Belton City Council Meeting
April 14, 2020 – 5:30 P.M.

The Belton City Council met in a virtual session via Zoom meeting due to the COVID-19 Public Health Emergency that has been declared by Governor Greg Abbott, Bell County Judge David Blackburn and Belton Mayor Marion Grayson. Members present included Mayor Marion Grayson, Mayor Pro Tem Wayne Carpenter and Councilmembers David K. Leigh, John R. Holmes, Sr., Craig Pearson, Guy O'Banion and Dan Kirkley. Staff present included Sam Listi, John Messer, Amy Casey, Gene Ellis, Mike Rodgers, Wes Gilbreath, Cheryl Maxwell, Judy Garrett, Kim Kroll, Bob van Til, Paul Romer, Matt Bates, Chris Brown, Cynthia Hernandez and Angellia Points.

The Pledge of Allegiance to the U.S. Flag was led by Councilmember John R. Holmes, Sr., and the Pledge of Allegiance to the Texas Flag was led by Director of Finance Mike Rodgers. The Invocation was given by Councilmember Dan Kirkley.

1. **Call to order.** Mayor Grayson called the meeting to order at 5:41 p.m.

2. **Public Comments.** *(Audio 4:10)*

   There were none.

3. **Proclamation: 50th Anniversary of Earth Day – April 22, 2020.** *(Audio 5:02)*

   Mayor Marion Grayson read the proclamation and will present it to Mayor Pro Tem Carpenter at a future date/time.

4. **Consider minutes of March 24, 2020, City Council meeting.** *(Audio 7:43)*

   Upon a motion by Councilmember Leigh, and a second by Councilmember Holmes, the minutes were approved upon a vote of 7-0.

5. **Consider authorizing an amendment to the Local Disaster Declaration for a Public Health Emergency for the City of Belton, Texas.** *(Audio 8:08)*

   Upon a motion by Councilmember Kirkley, and a second by Mayor Pro Tem Carpenter, the amended Local Disaster Declaration for Public Health Emergency was approved upon a vote of 7-0.

Work Session

6. ***Receive an* update on the FY 2020 budget, *in light of* the Public Health Emergency.** *(Audio 11:12)*

   Director of Finance Mike Rodgers provided an update on the FY 2020 budget (see Exhibit 1).

7. **Discuss engaging a firm to develop Water and Wastewater Master Plans.** *(Audio 48:22)*

   Director of Public Works Angellia Points reviewed the need for updated Water and Wastewater Master Plans, as well as the process City Staff followed to solicit Statements of Qualifications (see Exhibit 2).

8. **Receive a report regarding the Strategic Plan Update.** *(Audio 1:04:13)*

   City Manager Sam Listi discussed the process, and Eric Haugeberg provided a summary of the Strategic Plan Update (see Exhibit 3).

There being no further business, the Mayor adjourned the meeting at 7:08 p.m.

Marion Grayson, Mayor

ATTEST:

Amy M. Casey, City Clerk

BUDGET UPDATE FISCAL YEAR 2020

AS OF APRIL 14, 2020

EXHIBIT 1

2 EFFECT OF COVID-19

3 WHAT WE KNOW

- The impact upon citizens and business is unprecedented
- Recovery may take several months
- S&P declared a negative outlook for the entire U.S. public sector
- Most forms of City revenue will be impacted in some way
- Too early to fully measure the financial consequences

CITY OF BELTON
POSITIVE FINANCIAL POSITION

- Healthy reserve levels
- Relatively stable major revenue sources
- Conservative fiscal management

5 COMPONENTS OF GENERAL FUND REVENUE

6 PROPERTY TAX REVENUE

- Little or no impact expected for FY 2020
- 41% of General Fund revenue is derived from property taxes
- 95% of tax levy has been received
- 66% of taxable value is residential in nature
- Valuations for FY 2021 occurred before COVID-19

7 SALES TAX REVENUE

- Moderate impact expected for FY 2020 depending upon the duration of closures and recovery
- 25% of General Fund revenue is derived from sales taxes
- Largest remitters remain open
- $100,000 - $200,000 negative impact over two months
- Budget surplus prior to outbreak should soften the impact

8 TOP 30 SALES TAX REMITTERS

CEFCO	Belco Manufacture	McCoy Corp	Taco Bell	TXU Energy
McDonald's	Norman Building	Circle K	Tex-Mix Partners	Mexicano Grill
Brushmasters	Reliant Energy	Grand Av Theater	Schoepf's	Whataburger
Associated Supply	Spectrum	Wal-Mart	Amazon.com	Sonic Drive In
Airgas	Starbucks	CF Supply	Grande Comm	Ratliff Ready-Mix
UMHB	H-E-B Food Store	Miller's	New Cingular	Ace Hardware

9 SALES TAX PROJECTION

Projection of Sales Tax Revenue

Month	2020 Actuals	Year-End Estimate	City of Belton	BEDC	% To Date
October	468,479.00	6,511,664	4,341,326	2,170,338	7.2%
November	432,001.00	6,301,243	4,201,039	2,100,204	14.3%
December	574,741.00	6,073,929	4,049,489	2,024,441	24.3%
January	453,518.00	6,118,887	4,079,462	2,039,425	31.5%
February	395,435.82	6,039,973	4,026,850	2,013,123	38.5%
March	450,000.00	5,750,103	3,833,593	1,916,509	48.2%
April	390,000.00	5,651,970	3,768,169	1,883,802	56.0%
Total	3,164,174.82				
	Budget	5,644,680	3,763,120	1,881,560	
	Estimate	5,651,970	3,768,169	1,883,802	
	Add: Oct audit collection	3,419	2,279	1,140	
	Add: Dec audit collection	10,631	7,088	3,543	
	Add: Jan audit collection	87,351	58,237	29,114	
	Adjusted Estimate	5,753,371	3,835,773	1,917,599	
	Estimate of Surplus/(Deficit)	**108,691**	**72,653**	**36,039**	

OTHER GENERAL FUND REVENUE

- Most franchise fees should surpass budgeted amounts
- Permit and license fees may fall from the previous year although building permits continue to be issued
- Court fines and fees are lower than anticipated
- Recreation-related revenues may be weak

FY 2020 REVENUE FORECAST AS OF MARCH 31, 2020

General Fund Revenue Type	FY 2020 Budget	FY 2020 Estimate	Difference
Property Tax	$ 6,082,428	$ 6,042,735	$ (39,693)
Sales Tax	3,763,120	3,835,773	72,653
Franchise & Other Taxes	1,309,440	1,362,133	52,693
Permits & License Fees	270,190	216,753	(53,437)
Court Fines & Fees	330,750	289,798	(40,952)
Charges for Service	1,808,540	2,006,301	197,761
Other Revenues	720,370	927,101	206,731
Transfers	652,481	638,756	(13,725)
Totals	$ 14,937,319	$ 15,319,350	$ 382,031

GENERAL FUND RESERVES

Unassigned Fund Balance, Oct 1, 2019		**$5,077,904**
Estimated FY 2020 Revenues	$15,319,350	
Less: Budgeted FY 2020 Expenditures	14,937,305	
Addition to Fund Balance FY 2020		382,045
Projected Unassigned Fund Balance, Sept 30, 2020		**$5,459,949**
Required Minimum Reserve Level	**3 Months**	**$3,734,326**
Reserves in Excess of Minimum Requirement	**1.4 Months**	**$2,107,668**

13 WATER & SEWER FUND

- Some adjustments have been made to help customers
  - No penalties or disconnects due to nonpayment
  - Credit card fees have been suspended
- Requests for new service have continued
- 20% of customers typically paid late before COVID-19
- Top customers may lower consumption during virus

14 TOP 10 WATER CUSTOMERS

Bell County	River Springs at Barge Ranch
Belton ISD	Ratliff Ready Mix
Tex-Mix Partners	Bell County Expo Center
Turtle Creek Village	Legacy Landing
Belle Oaks Apartments	Today's Car Wash

FY 2020 REVENUE FORECAST AS OF MARCH 31, 2020

Water & Sewer Fund Revenue Type	FY 2020 Budget	FY 2020 Estimate	Difference
Water/Sewer Sales	$ 8,153,555	$ 8,762,840	$ 609,285
Fees & Other Revenue	478,216	506,187	27,971
Other Income	180,358	198,255	17,897
Totals	$ 8,812,129	$ 9,467,282	$ 655,153

WATER & SEWER FUND RESERVES

Unrestricted Fund Balance, Oct 1, 2019		**$6,254,943**
Estimated FY 2020 Revenues	$9,467,282	
Less: Budgeted FY 2020 Expenses	8,811,520	
Addition to Fund Balance FY 2020		655,762
Projected Unrestricted Fund Balance, Sept 30, 2020		**$6,910,705**
Required Minimum Reserve Level is 3 Months of Expenses Plus One Year of Debt Service		**$3,785,613**
Reserves in Excess of Minimum Requirement	**5.6 Months**	**$3,125,092**

17 HOTEL / MOTEL FUND

- This fund will be hit hardest by the coronavirus outbreak
- Two months or more of revenue will simply disappear
- Recovery will depend upon how soon the Bell County Expo Center reopens and tourism returns to the area

FY 2020 REVENUE FORECAST AS OF MARCH 31, 2020

Hotel/Motel Fund Revenue Type	FY 2020 Budget	FY 2020 Estimate	Difference
Hotel/Motel Tax	$ 186,000	$ 172,295	$ (13,705)
Other Income	4,436	4,150	(286)
Totals	$ 190,436	$ 176,445	$ (13,991)

HOTEL/MOTEL FUND RESERVES

Restricted Fund Balance, Oct 1, 2019		**$ 285,959**
Estimated FY 2020 Revenues	$ 176,446	
Less: Budgeted FY 2020 Expenditures	310,436	
Reduction to Fund Balance FY 2020		(133,990)
Projected Unrestricted Fund Balance, Sept 30, 2020		**$ 151,969**

BUDGET UPDATE CONCLUSION

- Revenues will be impacted by COVID-19
- Strong performance to-date along with a diversified customer base will help mitigate the decline in many funds
- Cautious optimism will prevail for the remainder of the year

WATER AND WASTEWATER MASTER PLAN: FIRM SELECTION

APRIL 14, 2020

COUNCIL WORKSHOP DISCUSSION

EXHIBIT 2

TODAY'S DISCUSSION POINTS

- Why master plans are important
- Why does Belton need to update the utility master plans
- What is the process to update the plans
- RFQ process to-date
- Staff recommendation and plan to move forward

MASTER PLANNING BACKGROUND

Snapshot of 2015 Water Master Plan

- Water & Wastewater Master Plans accomplish 3 major objectives:
  - Plan for growth (location and line sizes needed in CCN/service areas)
  - Evaluate existing infrastructure needs (aging infrastructure, in-fill development, bottlenecks/low pressure areas)
  - Prioritize and schedule Capital Improvement Projects (with consideration of available funding)
- Master plans are 'living' documents; intended to be used and modified as conditions change. Typically, they are updated every 5 years. Belton's latest Water & Wastewater Master Plans were created in 2008, with minor updates in 2015.

MASTER PLAN UPDATES NEEDED

- Utility master plans need to be redone. Projects have been completed, significant growth/changes have occurred since 2015, FLUM adopted since 2015, treatment plant decision made.
  - Water Master Plan: Need to establish realistic water demands (gallons per day/person), follow future land use and thoroughfare plans, create and perform water model to determine low flow/pressure areas & feasible solutions, and present a workable model for City use.
  - Sewer Master Plan: Need to establish realistic flow guidelines (gallons per day/person, inflow/infiltration, peaking factors), projected flows with future land use map and zoning, plan for economical approach to service delivery. Create and perform model to determine bottlenecks with feasible solutions. Multiple treatment plants unrealistic, and lift stations should be reduced.
- Staff has been anticipating need. We are prepared to update the master plans, starting in FY20, with $400,000 allocated for master plan updates and related GIS assistance.

Snapshot of 2015 Wastewater Master Plan

TEXAS' PROFESSIONAL SERVICES PROCUREMENT ACT

Texas Local Government Code 2254.0004

- To select a firm to assist in this work, a *qualification*-based selection is required.
- 2018: City issued and received responses on a Request of Qualifications for professional services, including master planning. Valid for 2 years.
- Of the respondents, 5 top-scoring firms were selected to present to a review panel to discuss their qualifications regarding creating master plans.
  - Firms selected for interviews: Freese and Nichols, Halff Associates, KPA, MRB Group, and RJN Group.
- Staff then ranked all 5 firms in terms of qualifications for this specific task, including updating the City's GIS, for master plan modeling according to:
  - Experience to perform work
  - Work quality and customer service
  - Capability to perform work

STAFF RECOMMENDATION

- The review panel (City Manager, DPW, Director of Finance, ADPW, & City Clerk) ranked Halff Associates as the most qualified firm to perform this task to develop Belton's Water & Wastewater Master Plans.
- Halff presented their extensive and successful experience in utility master planning for cities of all sizes, and focused on Belton's 3 master plan objectives.
  - Exhibited a growth-minded focus: Halff understands future land use/zoning, planning for projected flows/growth, balancing needed projects with a consideration for available funding.
  - Emphasized maintenance of existing infrastructure: Halff has a balanced understanding of a City's growth needs, while maintaining existing infrastructure for long-term service and infill development, with considerations of costs to maintain aging infrastructure.
  - Demonstrated commitment to develop prioritized schedule of CIP projects and GIS mapping of systems.

STAFF RECOMMENDATION & NEXT STEPS

- Halff has experience with the City of Belton with the very successful design & construction of South Belton Sewer Phase I & Shady Lane Sewer Interceptor projects. Currently designing SBSS Phase II (easements pending).
  - SBSS Phase I: Designed the sewer to handle South Belton flows while also designing the line to offload 2 existing, problematic lift stations.
  - SBSS Phase II: Currently designing the sewer system to install 1 regional lift station instead of 4 lift stations + 1 new treatment plant.
- Staff is here for your questions on the process. No final Council action is expected today.

❖ April 28, 2020 Council Meeting: Agenda item will seek City Council approval to allow Staff to begin negotiations with Halff Associates to update the City's master plans with related GIS and modeling efforts, with final contract to follow in near future.

Snapshot of South Belton Service Area

City of Belton
Strategic Plan Update Report

April 14, 2020

EXHIBIT 3

Report Outline

- Vision, Mission, Goal Categories, and Outcome Statements
- Guiding Themes
- Targeted Initiatives
- Questions

Vision, Mission, Goal Categories and Outcome Statements

Vision and Mission Statements

Vision

Belton is the Community of Choice in Central Texas, providing an Exceptional Quality of Life.

Mission

Enhance Belton's quality of life through visionary leadership that preserves its character while planning for its future.

Goal Categories and Outcome Statements

1. Governance – Belton's governance is fair, transparent, and fiscally responsible.
2. Public Safety – Belton is safe and family friendly.
3. Quality of Life – Belton has an outstanding quality of life for its citizens.
4. Economic Development – Belton has a vibrant, diverse, and flourishing business community
5. Connectivity – Belton is a fully connected community with active and engaged citizens.
6. Parks / Natural Beauty – Belton has dynamic recreational opportunities and natural beauty.

Guiding Themes

Guiding Themes

Current Infrastructure

Funding of General Operating Budget

City Charter and Ordinance Changes

Customer Service

Targeted Initiatives

Targeted Initiative 1

Maintain current infrastructure through the updating and prioritizing of the current street maintenance plan with associated costs and timelines for completion.

Targeted Initiative 1

Maintain current infrastructure through the updating and prioritizing of the current street maintenance plan with associated costs and timelines for completion.

Activity	Estimated Completion
1. Identify recent street maintenance projects and percentage of city addressed.	04/01/20
2. Evaluate and update street maintenance needs assessment and list as individual projects.	05/01/20
3. Determine updated pricing for each individual project.	05/01/20
4. Prioritize the projects through Council, staff, and community input.	Summer 2020
5. Develop budgets and timelines for completion, including general operating budget or debt strategies.	Summer 2020
6. Incorporate into the annual budget or debt schedule.	Summer 2020

Completed Streets
2305
2271
317
439
93
190
121
1670
2484
35
2015
2016
2017
2018
2019
2020

Streets Left to be Treated
Left to be treated
0
2,500
5,000
Feet
35
2494
1670
93
190
121
317
2305
2271
139

CITY OF BELTON, TEXAS
FOUNDED 1850

Targeted Initiative 2

Maintain current infrastructure through the updating and prioritizing of the current utility maintenance plan with associated costs and timelines for completion.

Targeted Initiative 2

Maintain current infrastructure through the updating and prioritizing of the current utility maintenance plan with associated costs and timelines for completion.

Activity	Estimated Completion
1. Evaluate and update utility maintenance needs assessment and list as individual projects.	06/01/20
2. Determine updated pricing for each individual project.	07/01/20
3. Prioritize the projects through Council, staff, and community input.	07/01/20
4. Develop budgets and timelines for completion, including general operating budget or debt strategies.	08/01/20
5. Incorporate into the annual budget or debt schedule.	08/01/20

Targeted Initiative 3

Maintain current infrastructure through the updating and prioritizing of other capital projects and equipment plan with associated costs and timelines for completion.

Targeted Initiative 3

Maintain current infrastructure through the updating and prioritizing of other capital projects and equipment plan with associated costs and timelines for completion.

Activity	Estimated Completion
1. Identify other recent capital projects and equipment.	04/15/20
2. Evaluate and update capital projects and equipment needs assessment and list as individual projects and equipment.	05/01/20
3. Determine updated pricing for each individual item.	05/01/20
4. Prioritize the items through Council and staff input.	06/01/20
5. Develop budgets and timelines for completion, including general operating budget or debt strategies.	07/01/20
6. Incorporate into the annual budget or debt schedule.	08/01/20

Targeted Initiative 4

Update the City of Belton Charter through the review process and amend the City Charter, as necessary, in order to be included on the November 2020 ballot.

Targeted Initiative 4

Update the City of Belton Charter through the review process and amend the City Charter, as necessary, in order to be included on the November 2020 ballot.

Activity	Estimated Completion
1. Appoint Charter Review Committee.	05/12/20
2. Develop recommendations for amendments (if any).	05/13/20 – 07/08/20
3. Present recommendations to City Council.	07/14/20
4. Hold public hearings on proposed changes.	07/28/20
5. Call election.	08/11/20
6. Provide information to public on proposed Charter changes.	08/12/20 – 11/02/20
7. Advertise in Belton Journal.	10/08/20 & 10/15/20
8. Hold election.	11/03/20
9. Adopt Charter Amendments.	11/10/20

Targeted Initiative 5

Review and refine the development review process to be more customer friendly

(i.e. simplified and expedited).

Targeted Initiative 5

Review and refine the development review process to be more customer friendly (i.e. simplified and expedited).

Activity	Estimated Completion
1. Review current development review processes including standard and codes.	06/01/20
2. Meet with stakeholders and solicit input.	07/01/20
3. Develop options for clarifying, streamlining, and expediting processes in order to enhance flexibility for staff.	Spring 2020: Misc. Amendments Winter 2020: Perimeter Streets; Sidewalks
4. Present to Council for approval, where necessary.	
5. Communicate changes to stakeholders.	Early 2021
6. Implement new processes.	2021

Targeted Initiative 6

Develop a process to finalize the future of Belton TIRZ and its expiration in 2024.

Targeted Initiative 6

Develop a process to finalize the future of Belton TIRZ and its expiration in 2024.

Activity	Estimated Completion
1. Develop options for TIRZ evaluation.	06/01/20
2. Determine associated fiscal impact with the potential assistance of contracted study.	08/01/20
3. Discuss options with stakeholders to include the Council, Bell County, BISD and the TIRZ board.	09/01/20
4. Present to Council for approval.	December 2020
5. Communicate changes to stakeholders.	Early 2021
6. Complete processes required for implementation.	2022
7. Implement	2023

Targeted Initiative 7

Maintain a competitive
staff compensation plan.

Targeted Initiative 7

Maintain a competitive staff compensation plan.

Activity	Estimated Completion
1. Continue annual review of competitor and comparator cities.	FY ’21 Budget
2. Target TMRS adjustment from 6% to 7%.	FY ’22 Budget
3. Evaluate all benefits.	Annually

Questions