

**Belton City Council Meeting
November 22, 2016 – 5:30 P.M.**

The Belton City Council met in regular session in the Wright Room at the Harris Community Center with the following members present: Mayor Pro Tem David K. Leigh and Councilmembers Craig Pearson, Jerri Gauntt, Paul Sanderford, Guy O'Banion and Dan Kirkley. Mayor Marion Grayson was absent. Staff present included Sam Listi, John Messer, Gene Ellis, Amy Casey, Brandon Bozon, Ryan Brown, Angellia Points, Kim Kroll, Paul Romer, Bruce Pritchard, Byron Sinclair, Charlotte Walker and Aaron Harris.

The Pledge of Allegiance to the U.S. Flag was led by Mayor Pro Tem David K. Leigh and the Pledge of Allegiance to the Texas Flag was led by Fire Chief Bruce Pritchard. The Invocation was given by Councilmember Craig Pearson.

1. **Call to order.** Mayor Pro Tem David K. Leigh called the meeting to order at 5:32 p.m.
2. **Public Comments.** There were none.

Consent Agenda

Items 3-5 under this section are considered to be routine by the City Council and may be enacted by one motion. If discussion is desired by the Council, any item may be removed from the Consent Agenda prior to voting, at the request of any Councilmember, and it will be considered separately.

3. **Consider minutes of previous meetings:**
 - A. **November 1, 2016, Special Called City Council Meeting**
 - B. **November 8, 2016, City Council Meeting**
4. **Consider appointments to the following Boards/Commissions:**
 - A. **Library Board of Directors** Stephanie Covington was reappointed.
 - B. **Belton Economic Development Corporation Board of Directors** Barry Harper and Steve Jones were reappointed.
5. **Consider authorizing the City Manager to execute an interlocal agreement with the City of Temple regarding the rental of their Fire Rescue Training Facility.**

Upon a motion by Councilmember Dan Kirkley, and a second by Councilmember Craig Pearson, the Consent Agenda items were approved upon a vote of 6-0.

Regular Agenda

6. **Receive public comments from Janis Holmes and Mike Cooper concerning 1874 Church Restoration Project and property located at 438 N. Wall, and provide Council input.**

Janis Holmes, of Bell Fine Arts, presented several pictures of the 1874 Church, and the surrounding area, showing issues that the Bell Fine Arts group has faced including broken sidewalks, pests, hanging limbs, and other maintenance issues. She said that the property has gotten worse over the last several months, and it adjoins their property, the Bell Fine Arts building. Mrs. Holmes said that several people have offered to purchase the church building and move it to another location. She is asking for the City's help in getting the property repaired or the building moved.

Mike Cooper, President of the 1874 Church Restoration Committee, said that his group has heard the concerns of the Bell Fine Arts group. He said that the committee has hired an exterminator and a lawn company to try to clean up some of the issues. He said that his group has also done a lot of work on the building. They have raised \$45,000 to date to help stabilize the building which did not have a foundation. They removed the rocks on the church exterior in order to build the foundation. Once they get the rocks back on the church, the group intends on replacing the roof to further stabilize the building. They have received a matching grant of \$15,000 to help continue work on the building, and they intend to have multiple fund raisers. They will use this money to hire stone masons to put the rock back on the building hopefully by Spring 2017. Mr. Cooper detailed the fund raisers they have planned.

Harriett Monsell spoke about a fundraiser through Amazon Smiles and other possible fundraisers that are planned by the 1874 Church Restoration Project Committee.

Mayor Pro Tem Leigh provided information on the history of the church project from a Council perspective. He said that the Council reviewed this issue approximately eight years ago due to possible condemnation of the structure which at the time was owned by the Bell Fine Arts group. City Manager Sam Listi summarized efforts of the City in trying to assist in the preservation of the church. He added that the Council has given a lengthy time period for the church restoration project to be completed. He said that it is a Council decision on whether to allow more time for completion.

Councilmember Dan Kirkley said that often this type of work is "invisible" and not noticeable to those outside of the group responsible. However, he is in favor of giving more time to complete the project. Councilmember Craig Pearson said that he is in favor of giving more time, but he does not think waiting a year for another report would be appropriate. City Manager Listi said that perhaps the committee, with help from City staff, could establish a time frame including deadlines for

milestones for the project. Councilmember Pearson also requested periodic reporting on progress. Mayor Pro Tem Leigh said that there needs to be definitive plan with established deadlines within the plan. He added that he thought the Episcopal Church should have more involvement in the project and not abandon it as they appear to have done. Mr. Listi said that Staff will work with the committee to establish a plan.

Councilmember Guy O'Banion said that the plan needs to be timely because deterioration will continue the longer the rock is off the building. Councilmember Paul Sanderford agreed and added that milestones will be very important. He said that a lot of construction projects are defined by interim milestones, and it will allow the Council to measure the progress.

Councilmember Jerri Gauntt said that the Council needs to set some boundaries for the committee and needs to clearly communicate its expectations to help them determine their goals. City Manager Listi said that Staff is happy to work with the committee to help them in establishing their plan.

Mayor Pro Tem Leigh suggested that the rocks be moved to another location in order to help with the maintenance of the area. Mr. Cooper said that was a good idea, and he thought he might know someone who could help the committee with that issue. He said that he would like to return by March 1, 2017, with an update.

7. **Hold a public hearing to discuss the intention to issue combination tax and limited revenue certificates of obligation, series 2016, in a maximum principal amount not to exceed \$9,700,000, and other matters related thereto.**

Director of Finance Brandon Bozon said that on October 25, 2016, the City Council passed a resolution directing the publication of notice of intention to issue combination tax and limited revenue certificates of obligation. He explained that the maximum amount of the debt offering was set at \$9.7M in order to maintain bank qualified status. He said that these projects will be funded with this debt issue:

Water and Sewer Fund

\$6,430,000	South IH-35 Sewer Line Extension
\$3,135,000	North Belton Water Tank
\$ 135,000	Estimated Bond Issue Cost
\$9,700,000	Total rate supported debt offering

He added that the City's Charter requires one public hearing.

The Mayor Pro Tem opened the public hearing on this item. Seeing no one wishing to speak for or against this item, he closed the public hearing. Action by the Council for this item will take place on December 13, 2016.

Growth Management

City Manager Sam Listi said that the 2016 Strategic Plan identified a Growth Management Strategy as a goal. Mr. Listi reviewed several steps taken by the Council over the past year to carry out that goal. Listi explained that Council action at this meeting includes approval of executed development agreements and whatever action is deemed appropriate by the Council for approval on first reading of the annexation ordinances. He added that the original annexation study area comprised 1717.5 acres, and Staff is recommending annexation of 574.9 acres.

8. **A. Consider approval of non-annexation Development Agreements in 2016 Annexation Study Area 1, including:**

	PROPERTY OWNER(S)	PROPERTY ID
1	ALFORD, LAURA	47288
2	ALFORD, LAURA	47290
3	ALFORD, LAURA	47291
4	ALFORD, LAURA	420163
5	ALFORD, RANDY & LAURA H	167436
6	ALFORD, RANDY & LAURA H	420158
7	IIGK PROPERTY MANAGEMENT LTD	72402
8	KINCAID, JAMES M ETUX DOLORES D	420157
9	RIVER FARM LTD	99277
10	RIVER FARM LTD	99274
11	RIVER FARM LTD	99278
12	SHEPPARD, ALTON L JR ETUX ELIZABETH	105615
13	SHEPPARD, ALTON L JR ETUX ELIZABETH	105616
14	SHEPPARD, ALTON L JR ETUX ELIZABETH	105618

Listi said that the City is legally obligated to offer Non-Annexation Development Agreements to eligible property owners. He added that the purpose of the development agreement is to facilitate long-range planning and to monitor development activity aimed at preventing inappropriate development. He stated that fifteen properties in Area 1 are eligible for 5-year Non-Annexation Development Agreements. Fourteen agreements have been received, and one has been declined.

B. Consider an annexation ordinance on first reading instituting annexation proceedings in 2016 Annexation Study Area 1, approximately 316.72 acres located on the east side of IH 35, along and south of Decker Road and north of the Lampasas River.

Mr. Listi said that Staff recommends approval of the annexation ordinance on first reading for 316.72 acres in Area 1. He said that the key reasons for annexation include:

- Close proximity to city limits

- Facilitate long range planning and economic development
- Avoid establishment of incompatible land uses
- Acknowledge \$6M sewer line commitment and development potential

Listi added that the annexation ordinances include the Municipal Services Plan for each area.

Upon a motion by Councilmember Craig Pearson, and a second by Councilmember Guy O'Banion, the Non-Annexation Development Agreements for Area 1 (Item 8A) were approved upon a vote of 5-0-1 with Councilmember Dan Kirkley abstaining.

Councilmember Paul Sanderford made a motion for annexation of the 316.72 acres of Area 1 which was seconded by Councilmember Guy O'Banion. Councilmember Sanderford said that his automatic response to annexation is "no" until the City proves the need for annexation. He said that development is expected in the southern corridor along I-35, so this particular annexation makes sense to him. Councilmember O'Banion echoed the importance of the corridor, the need for planned growth in the area, as well as the substantial commitment by the City in the area. Councilmember Gauntt said that this is a logical area for annexation because of the growth in the area and the City's ability to serve the area with water and sewer.

The following captioned ordinance (Item 8B) was unanimously approved on first reading by a vote of 6-0.

ORDINANCE NO. 2016-50

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS OF THE CITY OF BELTON, TEXAS, 316.72 ACRES LOCATED ON THE EAST SIDE OF IH 35, ALONG AND SOUTH OF DECKER ROAD AND NORTH OF THE LAMPASAS RIVER; MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

9. A. **Consider approval of non-annexation Development Agreements in 2016 Annexation Study Area 2, including:**

	PROPERTY OWNER(S)	PROPERTY ID
1	FULLER, DAVID D JR ETUX AUDREY	432118
2	GERSTENBERG, GILBERT AUGUST JR	192912
3	GERSTENBERG, KENNETH C	40525
4	GERSTENBERG, KENNETH C	40526
5	GERSTENBERG, ROBERT WAYNE	40522

City Manager Sam Listi said that five properties in Area 2 are eligible for 10-year Non-Annexation Development Agreements, and all five agreements have been received. Listi said that this area does not appear ready for urban development.

B. Consider an annexation ordinance on first reading instituting annexation proceedings in 2016 Annexation Study Area 2, approximately 3.306 acres located on the east side of IH 35, south of Toll Bridge Road, between the east/west portion of the Lampasas River and Elmer King Road.

City Manager Sam Listi said that Staff recommends approval of the annexation ordinance on first reading for 3.306 acres in Area 2. He said that the key reasons include:

- Close proximity to city limits
- Facilitate long range planning
- Avoid establishment of inappropriate and incompatible land uses
- Acknowledge recent investment in infrastructure – Toll Bridge Road bridge replacement and Elmer King Road

Upon a motion by Councilmember Kirkley, and a second by Councilmember O'Banion, the Non-Annexation Development Agreements for Area 2 (Item 9A) were approved upon a vote of 5-1 with Councilmember Jerri Gauntt providing the dissenting vote.

Councilmember Guy O'Banion made a motion for annexation of the 3.306 acres of Area 2 which was seconded by Councilmember Craig Pearson. Councilmember Gauntt said she thinks this area is too far south to be annexed. Councilmember Sanderford said he tends to agree with her, but he is not opposed because of its small size.

The following captioned ordinance (Item 9B) was approved on first reading by a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

ORDINANCE NO. 2016-51

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS OF THE CITY OF BELTON, TEXAS, 3.306 ACRES LOCATED ON THE EAST SIDE OF IH 35, SOUTH OF TOLL BRIDGE ROAD, BETWEEN THE EAST/WEST PORTION OF THE LAMPASAS RIVER AND ELMER KING ROAD; MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

10. A. Consider approval of non-annexation Development Agreements in 2016 Annexation Study Area 3, including:

	<u>PROPERTY OWNER(S)</u>	<u>PROPERTY ID</u>
<u>1</u>	<u>CC LAND DEVELOPMENT LLC</u>	<u>418857</u>
<u>2</u>	<u>CIO LAND DEVELOPMENT LLC</u>	<u>418859</u>
<u>3</u>	<u>DILLARD, RICHARD W ETUX PEGGY C</u>	<u>318123</u>
<u>4</u>	<u>DILLARD, RICHARD W ETUX PEGGY C</u>	<u>75543</u>

5	<u>FOSTER, ELIZABETH CAPPS &</u>	<u>37163</u>
6	<u>OLD SANTA FE MILL L C</u>	<u>26804</u>
7	<u>WEST AMITY LAND DEVELOPMENT LLC</u>	<u>418842</u>
8	<u>WILSON, BOBBY M & PATRICIA J</u>	<u>460396</u>

City Manager Listi said that 15 properties in Area 3 are eligible for 5-year Non-Annexation Development Agreements. Eight agreements have been received, and one has been declined.

B. Consider an annexation ordinance on first reading instituting annexation proceedings in 2016 Annexation Study Area 3, approximately 166.506 acres located south of the intersection of IH 35 and the Lampasas River. The tract extends along the west side of IH 35, measuring approximately 1,000' in width, and would add 1,000' additional on the west side of IH 35 to the current 1,000' total city limit width centered on IH 35. The tract extends southward along IH 35 to just north of the Salado ETJ line.

Mr. Listi said that Staff recommends approval of the annexation ordinance on first reading for 166.506 acres in Area 3. He said that the key reasons for annexation include:

- Close proximity to city limits adjacent to the west side of IH 35
- Promote future economic development
- Protect future development along FM 2484 and FM 1670 (ETJ)
- Avoid establishment of incompatible land uses

Listi added that Old Santa Fe Mill ownership creates a “donut hole,” and that is acknowledged in the annexation ordinance for Area 3.

Upon a motion by Councilmember Kirkley, and a second by Councilmember Pearson, the Non-Annexation Development Agreements for Area 3 (Item 10A) were approved upon a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

Councilmember Pearson made a motion for annexation of the 166.506 acres of Area 3 which was seconded by Councilmember Kirkley. Councilmember O'Banion said that this property is also pretty far south, but he believes annexation is necessary due to the possible ETJ expansion. Mayor Pro Tem Leigh said that it is also important that I-35 in this area be developed properly and in a “good-looking” manner.

The following captioned ordinance (Item 10B) was approved on first reading by a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

ORDINANCE NO. 2016-52

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS

OF THE CITY OF BELTON, TEXAS, 166.506 ACRES LOCATED SOUTH OF THE INTERSECTION OF IH 35 AND THE LAMPASAS RIVER, EXTENDING ALONG THE WEST SIDE OF IH 35, MEASURING APPROXIMATELY 1000' IN WIDTH AND EXTENDING SOUTHWARD ALONG IH 35 TO JUST NORTH OF THE SALADO ETJ LINE; MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

11. A. Consider approval of non-annexation Development Agreements in 2016 Annexation Study Area 4, including:

	PROPERTY OWNER(S)	PROPERTY ID
1	CC LAND DEVELOPMENT LLC	432319
2	CIO LAND DEVELOPMENT LLC	432317
3	HARGROVE, REGGIE & ANNETTE	187729
4	HARGROVE, REGGIE & ANNETTE	440977
5	MACANLISS, JAMES R ETAL & MARY MARKHAM	96990
6	MACANLISS, JAMES R ETAL & MARY MARKHAM	420200
7	MIKESKA, RONALD DEAN AND EMILY	73925
8	RENFRO UTILITIES INC	135784
9	RENFRO, RAY LYNN ETUX BETTY A	194482
10	VENUS, HELGA	187730
11	WEST AMITY LAND DEVELOPMENT LLC	432315

Listi said that 22 properties in Area 4 are eligible for 5-year Non-Annexation Development Agreements. Eleven agreements have been received, and two have been declined.

B. Consider an annexation ordinance on first reading instituting annexation proceedings in 2016 Annexation Study Area 4, approximately 85.723 acres located south of the intersection of IH 35 and the Lampasas River. The tract extends along the east side of IH 35, measuring approximately 1,000' in width, and would add 1,000 additional feet to the current 1,000' total city limit width centered on IH 35. The tract extends southward along IH 35 to just north of W. Amity Road.

Mr. Listi said that Staff recommends approval of the annexation ordinance on first reading for 85.723 acres in Area 4. He said that the key reasons for annexation include:

- Close proximity to city limits adjacent to the east side of IH 35
- Promote future economic development
- Avoid establishment of incompatible land uses

He added that Staff is not recommending annexing south of Amity Road due to the condition of Rose Lane and the costs for maintenance/repairs. He added that the two Renfro properties create a "donut hole," and that is acknowledged in the annexation ordinance for Area 4.

Upon a motion by Councilmember Sanderford, and a second by Councilmember Kirkley, the Non-Annexation Development Agreements for Area 4 (Item 11A) were approved upon a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

Councilmember Sanderford made a motion for annexation of the 85.723 acres of Area 4 which was seconded by Councilmember Kirkley. The following captioned ordinance (Item 11B) was approved on first reading by a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

ORDINANCE NO. 2016-53

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS OF THE CITY OF BELTON, TEXAS, 85.723 ACRES LOCATED SOUTH OF THE INTERSECTION OF IH 35 AND THE LAMPASAS RIVER, EXTENDING ALONG THE EAST SIDE OF IH 35, MEASURING APPROXIMATELY 1000' IN WIDTH AND EXTENDING SOUTHWARD ALONG IH 35 TO JUST NORTH OF W. AMITY ROAD; MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

12. Consider approval of non-annexation Development Agreements in 2016 Annexation Study Area 5, including:

	PROPERTY OWNER(S)	PROPERTY ID
1	FULWILER, JOHN POWELL	38585
2	HICKS, VERNON M	49350
3	FRANKS, DOUGLAS G & MELISA K	49348
4	HOLLE, GLORIA M & EUGENE D	38071
5	HOLLE, GLORIA M & EUGENE D	168881
6	RON'S ONE STOP INC	66225
7	SULAK, CODY WAYNE & JACQUELINE JORGETTE	471161
8	TALLEY, WILLIAM MURPHY ETUX	114064
9	DISHON, GEORGE ETUX STACIE	58245
10	DISHON, GEORGE ETUX STACIE	194307

***No annexation is recommended in Area 5, approximately 228.27 acres located along and north of Sparta Road and west of the existing city limits, extending west to FM 439, and east along Sparta Road to the city limits.**

Listi said that 11 properties in Area 5 are eligible for ten-year Non-Annexation Development Agreements. Ten have been received, and one has been declined. He added that the area does not appear ready for immediate urban development, yet its proximity to urbanizing development strongly suggests approval of Development Agreements. The condition of Sparta Road and the costs of maintenance/repairs are a significant concern of annexation at this time. Mr. Listi reiterated that no annexation is recommended at this time in Area 5.

Councilmember O'Banion asked if after 10 years the development agreements automatically come back to the City Council. Mr. Listi explained that the Council could authorize a new annexation study at that time, but it will not be an automatic process. It will depend on the laws in place at that time.

Councilmember Sanderford said that he was never inclined to annex Area 5 because of the cost of maintaining Sparta Road. He said that he doesn't feel right approving development agreements for an area that he would have never considered for annexation.

Councilmember Gauntt said that she doesn't believe that development agreements are good for this area. She does not believe that the City will annex this area even after ten years especially since the City can never serve them with water because the properties are not within Belton's CCN.

Mayor Pro Tem Leigh said that he is in favor of the development agreements because they provide for orderly development.

Councilmember O'Banion said that the development agreements are necessary because they are legal documents that protect all parties. He added, "We cannot operate the City on what people say."

Councilmember Sanderford said that he does not feel right approving the development agreements because he firmly believes that, if none of the property owners had signed them, the City still would not annex the area.

Upon a motion by Councilmember O'Banion, and a second by Councilmember Pearson, the Non-Annexation Development Agreements for Area 5 were approved upon a vote of 4-2 with Councilmembers Gauntt and Sanderford providing the dissenting votes.

13. **Consider approval of a non-annexation Development Agreement in 2016 Annexation Study Area 6, including:**

	<u>PROPERTY OWNER(S)</u>	<u>PROPERTY ID</u>
<u>1</u>	<u>DELEON FAMILY TRUST</u>	<u>400982</u>

***No annexation is recommended in Area 6, approximately 24.10 acres located generally along the proposed north/south alignment of Lake-to-Lake Road, north of Sendero Estates Subdivision, and south of FM 93.**

Listi said that one property in Area 6 is eligible for a 5-year Non-Annexation Development Agreement, and it has been received. Staff recommends its approval to prevent future development from encroachment on the proposed Lake-to-Lake Road. This acknowledges the City's commitment/investment to preserve alignment for the planned Lake-to-Lake Road. He added that no annexation is recommended for Area 6.

Councilmember Kirkley asked what would be the effect on this development agreement should the City decide to pursue the Lake-to-Lake Road prior to the end of the term of the agreement. Mr. Listi responded that the City would approach the property owner for right-of-way acquisition at that time. City Attorney John Messer said that the property will remain in our ETJ which gives us some authority in the situation.

Upon a motion by Councilmember Pearson, and a second by Councilmember O'Banion, the Non-Annexation Development Agreement for Area 6 was approved upon a vote of 5-1 with Councilmember Gauntt providing the dissenting vote.

14. Consider approval of an annexation ordinance on first reading instituting annexation proceedings in 2016 Annexation Study Area 7, approximately 2.713 acres located on the south side of Avenue O, between Avenue O and Old Golf Course Road.

Listi said that Staff recommends approval of the annexation ordinance on first reading for 2.713 acres in Area 7. He said that the key reasons include:

- Close proximity to city limits
- Property surrounded by city limits
- Owners not eligible for a development agreement
- Promote economic development

Upon a motion by Councilmember Sanderford, and a second by Councilmember O'Banion, the following captioned ordinance was unanimously approved on first reading by a vote of 6-0.

ORDINANCE NO. 2016-54

AN ORDINANCE EXTENDING THE MUNICIPAL AND CORPORATE LIMITS OF THE CITY OF BELTON, TEXAS, 2.713 ACRES LOCATED WITHIN THE US 190 CORRIDOR, LOCATED ON THE SOUTH SIDE OF AVENUE O BETWEEN AVENUE O AND OLD GOLF COURSE ROAD, MAKING FINDINGS OF FACTS; AND PROVIDING FOR RELATED MATTERS.

Mr. Listi reviewed the next steps of the annexation process, including:

- Approved Non-Annexation Development Agreements will be signed by the City and recorded at the Bell County Courthouse.
- Second reading and final approval of Annexation Ordinances is scheduled for 12/13/2016.
- Municipal Services Plans are final, except for possible resolution of proposed City of Belton Sewer CCN, pending final approval at PUC.
- Begin provision of City services identified in Municipal Services Plans immediately upon annexation.

- Update maps with all entities.

Mayor Pro Tem Leigh thanked the Council, Staff and citizens for their work and for being involved in the annexation process. Councilmember Pearson said he wanted to thank the Staff for their work in meeting with the property owners in this somewhat emotional process.

Planning and Zoning

15. **Hold a public hearing and consider a zoning change request from Single Family-1 to Neighborhood Services Zoning District at 408 Lake Road, located on the south side of Lake Road, east of Neese Drive and west of Commerce Street.**

City Manager Sam Listi said that this property, like others in the area, is being converted from a single family residence into a business use. The applicant has submitted this zoning change to Neighborhood Services to allow for a proposed boutique. Mr. Listi added that the property backs up to Quail Meadows Park.

Site development considerations will include parking to meet the neighborhood service use and access connections to the adjoining property to the east. Additionally a subdivision plat will be required.

Mr. Listi said that at its meeting on November 15, 2016, the Planning and Zoning Commission recommended approval with conditions, and Staff concurs in their recommendation.

The Mayor Pro Tem opened the public hearing on this item. Seeing no one wishing to speak for or against this item, he closed the public hearing.

Mayor Pro Tem Leigh asked if the property owner would be able to provide access to Quail Meadows Park. Mr. Listi said that it will depend on how the property is laid out, but the City would be receptive to that if the property owner wanted to provide access to the park. Mr. Leigh said that the access could provide additional connectivity to the City's trail system.

Upon a motion by Councilmember Gauntt, and a second by Councilmember Kirkley, the following captioned ordinance was unanimously approved by a vote of 6-0.

ORDINANCE NO. 2016-55

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF BELTON BY CHANGING THE DESCRIBED DISTRICT FROM SINGLE FAMILY-1 TO NEIGHBORHOOD SERVICE ZONING DISTRICT ON A 0.671 ACRE TRACT, WITH DEVELOPMENT TO BE REGULATED UNDER TYPE AREA 5 DESIGN STANDARDS.

16. Hold a public hearing and consider a zoning change from Agricultural to Commercial-1 with a Specific Use Permit for used auto sales at 4451 West Highway 190, a 5.552 acre tract of land, located on the south side of U.S. Highway 190, west of FM 1670, and east of Dogridge Road.

City Manager Sam Listi said that this zoning change is proposed to allow for a used car lot. He explained that on July 15, 2015, the Planning and Zoning Commission recommended disapproval of a requested zoning change to Commercial-2 for this property. At the P&ZC meeting, City staff recommended the developer re-apply for a zoning change to C-1 with an SUP for used auto sales. The applicant did not appeal this unfavorable recommendation for C-2 District to City Council. Listi added that this is one reason staff recommends annexation of properties along major corridors like this to allow for review of zoning issues as they come forward.

Mr. Listi said that Staff noticed a large metal building had been constructed just outside the Belton City limits and was being used for auto sales. Building permits are not required in Bell County, and construction of this building did not trigger the platting requirement. Asphalt millings were installed within the City limits without a permit, and there were automobiles displayed for sale in this area, also within the City limits which is a zoning violation. He explained that staff informed the applicant of the violation and discussed steps for moving forward. The applicant immediately removed the vehicles from the area within the City limits, and all vehicles are currently on the portion of the applicant's property located outside the city limits.

The applicant has submitted a site plan that identifies a display area for the used automobiles for sale. The site plan also includes a landscape plan that identifies existing and proposed landscaping in compliance with the City's Design Standards.

Mr. Listi said that at its meeting on November 15, 2016, the Planning and Zoning Commission recommended approval with conditions, and Staff concurs in their recommendation.

The Mayor Pro Tem opened the public hearing on this item. Seeing no one wishing to speak for or against this item, he closed the public hearing.

Upon a motion by Councilmember Pearson, and a second by Councilmember O'Banion, the following captioned ordinance was unanimously approved by a vote of 6-0.

ORDINANCE NO. 2016-56

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF BELTON BY CHANGING THE DESCRIBED DISTRICT FROM AGRICULTURAL TO COMMERCIAL-1 ZONING DISTRICT WITH A SPECIFIC USE PERMIT ON A 5.992 ACRE TRACT, WITH DEVELOPMENT TO BE REGULATED UNDER TYPE AREA 2 DESIGN STANDARDS.

Mayor Pro Tem Leigh added that he believes the Non-Annexation Development Agreements are good for this type of situation. Development occurring just outside the city limits like this situation are, in his opinion, one reason why cities may tend to “over reach” in annexation. He asked if the car lot was in operation currently. Mr. Listi said that the lot is not operating. Leigh asked if there was a way to put teeth into the enforcement of violations such as this. City Attorney John Messer said these type violations go through municipal court.

17. Consider a final plat for Sendero Estates Subdivision, a 63.38 acre tract, located on the west side of Wheat Road, east of Boxer Road, and north of the US Highway 190.

City Manager Sam Listi said that on March 22, 2016, Council approved the final plat for Sendero Estates Subdivision. He stated that the developer is requesting to increase the number of lots in this subdivision by 14. The lots will be slightly smaller than originally presented, but the street system and utility system will be able to handle the increase. A zoning change request to Planned Development Commercial Highway for Lot 1, Block 2 and Commercial Highway for Lot 15, Block 1 is being presented concurrently with the final plat.

On August 25, 2015, Council approved an amendment to Section 503, Sidewalk Standards and Policy, of the Subdivision Ordinance which requires sidewalks along both sides of collector and arterial streets. When this policy was approved, Council also approved a resolution to require sidewalks required along one side of collector streets on plats approved between February 25, 2014 and August 25, 2014. Digby Drive within this subdivision was included in that list; therefore, only one sidewalk side is required.

Additional parkland is required with the increase of the 14 lots. Mr. Listi said that the developer is proposing to install a concrete half-court basketball area, bench in the public park area, and 3-seat swing set; therefore, the minor reduction in the required acreage appears to be reasonable.

The final plat for this subdivision also includes a proposal to designate 4.29 acres of right-of-way for the future Lake-to-Lake Road. Listi explained that the Council approved a development agreement for this subdivision that included City obligations to compensate the developer for the 4.29 acres. The development agreement also included funding from the City to oversize the water and sewer lines from 8 inches to 12 inches to accommodate future growth to the north and west of this subdivision.

Mr. Listi said that at its meeting on November 15, 2016, the Planning and Zoning Commission recommended approval with conditions, and Staff concurs in their recommendation.

Councilmember Gauntt said she would be more in favor of the increased density if it included additional sidewalks. The applicant's engineer said that the reason for the

increase in lots is due to the construction cost of building this subdivision. It needs to be economically feasible for development. Councilmember Pearson asked if there were changes to the property on the south (gun range), and the engineer said no changes were made to anything other than adding the 14 lots.

Upon a motion by Councilmember Pearson, and a second by Councilmember O'Banion, item 17 was unanimously approved by a vote of 6-0.

18. Hold a public hearing and consider an amendment to Section 38.16, Sign Area and Area Regulations, and Section 38.18, Design Requirements, of the Sign Ordinance, regarding the maximum height and cladding of pole signs along the Interstate 35 corridor, from the Leon River to just west of Central Avenue.

City Manager Sam Listi said a change to the code is needed for sign heights along a section of I-35. Sign height is proposed to be increased from 20 to 75 feet due to elevation issues in the area. The I-35 corridor, from Cori Drive to just west of Central Avenue, contains areas that are up to 20 feet below the height of the roadway. New restaurants such as Starbucks and Taco Bell were approved by the Zoning Board of Adjustment to build 75' tall un-cladded pole signs. Most recently, Arby's requested a variance to allow for a pole sign compatible with nearby signs, and the request was denied by the ZBA. The ZBA board discussed the need for a code change instead of a variance request to accommodate future similar requests.

Mr. Listi reviewed the businesses, property elevations, existing and proposed sign heights, I-35 elevation, height of the sign above I-35, and the roadway and property elevation differences in this area. Staff recommends an amendment to the Sign Ordinance to allow a maximum un-cladded pole sign height of 75 feet for properties along the I-35 corridor, from the Leon River to just west of Central Avenue. It is staff's judgment that the other areas along I-35 do not have elevation issues like this area; therefore, an increased sign height is not necessary for other areas along I-35.

Listi added that staff contacted Scenic City Texas about the potential amendment to determine if it would affect Belton's Scenic City status. It is possible that this change could result in a loss of 1-2 points since the standards would be less restrictive. However, it may be possible to make up these points in other areas.

At its November 15th meeting, the Planning and Zoning Commission recommended approval of 75' pole signs within a 1,000 feet wide I-35 corridor extending from Cori Drive to just southwest of Central Avenue.

Mayor Pro Tem Leigh opened the public hearing on this item. Seeing no one wishing to speak for or against this item, he closed the public hearing.

Upon a motion by Councilmember O'Banion, and a second by Councilmember Sanderford, item 18 was unanimously approved by a vote of 6-0.

Miscellaneous

19. **Consider award of bid and authorizing the City Manager to execute a contract with Facility Solutions Group of Austin for the construction of the Downtown Development District Signage Master Plan, and any change orders associated with the contract, not to exceed the amount authorized under state law, and authorize an amendment to the FY 2017 Hotel/Motel Fund.**

City Manager Sam Listi said that City staff worked with Brent Baker, Studio 16:19, to develop a master signage plan that created a district identity in Downtown Belton. The plan includes gateway signage that will be placed in areas outside the downtown directing pedestrians and motorists to the historic Downtown Belton. Vehicular directional signs will be placed throughout the downtown area directing pedestrians and motorists to public and private facilities. These vehicular directional signs will replace the existing directional signs that are located throughout the City. The signage plan includes a total of seven gateway signs and 13 vehicular directional signs. The signage plan includes a total of 22 parking post and panel signs that will be placed in public parking areas downtown.

Bids were opened on September 20, 2016, and bids were received from Facility Solutions Group, Custom Sign Creations and Intex United, with Facility Solutions Group providing the lowest overall price. The sign package originally included all metal signage. Studio 16:19 prepared the bid package and issued an addendum for I-ZONE style signage. The total recommended bid amount includes IZONE gateway and vehicular directional signage, as well as metal parking signs. Street sign toppers and banners are not recommended at this time, but there may be opportunities in the future to have these signs constructed.

Mr. Listi explained that funding for this project includes the \$144,036 designated within the TIRZ capital projects fund and \$52,904 of Hotel/Motel Fund balance. Signage directing the public to sights and attractions which are visited frequently by hotel guests in the municipality is an appropriate use of revenue from the municipal hotel occupancy tax.

Director of Finance Brandon Bozon said that the current Hotel/Motel Fund balance is \$75,663. It has been the policy of the City to maintain four months of reserves (approximately \$51,700) in fund balance in order to mitigate timing risks, as the City's contract with the Chamber of Commerce required monthly payments, and hotel occupancy taxes are only required to be remitted by hoteliers quarterly. With the transition of Convention and Visitors Bureau services back to the City of Belton, this risk can be managed without such a significant minimum fund balance. Given the removal of this risk, and the appropriateness of the expenditure, he said that it is the recommendation of City staff that the Hotel/Motel fund balance be utilized.

Upon a motion by Councilmember Kirkley, and a second by Councilmember O'Banion, contract award for item 19 was approved by a vote of 6-0.

Upon a motion by Councilmember O'Banion, and a second by Councilmember Pearson, budget amendment for item 19 was approved by a vote of 6-0.

20. **Consider award of bid and authorizing the City Manager to execute a construction contract for the South Main Waterline and Sidewalk Project, and any change orders associated with the contract, not to exceed the amount authorized under state law.**

Director of Internal Services/City Engineer Angellia Points said that the South Main Waterline and Sidewalk Project was identified during the 2013 Capital Improvement Project selection process as a high priority for the City. The project boundary starts at Avenue C and South Main Street (Highway 317), and follows South Main Street south to Avenue J. The project has two main goals: replace an aging, cast iron, 8-inch water main, and concurrently install/replace sidewalks within the project area. She explained that Clark and Fuller was hired to design and provide construction administration services for this project. Funding has been identified, and TxDOT has given approval to begin construction.

Mrs. Points said that the water main is approximately four feet deep under the southbound lane of South Main Street, and runs from Avenue C south to Avenue J. In addition to serving customers along South Main Street, it also serves as an important loop for the water system in that section of the City. Due to the deterioration of the old cast iron pipe, the water main has had over a dozen major breaks in the past few years, resulting in disruption of service, lost water, and inconvenience to the traveling public. South Main Street is owned and operated by the State of Texas Department of Transportation (TxDOT) as State Highway 317. TxDOT requires municipalities, where physically possible, to remove utilities from under the roadway when replacing those utilities. The proposed design is to place the water main on both sides of the pavement, behind the curbs and under sidewalks, minimizing the crossings under Main Street.

There will likely be a single lane closure throughout the project in order to install the new waterline and sidewalks. The center turn lane will be utilized for a through lane. The project is to be completed by September 2017.

Bids were opened on November 8, 2016, and five (5) bids were received:

Bidder	Total Bid Amount
Prota Construction, Austin, TX	\$1,094,746.00
McLean Construction, Killeen, TX	\$1,116,956.50
TTG Utilities, Gatesville, TX	\$1,351,204.50
Bell Contractors, Belton, TX	\$1,450,738.20
Sky Blue Utilities, Kingsland, TX	\$1,976,756.89

The Engineer's Opinion of Probable Cost (EOPC) to construct the Project was \$997,477. Clark and Fuller and the City Engineer evaluated the bids and

determined that Prota Construction Inc., the low bidder, has the capability and experience to perform to the requirements of the contract. Prota Construction has not worked with the City of Belton in previous projects. However, after a thorough reference check, Clark and Fuller and Staff recommend award to Prota Construction.

Mrs. Points said that funding for the design and construction of the project will come from:

- \$696,044.30 from TIRZ Capital Project Funds
- \$300,000 from Water and Sewer Capital Funds
- \$200,000 from TxDOT Grant Funds for the sidewalk portion of the project

Total Available Funding = \$1,196,044.30

Councilmember Gauntt asked about the telephone poles within the sidewalks on the west side. Mrs. Points said that the sidewalks on the east side will be replaced, but those on the west side will not at this time because of the obstructions, but could be a Phase 2 project. Mrs. Gauntt asked if this contract will be performed during the day or at night. Mrs. Points said that the project was bid as a day time project, but she said she would not be opposed to night time construction if the contractor wants to work at night.

Councilmember Sanderford asked if the existing waterline will be removed or abandoned. Mrs. Points said that the existing waterline will be abandoned in place. Mr. Sanderford asked if there are any issues with that. Mrs. Points said that there are not typically any issues with abandonment.

City Manager Sam Listi clarified that the project was not bid as a night time project, but the City would not be opposed to it.

Upon a motion by Councilmember Kirkley, and a second by Councilmember O'Banion, item 20 was approved by a vote of 6-0.

The Belton City Council recessed the Regular City Council Meeting at 7:52 p.m. and convened a meeting of the Belton Employee Benefits Trust.

City of Belton Employee Benefits Trust Agenda

1. **Call to Order.** Vice Chair David K. Leigh called the meeting to order at 7:56 p.m.
2. **Consider minutes of the City of Belton Employee Benefits Trust meeting dated October 27, 2015.** Upon a motion by Trustee Dan Kirkley and a second by Trustee Jerri Gauntt, this item was unanimously approved upon a vote of 6-0.
3. **Consider action awarding contracts for employee insurance products.**

Director of Finance Brandon Bozon said that last year, the City awarded the contract for employee health insurance to Blue Cross/Blue Shield as a result of

an RFP process. He explained that for the purposes of continuity for employees and providers, the City typically does not engage in an RFP process each year. However, the initial renewal offer proposed by BCBS was unmanageable in the City's FY 2017 budget. Therefore, with the assistance of IPS Advisors, the City solicited proposals for employee health insurance. Five proposals were received, and based on the cost competitiveness of the initial proposals, United Health Care and Scott & White Health Plan, as well as the incumbent, BCBS, were requested to provide best and final offers.

Provider	Proposed increase over current rates - initial	Proposed increase over current rates – best and final
Scott and White Health Plan	14.9%	8.2%
United Health Care	20.5%/13.6%	14.2%
Blue Cross/Blue Shield (TX)	35.2%	35.2%
Aetna	32.9%	N/A
Cigna	30.0%/22.6%	N/A
Texas Municipal League	15.6%/15.3%*	N/A

*Did not propose plans in line with the City's current benefit structure

The recommendation from City staff is to accept the proposal from SWHP, as they provided the lowest pricing for the City's current health insurance plans as well as a proposed new high deductible health plan option. Staff is recommending the addition of a high deductible health plan (HDHP) complemented with a Health Savings Account (HSA). An HDHP is a health insurance plan with lower premiums and higher deductibles than a traditional health plan. The HDHP will be administered by SWHP, and Staff recommends Flores & Associates to administer the HSA program.

Any employee enrolled in an HDHP will be eligible to make voluntary contributions to their HSA up to the IRS annual limits of \$3,400 for an individual, or \$6,750 for a family. For employees who choose to forego the fully funded employee only mid-plan, the City will make monthly contributions of \$146.06 to their health savings account. This amount represents the difference between the monthly premium for the employee only mid-plan (\$420.84) and the monthly premium for the employee only HDHP (\$274.78). For employees that choose the Employee/Children HDHP, the City will make monthly contributions to their HSA of \$60.40. This amount represents the difference between the City's monthly contributions to non-employee only plans (\$555.00) and the monthly premium for the employee/children HDHP (\$494.60).

The FY 2017 budget included funding for up to a 10% increase in employee insurance premiums. SWHP's proposal, employee only mid premium is \$5,051 per employee annually; a 8.2% increase over last year's cost. The City's contribution, for plans other than employee only, is increasing to \$6,660 per

employee annually; an 8.2% increase over last year's cost. The City's cost for HSA management will be \$4/per month/per enrolled employee.

Mr. Bozon summarized the other recommended contract renewals:

- MetLife's renewal for dental coverage is a 2% decrease in premiums, \$331 per employee annually.
- UTEAP's proposal for an employee assistance program (EAP) is at no change in premiums, \$20 per employee annually.
- Lincoln Financial Group renewal for employee Life/AD&D insurance is at a negligible change, as a slight decrease in premiums will be offset by increasing the insurance benefit to \$50,000 across for all employees. Previously, the policy paid a benefit of \$25,000 a year if the employee's annual salary was less than \$25,000.
- Combined Benefits Group renewal for employee optional supplemental policies (Cancer, Accident, Critical Illness, Short Term Disability, and Permanent Life Insurance) is at no change in premiums.

Trustee O'Banion said that Staff needs to make it clear to employees who choose the HDHP/HSA option that the money is not in their HSA account at the beginning of the plan year like it is with an FSA.

Upon a motion by Trustee Paul Sanderford, and a second by Trustee Craig Pearson, the employee benefit contracts were approved upon a vote of 6-0.

4. **Adjourn.** Vice Chair David K. Leigh adjourned the Employee Benefits Trust meeting at 8:07 p.m.

The Employee Benefits Trust adjourned the City of Belton Employee Benefit Trust Meeting and reconvened the Belton City Council Meeting at 8:07 p.m.

21. **Consider approval of funding for employee insurance contracts awarded by the Board of the Employee Benefits Trust, and authorizing the transfer of funds from the City's operating funds to the Employee Benefits Trust account.**

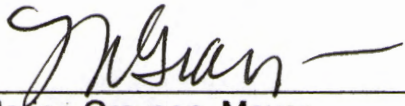
Director of Finance Brandon Bozon explained that the City Council must vote to approve funding for employee insurance plans for the 2017 calendar year, as approved by the Board of the Employee Benefits Trust.

The two step process of establishing benefits within the Employee Benefits Trust, and then funding the trust, allows the City to achieve lower insurance premiums by making those premiums paid to insurers not subject to the Health and Accident

Insurance Premium tax levied by the state of Texas. The annual savings is approximately \$15,000.

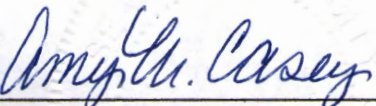
Upon a motion by Councilmember Kirkley, and a second by Councilmember Gauntt, item 21 was approved by a vote of 6-0.

There being no further business, the Mayor Pro Tem adjourned the meeting at 8:09 p.m.



Marion Grayson, Mayor

ATTEST:



Amy M. Casey, City Clerk