

**BELTON CITY COUNCIL MEETING
JUNE 25, 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, Craig Pearson, John Agan, Jerri Gauntt, and Dan Kirkley. There were no members absent. Staff present were John Messer, Sam Listi, Connie Torres, Cristy Daniell, Gene Ellis, Francisco Corona, Mike Huber, Erin Newcomer, Kim Kroll, Sandy Slade, Charlotte Walker, Denny Lassetter, Paul Romer, and Aaron Harris.

The Pledge of Allegiance to the U.S. Flag was led by Grants & Projects Coordinator Aaron Harris, the Pledge of Allegiance to the Texas Flag was led by Mayor Pro Tem Marion Grayson, and the Invocation was given by Councilmember David K. Leigh.

The Mayor called the meeting to order at 5:37 p.m.

Public comments. There were none.

Consent Agenda

Councilmember Gauntt made a motion to remove items 5, 6, 7, and 8 in an effort to have a more open government. Councilmember Leigh made a motion to approve items 3 and 4. The motion was seconded by Mayor Pro Tem Grayson, and the following items were unanimously approved:

Minutes of previous meetings: All approved as presented.

- A. City Council Workshop – June 10, 2013
- B. City Council Workshop – June 11, 2013, 4:00 p.m.
- C. City Council Regular Meeting – June 11, 2013

Consider appointment to the following boards and commissions:

- A. Parks Board – Reappointed Diane Ring to another two year term, and appointed T. R. McLaughlin and Joshua Van Schoik for two year terms, as Mike Ratliff and Tyson McLaughlin did not seek reappointment.
- B. Planning & Zoning Commission – Reappointed Jason Morgan, John Holmes, Nicholas Rabroker, and Larry Guess to another two-year term, and appointed Ben Pamplin to fill the unexpired term of Dan Kirkley following his election to the City Council.
- C. Historic Preservation Commission – Appointed Tammie Baggerly to fill the unexpired term of Dan Kirkley following his election to the City Council.

Items pulled from Consent Agenda

Consider an ordinance amending the City's Tax Abatement Guidelines and Criteria.

The City Manager stated the City Attorney's office has recommended changes to the guidelines to incorporate statutory language. Changes were made on pages 12 (Recapture) and 16 (Declaration). He recommended approval of the proposed ordinance amending the Tax Abatement Guidelines and Criteria. Councilmember Gauntt confirmed those were the only changes, and asked if bail bond operations were always considered ineligible for tax abatement in the downtown district, and Mr. Listi indicated that is correct, and that has been consistent with the City's policy for quite some time.

Upon motion by Councilmember Pearson, seconded by Councilmember Leigh, the following captioned ordinance was unanimously adopted:

ORDINANCE NO. 2013-16

AN ORDINANCE OF THE CITY OF BELTON, TEXAS, AMENDING THE TAX ABATEMENT POLICY FOR THE CITY OF BELTON; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Consider adoption of a long-term debt policy for the City of Belton.

Assistant City Manager Cristy Daniell stated based on advice from the City's Financial Advisors and in response to inquiries during the most recent bond rating agency review, staff has developed this item which was presented in a workshop prior to this meeting, and at a previous workshop on June 11th. She recommended adoption of the policy with the following changes suggested by Council in the earlier workshop:

- Strike the words "without constituting an unreasonable burden to taxpayers" in the first bullet on page 1;
- Combine bullets 1 and 3 on page 1;
- Under Debt Issuance Process on page 3, add language in the third paragraph that indicates private placement issues do not need a bond rating; and
- Include a provision that the Council will review and adopt the policy annually, in conjunction with annual review/adoption of the City's Investment Policy.

Councilmember Leigh made a motion to adopt the policy as presented with the changes mentioned. Mayor Pro Tem Grayson seconded the motion which carried unanimously.

Consider amending the Development Agreement between the City of Belton and the University of Mary Hardin-Baylor, regarding Wastewater Improvements.

Councilmember Agan announced he needed to abstain from this item and left the meeting room.

The City Manager explained in June 2012, the City and UMHB entered into a development agreement whereby UMHB agreed to fund \$350,000 in wastewater improvements and associated street work to serve new University facilities. The agreement provided for a repayment schedule which UMHB has complied with, leaving only the last \$100,000 payment due June 30, 2013 outstanding. Mr. Listi stated the wastewater project is complete, with an estimated \$40,000 of the \$350,000 total project cost available for remaining street work on Sparks Street and University Drive. Sparks will take about \$5,000, leaving about \$35,000 for University. The City's estimate for in-house reconstruction of University Drive, from 9th Avenue to the Mayborn Center, is approximately \$50,000, leaving a deficiency of about \$15,000. UMHB has agreed to contribute up to an additional \$15,000 for this work, which will begin in early July and take about 30 days to complete. He recommended approval of an amendment to the development agreement, with UMHB contributing up to an additional \$15,000, with that additional increment due September 30, 2013.

Councilmember Gauntt confirmed there will be no other costs incurred, and Mr. Listi stated \$15,000 is the maximum the University will be expected to pay, which is within the estimate to do the work. Upon motion by Mayor Pro Tem, seconded by Councilmember Kirkley, the Council approved the item by a vote of 6-0-1, with Councilmember Agan abstaining.

Councilmember Agan returned to the meeting room.

Consider authorizing the Belton Economic Development Corporation to sell up to 1.6 acres in the Belton Business Park to Tejas Oso, LTD.

BEDC Executive Director Cynthia Hernandez explained in 2010, the BEDC constructed the Belton Business Center, an 11,400 sq. ft. office/warehouse facility in the Belton Business Park, to generate activity in the PUD. In May 2013, the Council authorized the sale of the building located at 1010 Arbor Park Drive to Tejas Oso, LTD. She stated Mr. Martin, President of Tejas Oso, approached the BEDC about his willingness to invest and build the second building (originally planned by the BEDC),

which will be similar in size and layout, and essentially replicate the first building. On June 17th, the BEDC Board authorized the Executive Director to approve a contract for the sale of up to 1.6 acres (based on site plan and development requirements), adjacent to 1010 Arbor Park Road. (The contract will reflect a sales price of \$2.50 per sq. ft., estimated \$174,240, but at this time it is unknown exactly how much property Mr. Martin will need to accommodate the new building, therefore final acreage will result from subdivision platting.)

Councilmember Leigh confirmed Mr. Martin's intent is to replicate the first building which was part of the BEDC's master plan for the park, and Ms. Hernandez indicated that's correct. The City Attorney stated the contract is fine, but since there may be a 1030 exchange involved, he recommended the Council authorize the sale to Tejas Oso, LTD., or a related entity. Councilmember Leigh asked if it would be an affiliate, and Mr. Messer indicated that's correct. Mr. Leigh made a motion to authorize the BEDC to sell up to 1.6 acres in the Belton Business Park to Tejas Oso, LTD or affiliates. Mayor Pro Tem Grayson seconded the motion which carried unanimously.

Planning & Zoning

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 indicated this item was withdrawn by the applicant to a later date.

P-13-08 Hold a public hearing and consider a final plat for Turner Estates, a 0.37 acre tract, being a replat of Lot 1 and the west half of Lot 2, E. W. Clive Addition, located at the northeast corner of North Blair Street and East 12th Avenue.

Planning Director Erin Newcomer gave an overview of this 2-lot single family subdivision. Lot 1A contains an existing single family home facing East 12th Avenue and Lot 2A is vacant. The applicant has indicated that a single family home, facing Blair Street to the west, will be built on Lot 2A pending Council approval of the plat. A zone change to SF-3 was approved by Council on February 26, 2013. The Planning & Zoning Commission (P&ZC) recommended approval by a vote of 7-0 at its meeting on June 18th, and she concurred.

The Mayor opened the public hearing. There were no comments for or against the item, therefore the hearing was closed. Councilmember Gauntt asked about considering the final plat without a site plan, and Ms. Newcomer explained site plans aren't typically submitted with a plat, and a site plan was submitted with the zoning change request in February 2013, which included building materials. The City Attorney stated if a plat meets statutory requirements, then it has to be approved. Mayor Pro Tem Grayson made a motion to approve the plat as presented. The motion was seconded by Councilmember Kirkley and carried unanimously.

P-13-09 Hold a public hearing and consider a final plat for Two Sisters subdivision, a 1.84 acre tract, being a replat of Lot 3, Gutierrez Addition Amended, located north of Shanklin Road and west of South IH-35 in Belton ETJ.

Ms. Newcomer explained this is a 2-lot single family subdivision in which Lot 1A contains an existing single family home and Lot 2A is vacant but once contained a home that burnt down. The applicant intends to build a single family home on Lot 2A pending approval of the plat. Ms. Newcomer stated this tract is one lot that has been divided amongst family. Lot 1A did not have access to Frances Lane; therefore, a replat is needed to provide access to the County maintained public roadway.

All County Surveying is completing the plat and has indicated these lots are served by City of Belton water, and there are two meters existing, one on each lot. All County Surveying is currently obtaining a letter from the Bell County Health Department to ensure that both lots can continue to be served on septic systems. The P&ZC recommended unanimous approval (7-0) and she recommended approval.

The Mayor opened the public hearing. There were no comments for or against the item, therefore the hearing was closed. Councilmember Leigh asked about lot size requirements for septic systems, and Ms. Newcomer indicated ½ acre is required by the Bell County Health Department, and a second single family home on the same property, would require an additional ¼ acre. Councilmember Agan made a motion to approve the final plat as presented. The motion was seconded by Councilmember Kirkley and carried unanimously.

P-13-10 Hold a public hearing and consider final plat for Leon Courts subdivision, a 0.40 acre tract, being a replat of part of Lots 4, 6, 8, and 10, Block 5, Leon Heights Addition located in the 500 Block of East 14th Avenue, located east of North Blair Street and west of Hilltop Street.

Councilmember Agan indicated he needed to abstain from this item, and left the meeting room.

Ms. Newcomer gave an overview of this 3-lot single family subdivision in which Lots 106, 108, and 110 are vacant. The applicant has indicated three single family homes (facing East 14th Avenue) will be built on all three lots pending Council approval of the plat. The request was approved by a vote of 7-0 at the P&ZC meeting, and she recommended approval.

The Mayor opened the public hearing. There were no comments for or against the item, therefore the hearing was closed. Councilmember Pearson made a motion to approve the item as presented. Councilmember Leigh seconded the motion which carried by a vote of 6-0-1, with Councilmember Agan abstaining.

Councilmember Agan returned to the meeting room.

P-13-11 Hold a public hearing and consider a final plat for the Wharton Addition replat, a 5.0 acre tract, being a replat of Lot 2, Block 1, Wharton Addition, located east of Wharton Lane and west of Rocking M Lane in Belton ETJ.

Ms. Newcomer explained this is a 2-lot single family subdivision. Proposed Lot 2A contains a newly constructed single family home and proposed Lot 2B contains an existing single family home. The applicant has indicated a single family home was built on Lot 2A; however, a septic system may not be permitted by the Bell County Health Department until the plat is approved by the Council and Bell County Commissioners (approved June 24th).

Ms. Newcomer explained Wharton Lane and Rocking M Lane are private roads. Rocking M Lane has a non-exclusive access easement that has been granted to all property owners adjacent to this roadway. According to Section 6.06 of the La Cchette Development Agreement approved by City Council on December 28, 2010, Rocking M Lane will be improved and will become a public roadway within two years from completion and acceptance of the first roundabout on the arterial roadway serving the subdivision located off FM 1670. Given the existing condition, the lot frontage along a private road in Belton's ETJ rather than along an improved public roadway, is allowed. A 25' access easement along the northern property line of Lot 2B has been included to provide access for Lot 1A to Rocking M Lane. The P&ZC recommended approval by a vote of 7-0 at its meeting on June 18th. She recommended approval.

The Mayor opened the public hearing. There were no comments, therefore the hearing was closed. Upon motion by Councilmember Leigh, seconded by Councilmember Pearson, the Council unanimously approved the plat as presented.

P-13-15 Consider a final plat for W Dunn subdivision, a 0.5636 acre tract of land located north of Shanklin Lane and South of Loop 121.

Ms. Newcomer gave an overview of this 1-lot subdivision that will be utilized for a pump station owned by Central Texas Water Supply Corporation (CTWSC). The lot frontage is along an access easement, rather than an existing or proposed public street,

and this variance is reasonable since the lot is being utilized for a single use and not a single family dwelling. Ms. Newcomer expressed appreciation to the applicant for platting this area for the CTWSC pump station, and indicated the final plat was approved by the P&ZC by a vote of 7-0 at its meeting. She recommended approval. Upon motion by Councilmember Kirkley, seconded by Councilmember Gauntt, the Council unanimously approved the final plat.

Z-13-10 Hold a public hearing and consider an ordinance regarding a zoning change from Agricultural to Single Family-1 for 2226 University Drive, located on the south side of University Drive, 0.15 miles west of Loop 121.

Ms. Newcomer explained this applicant is proposing to build a single family home and barn on Lot 1 west of Loop 121 amidst a majority of large-lot single family homes and office uses. She identified area zoning, and indicated the applicant is proposing to plat a 3.50 acre tract into 2 lots, with Lot 1 to be 3.0 acres and Lot 2 to be 0.50 acres. Lot 1 will remain Agricultural since it is 3.0 acres and will be used for a single family home and agricultural operations. If approved, the applicant will be required to plat the tract into two lots to allow for construction of the home on Lot 1. Ms. Newcomer stated at its meeting on June 18th, the P&ZC recommended unanimous approval (7-0), and she concurred and recommended approval of the proposed ordinance.

The Mayor opened the public hearing. There were no comments for against the request, therefore the hearing was closed. Councilmember Gauntt made a motion to approve the ordinance. Councilmember Pearson seconded the motion, and the following captioned ordinance was unanimously adopted:

ORDINANCE NO. 2013-17

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF BELTON BY CHANGING THE DESCRIBED DISTRICT FROM AGRICULTURAL ZONING DISTRICT TO SINGLE FAMILY-1 ZONING DISTRICT, WITH DEVELOPMENT TO BE REGULATED UNDER TYPE AREA 1 DESIGN STANDARDS.

Z-13-12 Hold a public hearing and consider an ordinance regarding a zoning change from a Patio Home District to Planned Development Patio Home District, for a 0.626 acre tract of land, located south of Estate Drive, 0.10 miles east of Highway 317, to construct six townhomes.

Ms. Newcomer gave an overview of this request to allow for construction of 6 townhomes (three attached units on Lots 2, 3 and 4, two attached units on Lots 5 and 6, and a detached unit on Lot 1). She reviewed area zoning, and explained the applicant has indicated the residences will be sold and individually owned. A Homeowner's Association (HOA) will be established to maintain common areas and the private roadway. This Planned Development proposal will allow the townhomes to have a 15' front yard setback and a 0' side yard setback, in contrast to the required 25' front yard setback and side yard setback of 8" on one side and 10' on the opposite side. The applicant is proposing to have each resident place their garbage receptacle in a common area maintained by the HOA along Estate Drive.

Ms. Newcomer stated this lot is located among varying uses such as single family homes, retail, and the very similar Patio Home District which was considered appropriate when zoned in 2005. The proposed one-story, two and three bedroom townhomes will each be 1,300-1,600 sq. ft. The 25' private street will accommodate emergency vehicles needed to access and service the proposed development. The applicant will be responsible for extension of utilities and has stated internal water and wastewater lines will be privately owned and maintained. The exterior construction of the townhomes will be composed of a mixture of stucco and stone, and staff will have the opportunity for site plan approval.

Ms. Newcomer stated with careful application of the City's Design Standards, and because this is the same plan provided to staff in 2005, staff believes the request is reasonable. The P&ZC recommended approval by a vote of 6-0-1, with Larry Guess (applicant) abstaining. She recommended approval.

The Mayor opened the public hearing. Applicant Larry Guess gave an overview of his request and the history of the project, and requested favorable consideration. He indicated traffic concerns were raised during the P&ZC meeting, and he reminded Council that only six vehicles will be added to this area and traffic pattern. The following individuals spoke in opposition:

Name	Address	Comments
Larry Taylor	613 Estate Dr.	Clarified single family residents exist on both sides (east and west). He requested the neighborhood be preserved, and thinks adding townhomes in a residential area sets a precedent. He cited concerns with trash, flooding, and the right turn onto S. Estate already being problematic, and he thinks two vehicles per unit would be added. Doesn't think the project is congruent nor compatible with current neighborhood.
Carol Sepulvado	621 Estate Dr.	Traffic is problematic at curve along Estate Drive. Visitors will have nowhere to park other than along the street.
Randy Sepulvado	621 Estate Dr.	Commented about the value of the townhomes compared to existing home values, and concurred with comments about the narrow curve; he finds this development between two single family dwellings hard to take.
Carolene Nesbitt	805 N. Estate Dr.	Lives behind this property and believes it will decrease her property value; the curve is dangerous and she thinks the duplexes will eventually become trashy. Can't comprehend how six patio homes will fit in this small location, and have room for parking/guests. Common garbage area will become trashy; she agrees with her neighbors' concerns.
Margret McDonald	802 Estate Dr.	Traffic is horrendous on Estate Drive; her home is on .60 acre, and this proposal is to put six units on the same sized lot. She agreed with comments by neighbors and concerned the Council would consider adding six townhomes in a single family neighborhood.
Frances Morgan	2011 Downing	Spoke on behalf of family residing at 601 Estate Drive, who couldn't attend. Development will become too crowded, and change the aesthetic view; noise factor will increase, and the value of the neighborhood will decrease. Concurred with others' comments.
Malcolm Freeman	817 Estate Dr.	Opposed to zoning change. Can't see how six buildings will fit in this space while maintaining the integrity of the area; believes parking will be a problem and there's no guarantee retirees will be future occupants.
Brian Mackey	803 Estate Dr.	Disagrees with packing a lot of people in a small space in the middle of a single family neighborhood; existing curve on Estate Drive causes people to drive off the road as it is, so adding 6-12 more vehicles will make the traffic horrendous.

There were no other comments, therefore the Mayor closed the public hearing. Councilmember Leigh asked about the proposed hammerhead, and Ms. Newcomer indicated the hammerhead is not shown on the plat, but will be accomplished by separate instrument; she stated the hammerhead is to serve as a turnaround, not for additional parking. Councilmember Pearson asked about additional parking, and Mr. Guess confirmed there will be a small driveway in addition to a one-car garage for each. Mayor Pro Tem Grayson asked about proposed setbacks, and Ms. Newcomer reiterated Lots 2, 3, and 4 are attached, 5 and 6 are attached and Lot 1 is detached. Patio home requires a 12' back yard setback which the applicant will maintain. The applicant is proposing a 15' front yard setback instead of 25' due to the private road, and a 0' side yard setback since five of the units are attached. Ms. Grayson then asked about the sizes of the units, and Ms. Newcomer reiterated they will be 1,300-1,600 sq. ft. Ms. Grayson agreed with concerns expressed about Estate Drive and travel along that roadway, and asked Mr. Guess if he was going to gain access to Lake Road, and Mr. Guess indicated though he couldn't reveal much information on the subject, discussion is underway. Councilmember Agan asked about the impact on density in the area, and Ms. Newcomer stated since this request is based on the developer's original intent (approved in 2005) and original drawings, she believes it is reasonable. Councilmember Gauntt confirmed the property is already zoned Patio Homes, and Ms. Newcomer indicated that is correct; she explained Patio Homes zoning does not allow detached units, and though it was the developer's intent to have zero lot lines, the property was not zoned properly in 2005. She added, if Mr. Guess didn't want zero lot lines, he could ultimately build six townhomes, all 10' 8" apart. Councilmember Gauntt

stated she understood concerns regarding Estate Drive, but believes that's a street issue, not a developer problem.

Mr. Taylor (613 Estate Drive), asked if a privacy fence would be erected between his front yard and abutting development, and Ms. Newcomer stated staff is requiring a transition from the single family homes to the patio homes. Mr. Taylor asked if similar requests would be approved if he and his neighbors wanted to build six units on their similar-sized properties, and the Mayor stated requests could be submitted, but he can't predict approval for future requests; in this instance, Mr. Guess's zoning change was already approved in 2005, and he can currently construct homes that are not connected. Mr. Sepulvado indicated he is confused about the action taken in 2005, and asked for clarification of the definition of patio homes. Ms. Newcomer explained Patio Home zoning requires homes to be detached units, and this request for Planned Development will allow the units to be attached.

Councilmember Leigh commented this area along the edge of Estate Drive is a neighborhood in transition, and he thinks this development is consistent with that transition. Though he shares concerns related to traffic/parking, he believes approving the PD will be better for the neighborhood, than letting it remain as zoned in 2005. The Mayor asked if parking can be prohibited on the interior street, and the City Manager stated the interior road will be a 25' private roadway, which will basically provide good two-way traffic and public safety access, and he wouldn't want to prohibit access. The Mayor indicated several residents spoke about decreasing property values, and he reiterated it is unlawful for the Council to take into consideration, what a proposed change would do to property values.

Councilmember Gauntt made a motion to approve the item as recommended. The motion was seconded by Councilmember Agan, and the following captioned ordinance was unanimously approved:

ORDINANCE NO. 2013-18

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF BELTON BY CHANGING THE DESCRIBED DISTRICT FROM A PATIO HOME ZONING DISTRICT TO PLANNED DEVELOPMENT PATIO HOME ZONING DISTRICT FOR CONSTRUCTION OF SIX TOWNHOMES, WITH DEVELOPMENT TO BE REGULATED UNDER TYPE AREA 1 DESIGN STANDARDS.

P-13-12 Consider a final plat for Lone Oak Estates, a 0.626 acre subdivision containing, a six lots, located south of Estate Drive, 0.10 miles east of Highway 317.

Ms. Newcomer recommended approval of this 6-lot subdivision in which the applicant intends to build six townhomes (related to zoning change in previous agenda item, that allowed a 15' front yard setback and a 0' side yard setback). She stated the P&ZC recommended approval by a vote of 6-0-1, with applicant Larry Guess abstaining.

Councilmember Leigh asked about the proposed hammerhead, and Ms. Newcomer indicated staff will ensure a turnaround for emergency access will be provided, and staff will also review site plans for each townhome to ensure adequate parking, etc. Councilmember Leigh made a motion to approve the plat as presented. The motion was seconded by Councilmember Pearson, and carried unanimously.

Miscellaneous

Consider on first reading, an ordinance regarding the voluntary annexation of an area comprising approximately 13.25 acres located generally north of US Highway 190 along the west side of Wheat Road, as requested by the Belton Independent School District.

The City Manager explained this is the first of two readings required for the voluntary annexation request received from the Belton Independent School District for approximately 13.25 acres of land proposed for construction of Chisholm Trail Elementary School. He identified the tract on a map, indicating the net tract size currently outside the Belton city limits is 13.25 acre, a reduction from the 15.69 acres stated in BISD's request. The 15.69 acres is the entire school site, which includes

about two acres of Wheat Road fronting property already in the city limits. Mr. Listi stated staff has presented an outline of the annexation consideration and the municipal services plan as required by State law at public hearings on May 21st and May 28th. He recommended adoption of the proposed ordinance on first reading in order to institute annexation proceedings, with the second reading and final action scheduled for July 9th.

Service	Current Contract	RFP Response: Waste Management	RFP Response: Progressive Waste	RFP Response: Texas Disposal Systems	RFP Response: Al Clawson Disposal
Residential Curbside Solid Waste Collection	\$14.98	\$14.16	\$11.45	\$14.58	\$14.97
Residential Curbside Recycling Service	None	Included in base fee	\$2.00	\$4.79	\$5.28
Total Fee for Solid Waste and Recycling*	N/A	\$14.16	\$13.45	\$19.37	\$20.25
Household Hazardous Waste Collection	\$0.50	\$0.60	No Bid	No Bid	\$0.55

*Note: Does not include \$3.00 brush collection fee

Upon motion by Councilmember Agan made a motion to approve the ordinance on first reading. The motion was seconded by Councilmember Kirkley, and the following captioned ordinance was unanimously approved on first reading:

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS OF THE CITY OF BELTON, TEXAS, A 13.25 ACRE TRACT OF LAND LOCATED GENERALLY NORTH OF US HIGHWAY 190 ALONG THE WEST SIDE OF WHEAT ROAD, AS REQUESTED BY THE BELTON INDEPENDENT SCHOOL DISTRICT; MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

Consider authorizing the City Manager to enter into contract negotiations in response to Request for Proposals for Solid Waste Collection, Disposal, and Recycling.

Public Works Director Mike Huber gave an overview of solid waste collection and recycling in Belton, and the request for proposals process conducted for this service. Four qualified proposals were received, with pricing shown below:

Mr. Huber explained following review and evaluation by the proposal evaluation team (City Manager, Assistant City Manager, and Public Works Director), the team met with the top two proposers – Waste Management of Texas (WM) and Progressive Waste Solutions. They conducted interviews with both proposers to evaluate their ability to meet the needs of the City's customers. The evaluation committee determined that WM would be most qualified to provide the high level of service required. In addition to ranking highest numerically on the evaluation criteria, Mr. Huber indicated the following additional factors led to the recommendation that Council authorize the City Manager to enter into contract negotiations with WM:

- 1) Knowledge and experience with the City of Belton;
- 2) Proven customer service record;
- 3) Commitment to recycling;
- 4) Household hazardous waste (HHW) collection component included in proposal;
- 5) Community participation: scholarships, grants, support for clean-up events; and
- 6) Risk management – given the substantial change in the waste collection program implementation of recycling, changing service provider at the same time could negatively impact customer satisfaction.

Though Progressive's pricing was about 71¢ cents lower per month per residential customer (excluding in household hazardous waste), Mr. Huber noted that WM also provided proposed route maps as requested in the RFP, which Progressive did not; WM has 40 vehicles available for use in meeting service requirements, with Progressive having 30 vehicles. He stated Belton would become Progressive's largest

customer in the region, which also factored into the evaluation process. Mr. Huber indicated Progressive did offer cost sharing for recycling, approximately \$5/per ton returned to the City, if Progressive makes a profit on the materials, which is generally not the norm. He shared public education programs/pamphlets provided by both companies, indicating WM's was determined by the evaluation team to be more effective. Lastly, Mr. Huber stated he believes the HHW program is an important benefit to offer citizens, and Progressive did not offer a bid on this service.

Mr. Huber gave an overview of the proposed recycling services to be offered:

- Single stream recycling on an every two weeks schedule, billed to all customers.
- Each customer would receive a polycart for recyclable materials, with the following items accepted:
 - Metals: Aluminum cans, foil and aluminum bakeware, steel cans and tins, wire coat hangers, empty aerosol cans.
 - Commingled plastic beverage containers including PET/HPDE, with recycle codes 1, 2, 3, 4, 5, and 7.
 - Paper and cardboard: corrugated cardboard, magazines, office paper (all colors), newspapers, paperboard, junk mail, and phone books.
- Glass and plastic bags are not fiscally viable at this point, but may be in the future.

Mr. Huber reviewed the proposed implementation schedule, to include contract negotiations, development of route maps and public service information, leading up to public meetings to address citizen questions/concerns (October 2013), delivery of containers (December 2013) and full implementation/start of service (January 1, 2014). The term of the contract would be for five years, with the option for two one-year term contract renewals. Potential rate adjustments, including fuel price adjustments and increases in base rates due to inflation, would be linked to changes in the Consumer Price Index.

Mr. Huber recommended the Council authorize the City Manager to enter into contract negotiations with Waste Management of Texas for solid waste collection, disposal, and recycling services.

Mayor Pro Tem Grayson asked if any of the other communities currently providing service by Progressive were contacted for feedback, and Mr. Huber explained there were no cities of like size in this area, and indicated he did not contact the others on the company's reference list. Ms. Grayson commented she would like to have known how the transition period went for other cities with like population. She also asked if Progressive followed up with a HHW program, and Mr. Huber indicated Progressive indicated they could put a program in place, but cost was not presented at that time. Councilmember Pearson also inquired about a HHW proposal, and the City Attorney stated the original proposal is what it is, and he advised the Council to "stay away from that" - pursuing a price after the RFP was submitted - unless they authorize the City Manager to negotiate with Progressive.

Councilmember Leigh asked for clarification of service days and holiday schedules, and the City Manager explained the trend in the industry is every other week for recyclables. Mr. Huber indicated service would shift one day for holidays. Based on comments he's received, Mr. Leigh confirmed the RFP and scoring process was legitimate, followed by negotiations with the top two, and the other three companies remain an option if negotiations don't go well, and the City Manager indicated that is correct. Mr. Huber stated he has been here only three months, and approached this evaluation process with no built in biases. He stated he looked at the entire package from an engineering point of view and which company will deliver the best product for the best price to citizens.

Councilmember Gauntt stated citizens are losing a collection day per week, but adding recycling and retaining HHW, while reducing its current customer cost from \$15.48 to \$14.76. She clarified if citizens want to take recyclables elsewhere for payment, they are free to do so, and Mr. Huber indicated that is correct, recycling is not mandatory. Assistant City Manager Cristy Daniell commented participation in the recycling program is optional, but payment is mandatory.

Councilmember Leigh asked about purchasing an additional cart, and Mr. Huber stated there is no additional cart fee, but citizens would pay for additional service for the extra cart (\$5.50/month). Councilmember Gauntt expressed appreciation to Mr. Huber for his efforts in this process. Mayor Pro Tem Grayson asked if smaller carts (64 gallon) are still an option for elderly/special needs individuals, and Mr. Huber indicated smaller carts remain an option and are included with no additional fee above the base fee. The Mayor asked if back door service is still available, and Mr. Huber stated "door-to-truck service" is available at a rate slightly less than the current rate. Mr. Listi also complimented Mr. Huber for his objective approach to this complicated issue. He stated recycling markets are very dynamic right now, and he believes there will be future opportunities for flexibility in this market to be determined.

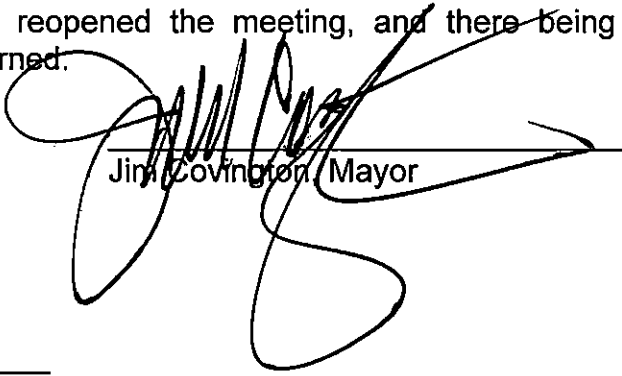
Tim Henderson, District Municipal Marketer, Progressive Waste Solutions, introduced Greg Brown, District Manager, who expressed appreciation to the Council for its consideration of the company's proposal. Mr. Brown gave an overview of the company's existing customers and services they provide to other communities, and expressed Progressive's extensive knowledge of Belton and its unique customers. Mr. Henderson pointed out that Progressive did include specific examples in its proposal, and he cited other programs the company offers (free debris removal, educational programs in local schools, monetary contributions). In closing, he stated Progressive Waste complied with the first six items in the RFP, and indicated more time was required to develop a HHW program (Item 7), but they could be competitive. Mr. Henderson reviewed rates submitted in the RFP which were lower than those provided by others. He stated with all pricing components factored into the final analysis, Progressive's cost is \$7,191/month lower, and he requested the Council award the contract to Progressive Waste Solutions.

Councilmember Agan made a motion to authorize the City Manager to enter into contract negotiations for solid waste collection, disposal, and recycling. Councilmember Pearson seconded the motion with the understanding that if negotiations don't go well, the City has other options. The motion carried unanimously.

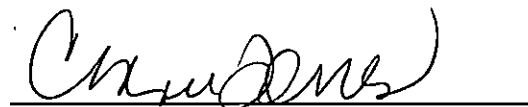
At 7:35 p.m., the Mayor announced the Council would go into executive session and closed the meeting.

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, to discuss real estate.

At 7:55 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