

**BELTON CITY COUNCIL MEETING
AUGUST 13, 2013**

The Belton City Council met in regular session with the following members present: Mayor Jim Covington, Mayor Pro Tem Marion Grayson, Councilmembers David K. Leigh, John Agan (arrived 5:46 p.m.), Jerri Gauntt, and Dan Kirkley. Councilmember Craig Pearson was absent. Staff present were John Messer, Sam Listi, Connie Torres, Cristy Daniell, Gene Ellis, Francisco Corona, Mike Huber, Byron Sinclair, Erin Newcomer, Kim Kroll, Sandy Slade, Denny Lassetter, Paul Romer, and Aaron Harris.

The Pledge of Allegiance to the U.S. Flag was led by Fire Chief Francisco Corona, the Pledge of Allegiance to the Texas Flag was led by Councilmember David K. Leigh, and the Invocation was given by Pastor Andy Davis of the First Baptist Church.

The Mayor called the meeting to order at 5:34 p.m.

Public comments. There were none.

Consent Agenda

The Mayor removed the Youth Advisory Commission appointments from the consent agenda. Upon motion by Councilmember Leigh, seconded by Mayor Pro Tem Grayson, the following item was approved by a vote of 5-0.

Minutes of previous meetings: All approved as presented.

- A. City Council Meeting – July 9, 2013
- B. City Council Workshop – July 16, 2013
- C. City Council Meeting – July 23, 2013

Removed from Consent Agenda

Consider appointment to the following boards and commissions:

- A. Youth Advisory Commission (YAC)

The City Manager recommended the following individuals be appointed:

Taylor Bailey	Christina Gaw	Nishanth Lavendra
Montana Minnis	Tamah Minnis	Austyn Perry
Cooper Ross	Mariah Trevino	Samantha Waggoner

Mayor Pro Tem Grayson made a motion to approve the appointments as recommended. Councilmember Gauntt seconded the motion, which carried by a vote of 5-0.

- B. Youth Advisory Commission Chair

The City Manager recommended Samantha Waggoner be appointed to serve as YAC Chair. Councilmember Kirkley made a motion to approve the appointment. Councilmember Leigh seconded the motion, which carried by a vote of 5-0.

Recreation & Events Director Sandy thanked the YAC members for their willingness to serve, and thanked BISD and its representatives in the audience, for the continued support. City Attorney John Messer administered the oath of office to the Commission. (YAC appointee Cooper Ross was not able to attend.)

Councilmember Gauntt thanked Ms. Slade for working with the group and making the program grow and thrive.

Miscellaneous

Consider an Ordinance Authorizing the Issuance of the City of Belton, Texas Combination Tax and Limited Revenue Certificates of Obligation (CO's), Series 2013; Levying an Ad Valorem Tax and Pledging Certain Surplus Revenues in Support of the Certificates; Authorizing Execution of a Paying Agent/Registrar Agreement and Other Agreements Related to the Sale and Issuance of the Certificates; and Ordaining Other Matters Relating to the Issuance of the Certificates.

The City Manager introduced Jennifer Douglas, from Specialized Public Finance, the City's financial advisory firm, who reviewed the City's bond rating, and a bid summary resulting from private placement of the CO's with area banks. Ms. Douglas indicated the City received three bids, with the most favorable bid of 3.078% from Regions Bank, callable any time after August 1, 2018. The bank will serve as its own paying agent for no fee, with the bank's Counsel Fee at \$3,500 plus a MAC fee (approximately \$1,082.50). Ms. Douglas stated based on bid results, the City is saving \$460,000 in interest as opposed to going to a public market, not including the additional approximate \$50,000 in savings for underwriters' fees. Ms. Douglas briefly reviewed the debt service schedule and provided Council with a copy of the ratings summary the City received from Standard & Poor's.

Councilmember Agan arrived at 5:46 p.m.

Richard Donoghue, from McCall, Parkhurst & Horton, the City's bond counsel, presented the final version of the ordinance, and gave an overview of the issuance process. He indicated closing will occur on September 11, 2013, and recommended the City approve the ordinance.

Assistant City Manager Cristy Daniell presented a summary of the following details related to the bond sale: \$6,825,000 total issue with 20 year maturity at 3.078% rate, callable any time after August 1, 2018; and Regions Bank to serve as its own paying agent at no fee. She reviewed the City's total bonded outstanding debt, to include addition of the new CO's, along with the impact on debt service fund balance. In closing, Ms. Daniell gave an overview of per capita debt for area cities, with Belton's per capita with the new CO issue, at \$1,138, still lower than area cities and the average per capita total debt (\$1,729) based on a Texas Municipal League Debt Survey.

The City Manager recommended approval of the final ordinance authorizing the issuance of CO's as presented. Councilmember Leigh expressed excitement over the City's ability to handle the number of projects identified, and commended City staff and citizens for looking forward for infrastructure needs. Mr. Leigh made a motion to approve the ordinance as presented. The motion was seconded by Mayor Pro Tem Grayson. Mayor Covington also expressed his pleasure about the rate and cost savings, along with increased revenues in future years, as he hopes the City can fund the 20-year CIP without a tax increase. After the vote, the following captioned ordinance was approved 5-1, with Councilmember Gauntt voting in opposition:

ORDINANCE NO. 2013-22

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF BELTON, TEXAS COMBINATION TAX AND LIMITED REVENUE CERTIFICATE OF OBLIGATION, SERIES 2013; LEVYING AN AD VALOREM TAX AND PLEDING CERTAIN SURPLUS REVENUES IN SUPPORT OF THE CERTIFICATE; AUTHORIZING EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN INVESTMENT LETTER; AND ORDAINING OTHER MATTERS RELATING TO THE ISSUANCE OF THE CERTIFICATE.

P-13-07 Hold a public hearing and consider a final plat for Belton Independent School District Chisholm Trail Elementary Addition, a 15.69 acre tract, being a replat of Lot 29, Rustic Oaks, located north of Highway 190 and southwest of Digby Drive.

Planning Director Erin Newcomer gave an overview of this one-lot subdivision plat proposed by BISD for construction of Chisholm Trail Elementary School, scheduled to open in August 2014. This site was voluntarily annexed into the City, and will be served by the City's 12" wastewater line and 12" water line. Wheat Road currently

contains 80' of right-of-way (ROW), and City staff requested 10' of additional ROW, which has been provided on the plat.

Ms. Newcomer explained a 10' wide concrete trail/sidewalk has been recommended along the tract's 800' perimeter along Wheat Road, in accordance with the Subdivision Ordinance. Wheat Road will be 41' wide after scheduled street improvements are made, and the trail/sidewalk proposed along Wheat Road will be located 19.5' from the edge of the outer trail/sidewalk to the road. Section 503.01 of the Subdivision Ordinance, states that the City Council may waive the installation of sidewalks; however, sidewalks shall be required adjacent to schools.

Ms. Newcomer stated the City received a request from BISD for a variance for sidewalk requirements along Wheat Road citing the following reasons:

- Sidewalk will terminate onto Belton property;
- Potential safety hazard for parents dropping off children;
- No other property bordering the school has been annexed;
- Surrounding property is in Belton's ETJ;
- Site of new school is not currently in a subdivision; and
- BISD unaware of plans for a new subdivision that will border the school.

Ms. Newcomer discussed the importance of paved sidewalks and future development, indicated proper planning now will help avoid dangerous situations in the future. She indicated the City recently completed a six-month Capital Improvement Planning (CIP) process that recognized the need to fill in sidewalk gaps and add sidewalks to areas where none exist. She reviewed the following recommendation adopted by the 2013 CIP Committee:

- The CIP Committee acknowledges a significant need for sidewalks in many locations in the City. A total of \$260,000 is recommended for CIP funding, and the Committee encourages attention to other locations and areas as funds become available.
- The CIP Committee strongly recommends the City Council establish a policy that requires public sidewalks in connection with new development in the City.
- The CIP Committee recommends that priority areas needing sidewalks include schools, parks, office and shopping areas, and streets and trails linking these important community facilities with residential neighborhoods.

Ms. Newcomer further explained the Thoroughfare Plan identifies Wheat Road as a collector road, and an important component of Belton's street system. The CIP process recognized the need for street improvements for Wheat Road, principally to serve the proposed elementary school, and set aside \$800,000 in CIP funding to expand Wheat Road immediately, from Highway 190 to the city limits, to three-lanes with ribbon curb, with the objective to be complete when the new school opens in 2014. She stated a 10' trail/sidewalk along BISD's site is needed in conjunction with this and future development. The trail/sidewalk will be made of concrete and should last at least 50 years according to the City's Public Works Director. Future development or redevelopment will make similar contributions to complete the trail/sidewalk system. If the City waits until development occurs around the school, the cost to install the trail/sidewalk will likely increase, and the cost burden will shift from BISD to the City.

Ms. Newcomer stated the Planning and Zoning Commission recommended approval of the final plat, with the following conditions:

- Revised cost estimate for Wheat Road cost share for perimeter road and trail requirements were provided and agreed upon at \$120,612.74.
- Landscape plan submittal in compliance with the Design Standards is required.
- Final subdivision plat is required, including 10' additional ROW for Wheat Road.
- Bus drive entrance to be increased from 30' to a 50' radius in conjunction with City plans for widening Wheat Road.

Ms. Newcomer recommended approval of the final plat for Chisholm Trail Elementary Addition, subject to the conditions identified above, including payment for perimeter street contributions and trail/sidewalk cost share, in the total amount of \$120,612.74. She expressed appreciation to BISD for the working relationship it shares with City staff.

The Mayor opened the public hearing. Dr. Susan Kincannon, BISD Superintendent, expressed appreciation to the City for its cooperation and assistance on this project and all other partnerships. Dr. Kincannon disagreed with the need for sidewalks at this time, given there is no logical connection and no immediate future plans in the area, with a majority of surrounding properties not within the city limits. She expressed safety concerns for parents dropping children off, especially along the sidewalks, and indicated BISD would prefer to wait and see how this area develops before installing sidewalks. Dr. Kincannon indicated BISD has worked with the City on connecting the drives to create a loop around the building and landscaping design at additional cost, but they disagree with the proposed sidewalks. She indicated the sidewalks would cost taxpayers nearly \$100,000 (shared by City/BISD), which they don't see being used by children at this site.

Mayor Pro Tem Grayson asked if BISD would be amenable to build the sidewalks if development occurs, and Dr. Kincannon stated it would depend on where development occurred, as this is a unique piece of property, and she doesn't think it makes sense to have sidewalks across the front of the tract. Ms. Grayson asked if BISD would consider putting funds in escrow for future use, and Dr. Kincannon indicated she would have to talk to the BISD Board. BISD School Board President Randy Pittenger stated he doesn't think it makes sense for one taxing entity to hold another taxing entity's funds for future use, and he thinks it's wiser to install sidewalks where sensible, once development occurs. There were no other comments, therefore the Mayor closed the public hearing.

Councilmember Leigh asked about the planned extension of Wheat Road, and the City Manager indicated the plan approved in the bond issue, is to widen the road from Highway 190 to the city limits, north of Digby Drive, with ribbon curb initially planned depending on final design for drainage. Mr. Listi elaborated on proposed improvements, to include hike/bike trail development along the west side of the road, which he indicated is an identified community need. Though escrow is a possibility as it fixes the cost, he questioned what would trigger the sidewalk construction in the future. Mr. Listi explained City staff believes it's an important requirement to secure the sidewalks as part of the platting process and as required by the Subdivision Ordinance; he indicated staff sees no basis for the variance, and he believes granting a variance would cause a significant precedent issue.

The Mayor agreed the Subdivision Ordinance specifically indicates a variance can't be granted in front of a school, and he agreed doing so would set a dangerous precedent for future developers; he believes sidewalks should be built here. Councilmember Leigh cited the area around Pirtle Elementary (in Temple city limits though BISD), where the school (and sidewalks) were built with nothing in the vicinity, and the surrounding areas boomed with development thereafter. Mr. Leigh suggested the City also consider the issue of sidewalks within the Belton Business Park, as he foresees pedestrian traffic through the park to the school. He expressed thanks to BISD for its ongoing partnerships, but agreed it's prudent to require sidewalks at this location, and suggested allowing some level of cooperation with BISD on sidewalk design.

Councilmember Gauntt agreed with the Mayor regarding the issue of setting a precedent, and she believes sidewalks are critical and thinks it's wiser to build now at a lower cost. Councilmember Agan agreed sidewalks are needed and also doesn't want to set a precedent, but asked if the plat could be approved with the stipulation that BISD would construct the sidewalks in the future, at its cost, at a time determined by the City. The City Manager stated approving the plat with the condition would address the timing issue, but that decision is up to Council. Mayor Pro Tem Grayson stated she believes development could be the trigger, and the Mayor reiterated he thinks the sidewalks should be designed and built now. Councilmember Agan stated he understands a trigger can be debatable, but thinks the trigger would be when the City says "do it", which he thinks would also help with the precedent issue, and any cost increases would be borne by BISD.

The City Attorney stated the City Council needs to either require BISD to build the sidewalks based on the Subdivision Ordinance, or approve the variance; he advised against getting into "stipulations or triggers" for the future, basically creating a contract between the City/BISD which hasn't been approved by BISD at this point. Councilmember Gauntt clarified BISD basically has a year until occupancy to construct the sidewalks, and Mr. Listi stated the requirement is compensation in cash associated with final plat approval, and the City would construct the sidewalks.

Mayor Pro Tem Grayson asked if the school board has approved the \$120,612 cost share amount, and the City Attorney stated the City would be approving the plat subject to payment of the amount specified; BISD can't proceed with their project until it's approved, with or without the condition of the payment. Mr. Pittenger indicated the school board has discussed this issue, and though the cost was not known until after they had gone to bid, they agreed to pay the road portion (\$72,000), but requested a variance on the sidewalks until development occurs, to determine where sidewalks need to go. He indicated BISD prefers to have sidewalks inside the vehicle traffic to minimize vehicle/pedestrian conflicts. The Mayor stated he understood, but he believes there will be other public users of these sidewalks in addition to BISD students.

Councilmember Gauntt asked if the City is responsible for building the sidewalks since BISD prefers to install internal sidewalks, and Mr. Listi explained based on BISD's development proposal to build the elementary school, the Subdivision Ordinance is what's leading to staff's recommendation to require the sidewalks along Wheat Road.

Councilmember Agan asked if there was any reason to table the item, and the City Manager stated that is a Council decision. Councilmember Kirkley asked if there was some way to work up a cost share, and the Mayor stated he doesn't think funding is the issue, but rather the school district is opposed to building the sidewalks at all. Mr. Pittenger disputed, stating cost is an issue, but BISD would prefer to build sidewalks that will help keep children safe.

Councilmember Leigh stated he believes children will be walking from many areas near the new school (along Loop 121, from mobile home park across Highway 190, along access road on Highway 190, etc.). Dr. Kincannon stated because this is an elementary school with hazardous traffic areas, those children within a two-mile area will qualify for bus service. Mr. Leigh concurred this is a tough issue, and he has observed students walking along Sparta Road near the junior high/high school, where sidewalks weren't built; he believes the City is the master planner of the town, and has to make the best decisions based on its regulations, staff, and advisory boards.

Councilmember Leigh made a motion to approve the final plat as presented, with the hope that the City and school district can work together to mitigate costs for both entities. Councilmember Kirkley seconded the motion, which carried by a vote of 4 to 2, with Mayor Pro Tem Grayson and Councilmember Agan voting in opposition.

FY 2014 Budget Item(s)

Conduct Budget Workshop for the following:

- A. Presentation of Belton Economic Development Corporation Annual Report and Fiscal Year 2014 Budget

BEDC Director Cynthia Hernandez reviewed the BEDC's activities in FY 2013 and projects underway. Assistant City Manager Cristy Daniell reviewed the BEDC's revenue projections and historical sales tax trends, and reviewed the debt service and projected cash balance for the Corporation. Lastly, Ms. Hernandez presented proposed line item expenditures for the BEDC.

B. Presentation of Hotel/Motel Fund Annual Report and Fiscal Year 2014 Budget

Stephanie O'Banion, President/CEO of the Belton Area Chamber of Commerce, thanked the City for its support and partnership during the Fourth of July celebration. She gave special thanks to Police Chief Gene Ellis for his guidance on this year's parade. Ms. O'Banion went on to present the Chamber's annual report, to include strategic goals and areas of focus. Judy Garrett, Tourism Director for the Chamber of Commerce, gave an overview of marketing, and sales and services activity during the past year. Ms. O'Banion and Councilmember Gauntt expressed appreciation to Ms. Garrett for her expertise and service to the Chamber of Commerce.

Ms. Daniell reviewed revenues, expenditures, and fund balance for the Hotel/Motel Fund. She indicated year to date revenues are up 3% from last year. Ms. Daniell stated that the FY 2014 proposed budget includes \$2,500 for City purchases of flags for antique-style light poles and Patriot Plaza flag maintenance/replacement, and signage in the downtown historic district. The Chamber budget request of \$150,000 is the same as the current year.

C. Tax Increment Reinvestment Zone (TIRZ) Fund Budget

Ms. Daniell reviewed revenues, historical TIRZ taxes, expenditures, and debt service for the TIRZ Fund. She reviewed façade improvement grants approved in FY 2013 and showed before/after photos of completed projects, and gave an overview of projects funded in FY 2013. Ms. Daniell reviewed the proposed project list and budget for FY 2014 shown below, and indicated the TIRZ Board recommended approval at its meeting on August 8th.

▪ South Main Water Line, Ave C to J	\$200,000
▪ North Main/13th Ave Intersection	\$150,000
▪ TIRZ Street Improvements	\$100,000
▪ Capital Contingency	\$151,265
Total	\$601,265

The City Manager reviewed capital projects previously funded in prior years but not yet completed, and explained funds for these projects are being held in the TIRZ Capital Projects Fund. He also reviewed projects proposed for funding in FY 2014, and identified project locations on a TIRZ boundary map, as they relate to the TIRZ Board's adopted fund allocation policies.

Councilmember Leigh (TIRZ Board Chair) stated Bell County's representatives on the TIRZ Board were excited about growth in the fund and expressed approval of how the fund is being used. Mr. Listi commented Bell County did provide input regarding the future alignment of Southwest Parkway (adjacent to the Bell County Communications Center), and identified potential security issues, which will be taken into consideration during final design. Mr. Leigh stated he has questions about the proposed 13th Avenue expansion project, as he was under the impression UMHB previously questioned the value of 13th Avenue as a viable outlet for traffic from University Drive to Main Street, when the College Drive railroad crossing was proposed to be closed several years ago. He suggested a traffic count be conducted before spending \$150,000 on the project. The City Manager stated it may be easier for drivers to get out at this location once the new traffic signal is added at 9th Avenue, but acknowledged Mr. Leigh's request to look at traffic at this location following installation of the signal. No action was required on this item.

Mr. Listi expressed appreciation to all for their endurance during the budget presentations, and indicated he looks forward to getting CIP projects underway for the community. The Mayor echoed his thanks.

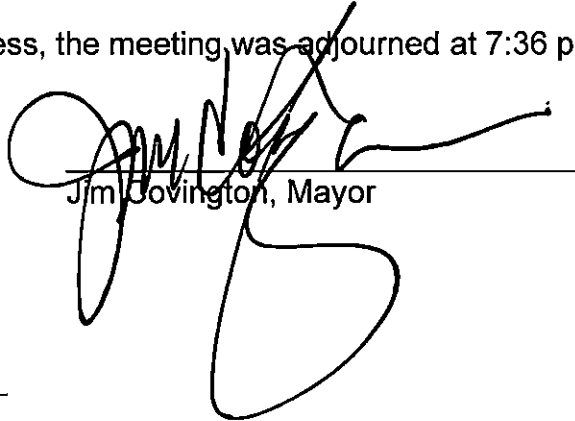
Conduct vote by the City Council to place a proposal to adopt a tax rate of \$0.6598 on the Tuesday, September 17, 2013 agenda.

Councilmember Leigh made a motion to place a proposal to adopt the ad valorem tax rate of \$0.6598 on the agenda for the September 17, 2013 City Council meeting. The motion was seconded by Councilmember Kirkley and carried by a vote of 5-1, with Councilmember Gauntt voting in opposition.

Call for two public hearings on a proposed tax rate to be held on Tuesday, August 27, 2013 and Tuesday, September 10, 2013, at 5:30 p.m. at the Harris Community Center, 401 N. Alexander Street.


Councilmember Kirkley made a motion to set Tuesday, August 27, 2013, and Tuesday, September 10, 2013, at 5:30 p.m., at the Harris Community Center, 401 N. Alexander, for the public hearings on the proposed ad valorem tax rate. The motion was seconded by Councilmember Agan and carried unanimously.

There being no further business, the meeting was adjourned at 7:36 p.m.



Jim Covington, Mayor

ATTEST:



Connie Torres, City Clerk