

**BELTON CITY COUNCIL MEETING
JUNE 14, 2011**

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, Wayne Carpenter, Craig Pearson, and John Agan. Councilmember Clifton Peters was absent. Staff present were Neale Potts, Sam Listi, Connie Torres, Cristy Daniell, Fred Morris, Les Hallbauer, Jen Wesley, Bruce Pritchard, Jerri Gauntt, Kim Kroll, Sandy Slade, Charlotte Walker, and Denny Lassetter.

The Pledge of Allegiance to the U.S. Flag was led by City Manager Sam Listi, the Pledge of Allegiance to the Texas Flag was led by Mayor Pro Tem Marion Grayson, and the Invocation was given by Jack Helmer, Military Minister at First Baptist Church.

The Mayor called the meeting to order at 5:32 p.m.

Public comments.

Joe Trevino, 3502 Village Hill, stated he is against the City amending any rules to allow the University of Mary Hardin-Baylor (UMHB) to destroy historical homes. He indicated the First Baptist Church and UMHB work together on many occasions, and he believes several Councilmembers have ties with the Church. Mr. Trevino stated he is opposed to the City doing so much for UMHB and thinks it's a conflict to amend rules to suit them. He doesn't think lower class citizens are getting the same benefits, and he believes this is another reason the City needs single member districts.

Nancy Kelsey, 400 S. Main, read a statement expressing her opposition to a proposed change to the City's Historic Guidelines. Currently the appeal process goes to District Court, and she believes planning has been done in executive sessions by the City Council and City Attorney, attempting to circumvent the appeal process to settle pending litigation between the City and UMHB. Ms. Kelsey's stated she doesn't believe the Guidelines should be circumvented to serve UMHB and cited examples of conflict of interest, indicating a City official serves on the UMHB Board of Trustees.

Connie Swinden, 401 N. Pearl, read a statement expressing her concern over destruction of older homes in the historic district that abuts UMHB. She cited the City's Strategic Plan Goals B-2 and C-3, and asked that Belton not compromise its unique heritage. Ms. Swinden asked that the City seek alternative plans for growth without destroying Belton's roots and compromising its preservation standards.

Presentations:

- A. Recognize Ismay Lee and Lexy Gonzalez for life saving act – This item was deferred until the next meeting.
- B. Receive 2011 Silver Leadership Circle Award – The Mayor announced the City has received a silver award from the Texas Comptroller's Leadership Circle program for the second consecutive year. The program, launched in 2009 to recognize local governments across Texas striving to meet a high standard for financial transparency online, spotlights local governments that are opening their books to the public; providing clear, consistent pictures of spending; and sharing information in a user-friendly format that lets taxpayers easily drill down for more information. The Mayor recognized Assistant City Manager/Finance Director Cristy Daniell and her staff for the accomplishment.
- C. Receive Government Finance Officers Association Distinguished Budget Presentation Award for the Fiscal Year beginning October 1, 2010 – The City Manager announced the City has received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the 19th consecutive year. He presented the award to Assistant City Manager/Finance Director Cristy Daniell and Assistant Finance Director Karen Evans. Mr. Listi indicated achievement of this award is a compliment to the entire City organization, requiring a commitment by the City Council, the management team, and especially the Finance Department to produce a high quality financial plan.

Consent Agenda

Councilmember Leigh made a motion to approve the consent agenda as presented. The motion was seconded by Mayor Pro Tem Grayson and the following items were unanimously approved:

Minutes of previous meeting. Approved as presented.

Consider appointment to the following boards and commissions:

A. Ethics Commission – Appointed the individuals below to a one year term:

Councilmember	Representative
Jim Covington	Brett Turner
Marion Grayson	Robert Jones
Clifton Peters	John Holmes
David K. Leigh	Mark Fitzwater
Craig Pearson	Larry Pointer
John Agan	Dennis Turk
Wayne Carpenter	Chris Moore

B. Planning & Zoning Commission – Reappointed Jason Morgan and Beverly Zendt, and appointed Bry Ewan and Larry Guess to replace Bruce Burleson and Amelia Torres who did not seek reappointment.

Consider authorizing a façade easement grant to Evan Morrison, Nolan Creek Cotton Gin Corp., DBA The Gin at Nolan Creek.

Approved a façade improvement grant in the amount of \$10,000 with funding from the TIRZ fund. Mr. Morrison intends to operate a steak restaurant at the Gin, and his proposal involves replacing the roof, adding windows and doors, and constructing decking and railings.

Consider authorizing the City Manager to execute an agreement with Clark & Fuller for professional design services to provide approximately 150' of Beal Street area storm drainage improvements in an existing unimproved drainageway.

Approved the agreement with Clark & Fuller and the Professional Services Fee (lump sum total of \$7,729.26) with funding to come from 2008 Drainage CO's. (This item will address conditions of an existing unimproved drainageway located between two lots fronting N. Beal Street - 2502 and 2404. This location is the current outlet for drainage from the upstream basin which includes the HEB site and adjoining Christ the King Church property. While HEB will be holding back storm drainage runoff and releasing it at a flow rate less than the calculated pre-development conditions, when release does occur, storm drainage flow will eventually find its way to this area where a grass lined swale currently exists. Through consultation and on-site inspection, HEB has agreed to some additional on-site improvements, and the City is proposing an improved drainageway to address identified need outside the HEB site.)

Consider extension of the interlocal agreement with the Belton Independent School District for operation of a career and technical education fire course.

Approved extension of the agreement with BISD for this program designed to introduce students to a career path not previously available at BHS. The program was implemented in the 2010/11 school year with instruction by off-duty Belton firefighters Monday-Friday. It has been a great success thus far and gives the Fire Department another avenue to recruit personnel for future employment. The agreement is identical to last year's with the exception of updates to BISD administration, and it is the City's intention to annually extend the agreement unless substantial changes occur.

Miscellaneous

Provide an overview and update on the Nolan Creek Project and consider authorizing the City Manager to submit a grant application to the Texas Parks & Wildlife Department.

The City Manager stated following adoption of the Parks & Recreation Strategic Master Plan in 2010, the City hired Recreational Engineering and Planning to analyze Nolan Creek and investigate the opportunity to enhance water recreation in Belton. Park Planner Brent Luck, Luck Design Partners, was also engaged to assist in the process. Mr. Listi gave an overview of the project, identifying the following objectives: enhance the City's flood warning system; improve water quality;

provide water access and recreation for kayaking and tubing; and improve roads, trails, and sidewalks.

The City Manager indicated staff has explored development and funding options, and presented a conceptual cost estimate, currently at \$1.5M-\$2.0M. He explained staff is investigating grant opportunities (Texas Parks & Wildlife) and private funding (HEB, Wal-Mart, Academy, etc.), in addition to use of City funds (General Fund, TIRZ, BEDC). Mr. Listi reviewed the immediate next steps for the project:

- Proceed with development of a Texas Parks & Wildlife Department (TPWD) grant application (due date to be determined depending on funding at the State level)
- Seek Council approval of Resolution authorizing grant application
- Continue discussions with private/public entities to reduce grant match requirement
- Develop Preliminary Engineering Design Report to refine project scope/options – will include the following:
 - Preliminary engineering design schematics & opinions of probable cost
 - Floodplain analysis & impacts (FEMA)
 - Permit requirements (i.e., Corps of Engineers, FEMA, TCEQ)
 - ROW investigation
 - Address additional flood warning systems, brush removal
- Conduct City policy/ordinance review regarding policing, monitoring, etc.
- Finalize a project budget

At the conclusion, the City Manager requested Council authorization to proceed with preparation of a grant application to the TPWD for the Nolan Creek Project.

The Mayor asked if the City could meet an August 1, 2011 deadline for grant submission, and Mr. Listi stated the City could complete its part, but private contributions require a letter of commitment which may take some additional time. He added every indication from TPWD has been the August 1st deadline will be extended to December 2011 or later. Councilmember Leigh asked about funding for preliminary engineering, and the City Manager stated he would return to Council to seek approval for funding and engaging a firm to accomplish preliminary engineering beyond the conceptual phase.

Councilmember Agan praised City staff for its efforts and willingness to seek this opportunity and grant application. Mr. Listi complimented Mayor Covington for his leadership on the project.

Upon motion by Councilmember Agan, seconded by Councilmember Pearson, the Council unanimously authorized the City Manager to submit the grant application to the Texas Parks & Wildlife Department.

Consider award of bid for sale of real estate, being Lots 1, 2 and 3, Schoolcraft Addition, also known as 700, 702 and 704 W. Avenue C.

The City Manager reviewed these City-owned tracts along W. Avenue C, which were purchased in 2010 for use in the City's affordable housing program. He stated when Tropical Storm Ermine flood destroyed several homes last September, the City explored use of this property as a location for replacement housing for displaced property owners. The TDHCA reserved some rehabilitation funds for disaster relief, and City staff is working with three prospective grant recipients for replacement housing.

Mr. Listi explained the City advertised these three lots for bid, with only one bid received on June 13th by Dora and Frankie Pruett for Lot 1 (700 W. Avenue C). The Pruett bid \$20+ their property at 123 N. Walker in exchange for Lot 1 of the Schoolcraft Addition. The Pruett residence at 123 N. Walker was severely damaged by the flood and demolished at a cost of \$5,300, and a lien on the property totals \$6,386. The appraised value of the Pruett's lot is \$5,750, with the City's lot valued at \$5,000. Mr. Listi recommended the City accept the Pruett's bid of \$20+ their lot on N. Walker valued at \$5,750, in exchange for the lot at 700 W. Avenue C valued at \$5,000. The City proposes to exchange the Avenue C lot for the Pruett land subject to the lien, based on the authority contained in Local Government Code Section 272.001(g). City funds in the affordable housing program will be used to repay the General Fund for the lien (\$6,386). The other two lots will be rebid at another time.

Councilmember Agan asked if the Pruett's intend to build another house, and Mr. Listi stated the TDHCA program will build them a house on the lot (out of the flood zone) at no cost. Mayor Pro Tem Grayson made a motion to award the bid as recommended by the City Manager. The motion was seconded by Councilmember Carpenter and carried unanimously.

Conduct FY 2012 Proposed Budget Workshop.

Assistant City Manager Cristy Daniell gave an overview of General Fund (GF) revenues, with the following key points:

- Preliminary 2011 ad valorem taxable values decreased 0.98% from the 2010 tax roll; certified values are expected to show no change in the roll or even a slight increase.
- GF ad valorem tax revenues may actually decrease if the tax roll remains flat, and tax values in the TIRZ increase.
- FY 2011 appears to be 22nd consecutive year of sales tax increases; will likely increase in FY 2012 with HE Plus coming on line, but will rely on estimates from HEB corporate.
- Franchise fees will be over budget due to a one-time payment from Oncor Electric's rate case, otherwise franchise tax is stable overall.
- Refuse collection reflects mild community growth, while building permit activity is down.
- Ambulance revenues topped \$1 million for the first time in 2010 with approximately 2,000 billable runs annually. Ambulance activity and revenue continue to increase.
- Mixed drink taxes coming in same as last year, which was the biggest year ever at \$28,620.
- Municipal court revenues down about 3% from last year – this revenue stream is at its lowest point of the last decade. Admin fees are up due to increased community service and deferred adjudication, and the City now retaining fees charged for juvenile community service.

In closing, Ms. Daniell indicated FY 2011 GF revenues are flat, and FY 2012 will likely be the same, with no substantial increase. She reviewed the proposed budget process and future schedule. No action was needed.

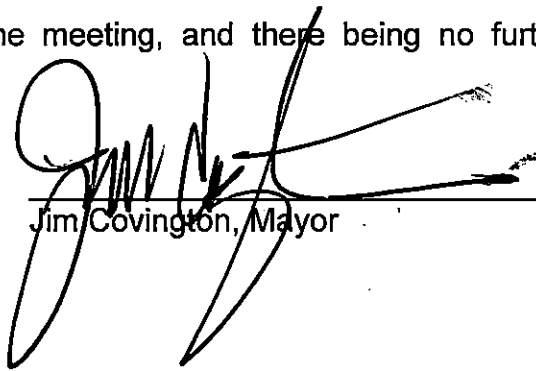
At 6:53 p.m. the Council took a short recess, and at 7:00 p.m. the Mayor announced the Council would go into executive session and closed the meeting for the following:

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 551.071, to consult with City Attorney.

The first closed session concluded at 7:22 p.m. and the following got underway:

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 551.086, to discuss economic development negotiations.

At 7:29 p.m. the Mayor reopened the meeting, and there being no further business, the meeting was adjourned.



Jim Covington, Mayor

ATTEST:



Connie Torres, City Clerk