

**Belton City Council Meeting**  
**April 10, 2018 – 5:30 P.M.**

The Belton City Council met in regular session in the Wright Room at the Harris Community Center with the following members present: Mayor Marion Grayson, Mayor Pro Tem Craig Pearson and Councilmembers Dan Kirkley, Paul Sanderford, Guy O'Banion and John R. Holmes, Sr. Councilmember David K. Leigh was absent. Staff present included Sam Listi, John Messer, Amy Casey, Brandon Bozon, Chris Brown, Matt Bates, Paul Romer, Bob van Til, Kim Kroll, Angellia Points, Bruce Pritchard, Judy Garrett, Charlotte Walker and Cheryl Maxwell.

The Pledge of Allegiance to the U.S. Flag was led by Director of Finance Brandon Bozon, the Pledge of Allegiance to the Texas Flag was led by Councilmember Dan Kirkley, and the Invocation was given by Dr. Shawn Shannon, Director of Baptist Student Ministries at the University of Mary Hardin-Baylor.

1. **Call to order.** Mayor Marion Grayson called the meeting to order at 5:33 p.m.
2. **Public Comments.** There were none.

**Consent Agenda**

*Items 3-6 under this section are considered to be routine by the City Council and may be enacted by one motion. If discussion is desired by the Council, any item may be removed from the Consent Agenda prior to voting, at the request of any Councilmember, and it will be considered separately.*

3. **Consider the minutes of the March 27, 2018, City Council Meeting.**
4. **Consider reappointments to the Texas Dormitory Finance Authority Board of Directors.** (Bill Holmes, Blair Williams, Bry Ewan, Chuck Douglas, Danny Dossman, Andy Crowson and Joe Pirtle were reappointed.)
5. **Consider approval of an ordinance on first reading and set the public hearing for April 24, 2018, granting an extension to the commercial solid waste collection franchise with Sunbright Disposal Services.**
6. **Consider a 2-year extension of the depository agreement with BancorpSouth Bank as successor by merger to First State Bank Central Texas.**

Councilmember John R. Holmes, Sr., asked if the Texas Dormitory Finance Authority Board has had any activity within the last few years. Councilmember Kirkley said that the board only meets when there is an issue to discuss. He added that he used to be on this board, and it only met once in the three years he served.

Upon a motion by Councilmember Dan Kirkley, and a second by Councilmember Guy O'Banion, the Consent Agenda including the following captioned ordinance was unanimously approved by a vote of 6-0.

## ORDINANCE NO. 2018-10

### **AN ORDINANCE AMENDING A FRANCHISE AGREEMENT WITH SUNBRIGHT DISPOSAL SERVICES, TO PROVIDE COMMERCIAL SOLID WASTE COLLECTION SERVICES WITHIN THE CITY OF BELTON; AND MAKING OTHER PROVISIONS.**

#### **Finance Items**

#### **7. Consider reaffirming the Fund Balance Policy for the City of Belton.**

Director of Finance Brandon Bozon explained the purpose of the Fund Balance Policy:

- Establish a key element of the financial stability of the City by setting guidelines for fund balance.
- Unassigned fund balance is an important measure of economic stability.
- City should maintain adequate levels of unassigned fund balance to mitigate financial risk from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances.
- The fund balance also provides cash flow liquidity for the City's general operations.

Bozon said the unassigned fund balance is a residual classification of the general fund and includes all amounts not contained in other classifications. He added that unassigned amounts are technically available for any purpose. The term 'unassigned fund balance' is not used in Enterprise Funds. Instead, Mr. Bozon stated that the City utilizes working capital for evaluation of unassigned fund balance.

Mr. Bozon explained that it is the goal of the City to achieve and maintain an unassigned fund balance in the General Fund, the Water & Sewer Fund, and the Drainage Fund equal to 25% of expenditures, plus the annual debt service for any fund-supported borrowing from external creditors for the fiscal year. A target of 25% plus the debt service is set to ensure the City can remain operational and meet credit obligations in the event of a downturn in the economy or a disaster.

If unassigned fund balance falls below the goal or has a deficiency, the City will implement the following budget strategies until fund balance has been replenished to an acceptable level according to Mr. Bozon.

- Reduction of expenditures to minimum levels including, but not limited to:
  - Reduction in discretionary spending
  - Implementation of a hiring freeze for non-essential positions
- Increase revenues or pursue other funding sources.
- Implement a combination of these two strategies.

Mr. Bozon said that unassigned fund balances may be used to meet capital needs, offset difficult economic times, stabilize fluctuations in cash flow requirements, and provide for emergency situations. Fund balance may also be used for contingencies

until the balance is nearing its minimum level. Authorization for utilizing fund balance is made by the City Council during the annual budget process or through amendment of the budget.

Fund balances as of October 1, 2017, are:



There are no proposed revisions to the policy for 2018.

Councilmember Holmes asked if Mr. Bozon could discuss the Debt Service fund balance guidelines. Mr. Bozon said that the debt service fund balance has been used to manage the City's debt by using fund balance to pay the debt without raising the tax rate. Mr. Bozon said that there is no requirement for a minimum fund balance in the Debt Service Fund. Mr. Holmes said, "Since we have control over the debt service rate, I hate for there to be much of a balance in the Debt Service fund balance."

Upon a motion by Councilmember Holmes, and a second by Mayor Pro Tem Craig Pearson, the Fund Balance Policy was reaffirmed upon a vote of 6-0.

**8. Conduct a work session on Oncor Street Lighting Options.**

City Manager Sam Listi introduced Casey Simpson of Oncor who made a presentation on Street Lighting Options (see Exhibit "A").

He asked the Council for input on what type of lights they would like to see installed when Oncor is replacing lights that have failed. Mayor Grayson asked for the Staff recommendation. Director of Public Works Angellia Points replied, "I would recommend the high pressure sodium at this point. It would be very expensive to go with the LEDs."

Councilmember Holmes asked what the longevity is for each type of light. Mr. Simpson said LEDs tend have a longer life than Sodium Vapor. He added that Oncor is neutral on what type of light is selected by the City. Mr. Simpson explained that going forward, the only option in post top and historical type light fixtures is LED.

Director of Finance Brandon Bozon provided the Council with cost data as shown in Exhibit "B." Mr. Bozon added changing the cobras to LED would not be a huge cost delta, but Staff would not recommend changing out the post top and historical type lights at this time.

Councilmember O'Banion asked, "Isn't that what we have the most of?" City Manager Sam Listi replied that the City has 919 of the cobra type fixtures. Mr. O'Banion said everything is moving toward LED. Mrs. Points said that Council could request that only Cobra type lights be changed out to LED. Mr. O'Banion said he would be interested in that scenario because it would be more cost efficient.

Councilmember Holmes asked if there was an option for color on the LED. Mr. Simpson said no, there really wasn't in the lower Kelvin ranges.

Mr. Simpson said the industry is moving toward LED, and they estimate that all lights will be LED within 5-10 years.

No action was required of the Council on this item.

### **Executive Session**

At 5:56 p.m., the Mayor announced the Council would go into Executive Session for the following item:

9. **Executive Session pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.072, for a deliberation regarding real property.**

The Mayor reopened the meeting at 6:36 p.m., and there being no further business, the meeting was adjourned.

  
\_\_\_\_\_  
Marion Grayson, Mayor

ATTEST:

  
\_\_\_\_\_  
Amy M. Casey, City Clerk

# LED Streetlight Overview



February 2018

EXHIBIT "A"

WE DELIVER.



# Agenda

## New Lighting Tariff

### LED Streetlights:

- Available Options
- Maintenance Agreement
- Serve New Impact
- Proactive Conversions



# New Lighting Tariff

## Highlights

### **Mercury Vapor (Closed)**

- Closed to new installs
- Lights being phased out due to EP Act of 2005

### **Metal Halide (Closed)**

- Closed to new installs
- LED fixtures now offer comparable aesthetics (white light)

### **High Pressure Sodium (Open)**

- Available for new installs & maintenance

### **LED (Open)**

- Available beginning April 1, 2018
- See flyer for options and pricing

# Considerations

## Streetlight Maintenance

### Maintenance Agreement Form:

- Immediately begin replacing non-working fixtures with LED fixtures
- Cost is included in monthly rate
- Once LED is installed, new monthly charges will go into effect





# Considerations Maintenance Replacements

## Monthly Billing Impact at \$0.05 kwh

Schedule A						
	HPS		LED		Tariff Impact	
	Wattage	Total	Wattage	Total	Per Light	
Cobra Head	100	\$ 12.62	0 - 55	\$ 12.62	0.00	
	150	\$ 14.69	56 - 100	\$ 13.77	(0.92)	
	200	\$ 15.32	101 - 140	\$ 15.35	0.03	
	250	\$ 16.55	141 - 180	\$ 16.46	(0.09)	
	400	\$ 20.98	181 - 265	\$ 19.87	(1.11)	
	1000	\$ 33.98	181 - 265	\$ 19.87	(14.11)	
Rectangular	100	\$ 12.62	0 - 55	\$ 26.66	14.04	
	150	\$ 14.69	56 - 100	\$ 28.28	13.59	
	200	\$ 15.32	101 - 140	\$ 30.36	15.04	
	250	\$ 20.23	101 - 140	\$ 30.36	10.13	
Post Top	100	\$ 12.62	0 - 55	\$ 15.09	2.47	
	150	\$ 14.69	56 - 100	\$ 16.24	1.55	
Historical	100	\$ 12.62	0 - 55	\$ 30.21	17.59	
	150	\$ 14.69	56 - 100	\$ 32.17	17.48	

# Considerations Maintenance Replacements

## Monthly Billing Impact at \$0.06 kwh

		Schedule A					
		HPS		LED		Tariff Impact	
		Wattage	Total	Wattage	Total	Per Light	
Cobra Head	100	\$	13.02	0 - 55	\$	12.77	(0.25)
	150	\$	15.39	56 - 100	\$	14.07	(1.32)
	200	\$	16.12	101 - 140	\$	15.80	(0.32)
	250	\$	17.55	141 - 180	\$	17.01	(0.54)
	400	\$	22.58	181 - 265	\$	20.67	(1.91)
	1000	\$	37.73	181 - 265	\$	20.67	(17.06)
Rectangular	100	\$	13.02	0 - 55	\$	26.81	13.79
	150	\$	15.39	56 - 100	\$	28.58	13.19
	200	\$	16.12	101 - 140	\$	30.81	14.69
	250	\$	21.23	101 - 140	\$	30.81	9.58
Post Top	100	\$	13.02	0 - 55	\$	15.24	2.22
	150	\$	15.39	56 - 100	\$	16.54	1.15
Historical	100	\$	13.02	0 - 55	\$	30.36	17.34
	150	\$	15.39	56 - 100	\$	32.47	17.08

# Considerations Maintenance Replacements

## Monthly Billing Impact at \$0.07 kwh

		Schedule A				Tariff Impact	
		HPS		LED		Per Light	
		Wattage	Total	Wattage	Total		
Cobra Head	100	\$	13.42	0 - 55	\$	12.92	(0.50)
	150	\$	16.09	56 - 100	\$	14.37	(1.72)
	200	\$	16.92	101 - 140	\$	16.25	(0.67)
	250	\$	18.55	141 - 180	\$	17.56	(0.99)
	400	\$	24.18	181 - 265	\$	21.47	(2.71)
	1000	\$	41.48	181 - 265	\$	21.47	(20.01)
Rectangular	100	\$	13.42	0 - 55	\$	26.96	13.54
	150	\$	16.09	56 - 100	\$	28.88	12.79
	200	\$	16.92	101 - 140	\$	31.26	14.34
	250	\$	22.23	101 - 140	\$	31.26	9.03
Post Top	100	\$	13.42	0 - 55	\$	15.39	1.97
	150	\$	16.09	56 - 100	\$	16.84	0.75
Historical	100	\$	13.42	0 - 55	\$	30.51	17.09
	150	\$	16.09	56 - 100	\$	32.77	16.68

# Considerations Serve New

- Normal WR Process
- HPS & LED Only
- Metal Halide & Mercury Vapor **\*\*CLOSED\*\***



# Considerations

## Proactive Conversions

- **Replacement of fully functional fixtures with LED fixtures**
- **Conversion fee applicable**
  - Removal costs + unamortized investment based on vintage year
- **Limited Availability**
  - See tariff
  - A follow up meeting will be scheduled to further discuss proactive conversions in more detail at a later date



EXHIBIT "B"

Energy Cost 0.03684 per kWh

	HPS					LED					Difference		Monthly	Annual
	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Monthly	Count	Cost	Cost
Cobra Head	100	40	\$ 10.62	\$ 1.47	\$ 12.09	0-55	15	\$ 11.87	\$ 0.55	\$ 12.42	\$ 0.33	673	\$ 221.42	\$ 2,657.00
	150	70	11.19	2.58	13.77	56-100	30	12.27	1.11	13.38	(0.39)	115	(45.26)	(543.17)
	200	80	11.32	2.95	14.27	101-140	45	13.1	1.66	14.76	0.49	8	3.92	47.10
	250	100	11.55	3.68	15.23	141-180	55	13.71	2.03	15.74	0.50	117	58.76	705.09
	400	160	12.98	5.89	18.87	181-265	80	15.87	2.95	18.82	(0.06)	6	(0.34)	(4.12)
											919	\$ 238.49	\$ 2,861.90	

	HPS					LED					Difference		Monthly	Annual
	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Monthly	Count	Cost	Cost
Post top	100	40	\$ 10.62	\$ 1.47	\$ 12.09	0-55	15	\$ 14.34	\$ 0.55	\$ 14.89	\$ 2.80	331	\$ 926.47	\$ 11,117.63

	HPS					LED					Difference		Monthly	Annual
	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Wattage	kWh	Oncor Tariff	Energy Cost	Total Cost	Monthly	Count	Cost	Cost
Historical	100	40	\$ 10.62	\$ 1.47	\$ 12.09	0-55	15	\$ 29.46	\$ 0.55	\$ 30.01	\$ 17.92	164	\$ 2,938.72	\$ 35,264.59
	150	70	11.19	2.58	13.77	56-100	30	30.67	1.11	31.78	18.01	28	504.18	6,050.15
											192	\$ 3,442.90	\$ 41,314.74	