

**Belton City Council Meeting  
December 13, 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 Marion Grayson, Mayor Pro Tem David K. Leigh and Councilmembers Craig Pearson, Jerri Gauntt, Paul Sanderford, Guy O'Banion and Dan Kirkley. Staff present included Sam Listi, John Messer, Amy Casey, Brandon Bozon, Chris Brown, Angellia Points, Kim Kroll, Paul Romer, Bruce Pritchard, Byron Sinclair, Charlotte Walker, Larry Berg and Aaron Harris.

The Pledge of Allegiance to the U.S. Flag was led by Mayor Marion Grayson, and the Pledge of Allegiance to the Texas Flag was led by Deputy Police Chief Larry Berg. The Invocation was given by Dr. Shawn Shannon, Director of Baptist Student Ministries at the University of Mary Hardin-Baylor.

1. **Call to order.** Mayor Grayson called the meeting to order at 5:35 p.m.
2. **Public Comments.** Diana Arldt-Roberts, owner of Tirzah, invited the Council to attend a ribbon cutting/open house for Tirzah at 115 N. East Street on January 7, 2017, 10:00 a.m. – 4:00 p.m.
3. **Receive Child Safety Fee funds in the amount of \$22,635.54 from Bell County.** County Commissioner Richard Cortese presented the City with its share of Child Safety Fee funds received from October 2015 - September 2016 in the amount of \$22,635.54. Mayor Grayson thanked the County, and indicated the City will remit the funds to the School District for use in its school crossing guard program.

Additionally, Mayor Grayson recognized Commissioner Cortese for his many years of service to Bell County and wished him well as he leaves office.

City Manager Sam Listi explained that the City gives the money to Belton ISD to use in their school crossing guard program as intended, and presentation is scheduled at the January School Board meeting.

**Consent Agenda**

*Items 4-5 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.*

4. **Consider minutes of the November 22, 2016, City Council Meeting.**
5. **Consider a resolution requesting members of the 85<sup>th</sup> Legislative Session of the State of Texas provide for a fair and equitable distribution of the sporting goods sales tax revenue for local and state parks.**

Councilmember Jerri Gauntt removed item 5 from the Consent Agenda for discussion.



Upon a motion by Mayor Pro Tem David K. Leigh, and a second by Councilmember Craig Pearson, item #4 was unanimously approved by a vote of 7-0.

Director of Parks and Recreation, Matt Bates, said that the proposed resolution is to continue a program that is already in place. He explained that there is currently a sporting goods sales tax that is collected, and then the funds are disbursed through grants by Texas Parks and Wildlife for local projects. It has been positive for cities, and the City of Belton would like the program to continue as it has been set up. Councilmember Gauntt added that the City of Belton has benefitted from this program and said that it needs to continue. City Manager Listi said that this information has been shared with our new State representatives, Hugh Shine and Dawn Buckingham.

Upon a motion by Councilmember Jerri Gauntt, and a second by Councilmember Craig Pearson, item #5 was unanimously approved by a vote of 7-0 including the following captioned resolution.

#### **RESOLUTION NO. 2016-32-R**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELTON REQUESTING THE MEMBERS OF THE 85<sup>th</sup> LEGISLATIVE SESSION OF THE STATE OF TEXAS TO SUPPORT LEGISLATION THAT PROVIDES A FAIR AND EQUITABLE DISTRIBUTION OF THE SPORTING GOODS SALES TAX REVENUE FOR LOCAL AND STATE PARKS.**

#### **Finance**

6. **Consider authorizing the City Manager to execute an Interlocal Agreement with Bell County for the receipt of hotel occupancy tax revenues distributed by the County to promote tourism and the hotel industry within the City of Belton.**

This item was tabled.

7. **Consider an ordinance authorizing the issuance of the City of Belton, Texas 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 which was held on November 22, 2016. Mr. Bozon said that Standard & Poor's gave the City a rating of AA- on December 5, 2016, which is consistent with the rating received in the previous bond issuance.

The City received nine bids with Wells Fargo providing the best rate. We will have a total issue of \$9.585M in bonds at a 3% coupon which gives the City proceeds at \$9.9M which covers all of the bond issue costs.

Jennifer Douglas, with Specialized Public Finance, provided some additional information regarding the bids received by the City. She said that the sale is scheduled to close before the end of the year. Richard Donoghue of McCall Parkhurst & Horton, the City's Bond Counsel, said that the action before the Council tonight is considered the official action of the City authorizing the sale of the COs.

Upon a motion by Councilmember Craig Pearson, and a second by Councilmember Guy O'Banion, the following captioned ordinance was unanimously approved upon a vote of 7-0.

#### **ORDINANCE NO. 2016-58**

**ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF BELTON, TEXAS, COMBINATION TAX AND LIMITED REVENUE CERTIFICATES OF OBLIGATION SERIES 2016; LEVYING AN AD VALOREM TAX AND PLEDGING CERTAIN SURPLUS REVENUES IN SUPPORT OF THE CERTIFICATES; AUTHORIZING EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND OTHER AGREEMENTS RELATED TO THE SALE AND ISSUANCE OF THE CERTIFICATES; AND ORDAINING OTHER MATTERS RELATING TO THE ISSUANCE OF THE CERTIFICATES**

#### **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. He added that the original annexation study area comprised 1717.5 acres, and Staff is recommending annexation of 574.9 acres.

*(NOTE: Revised on December 19, 2016, to 542.8 acres following deletion of a 32 acre parcel, owned by the Dillards, which was subject to a development agreement. See Item #10.)*

8. **Consider an annexation ordinance on second and final 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 second and final 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 Mayor Pro Tem David K. Leigh, and a second by Councilmember Paul Sanderford, the following captioned annexation ordinance was unanimously approved on second and final reading by a vote of 7-0.

**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. **Consider an annexation ordinance on second and final 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 second and final 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 Paul Sanderford, and a second by Councilmember Guy O'Banion, the following captioned annexation ordinance was approved on second and final reading upon a vote of 6-1 with Councilmember Jerri 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. Consider an annexation ordinance on second and final 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 second and final 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 Craig Pearson, and a second by Councilmember Guy O'Banion, the following captioned annexation ordinance was approved on second and final reading upon a vote of 6-1 with Councilmember Jerri 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.**

*(NOTE: The Dillard tract, comprising 32.106 acres, was deleted on December 19, 2016, due to a development agreement, resulting in a total boundary in Area 3 of 134.4 acres.*



*Exclusion of this property creates another “donut hole” which is reflected in the revised ordinance.)*

11. Consider an annexation ordinance on second and final 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 second and final 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 Mayor Pro Tem Leigh, and a second by Councilmember Sanderford, the following captioned annexation ordinance was approved on second and final reading upon a vote of 6-1 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 an annexation ordinance on second and final 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 second and final 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 Pearson, and a second by Mayor Pro Tem Leigh, the following captioned ordinance was unanimously approved on second and final reading by a vote of 7-0.

#### **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 summarized the remaining steps to complete the annexation process including notifying property owners and the other affected entities. The Mayor thanked the Staff for its work on this extensive process.

#### **Miscellaneous**

**13. Consider authorizing a Façade Improvement Grant to Kat Kaliski, 208 North Penelope Street.**

Director of Planning Erin Smith explained that Kat Kaliski submitted a Façade Improvement Grant (FIG) application to complete exterior repairs and renovations on the southern and eastern exterior façades of the building located at 208 North Penelope Street. Mrs. Smith explained that Ms. Kaliski is proposing to open Blends Wine Bar in the space Miller's BBQ is vacating.

Blends Wine Bar will contain a retail space for wine bottle purchases in the front area of the lease space facing Penelope, and a second entrance is proposed on the southern façade leading to the wine bar in the rear of the lease space where customers will have the ability to sit at tables and enjoy wine and hors d'oeuvres.

The total project cost is \$24,421. The FIG application requests the maximum match amount of \$10,000, which is consistent with application guidelines. Mrs. Smith added that at its December 8, 2016, meeting, the Historic Preservation Commission unanimously approved the proposed façade improvements, and Staff concurs in the recommendation.

Upon a motion by Councilmember Pearson, and a second by Councilmember O'Banion, Item #13 was unanimously approved by a vote of 6-0-1 with Mayor Grayson abstaining.



14. **Consider a resolution designating administration and engineering service providers for the 2017-18 Community Development Block Grant (CDBG) Project.**

Grants and Special Projects Coordinator Aaron Harris said that, in February 2017, the City will apply to the Texas Department of Agriculture (TDA) for the 2017-18 cycle of Community Development Block Grant (CDBG) funding for water and sewer line replacement along Mary Jane Street from West Ave I to US 190 Frontage Road. Mr. Harris said that in the past, the City would procure professional services after the grant award. However, for this funding cycle, TDA has instructed all applicants to procure professional services for administration and engineering prior to the submission of the application.

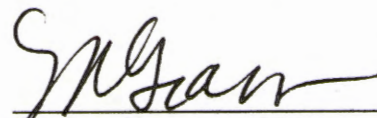
The City received two submissions from qualified engineers, and a staff committee comprised of Angellia Points, Byron Sinclair, Brandon Bozon, and Aaron Harris scored each packet. As a result, the committee recommends KPA Engineers be selected to provide engineering services for the 2017-18 Community Development Block Grant (CDBG) Project. All engineering will be grant funded in the amount of \$38,100.

The City received one submission from a qualified firm, Grantworks Inc., to administer the project. Grantworks has successfully administered previous Belton projects, and Staff recommends Grantworks Inc. be selected to provide administrative services for the 2017-18 Community Development Block Grant (CDBG) Project. All administration will be grant funded in the amount of \$30,250.


Councilmember Pearson asked if the fees were in line with prior years since there was only one bid for grant administration services. Mr. Harris said that the cost appears to be similar to the costs of the past contracts. Mr. Harris added that in years past, the firms did the work developing the application, and then were "hired" after the application was approved. Councilmember Gauntt said that the proposed way of procuring services for applications was a better process in her opinion.

Upon a motion by Councilmember Gauntt, and a second by Councilmember Pearson, item 14 was unanimously approved by a vote of 7-0.

There being no further business, Mayor Grayson adjourned the meeting at 6:15 p.m.

  
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Marion Grayson, Mayor

ATTEST:

  
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Amy M. Casey, City Clerk