property would be for a well site.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, and the motion carried unanimously, 5-0.

17. CLOSED EXECUTIVE SESSION

The City Council of the City of Magnolia, Texas, reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed below as authorized by Title 5, Chapter 551, of the Texas Government Code. §551.071(Consultation with Attorney), §551.072 (Deliberations about Real Property), §551.073 (Deliberations about Gifts and Donations), §551.074 (Personnel Matters), §551.076 (Deliberations about Security Devices), §551.086 (Deliberations about competitive matters), and §551.087 (Deliberation about Economic Development Matters.)

The City Council may enter into executive session under Texas Government Code Section 551.071 to consult and receive legal advice from its attorneys on MISD v City of Magnolia, et al and SJRA v Cities of Conroe and Magnolia; and to receive legal advice on sanitary sewer force main and water line easement from Audubon Magnolia Development, LLC; and to receive legal advice concerning the Wholesale Water Supply and Sanitary Sewer Agreement and addendums between the City of Magnolia and Audubon.

Mayor Kana convened into Closed Executive Session at 6:22 pm.

18. RECONVENE into regular session and consider and/or take action on item(s) discussed in executive session.

Mayor Kana adjourned Closed Executive Session and reconvened the open meeting at 7:00 pm.

19. CONSIDERATION AND POSSIBLE ACTION TO AWARD CDBG SAGEBRUSH SANITARY SEWER REHABILITATION PROJECT (TDA CDBG-CDV21-0209) TO CRUZ TEC, INC. IN THE AMOUNT OF \$331,225 BASED ON THE BIDS RECEIVED ON OCTOBER 10, 2023 (Mayor Todd Kana)

City Engineer Tim Robertson summarized the Bid Tabulation and Recommendation of Award Letter found in the Agenda Packet.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Dantzer, the Councilmembers voted, and the motion carried unanimously, 5-0.

20. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A REQUEST FROM STRATUS PROPERTIES TO INCREASE ESCROWED FUNDS FROM \$6,385,814.00 TO \$7,410,238 (\$1,024,424 INCREASE) IN ORDER TO FUND THE ADDITIONAL COST AND CONTINGENCIES RELATED TO THE DESIGN AND CONSTRUCTION OF

WATER SUPPLY PLANT NO. 4 AS PROVIDED FOR IN THE UTILITY DEVELOPMENT AND ESCROW AGREEMENT BETWEEN THE CITY OF MAGNOLIA AND MAGNOLIA EAST 149, LLC (Mayor Todd Kana)

City Engineer Tim Robertson presented this item and mentioned the memo included in the Agenda Packet from David Rivera that explains the reason for increase. David Rivera with LJA Engineering and Chessie Zimmerman with Stratus Properties were both present.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Dantzer, the Councilmembers voted, and the motion carried unanimously, 5-0.

21. CONSIDERATION AND POSSIBLE ACTION ON THE CITY OF MAGNOLIA ACCEPTING UTILITY/INFRASTRUCTURE FROM MAGNOLIA EAST MUNICIPAL UTILITY DISTRICT AT THE MAGNOLIA PLACE DEVELOPMENT CONTINGENT UPON COMPLETION AND EXECUTION OF A FORMAL UTILITY/CONVEYANCE AGREEMENT THAT MEETS THE APPROVAL OF THE CITY ATTORNEY

(Mayor Todd Kana)

City Engineer Tim Robertson explained that the warranty period has ended and this is the formal conveyance from the developer to the City for water, sewer, paving and drainage.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Dantzer, the Councilmembers voted, and the motion carried unanimously, 5-0.

22. CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE WATER WELL NO. 8 CHANGE ORDER NO. 2 IN THE AMOUNT OF \$27,740 FOR A TOTAL INCREASED CONTRACT COST OF \$3,183,845 WITH WEISINGER, INC. (Mayor Todd Kana)

City Engineer Tim Robertson explained the purpose of the increased cost being related to a change in CenterPoint Energy's electrical requirements.

MOTION: Upon a motion to approve made by Councilmember Carby and seconded by Councilmember Dantzer, the Councilmembers voted, and the motion carried unanimously, 5-0.

23. ADMINISTRATION - DEPARTMENT REPORTS

ACTIVITIES/ UPDATES/ ANNOUNCEMENTS AND ITEMS OF COMMUNITY INTEREST

a. POLICE DEPARTMENT (Chief of Police, Kyle Montgomery)

Police Chief Kyle Montgomery gave a brief summary of the report found in the Agenda Packet and explained the increased DWI arrests are likely a result of the Texas Renaissance Festival.

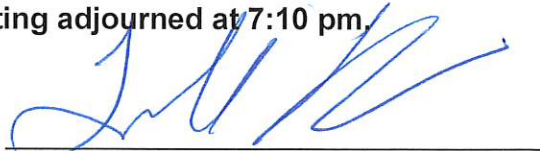
b. PUBLIC WORKS DEPARTMENT (City Administrator, Don Doering)

City Administrator Don Doering gave a brief summary of the report found in the Agenda Packet.

- c. ADMINISTRATION DEPARTMENT (City Administrator, Don Doering)
City Administrator Don Doering gave a brief summary of the report found in the Agenda Packet.

24. ADJOURN

MOTION: Upon a motion to adjourn made by Councilmember Carby and seconded by Councilmember Hoppe, the Councilmembers voted, the motion carried unanimously, 5-0, and the meeting adjourned at 7:10 pm.



Todd Kana, Mayor

CERTIFICATION

I certify that this is a true and correct copy of the minutes of the City Council meeting held on November 14, 2023.


Christian Gable, Interim City Secretary