A. CALL TO ORDER AND ANNOUNCEMENT OF A QUORUM – Mayor Cindy Siegel.

Mayor Pro Tem Peggy Faulk called the City Council of the City of Bellaire, Texas, to order at 7:02 p.m. on Monday, February 16, 2009. The Bellaire City Council met at that time and on that date in Regular Session in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401. Mayor Pro Tem Faulk advised that a quorum was present consisting of herself and the following members of City Council:

- Councilman Will Hickman, Position No. 1;
- Councilman James P. Avioli, Sr., Position No. 2;
- Councilman Phil Nauert, Position No. 4;
- Councilman Pat McLaughlan, Position No. 5; and
- Councilman John Jeffery, Position No. 6.

Mayor Cindy Siegel was absent. Other officials present were City Manager Bernard M. Satterwhite, Jr., City Attorney Alan P. Petrov, and City Clerk Tracy L. Dutton.

B. INSPIRATIONAL READING AND/OR INVOCATION – Mayor Cindy Siegel.

An inspirational reading was not given this evening, as Mayor Cindy Siegel was absent.

C. PLEDGES TO THE FLAGS – Mayor Cindy Siegel.

1. U.S. PLEDGE OF ALLEGIANCE.

2. PLEDGE TO THE TEXAS FLAG.

   Councilman Phil Nauert led the audience and City Council in the U.S. Pledge of Allegiance and Pledge to the Texas Flag in Mayor Cindy Siegel’s absence.

D. APPROVAL OR CORRECTION OF MINUTES:

1. APPROVAL of minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held Monday, January 19, 2009 – Item submitted by City Clerk Tracy L. Dutton.
MOTION TO APPROVE MINUTES:

A motion was made by Councilman Will Hickman and seconded by Councilman John Jeffery to approve the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held Monday, January 19, 2009.

VOTE ON MOTION TO APPROVE MINUTES:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
     Avioli, James P., Sr.
     Faulk, Peggy
     Nauert, Phil
     McLaughlan, Pat
     Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

2. APPROVAL of minutes of the Regular Session (Town Meeting) of the City Council of the City of Bellaire, Texas, held Monday, February 2, 2009 – Item submitted by City Clerk Tracy L. Dutton.

MOTION TO APPROVE MINUTES:

A motion was made by Councilman Phil Nauert and seconded by Councilman James P. Avioli, Sr., to approve the minutes of the Regular Session (Town Meeting) of the City Council of the City of Bellaire, Texas, held February 2, 2009.

VOTE ON MOTION TO APPROVE MINUTES:

Motion carried on a 5-0-1 vote as follows:

FOR: Hickman, Will
     Avioli, James P., Sr.
     Faulk, Peggy
     Nauert, Phil
     Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy
ABSTAIN: McLaughlan, Pat*

*Councilman Pat McLaughlan abstained from voting on the minutes of the Bellaire City Council Regular Session (Town Meeting) held on February 2, 2009, due to his absence from that meeting.

E. PERSONAL/AUDIENCE COMMENTS.

Andrea Ehlers, 5416 Valerie Street, Bellaire, Texas 77401

Ms. Ehlers addressed City Council in support of the Bellaire City Library. She began with a quote from Lady Bird Johnson as follows: *Perhaps no place in any community is so totally democratic as the town library. The only interest requirement is interest.*

Ms. Ehlers continued and advised that the broader story of the vital role that libraries played had not been widely shared. She indicated that this was why a set of reflections in the winter issue of the *Texas Library Journal*, published by the Texas Library Association, filled some important gaps.

The Bellaire City Library, which served as a shelter during Hurricane Ike, also offered power and Internet service, thus allowing the local *Bellaire Examiner* newspaper to work at the library to do online reporting and to produce a paper issue. The Bellaire City Library established power stations so that people who had lost power at home could recharge cell phones and computers. The City Manager praised the library operations to the City Council and stated that the library would be listed as a priority in all recovery efforts.

Recently, the *Wall Street Journal* published an article regarding the increased use public libraries had been experiencing due to the downturn in the economy. People came not only to use the Internet and peruse reading materials to keep up with current events, but were also queuing up in ever-increasing numbers to make the library a jumping off point in their job searches.

Also, families were turning to the library for all types of media, including movies and books on tape to replace other forms of education and entertainment that the economy made difficult to afford otherwise.

In her annual State of the City Address on February 2, 2009, Mayor Cindy Siegel said Bellaire, a city where ethnic, religious, age, and economic diversity was on the rise, faced a defining moment in its history. Looking ahead, future plans included a new fire station, a new municipal court facility, and the remodeling of the City’s library, now in the planning stages. In 2008, there was a major increase in the City recreational and leisure services that were used by the citizens. “Camp programs and library use also increased,”
Mayor Siegel said, “and the library was a lifeline for many during Hurricane Ike,” she added.

Everyone knew and appreciated the contribution Andrew Carnegie made to ensure public libraries were free and available to all people. He said, *there is not such a cradle of democracy upon the earth as the Free Public Library, this republic of letters, where neither rank, office nor wealth receives the slightest consideration.* This sentiment was evident today at the City of Bellaire’s Library, where there was a striking mix of people and ethnicities. The library managed to serve all of the individuals in an effective and cost-efficient manner. From the children who used the library after school each day until their parents picked them up to the young children and mothers of Bellaire to various clubs and events, the Bellaire Library strived to serve the masses with pride and a commitment to quality service.

Ms. Ehlers advised that she was not only present this evening in her capacity as the President of the Friends of the Bellaire Library, but also as a private citizen who visited the library with her family at least once each week. She urged City Council to make library renovations a priority in order that all of the people served by the library could continue to enjoy the library services and so that the library could expand its outreach and continue to provide the quality service expected by the citizens of Bellaire.

**Peggy Shallock, 551 Begonia Street, Bellaire, Texas 77401**

**Ms. Shallock** addressed City Council on behalf of the many benefits provide by the Bellaire City Library. She noted that Thomas Jefferson realized for the strange new idea of self-government to work, an educated populace was necessary. He set the example by starting the Library of Congress with his own personal library as a gift to the nation.

In towns all across America, the library was usually on the town square, especially in early towns formed in the 1700s, showing its significance in the town in its role as the center of the community. The Bellaire City Library was no different. The Bellaire City Library was started with donations from its citizens (i.e., door-to-door solicitations). During the first book drive, the fire truck drove tooting its horn and Boy Scouts went behind the truck picking up donations door-to-door. It was truly a community effort, because the community demanded that Bellaire offer its citizenry a library.

The Bellaire City Library started in a cramped 18’ X 20’ annex to the Community Center with a concrete floor and tall, narrow stacks right about where the Council Chamber now stood. Ms. Shallock knew this because she used to visit the library with her family. She remembered when the new library was built in 1962. For 47 years at the Jessamine Street location, the
Bellaire City Library had helped citizens in many ways. Today, Bellaire families turned to their library for help with computer research, the latest novels, hard to find books through the Interlibrary Loan Program, large print books for seniors, and the children's story hour to introduce the love of reading to Bellaire's young.

As Andrea Ehlers stated earlier, after Hurricane Ike the Bellaire City Library was, again, the center for the community and it offered one of the few places with electricity so families could communicate on the Internet with loved ones or business. The lines to use the portals were quite long. In this fast changing information age, it was important that the library kept up with the latest technology to help its citizens continue to learn and offer the pertinent information needed for today’s world.

Citizens needed a library that was current and updated if Bellaire wanted to continue the tradition of offering its citizens knowledge that was easily accessible and readily available. Over 112,000 patrons came to the library last year. She inquired as to how many of the City’s facilities served that large a number of citizens. Over 36,000 patrons used the Internet at the library, and almost 178,000 books and other media were checked out for use during the last year. The library was still the center of the community as gatherings for over 350 meetings and programs brought people together.

The library’s role in the community was as important today as it was the beginning of our country. Yet, money for renovations that had been planned for years never seemed to move beyond a certain point. The current library was almost 50 years old and in dire need of updating to meet the changing needs of the community. Ms. Shallock requested that City Council be made more aware of the tremendous service the Bellaire City Library played in the community and that City Council support it as an investment in the future of Bellaire.

Jane McNeel, 5112 Locust Street, Bellaire, Texas 77401

Ms. McNeel addressed City Council in support of the Bellaire City Library and noted that she currently served as Treasurer of the Friends of the Bellaire Library, an organization formed in 1951 to provide and support a library for the small City of Bellaire. Bellaire had undergone many changes since Ms. McNeel became a resident over 50 years ago. Bellaire was no longer a quiet city on the outskirts of Houston. Instead, Bellaire was surrounded by the City of Houston. Bellaire had a freeway running through its center and many of the cottages and ranch-style homes had been replaced by new construction.
One constant, however, remained for Ms. McNeel—the Bellaire City Library. As someone new to the community in the mid-1950s, the library was Ms. McNeel’s main connection to Bellaire. It was small, but it was available and it was free. She always felt welcome at the library and still did. Because of her involvement in the Friends of the Bellaire Library, Ms. McNeel knew that thousands of other library visitors felt the same way. For her and her children, the library provided many memorable hours of entertainment and enjoyment. Her son and daughter acquired a love of reading through books checked out from the library. They could not wait to enroll in the next Summer Reading Program, and a chance to win an award. These were among the reasons that Ms. McNeel chose to become a member of the Friends of the Bellaire Library and to do her part to support the library.

The Bellaire City Library was a haven for children after school, for mothers and small children during story-telling and movie time, and for older folks who sought a quiet place to relax while perusing periodicals and books. As the economy continued to suffer, libraries were being used by record numbers of people. The library provided current and critical resources for research and enjoyment and much needed civic services to our surrounding community, including computer access and resources, free reading and video materials, and meeting space for community groups.

The library received more visitors each year than any other Bellaire department. While the library was an outstanding community resource, the library building was outdated and in desperate need of renovation. Ms. McNeel personally wished the City could double the size of the library, but she would be happy at this time to see City Council expedite the library renovation from the funds already approved in recent bond issues. Ms. McNeel advised that she believed the City of Bellaire, along with the City’s hard-working library staff, deserved a first-class library facility and the library renovations already approved should be high on the City’s list of priorities.

Sarah Bauer, 5545 Little Lake Street, Bellaire, Texas 77401

Ms. Bauer addressed City Council in support of the Bellaire City Library, noting that she was a member of the Friends of the Bellaire Library. She asked City Council to do everything in their power to make the renovations of the Bellaire City Library happen as soon as possible. She stated that she had been a resident for approximately ten years and one of the first services she really took advantage of in Bellaire was the library and then the pool.

Ms. Bauer indicated that although she was a sporadic user of the library, every time she visited the library she felt she had walked into home. The library was a very comforting and friendly place to visit.
She referred to the Stella Link Library, which she visited because her son needed a book desperately for a homework situation that the Bellaire Library did not have. She advised that after seeing the Stella Link Library, she felt that Bellaire really needed to get moving on its renovations.

The Bellaire City Library served many different types of people—young mothers, students, and the older population. The City had done a great job with its new pool facility and Ms. Bauer urged City Council to match the library up to the new pool facility.

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Lynn McBee, 5314 Evergreen Street, Bellaire, Texas 77401

Ms. McBee thanked the speakers from the Friends of the Bellaire Library for their comments, noting what a great job they had done. She noted also that the Bellaire City Library was very meaningful.

She continued and advised that at the very center of the City of Bellaire, just before the crossing of Bellaire Boulevard and Bissonnet Street, was a shameful City street right-of-way facing south at Bellaire Boulevard, adjacent on the east to Fifth Street at Randall’s. The reason it was shameful was that its history was pre-World War II. This street right-of-way served as the only access to four businesses, and to drive into the area was an experience like a bumpy roller coaster. The old paving had not been refurbished or topped in a very long time, and it wrenched the gut to drive over it.

A single absentee Trustee apparently owned all of the businesses facing the street right-of-way. According to the Harris County Appraisal District (HCAD) records, the area’s address was 5202 Bellaire Boulevard, a tract of land in area of 15,725 square feet and a building area of 5,236 square feet. It was categorized by HCAD as a neighborhood shopping center of two buildings constructed in 1940. In 2007, it was appraised at $193,989, and in 2008, the appraised value doubled to $440,595. This was hardly a worthless site.

A year or so ago, Westbound Bank wanted to locate on the site, but failed to realize that the parking area portion of the site was the City’s street right-of-way, so its plans were withdrawn. Bellaire promoted itself as a small town in the middle of the metropolis and bemoaned a dated, dilapidated downtown area. Many, many citizens adored the site as full of the character of a small town or village shopping area. A good number of those citizens showed up to protest its takeover by Westbound Bank.

Ms. McBee indicated that she had visited three of the four shops on this site recently. Mr. C. Watch, Clock & Jewelry Repair had the largest collection of watch bands Ms. McBee had ever seen, including the one she was looking for. The Bead Shop, run by Katie Koenig since 1999, offered bead classes as
therapy to patients, such as those at Shriner’s Hospital and others. The retail end offered endless arrays of beads for jewelry making that boggled one throughout its maze of small rooms and narrow aisles. The Bellaire Shoe Repair Shop, run by Mr. Armand Sanchez for the last 60 or more years, not only repaired shoes and boots, but also mended leather goods and carried the greatest selection of shoe polish that she knew of. Ms. McBee had not visited the fourth shop, the Floor Covering Shop, recently.

When Ms. McBee inquired of Mr. Sanchez as to why the parking lot was in such disrepair, he told her that he had given up asking the City for help. He said he had customers running into the emerging rebar—coiled metal that must once have underlain the paving—and showed her samples of the rebar he pulled from the surface of the parking lot about which customers had complained.

The bottom line was that many Bellaire residents frequented that site and appreciated the value of the businesses on the site, as well as likened them to the picturesque Kirby area Village that drew pedestrian visitors all of the time. The Village was in Houston, and its streets were all well paved.

Ms. McBee asked why Bellaire could not preserve its picturesque and historical center of the town. She urged City Council to pave the right-of-way and celebrate the site’s uniqueness. She asked if City Council was so busy building streets and traffic lights that the small matters needing attention did not get any attention. She noted that this was a maintenance issue. If the City could keep the grass cut along the easements and rights-of-way, then surely the City could pave the small section that led into Fifth Street. Obviously, Bellaire did not even know where its rights-of-way and easements were nor did it have a map showing them. She referred to the ever-prolonged settlement up on the Fournace Place right-of-way intruded upon by private fencing.

{The speaker’s allotted time ended at this point in the meeting}

Mayor Pro Tem Peggy Faulk requested that the Special Recognition portion of the evening’s agenda be moved forward at this point. After noting no objections from City Council, the Special Recognition portion of the agenda was presented at this point.

{Continued on next page}
G. NEW BUSINESS:

1. SPECIAL RECOGNITION:

   Centennial Planning Committee

   SPECIAL RECOGNITION of the members of the Centennial Planning Committee for their outstanding contributions, dedication, and support in the planning phases and events comprising Bellaire’s Centennial Celebration – Recognition by Mayor Cindy Siegel.

   Members to be recognized include: Jamie Allen, Kathy Biddle, Bill Borden, Eric Coan, Cindy Cozewith, Linda Dyson, Jay Ginsburg, Sarah Ginsburg, Jenni Malone, Lynn McBee, Diane McLaughlan, Pauline McRae, Jeffery Mills, Phil Murray, David Schlosberg, and Sharon Veldman.

   Mayor Pro Tem Peggy Faulk read the “Certificate of Recognition” to be presented to each member of the Centennial Planning Committee as follows:

   Presented to [Member’s Name] in grateful appreciation of your outstanding contributions to Bellaire’s Centennial Celebration and for your dedication and support to the City of Bellaire, Texas, and its citizens.

   In Witness Whereof, I have hereunto set my hand and caused the seal of the City of Bellaire, Texas, to be affixed this 16th day of February, 2009.

   Cynthia Siegel, Mayor
   City of Bellaire, Texas

   Mayor Pro Tem Faulk presented the “Certificates of Recognition” to the following members who were present: Jamie Allen, Linda Dyson, Jay Ginsburg, Lynn McBee, Diane McLaughlan, Pauline McRae, Phil Murray, and Sharon Veldman.

   The Bellaire City Council returned to the agenda and considered the remainder of the items in the order in which they were listed on the agenda.

F. REPORTS:

1. CITY MANAGER’S REPORT – public infrastructure and utilities update (Southdale Railroad Ditch Cleaning Project; CMAQ Traffic Signal Project; and Facilities Update); Staff Planning
Retreat scheduled for February 18, 2009; and list of upcoming meetings and/or events – Presented by City Manager Bernard M. Satterwhite, Jr.

City Manager Bernard M. Satterwhite, Jr., presented the City Manager’s Report to City Council. He began by referencing an opinion issued by the Attorney General of Texas’ Office, which stated that anything reported during the City Manager’s Report had to be a part of the agenda. If it were not in the report, it could not be discussed. He advised that he wished to address this as many times developments occurred between the time the packet was disseminated and the City Council meeting that he would like to report on, but could not as he had to follow the rules set forth in the Texas Attorney General’s opinion.

Public Infrastructure and Facilities

City Manager Satterwhite noted that several months ago concerns were expressed regarding the ditch along the railroad right-of-way on the east side of Southdale. Director of Public Works Joe Keene and others had been working through Harris County to try and get the ditch cleaned up. The ditch did not belong to the Harris County Flood Control District; it belonged to Harris County and was controlled by them. The Harris County Commissioners approved an agreement late last year in which they agreed to hire a contractor to clean the ditch out. The contractors were expected to start working on the ditch in the next few weeks and had said that they would address the Bellaire portion of the ditch first.

With respect to the CMAQ Traffic Signal Project, it was originally supposed to start in February, but had been delayed until the first of March. The delay was related to the ordering and stockpiling of project materials.

The City had finally come to an agreement with its insurance carrier regarding the cost of repairs for the Recreation Center roof and some of the other things damaged during Hurricane Ike. There was a difference between the cost of the repair and the reimbursement from the insurance carrier. It might be necessary for City Staff to bring a budget amendment to City Council before the repairs were started. If the City had to do that, it would be no later than the next City Council meeting. The cost of the repairs was noted to be approximately $384,000.

City Manager Satterwhite referred to a number of items that City Council had approved either in principal or concept or were approved projects. One of the approved projects was the construction of a new fire station. That project was progressing fairly well. Later this
evening, City Council would receive a report on the Municipal Court feasibility study that was commissioned. The bond of 2005 also covered the Library and the Police and Municipal Court Building renovations.

Additionally, City Staff was very close to implementing a security plan for City Hall.

Staff Planning Retreat

City Manager Satterwhite advised that City Staff would have a Planning Retreat in the CenterPoint Energy Community Center on Wednesday. City Staff would sit down and look at all of the projects and plans that were in place and had been approved and would work on getting a clear understanding of how those projects and plans could be sequenced and prioritized. He referred to the fact that there were street reconstruction and drainage projects, facilities projects, art projects, park projects, and wastewater and water projects. City Staff would also discuss the economy and its impact on future projects. A report of the results of the Planning Retreat would be presented to City Council in a Workshop Session.

Upcoming Meetings/Events:

The only upcoming meetings scheduled in March thus far were the two Regular Sessions to be held on March 2, 2009, and on March 16, 2009. It was possible that a Workshop Session would be scheduled during the month of March to discuss long-term capital improvement program plans and projects.

QUESTIONS/COMMENTS FROM CITY COUNCIL:

{Legend: A – Answer; C – Comment; Q – Question; R – Response}

Q: Councilman James P. Avioli, Sr., indicated that he had received a letter from Congressman Al Green. Congressman Green was looking for applications for community projects that might qualify for federal appropriations. He inquired as to whether the City applied for any federal appropriations.

A: City Manager Satterwhite stated that City Staff was working on and looking forward to any stimulus package opportunities for the City. The City was not working through Congressman Green’s office, but rather in a different direction.

Q: Councilman Avioli referred to the four excellent speakers this evening that addressed the need for improvements to the Bellaire City Library. He inquired as to whether the City could
look into applying for federal appropriations to rebuild the Bellaire City Library. It seemed to him that with the mood that Congress was currently in, they might be amenable to such a project that encouraged the learning process.

A: City Manager Satterwhite stated that he would have to look into that and get back with Councilman Avioli.

MOTION TO ACCEPT REPORT INTO THE RECORD:

A motion was made by Councilman Pat McLaughlan and seconded by Councilman Will Hickman to accept the City Manager’s Report as presented by City Manager Bernard M. Satterwhite, Jr., into the record.

VOTE ON MOTION TO ACCEPT REPORT INTO THE RECORD:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
Avioli, James P., Sr.
Faulk, Peggy
Nauert, Phil
McLaughlan, Pat
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

2. FINANCE REPORT for the City of Bellaire, Texas, covering the period ended January 31, 2009, and including discussion of revenues and expenditures in the General Fund, Enterprise Fund, Debt Service Fund, Vehicle, Equipment, and Technology Fund, and Capital Improvement Program Fund, as well as a discussion of statistical data – Presented by Chief Financial Officer Donna Todd.

Chief Financial Officer Donna Todd presented the Finance Report for the City of Bellaire, Texas, covering the period ended January 31, 2009, to City Council.

Revenues

The City’s revenues of approximately $12.7 million were $393,000 higher than they were at this time last year. This represented a change of 3.2%. Last year’s revenues compared to the prior year represented a change of 3%.
Total property tax collections in the combined General and Debt Service Funds were $172,000 higher than last year, which represented a 2.1% increase. In the General Fund, the current property tax collections were 4-1/2% higher than last year, and the property valuations were up about 5.6%. The total tax collections for both funds, the General Fund and Debt Service Fund, were currently 2.3% higher than last year.

When the Truth-In-Taxation calculations were prepared to set the tax rate (i.e., early October), the estimated taxable value for the City was $3.189 billion, which included $113 million of properties under protest (a significant swing from what the City had seen in the past). When looking at the updated Harris County Appraisal District (HCAD) reports dated as of December 2008, the City’s current certified taxable values were $3.177 billion, and the uncertified estimated taxable value was almost $23 million. The total of the certified and uncertified values was $3.2 billion, which put the City slightly ahead of its estimated taxable value.

As of the four months ended January 31, 2009, the City had collected approximately 51% of the budgeted revenues for the General Fund. Last year at this time, the City had collected 52% of the budgeted revenues. At this time in fiscal year 2007, the City had collected 50.78% of the total actual revenues received during that year. At this time in fiscal year 2008, the City had collected 49.81% of the total actual revenues received during that year. At this time in fiscal year 2009, Chief Financial Officer Todd could only compare to the budgeted amounts, but the City had collected 50.62% of the revenues.

**Expenditures**

The City’s expenditures year-to-date were $7.9 million, which was $1.2 million higher than last January and included $659,000 of expenditures related to Hurricane Ike, which represented 57% of the variance.

**Fund Balances**

Last month, Councilman Avioli inquired as to the fund balances. She had not had enough information with her to adequately answer those questions, so she wished to do so this evening.

When looking at last year’s ending fund balance as compared to the current fund balance, one was seeing a 12-month swing in the differential. For example, last year’s ending fund balance in the General Fund at January 31, 2008, was $8.9 million. The cumulative revenues in the ensuing 12 months were $15.8 million and the
expenditures of $14.4 million reduced that number, as did the interfund transfers that the City made to the Capital Improvement Program Fund and the Vehicle, Equipment, and Technology Fund of roughly $2.8 million. At the end of the year, there were adjustments made to revenues and expenditures of $521,000, which led to the ending fund balance in the General Fund at January 31, 2009, of almost $7 million.

The budget target was two months of working capital in the General Fund or $2.5 million. The highest revenue months were in January and February. Expenditures rather than revenues would drive the number thereafter, although there would still be a revenue impact.

**Housing Information**

At the end of January 2009, there were 188 residential properties for sale and 26 houses for lease. These numbers varied slightly from December of 2008. Historically, the numbers of properties for sale and lease remained consistent throughout the year.

The number of units under construction was 20, which was one-half of what it had been during the previous year at this time. However, the average per unit construction value was approximately 9% higher at $632,000.

There were four addresses up for auction and six properties that were bank-owned at this time.

**QUESTIONS/COMMENTS FROM CITY COUNCIL:**

{Legend: A – Answer; C – Comment; Q – Question; R – Response}

Q: Councilman Phil Nauert referred to page 25 of the Financial Report and noted that the City appeared to be down a little bit for mixed beverage sales tax.

A: Chief Financial Officer Todd indicated that the City was down on its sales tax collections. She advised that this was to be expected due to the economy. However, today the City received its sales tax payment to be reflected on the next Financial Report, and Finance Manager Vickey O’Donnell had advised that the City would be $5,000 higher than last year once that payment had been booked. Revenues from sales tax collections did represent 13% of the City’s budget.

Q: Mayor Pro Tem Peggy Faulk inquired as to how much the City’s Hurricane Ike expenditures were and how much the City had recovered and still expected to recover.
A: **Chief Financial Officer Todd** indicated that the City’s Hurricane Ike expenditures totaled $659,000 through January of 2009. Of that amount, $43,000 was in the General Fund and $616,000 was in the Enterprise Fund (i.e., primarily debris collection and removal). The City had started receiving some revenues from insurance and from the Federal Emergency Management Agency (FEMA). In the General Fund, the City had received $122,000 of reimbursements and $94,000 of reimbursements in the Enterprise Fund.

Q: **Mayor Pro Tem Faulk** inquired as to how much more the City would recover.

A: **Chief Financial Officer Todd** advised that the City should recover most of the debris collection and removal expenditures. The two primary Project Worksheets were debris (Category A) and emergency protective measures (Category B). Category B would cover much of the wages paid to police and fire personnel as a result of hours worked during Hurricane Ike. The City had received a reimbursement for labor under Category A. She noted that the City was still receiving debris-related invoices, and the City was receiving approximately two Project Worksheets per week. The Project Worksheets consisted of estimates of what FEMA thought the work would cost and deducted any amounts that might be reimbursable by the City’s insurance carrier. Once the Project Worksheets were signed, funding was usually received two-three weeks later.

**MOTION TO ACCEPT REPORT INTO THE RECORD:**

A **motion** was made by Councilman James P. **Avioli**, Sr., and **seconded** by Councilman John **Jeffery** to accept the Finance Report for the City of Bellaire, Texas, for the period ended January 31, 2009, as presented by Chief Financial Officer Donna Todd.

**VOTE ON MOTION TO ACCEPT REPORT INTO THE RECORD:**

Motion **carried** unanimously on a **6-0** vote as follows:

**FOR:**
- **Hickman,** Will
- **Avioli,** James P., Sr.
- **Faulk,** Peggy
- **Nauert,** Phil
- **McLaughlan,** Pat
- **Jeffery,** John
OPPOSED: None

ABSENT: Siegel, Cindy

3. FEASIBILITY STUDY REPORT – presentation of a study conducted by PGAL (Pierce Goodwin Alexander & Linville) for the City of Bellaire, Texas, regarding the feasibility of constructing the future Municipal Court Facility on City property located to the east and adjacent to the existing Police and Municipal Court Building – Item submitted by Facilities Director Karl Miller; Presentation by Jeff Gerber, PGAL.

Chris Casey, PGAL, presented the Feasibility Study Report conducted by his firm to City Council. Mr. Casey noted that PGAL was the architectural firm contracted to conduct a feasibility study as to whether an addition for Municipal Court could be constructed onto the eastern side of the existing Police and Municipal Court Building.

City Manager Bernard M. Satterwhite, Jr., reminded City Council that the tasking was to answer the following questions:

- Could a Municipal Court facility be placed on the east side of the existing Police and Municipal Court Building?
- What would the impacts of the current functions in that area be?

Mr. Casey summarized his firm’s findings by noting that PGAL did believe it was feasible to construct an addition on the east side of the existing Police and Municipal Court Building. He advised that he would walk through three different scenarios indicating where the new addition could possibly be placed.

Mr. Casey presented a slide depicting the structures that currently existed on and near the site, including the Police and Municipal Court Building with ramps on the east and west sides, Central Water Plant, and Bellaire Town Square as a whole. All of those factors were taken into account when conducting the feasibility study. Simultaneously with PGAL’s study, Klotz Associates, Inc., was looking at reconfiguring the brick building currently on the Central Water Plant site and adding another building and equipment pad to the side. The current parking count was 43 striped spaces. The parking lot also allowed only one-way traffic.

A second slide was shown next and identified as “Scenario A.” Scenario A attempted to preserve the existing ramp that led to the sally port. The new addition would be constructed toward the northeast corner of the existing Police and Municipal Court Building.
The scenario attempted to consolidate a number of the water functions that were potentially in the works for the future. The parking layout was also reconfigured and would allow for 50 striped spaces.

The pros associated with Scenario A included the preservation of existing trees. He noted that there was a memorial tree that faced Jessamine Street. The con associated with Scenario A was the street presence on Jessamine Street in that the addition might be back too far from the street.

A third slide, Scenario B, was shown next. It studied placing the new addition directly onto the east side of the existing Police and Municipal Court Building. The configuration of the new ramp was similar to the one that currently existed. The parking lot would be reconfigured to eliminate the one-way traffic currently in existence. The entrance to the parking lot from South Rice Avenue would be widened and some of the angled parking would be eliminated. The Central Water Plant area improvements could remain as proposed by Klotz Associates, Inc.

Scenario C was shown next on a separate slide. This scenario looked at adding a u-shaped or courtyard-shaped structure onto the east side of the existing Police and Municipal Court Building in order to preserve some of the existing trees. It also attempted to take a ramp that would be needed to get down to the sally port area and pushed that as far back into the property as possible. This would open up a corner of the property for potential green space. Scenario C took the electrical building and pump house for the Central Water Plant and moved them to the back of the facility. It also eliminated the one-way traffic in the parking lot.

City Manager Satterwhite added that all of the current functions had been accounted for. For example, there was a police impound lot in the area, a dumpster, parking, etc. Some of the scenarios would result in a compression of the Central Water Plant, but it was doable. One of the near term water/wastewater projects of a high priority was the Central Water Plant (i.e., redoing the electrical system and pump house). In other words, some amount of decision-making would need to be completed fairly soon.

QUESTIONS/COMMENTS FROM CITY COUNCIL:

{Legend: A – Answer; C – Comment; Q – Question; R – Response}

C: Councilman Pat McLaughlan advised that early on there were some conversations related to another approach, which was somewhat similar to the commercial office building located on Third Street and Bissonnet Street. The entire first floor of the building was dedicated to parking, except for a small
elevator and stairway lobby to provide access to the second level. The office area was on piers and elevated.

**Q:** Councilman James P. Avioli, Sr., inquired as to whether the Police Department would be afforded the room to expand as they had planned in each of the three scenarios.

**A:** Mr. Casey stated that in all scenarios, except for Scenario A that pushed the existing ramp to the north, office space would be disconnected from the new addition.

Jeff Gerber, PGAL, advised that the main part that the Police Department had wanted to expand into was where the existing Municipal Court facility was now. In all three scenarios, the Police Department could expand into that area as they had planned to. In some of the scenarios there was more expansion space in the basement level potentially underneath the addition.

**Q:** Councilman Avioli noted that each of the scenarios addressed moving equipment around in the footprint of the Central Water Plant. He inquired as to whether there had been any costing for that.

**A:** Mr. Casey stated that his firm had not done any costing at this time.

**Q:** Councilman Avioli inquired as to whether PGAL had an idea as to which scenario would be the most costly.

**A:** Mr. Gerber advised that Scenario B had the least impact on the Central Water Plant, as it did not impact the plant at all. The other two scenarios pushed into the footprint of the Central Water Plant slightly. PGAL’s goal was not to impact the piping.

City Manager Satterwhite advised that the water plant improvements would be roughly the same, but located in different areas of the footprint based on the scenario selected by City Council.

**Q:** Councilman Avioli inquired as to whether Scenario B was considered the most costly.

**A:** Mr. Gerber stated that Scenario B had the least impact to the existing footprint of the Central Water Plant.
**Q:** Councilman Avioli indicated that he was trying to determine which scenario had the least number of cons associated with it. It appeared that Scenario B had the least number of cons.

**A:** Mr. Gerber stated that the biggest con to Scenario B was the fact that there was a very nice large tree that would be impacted. Scenario C worked around that tree.

**City Manager Satterwhite** pointed out that, as stated by Councilman McLaughlan, there were probably many more possible options for this facility.

**Q:** Councilman Will Hickman stated that the addition appeared to be square-shaped in Scenario A, rectangular in shape in Scenario B; and L-shaped in Scenario C. He inquired as to whether the shape affected the functionality of the Municipal Court.

**A:** Mr. Casey advised that if the new addition could be of a simpler shape, it might allow more flexibility in the future. All of the scenarios were possible and could be functional.

**Q:** Councilman Hickman referred to the ramp which was right next to the entrance to the parking lot on Jessamine in Scenario B. In Scenario C, the ramp and entrance to the parking lot on Jessamine Street were combined. He inquired as to whether those could be combined in Scenario B.

**A:** Mr. Casey stated that the two could be combined. He noted that his firm addressed many other scenarios that had not been discussed or shown this evening.

**Q:** Councilman Hickman inquired as to whether the Municipal Court facility could be located at the Fire Station.

**A:** Mr. Gerber indicated that during the concept design phase for the Fire Station, PGAL showed a location where the same footprint could be attached to the Fire Station. It would be sitting in the parking lot that was next to the existing Fire Station.

**Q:** Councilman Phil Nauert referred to the three different scenarios. It appeared that Scenario A maintained the existing ramps into the sally port and maintained the existing trees. Scenarios B and C moved the ramp over a bit. The difference between Scenarios B and C was to facilitate keeping a tree in place. He inquired as to what kind of tree was on the site and how old it might be.
A: Mr. Gerber advised that it was a healthy, good-sized live oak tree. The goal was to show City Council that the tree did not have to be removed to have the addition.

Q: Councilman Nauert inquired as to whether a tree of that size could be moved.

A: Mr. Gerber stated that the tree could be moved.

C: Councilman Nauert stated that between Scenarios B and C, the rectangular-shape seemed to be a little more cost-effective to build than an L-shape.

R: Mr. Gerber advised that Councilman Nauert was correct.

C/Q: Councilman Nauert stated that it looked as if Scenario B involved less modification of the parking lot configuration. He inquired as to whether Mr. Gerber had any idea as to the cost efficiencies of picking the tree up and moving it in order to construct a less expensive building.

A: Mr. Gerber advised that trees of that size had been moved on other projects they had worked on. He estimated the cost to be somewhere in the range of $25,000-30,000.

C: Councilman Nauert stated that the cost to move the tree seemed to be high, but it was not high when one spoke in terms of construction.

R: Mr. Gerber advised that Councilman Nauert was correct.

C: Councilman Nauert suggested that the City consider the efficiencies of moving the tree and memorial plaque to another area in the City and take the necessary steps to ensure that the tree was cared for.

C: Councilman McLaughlan noted that all discussions this evening had centered on the Municipal Court being placed in the new facility. The existing Municipal Court facility could remain in its current location and the new addition could be used for the expansion of the Police Department.

R: Mr. Gerber concurred with Councilman McLaughlan. He advised that Scenario B would make the most sense if the new addition were to be used for expansion of the Police Department.
C: **Councilman McLaughlan** stated that he did not want to lose sight of the fact that the addition could be used by the Police Department.

Q: **Councilman Hickman** inquired as to how often Municipal Court was in session.

A: **Judge Lisa Wesely** stated that Municipal Court was in session on Tuesdays and Wednesdays. The session on Tuesday started at either 8:30 a.m. or 9:00 a.m. and ran until noon or 1:00 p.m. and occasionally lasted all day. The evening arraignment dockets started at 5:30 p.m. and ran sometimes as late as 10:00 p.m. On Wednesdays, the session started at either 9:30 a.m. or 10:00 a.m. and generally lasted until 5:00 p.m. or 6:00 p.m. Every once in a blue moon, the Municipal Court would hold a session on Monday or Friday, depending on what was going on (i.e., once very two years). She did not see any reason to expect a Monday or Friday session in the foreseeable future.

Q: **Mayor Pro Tem Peggy Faulk** inquired as to which of the options that PGAL would recommend at this point.

A: **Mr. Casey** indicated that he would recommend either Scenario B or C.

**Mr. Gerber** stated that Scenario B was the most cost-effective and would provide the most flexibility.

**MOTION TO ACCEPT REPORT INTO THE RECORD:**

A **motion** was made by Councilman Phil **Nauert** and **seconded** by Councilman **Pat McLaughlan** to accept the **Feasibility Study Report for the Municipal Court** as presented by PGAL into the record.

**VOTE ON MOTION TO ACCEPT REPORT INTO THE RECORD:**

Motion **carried** unanimously on a 6-0 vote as follows:

**FOR:**
- Hickman, Will
- Avioli, James P., Sr.
- Faulk, Peggy
- Nauert, Phil
- McLaughlan, Pat
- Jeffery, John
G. NEW BUSINESS:

1. SPECIAL RECOGNITION:

   Centennial Planning Committee

   SPECIAL RECOGNITION of the members of the Centennial Planning Committee for their outstanding contributions, dedication, and support in the planning phases and events comprising Bellaire’s Centennial Celebration – Recognition by Mayor Cindy Siegel.

   Members to be recognized include: Jamie Allen, Kathy Biddle, Bill Borden, Eric Coan, Cindy Cozewith, Linda Dyson, Jay Ginsburg, Sarah Ginsburg, Jenni Malone, Lynn McBee, Diane McLaughlan, Pauline McRae, Jeffery Mills, Phil Murray, David Schlosberg, and Sharon Veldman.

   Note: This agenda item was considered earlier in the meeting. See page 9 of these minutes for discussion related to this item.

2. CONSENT AGENDA:

   Bid Award(s)/Rejection(s)

   a. CONSIDERATION of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 09-007, Wastewater Treatment Odor Counteractant, to the following bidders for the purchase and delivery of various odor counteractants used at the Bellaire Wastewater Treatment Plant based on the lowest price bid for each item: Reliant Chemical and Maintenance for odor encapsulator in an amount not to exceed $4,997.00, granular odor counteractant in an amount not to exceed $1,903.44, and granular calcium hypochlorite (HTH) in an amount not to exceed $3,834.48; and USA Bluebook for deodorant blocks in an amount not to exceed $1,932.96, and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with Reliant Chemical and Maintenance and with USA
Bluebook for the referenced products and delivery in the amounts previously stated – Item submitted by Director of Public Works Joe Keene.

b. CONSIDERATION of and possible action on a recommendation from the Bellaire Public Works Department to reject the bids received for Bid No. 09-010, Chlorinator and Sulfur Dioxide Maintenance, and authorization for the Bellaire Public Works Department to re-bid said service – Item submitted by Director of Public Works Joe Keene.

c. CONSIDERATION of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 09-011, Cationic Polymer, to the lowest responsive bidder, Fort Bend Services, Inc., in an amount not to exceed $20,898.00, and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with Fort Bend Services, Inc., for said product and delivery in an amount not to exceed $20,898.00 – Item submitted by Director of Public Works Joe Keene.

d. CONSIDERATION of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 09-012, Wastewater Treatment Plant Activated Sludge Disposal, to the lowest responsive bidder, City Waste, in an amount not to exceed $379.00 per 20 cubic yard load in a 25 cubic yard or 30 cubic yard container and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with City Waste for said services in the amount previously stated – Item submitted by Director of Public Works Joe Keene.

Surplus Property

e. CONSIDERATION of and possible action on a request from the following City departments to dispose of certain unusable City property by either discarding or auctioning said property: Finance, Parks & Recreation, Police, Fire, Library, and Organizational Services – Item submitted by
MOTION TO APPROVE CONSENT AGENDA:

A motion was made by Councilman Will Hickman and seconded by Councilman Phil Nauert to approve the Consent Agenda dated February 16, 2009, consisting of the following items:

- Award of Bid No. 09-007, Wastewater Treatment Odor Counteractant, to bidders bidding the lowest price for various items as follows: Reliant Chemical and Maintenance in an amount not to exceed $4,997.00 for odor encapsulator, $1,903.44 for granular odor counteractant, and $3,834.48 for granular calcium hypochlorite (HTH) and USA Bluebook in an amount not to exceed $1,932.96 for deodorant blocks and adoption of an ordinance authorizing the Mayor and City Clerk to execute and attest, respectively, a Standard Form of Agreement with Reliant Chemical and Maintenance and with USA Bluebook;

  {Ordinance was subsequently numbered: 09-005}

- Rejection of Bid No. 09-010, Chlorinator and Sulfur Dioxide Maintenance, and authorization to re-bid said service.

- Award of Bid No. 09-011, Cationic Polymer, to the lowest bidder, Fort Bend Services, Inc., in an amount not to exceed $20,898.00 and adoption of an ordinance authorizing the Mayor and City Clerk to execute and attest, respectively, a Standard Form of Agreement with Fort Bend Services, Inc.;

  {Ordinance was subsequently numbered: 09-006}

- Award of Bid No. 09-012, Wastewater Treatment Plant Activated Sludge Disposal, to the lowest bidder, City Waste, in an amount not to exceed $379.00 per 20 cubic yard load in a 25 cubic yard or 30 cubic yard container and adoption of an ordinance authorizing the Mayor and City Clerk to execute and attest, respectively, a Standard Form of Agreement with City Waste; and
Authorization of a request from the following City departments to dispose of certain unusable City property by either discarding or auctioning said property: Finance, Parks & Recreation, Police, Fire, Library, and Organizational Services.

VOTE ON MOTION TO APPROVE CONSENT AGENDA:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
     Avioli, James P., Sr.
     Faulk, Peggy
     Nauert, Phil
     McLaughlan, Pat
     Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

3. ADOPTION OF ORDINANCES:

   Appointment

   a. CONSIDERATION of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, appointing Rosivel Reyes as Deputy Court Clerk of the Municipal Court of the City of Bellaire, Texas, for a two-year term commencing on February 16, 2009, and expiring on February 15, 2011; and providing that any appointments of Deputy Court Clerks of the Municipal Court of the City of Bellaire, Texas, in conflict with this appointment are hereby terminated – Item submitted by Chief Financial Officer Donna Todd.

   SUMMARY:

   City Manager Bernard M. Satterwhite, Jr., advised that the agenda item before City Council represented the filling of a vacancy in the Bellaire Municipal Court. The Deputy Court Clerk to be appointed would be working for the City’s Municipal Court Clerk, Belinda Flores, Judge Lisa Wesely, and Chief Financial Officer Donna Todd. All three were present this evening and available to answer questions.
MOTION TO ADOPT ORDINANCE:

A motion was made by Councilman John Jeffery and seconded by Councilman Pat McLaughlan to adopt an ordinance of the City Council of the City of Bellaire, Texas, appointing Rosivel Reyes as Deputy Court Clerk of the Municipal Court of the City of Bellaire, Texas, for a two-year term commencing on February 16, 2009, and expiring on February 15, 2011; and providing that any appointments of Deputy Court Clerks of the Municipal Court of the City of Bellaire, Texas, in conflict with this appointment are hereby terminated.

QUESTIONS/COMMENTS FROM CITY COUNCIL:

{Legend:  A – Answer; C – Comment; Q – Question; R – Response}

Q: Councilman Phil Nauert stated that he would like to hear from the potential employee's supervisors as to her suitability for the job.

A: Judge Lisa A. Wesely advised that there were three Clerks that worked in Municipal Court. The Municipal Court had been without one of the Clerks since the end of July. The Clerks did a little bit of everything from handling people at the window, taking payments, and answering questions at the window and by telephone. Everyone knew from living in the area that being bilingual was a huge asset. Court Clerk Belinda Flores, the Chief Clerk, was bilingual. The Clerk to be appointed was also bilingual. The need to have an additional Clerk who was bilingual was part of the reason that it took so long to fill the vacancy.

Court Clerk Flores was certified by the State of Texas to act as a court translator. That law was passed six years ago and grandfathered in people who had acted in that capacity. In informal circumstances, Ms. Reyes would be able to translate as well. Judge Wesely noted that the Municipal Court had an obligation under law to provide an interpreter for people who needed it.

The Clerks did all of the filing and kept track of monies that were required to be remitted to the State. They were also responsible for handling the software package that allowed them to transmit information to the Finance Department and to troubleshoot with respect to that software package. The Clerks generated the City's
warrants for people who chose not to appear in court as required, as well as made sure the warrants were properly issued and filed. Additionally, the Clerks input all the information from tickets issued by the City and generated complaints.

The Clerks assisted the Bellaire Dispatch Office with warrants and served as translators for them, as needed.

Q: Councilman Nauert inquired as to whether the prospective candidate was qualified in all the regards cited by Judge Wesely.

A: Judge Wesely advised that she believed that the prospective candidate was. She had been working with Court Clerk Flores for the last week and one-half.

Court Clerk Belinda Flores advised that Ms. Reyes had caught on very quickly.

Judge Wesely stated that the City had hired a temporary worker in the interim while seeking a permanent candidate for the position. The temporary worker was with the City for four months and never caught on. The job was not easy—one had to be able to juggle many “balls” in that particular position.

**VOTE ON MOTION TO ADOPT ORDINANCE:**

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
Avioli, James P., Sr.
Faulk, Peggy
Nauert, Phil
McLaughlan, Pat
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

{Ordinance was subsequently numbered: 09-008}

**Code Amendment**

b. CONSIDERATION of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire,
Texas, reviewing the Investment Policy of the City of Bellaire, Texas, and amending Chapter 2, Administration, Article I, In General, Section 2-10, Investment policy, of the Code of Ordinances of the City of Bellaire, Texas ("Code"), by repealing the existing Section 2-10, and adopting a new Section 2-10, Investment policy, for the purpose of updating said policy – Item submitted by Chief Financial Officer Donna Todd.

MOTION TO ADOPT ORDINANCE:

A motion was made by Councilman Pat McLaughlan and seconded jointly by Councilman John Jeffery and Councilman Phil Nauert to adopt an ordinance of the City Council of the City of Bellaire, Texas, reviewing the Investment Policy of the City of Bellaire, Texas, and amending Chapter 2, Administration, Article I, In General, Section 2-10, Investment policy, of the Code of Ordinances of the City of Bellaire, Texas ("Code"), by repealing the existing Section 2-10, and adopting a new Section 2-10, Investment policy, for the purpose of updating said policy.

SUMMARY:

Chief Financial Officer Donna Todd advised that the item before City Council this evening was placed on the agenda so that the City could comply with the requirements of the Texas Public Funds Investment Act ("Act") that governed how the City invested its funds. The Act required an annual review by the City Council and adoption of a written instrument indicating that the Investment Policy ("Policy") had been reviewed by the City Council and that City Council was in agreement with any revisions.

Chief Financial Officer Todd indicated further that this year she had recommended several revisions to the City’s Policy. Last year was the first opportunity Chief Financial Officer Todd had to go through the Policy. At that time she had recommended several updates to bring the Policy more in line with all of the nuances of the Act (i.e., including more information to clarify what the City was allowed to do). She provided that Policy to the Government Treasurer’s Organization of Texas ("GTOT”), which had a Certification Review Committee ("Committee"). The Policy did receive a two-year certification from the Committee. The Committee also made several suggestions for updating the language in the City’s Policy and those changes were included in Chief Financial Officer Todd’s
recommendations before City Council this evening, as well as one other recommendation that she wished to make.

Chief Financial Officer Todd’s recommendation related to expanding some of the language to give the City more flexibility in the type of investing that the City would like to do. This recommendation was listed under “Objectives and Strategy.” Currently, the City’s diversification addressed investment type and maturity to manage the City’s risk in the portfolio. The Policy restricted the stated maturity of any investment to 24 months and specified that the weighted average maturity would not exceed 180 days. In order to provide more flexibility, Chief Financial Officer Todd advised that she recommended that City Council change the “24 months stated maturity” to “36 months” and that the weighted average maturity be changed from “180 days” to “365 days.” She believed that by making these changes the City would not compromise its objectives in terms of the priority.

For example, Chief Financial Officer Todd received many commentaries and offers from broker dealers on a daily basis. If there were a three-year security with a one-year call protection, which she would view in this market as a one-year investment, she could not purchase it because she was limited to 24 months.

The remaining recommendations were from the GTOT. For example, under “Training,” the GTOT asked that the City add a specific sentence as follows: “The City shall provide periodic training in investments for the investment officers through courses and seminars offered by professional organizations and associations in order to ensure the quality and capability of the City’s investment officers making investment decisions in compliance with the Act.”

In terms of “Authorized Investments,” in the 2005 Legislative Session, the word “domicile” was changed to “that has its main office or branch office.” The wording for that would read as follows: “Certificates of Deposit issued by a depository institution that has its main office or branch office in the State.”

Under “Investment Management,” the GTOT suggested that the City clarify that its investment pools were not accomplished through a competitive bidding process, as would be some of the other investment transactions. Chief Financial Officer Todd made that distinction by stating that “Each investment transaction exclusive of investment pool transactions must be based upon competitive quotations.”
The final recommendation from the GTOT was in terms of reporting. The recommendation was that the City make a distinction that when market values of securities were received that those could be received from any of the City's broker dealers and not necessarily the broker dealer who sold the security. To meet that suggestion, Chief Financial Officer Todd stated that the "CFO may use any generally accepted method to monitor the market price of investments including, but not limited to, periodic reports from any of the approved broker dealers whether or not that broker dealer actually sold the security to the City."

QUESTIONS/COMMENTS FROM CITY COUNCIL:

{Legend: A – Answer; C – Comment; Q – Question; R – Response}

Q: Councilman John Jeffery referred to the "Objectives and Strategy" section of the Policy. He asked if Chief Financial Officer Todd could change the statement to "24 months up to 36 months" and a "weighted average maturity of 180 days up to 365 days." He noted that this would not restrict the City to "one" number.

A: Chief Financial Officer Todd stated that even though one number was stated, that number represented the maximum time period and weighted average maturity.

Q: Councilman Jeffery asked for confirmation that "36 months was the maximum period.

A: Chief Financial Officer Todd advised that Councilman Jeffery was correct.

Q: Councilman James P. Avioli, Sr., asked if Chief Financial Officer Todd felt that there would be a great impact to cash management by increasing the period from 24 months to 36 months.

A: Chief Financial Officer Todd stated that she did not feel there would be a great impact. There were other controls in place. This recommendation merely provided the City with more flexibility, particularly in this market, to buy something with a little better interest rate than the 24 months.
C: Councilman Will Hickman referred to the second "whereas" clause on page 1. There appeared to be a typo with respect to the word "act."

R: City Attorney Alan P. Petrov advised that the typo could be corrected administratively and would not require an amendment from the floor.

Q: Councilman Hickman referred to page 4, Certificates of Deposit (CD), and inquired as to the current Federal Deposit Insurance Corporation (FDIC) limit and whether or not the City purchased CDs from various banks.

A: Chief Financial Officer Todd advised that the City did have CDs with its current depository bank (Amegy Bank). Those were put together as part of the management of the balances to allow the bank to provide letters of credit for collateral, which was cheaper for the banks than providing securities. Amegy Bank was a participant in the Troubled Assets Relief Program (TARP). Through December 31, 2009, the FDIC coverage was unlimited on the City’s non-interest bearing accounts. Typically, the coverage was $100,000. On certain other types of accounts, the coverage might be $250,000.

VOTE ON MOTION TO ADOPT ORDINANCE:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
Avioli, James P., Sr.
Faulk, Peggy
Nauert, Phil
McLaughlan, Pat
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

{Ordinance was subsequently numbered: 09-009}

Code Suspension

c. CONSIDERATION of and possible action on the adoption of an ordinance of the City of Bellaire, Texas, temporarily suspending the application of Chapter 27, Streets,
Sidewalks and Public Places, Section 27-95, Curfew imposed, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of allowing the Patrons for Bellaire Parks, Inc., to hold a special event, Tents in Town, in Bellaire Zindler Park located in Bellaire Town Square, 7008 South Rice Avenue, Bellaire, Texas, said suspension to commence at 11:00 p.m. on Saturday, March 28, 2009, and to terminate at 5:30 a.m. on Sunday, March 29, 2009 – Item submitted by Director of Parks & Recreation Jane L. Dembski on behalf of the Patrons for Bellaire Parks, Inc.

SUMMARY:

City Manager Bernard M. Satterwhite, Jr., advised that the agenda item before City Council this evening was related to a fundraising event being hosted by the Patrons for Bellaire Parks, Inc. The City was going to help out with the event as well. The event was basically a “campout.” Sharon Veldman, President of the Patrons for Bellaire Parks, Inc., and Parks and Recreation Director Jane L. Dembski were present this evening and could answer any questions that City Council might have. The group had coordinated their efforts through the Police and Fire Departments, but now needed to ask for a curfew suspension from a policy standpoint.

MOTION TO ADOPT ORDINANCE:

A motion was made by Councilman Phil Nauert and seconded by Councilman John Jeffery to adopt an ordinance of the City of Bellaire, Texas, temporarily suspending the application of Chapter 27, Streets, Sidewalks and Public Places, Section 27-95, Curfew imposed, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of allowing the Patrons for Bellaire Parks, Inc., to hold a special event, Tents in Town, in Bellaire Zindler Park located in Bellaire Town Square, 7008 South Rice Avenue, Bellaire, Texas, said suspension to commence at 11:00 p.m. on Saturday, March 28, 2009, and to terminate at 5:30 a.m. on Sunday, March 29, 2009.

VOTE ON MOTION TO ADOPT ORDINANCE:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
      Avioli, James P., Sr.
      Faulk, Peggy
FOR (CONT.): Nauert, Phil  
McLaughlan, Pat  
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

{Ordinance was subsequently numbered: 09-010}

4. ADOPTION OF RESOLUTION:

Donation to Bellaire City Library

CONSIDERATION of and possible action on the adoption of a resolution of the City Council of the City of Bellaire, Texas, accepting a donation in the amount of $10,958.00 from the Friends of the Bellaire Library for the purchase of reference material, website subscription, program support for children’s and teen programs, furniture, equipment, children’s materials, Bookpage magazine, and Big Read books – Item submitted by Director of Library Mary A. Alford on behalf of the Friends of the Bellaire Library.

MOTION TO ADOPT RESOLUTION:

A motion was made by Councilman John Jeffery and seconded by Councilman Will Hickman to adopt a resolution of the City Council of the City of Bellaire, Texas, accepting a donation in the amount of $10,958.00 from the Friends of the Bellaire Library for the purchase of reference material, website subscription, program support for children’s and teen programs, furniture, equipment, children’s materials, Bookpage magazine, and Big Read books.

VOTE ON MOTION TO ADOPT RESOLUTION:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will  
Avioli, James P., Sr.  
Faulk, Peggy  
Nauert, Phil  
McLaughlan, Pat  
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy
{Resolution was subsequently numbered: 09-02}

H. ADJOURNMENT.

MOTION TO ADJOURN:

A motion was made by Councilman Pat McLaughlan and seconded by Councilman John Jeffery to adjourn the Regular Session of the City Council of the City of Bellaire, Texas, at 8:41 p.m. on Monday, February 16, 2009.

VOTE ON MOTION TO ADJOURN:

Motion carried unanimously on a 6-0 vote as follows:

FOR: Hickman, Will
Avioli, James P., Sr.
Faulk, Peggy
Nauert, Phil
FOR (CONT.): McLaughlan, Pat
Jeffery, John

OPPOSED: None

ABSENT: Siegel, Cindy

Respectfully submitted,

____________________________
Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

Approved:

____________________________
Peggy Faulk, Mayor Pro Tem
City of Bellaire, Texas