REGULAR SESSION – 7:00 P.M.

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

Mayor Cindy Siegel called the City Council of the City of Bellaire, Texas, to order at 7:02 p.m. on Monday, July 6, 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 Siegel announced 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;
Mayor Pro Tem Peggy Faulk, Position No. 3;
Councilman Pat McLaughlan, Position No. 5; and
Councilman John Jeffery, Position No. 6.

Councilman Phil Nauert, Position No. 4, 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 – Councilman Pat McLaughlan.

Councilman Pat McLaughlan presented the inspirational reading for the evening. He began by noting that he had enjoyed the City’s Fourth of July celebration held on Saturday, July 4, 2009. He advised that although the Fourth of July was a time of family fun and enjoyment, it was also a serious time to reflect on the many freedoms that Americans enjoyed. He next read a quotation by Erma Bombeck, American humorist and columnist, that contained a glimpse of the serious side of the Fourth of July and a humorous side of the Fourth of July as follows:

You have to love a nation that celebrates its independence every July 4th, not with a parade of guns, tanks, and soldiers who file by the White House in a show of strength and muscle, but with family picnics where kids throw Frisbees, the potato salad gets iffy, and the flies die from happiness. You may think you have overeaten, but it is patriotism.
C. PLEDGES TO THE FLAGS – Councilman Pat McLaughlan.

1. U.S. PLEDGE OF ALLEGIANCE.

2. PLEDGE TO THE TEXAS FLAG.

Councilman Pat McLaughlan led the audience and the City Council in the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

D. PERSONAL/AUDIENCE COMMENTS.

Jim Burrough, 4613 Holt Street, Bellaire, Texas:

Mr. Burrough advised that this evening, after receiving input from the Parks and Recreation Department Staff, City Council would likely vote on the proposal that he had been advocating for the extension of the pool hours at The City of Bellaire Elaine Wood Therapy Pool. As he had said before, the pool was far too important of an asset to the community to be closed down at 7:00 p.m. before many of the still-working citizens got home from work, had a decent meal, and then stopped by the pool for a leisurely swim.

Mr. Burrough presented many reasons for advocating the change in pool hours to City Council at previous meetings. He advised that he would not consume City Council’s time this evening by reiterating each one of those details. Suffice it to say that if it was opened, Mr. Burrough believed that people would come and the pool would be utilized.

Additionally, Mr. Burrough requested that if City Council decided that extending the hours was in the best interests of the citizens of Bellaire and instructed the City Manager to extend the pool therapy hours, he would ask that City Council also instruct the City Manager that the change should be applied to the 2010 season as a full test of the therapy pool’s utilization in the early evening.

Mr. Burrough thanked City Council for their patience with him over the last few months. He had relearned much about the workings of his City government and indicated that it was knowledge that would not be wasted.

Lynn McBee, 5314 Evergreen Street, Bellaire, Texas:

Ms. McBee indicated that she had several topics that she wished to address this evening, the first of which was item F. 2., a proposed lease agreement with Chevron in order to temporarily house the Bellaire Fire Department during the period of the construction of the new fire station. In general, she had no problem with the agreement as proposed. She did have a problem
with some aspects of the report that was turned in covered by the City Manager and by City Staff. The numbers did not match in several areas of the report. She advised that she would not detail those areas as most of City Council had probably already detected that.

Another critique of the report was that it ambitiously stated eight key factors that were taken into consideration, such as cost, emergency response time, impact on the community, accessibility, security, space, flexibility, and availability. Those factors were perfectly reasonable for criteria to be used in analyzing a facility. However, those measures were not used in each of the options presented (i.e., the Chevron recommendation, City Hall, private property, or the fourth option). It seemed to Ms. McBee that the factors selected should be imposed on each of the options and shown to be either a “plus” or a “minus.” The ultimate conclusion would be the option with the best score. Although Ms. McBee had stated her critique of the report, she still concurred with the result.

The second topic Ms. McBee wished to address was the report by the City Manager, which contained a good deal of interpretive property law. She asked that the City Manager always defer to the City Attorney who was licensed to practice law when it came to matters of law. Ms. McBee stated that she hoped City Council would address questions to the City Attorney in the course of deliberations this evening.

The last topic Ms. McBee wished to address was the proposal as an alternative means for performing construction phase services (i.e., whether to outsource or perform such services in-house). If her memory served correctly, Councilman Avioli initially raised the question during budget time approximately one year ago or more. She was pleased to see that the question was given attention and thoroughly addressed in the analysis that the City Manager produced.

Ms. McBee advised that she did not have a problem with the construction phase services issue and certainly supported outsourcing the services. She believed the City would get better independence from a contractor than the City would necessarily get from an employee. The contractors had professional expertise that depended often on licensing and a Code of Ethics that was separate from an employee’s of the City. This was not to say anything against the employees. Her reason for outsourcing the construction phase services, even if it cost more, was the independence of that outsourced person.
E. REPORT:

CITY MANAGER’S REPORT regarding residential safety (police activity report), public infrastructure/utilities (street and drainage projects update and Loftin Park playground construction update), cultural and recreational (library reading program and summer parks and recreation programs), community/technology (Council Chamber sound system issues), crime and building permit indicators, current issues/information (report on cost to remove blue line on Bellaire Boulevard), and upcoming City Council meetings/events – Presented by City Manager Bernard M. Satterwhite, Jr.

City Manager Bernard M. Satterwhite, Jr., presented the City Manager’s Report to City Council.

Residential Safety

City Manager Satterwhite indicated that an armed robbery had occurred last Thursday evening at the U.S. Post Office in which two people were robbed at gunpoint. The police pursued the suspects, and the suspects were apprehended in the vicinity of Bellaire Boulevard and Gessner Street. It was his understanding that the suspects were involved in previous robberies in the City of Houston.

Infrastructure/Utilities

With respect to street and drainage projects, City Manager Satterwhite did not have a great deal to report other than the fact that the projects currently underway were going well. The detour on Newcastle Drive, both north and south, had caused some issues for the 4500 block of Holt Street. The issues were being worked via traffic control and monitoring of speed in the area of the detour.

The change order approved by City Council for the 2008 Sidewalk Repair/Maintenance Project had been incorporated into the project, and the project was progressing overall.

With respect to the Loftin Park playground, it was noted that a large portion of the concrete trail had been installed, as well as the play features. The remainder of the trail had been graded and would be installed soon.

Cultural and Recreational

The Bellaire City Library Reading Program was noted to be going at a pace that would exceed the previous year. There was a teen reading program this year, with a significant number of teens involved.
The Parks and Recreation Department programs were also going very well this summer. The City’s Fourth of July Parade and Festival was well attended, despite the heat. Mayor Pro Tem Peggy Faulk did a very good job of introducing the program that day on behalf of Mayor Siegel.

Community/Technology

City Manager Satterwhite referred to the sound system issues the City was having in the Council Chamber. The microphones were not part of the problem. He advised that the microphones were state-of-the-art and had been replaced three years ago. Additionally, most of the components in the cable room were digital. The problem was between the City’s in-house system and the cable system. The problem was being worked on by the City’s consultants and consultants with Comcast Cable. The City anticipated that the situation would be rectified in the near future.

The overhead speakers in the Council Chamber itself were a problem. If the speaker volume was turned up, the City got feedback through the microphones. City Manager Satterwhite advised that the City would be purchasing better speakers in the near future.

Current Issues/Information

City Manager Satterwhite advised that Mayor Pro Tem Peggy Faulk had inquired at the last meeting as to the cost to remove the blue lines painted on Bellaire Boulevard by the Metropolitan Transit Authority of Harris County, Texas (METRO). The cost to grind the blue lines off was estimated to be $9,100. The blue lines had been painted with a thermal, plastic paint. City Staff would prefer to grind the lines off and seal the area ground off with a white stripe or line. The cost to seal the area with a white stripe was estimated to be another $29,000+. The total estimated cost for removal and repainting was noted to be $39,200.

Upcoming Meetings/Events

Upcoming meetings/events were noted as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Type of Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 20</td>
<td>7:00 p.m.</td>
<td>Regular Session, with Budget Presentation</td>
</tr>
<tr>
<td>July 21</td>
<td>7:00 p.m.</td>
<td>Workshop Session on Budget</td>
</tr>
</tbody>
</table>

QUESTIONS/COMMENTS FROM CITY COUNCIL:

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

Q: Councilman James P. Avioli, Sr., stated that he would not be able to attend the City Council Sessions on July 20 and 21. He inquired as
to whether the remainder of City Council would be able to attend those meetings.

A: Mayor Cindy Siegel indicated that she had not heard that anyone else would be absent on those evenings. She then inquired of those present if they would be able to attend those meetings.

Those City Council members present indicated by a nod of their heads that they would be present for the July 20 and 21 City Council Sessions.

Q: Mayor Siegel inquired of City Manager Satterwhite as to whether or not the meetings would be digitally recorded.

A: City Manager Satterwhite indicated that the meetings would be digitally recorded onto a DVD-Rom. He noted that no action would be taken during the Workshop Session. City Council would then have five or six weeks between that presentation and the public hearing to review the budget. A Special Session was scheduled on the evening following the public hearing on the budget for City Council to discuss, debate, and take possible action on the budget document.

C: Mayor Siegel advised that Councilman Avioli would be able to review the DVD-Rom for each meeting.

MOTION TO ACCEPT REPORT INTO THE RECORD:

A motion was made by Councilman Pat McLaughlan and seconded by Councilman James P. Avioli, Sr., 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: Siegel, Cindy
      Hickman, Will
      Avioli, James P., Sr.
      Faulk, Peggy
      McLaughlan, Pat
      Jeffery, John

OPPOSED: None

ABSENT: Nauert, Phil
F. NEW BUSINESS:

1. CONSENT AGENDA:

   Approval/Correction of Minutes

   a. APPROVAL of the minutes of the Special Session (Interviews) and Regular Session of the City Council of the City of Bellaire, Texas, held Monday, June 1, 2009 – Item submitted by City Clerk Tracy L. Dutton.

   b. APPROVAL of the minutes of the Special Session (Interviews) and Regular Session of the City Council of the City of Bellaire, Texas, held June 15, 2009 – Item submitted by City Clerk Tracy L. Dutton.

MOTION TO APPROVE CONSENT AGENDA:

A motion was made by Councilman Pat McLaughlan and seconded by Councilman James P. Avioli, Sr., to approve the Consent Agenda dated July 6, 2009, consisting of the following items:

- Minutes of the Special Session (Interviews) and Regular Session held on June 1, 2009; and

- Minutes of the Special Session (Interviews) and Regular Session held on June 15, 2009.

VOTE ON MOTION TO APPROVE CONSENT AGENDA:

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

FOR:  
   Siegel, Cindy  
   Avioli, James P., Sr.  
   Faulk, Peggy  
   McLaughlan, Pat  
   Jeffery, John

OPPOSED:  
   None

ABSENT:  
   Nauert, Phil

ABSTAIN:  
   Hickman, Will*

*Councilman Will Hickman abstained from voting on the approval of the Consent Agenda due to his absence from the
City Council Special Session (Interviews) and Regular Session held on Monday, June 15, 2009.

2. ADOPTION OF ORDINANCE:

CONSIDERATION of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the City Manager of the City of Bellaire, Texas, to execute, and the Chief Financial Officer of the City of Bellaire, Texas, to approve as to funding and business terms, for and on behalf of the City of Bellaire, Texas, a **Lease Agreement** with Chevron U.S.A. Inc. for the use of office space in building BTF-C and a portion of the parking area on a parcel of land in Harris County, Texas, known as the 4800 block of Fournace Place, Bellaire, Texas, to be used for the purpose of a temporary fire station and the parking of trucks and personal vehicles belonging to the City of Bellaire, Texas, and/or its staff for a period commencing on July 6, 2009, and terminating on October 31, 2010, and authorizing the City Manager of the City of Bellaire, Texas, to expend funds to reimburse Chevron U.S.A. Inc. for modification of workspace costs associated with the temporary relocation of the Bellaire Fire Department into said building BTF-C in an amount not to exceed $190,000 – Item submitted by Facilities Management Director Karl Miller.

SUMMARY:

**Karl Miller, Facilities Management Director,** indicated that the item before City Council this evening for review and consideration was to enter into a **Lease Agreement** with Chevron U.S.A. Inc. to provide the necessary facilities for a temporary location for the Bellaire Fire Department while the new fire station was being built.

Over the past several months, City Staff had been exploring numerous options to determine the best location for the Bellaire Fire Department while the current fire station was being demolished and the new fire station was being built. City Staff had looked at several options and felt that Chevron could offer the City an excellent opportunity that would meet the needs of the Bellaire Fire Department and allow the City to continue to provide the same or current level of service to Bellaire’s citizens.

City Staff felt that the Chevron **Lease Agreement** provided a fiscally sound opportunity for the City, and that the location had minimum negative impacts with regard to community services. Director Miller stated that he was sure City Council was aware that moving a fire station was a little more challenging and unique when compared to
moving offices, as there were special needs to be taken under consideration when looking at moving a fire station.

A variety of factors were considered in making the recommendation to City Council this evening, some of which included cost, emergency response time, impact on the community, accessibility, security, space, flexibility, and availability.

City Staff analyzed four options. The first option was the Chevron facility under consideration this evening. City Staff also looked at the Bellaire Civic Center, leasing modular buildings to be located on vacant property, and leasing of another building. With respect to the option of leasing another building, Director Miller advised that a local property management company assisted him in determining the cost associated with the option. Director Miller noted that it was a very expensive venture and extremely difficult to find a suitable location within the corporate limits of Bellaire.

The option of leasing modular buildings and locating those buildings on vacant property was also very expensive, and it was difficult to find a suitable location within the corporate limits of Bellaire.

With respect to the Bellaire Civic Center, Director Miller stated that the Bellaire Fire Department would need the auditorium and meeting rooms facing South Rice Avenue. There were some advantages for a temporary relocation in the Bellaire Civic Center. For example, it was in close proximity to the current Bellaire Fire Station. It would not require the Bellaire Fire Department to “rethink” its emergency routes, and the property was owned by the City of Bellaire.

City Staff felt that the disadvantages for a temporary relocation of the Bellaire Fire Department to the Bellaire Civic Center outweighed the advantages. For example, it would have a negative impact on City Hall operations. The setting would not be conducive for the Bellaire Fire Department even with the renovations that would be required. It would eliminate the parking lot at the far end of the building that was currently being used by park patrons, pool patrons, and senior citizens, as the area would have to be fenced off to secure the fire engines, other apparatus, and vehicles.

A temporary relocation to the Bellaire Civic Center would also require the City to cancel and lose any rentals and private special events that were currently or might be scheduled in the future in the Civic Center. It would also require the cancellation of long-standing community group meetings. The relocation would have a tremendous impact on the Parks and Recreation Department, the Bellaire L.I.F.E. programs (senior citizen programs), and the community’s special events. The estimated loss in revenue would be approximately $27,000.
The total estimated cost to make the Bellaire Civic Center area “make-ready,” moving, and all miscellaneous identified expenses was noted to be $216,400 plus the loss of revenue and the negative impact on the community. If the loss of revenue were included with the other costs noted, the estimated cost to the City for a move to the Bellaire Civic Center would be $243,400.

With respect to the Chevron property, Director Miller advised that there were some disadvantages associated with relocating to that property. For example, the City did not own the property. A move to the location would require the Bellaire Fire Department to determine new emergency routes. Director Miller noted that Fire Chief Darryl Anderson had put some thought into the issue and felt comfortable that the emergency routes the Bellaire Fire Department had identified would adequately meet the needs of the City.

Another disadvantage was the fact that the Chevron property was not centrally located as compared to the current Bellaire Fire Station. There would be an additional monthly service fee for after-hour utilities (i.e., evenings, weekends, and holidays) and after-hour services of $2,500 per month. Chevron stated that they would be willing to look at that cost and make any necessary adjustments after Bellaire moved in and a more accurate cost could be determined.

The advantages for relocating to the Chevron property, in the opinion of City Staff, far outweighed the disadvantages. Moving would not disrupt community services currently made available through the Bellaire Civic Center and there would be no loss in revenue. The lease rate for the length of stay at the Chevron property would be $1. That $1 rate included normal monthly utilities (Monday through Friday from 8:00 a.m. until 5:00 p.m.), trash removal, fire monitoring, security, and elevator repairs. This lease period would allow the City to stay on schedule for the demolition of the current fire station and construction of the new fire station. The location would provide excellent accommodations for the Bellaire Fire Department. It would allow the Bellaire Fire Department to continue to meet the national standards for emergency response time. It was a highly secured area, with flexible space and grounds. Chevron had stated and demonstrated through all meetings between the City and Chevron that they were very willing to work with the City to meet the needs of the Bellaire Fire Department.

The total estimated cost of relocating to the Chevron property, which would include the “make-ready,” moving expenses, and identified miscellaneous expenses were noted to be $217,960. With that, Director Miller reiterated that there would be no loss in community services or negative impact on revenue generation. The City would have a $2,500 per month after-hour utility and services charge. Chevron had indicated that the monthly charge would not be
implemented until the Bellaire Fire Department actually moved into the facility.

Total cost, if the monthly service were considered and identified expenses, would be $247,960. The difference financially between the Bellaire Civic Center and the Chevron location would be approximately $4,560.

If City Council elected to enter into the Lease Agreement with Chevron, the agreement would go into effect upon signature. There would be a $1 charge for the length of the stay at the Chevron facility. The $2,500 per month utility and services fee would not be charged until the Bellaire Fire Department actually moved into the facility. Due to the high level of security at the Chevron facility, Chevron was requiring that all renovations and moving be performed by their approved contractors.

At the conclusion of the Lease Agreement, the permanent changes that were made to the facility would become the property of Chevron or, if requested by Chevron, the City would be responsible for removing those improvements. With that said and based on his conversations with Chevron, if there were any requests to remove the improvements, the removal would be a minimal.

Director Miller advised that City Staff would like to recommend that City Council approve the proposed Lease Agreement, which had been approved by the City Attorney, as well as authorization for the City Manager to approve the reimbursement of expenditures to Chevron in an amount not to exceed $190,000 for improvements to the Chevron facility.

**MOTION TO ADOPT ORDINANCE AUTHORIZING LEASE AGREEMENT AND REIMBURSEMENT OF MODIFICATION OF WORKSPACE COSTS:**

A motion was made by Councilman John Jeffery and seconded by Councilman Will Hickman to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the City Manager of the City of Bellaire, Texas, to execute, and the Chief Financial Officer of the City of Bellaire, Texas, to approve as to funding and business terms, for and on behalf of the City of Bellaire, Texas, a Lease Agreement with Chevron U.S.A. Inc. for the use of office space in building BTF-C and a portion of the parking area on a parcel of land in Harris County, Texas, known as the 4800 block of Fournace Place, Bellaire, Texas, to be used for the purpose of a temporary fire station and the parking of trucks and personal vehicles belonging to the City of Bellaire, Texas, and/or its staff for a period commencing on July 6, 2009, and terminating on...
October 31, 2010, and authorizing the City Manager of the City of Bellaire, Texas, to expend funds to reimburse Chevron U.S.A. Inc. for modification of workspace costs associated with the temporary relocation of the Bellaire Fire Department into said building BTF-C in an amount not to exceed $190,000.

DISCUSSION ON MOTION TO ADOPT ORDINANCE AUTHORIZING LEASE AGREEMENT AND REIMBURSEMENT OF MODIFICATION OF WORKSPACE COSTS:

Q: Councilman John Jeffery noted that Director Miller had indicated that the City would be spending approximately $217,000 for relocation and workspace renovations costs. He inquired as to whether an amendment needed to be made to increase the $190,000 reimbursement amount to $217,000.

A: Director Miller indicated that it would not be necessary because the expenditures over and above the $190,000 would fall within the City Manager’s approval authority.

City Manager Bernard M. Satterwhite, Jr., advised that the remaining expenditures were not really a part of the Lease Agreement. City Staff wanted to show City Council the entire true cost of the relocation. The actual reimbursement to Chevron would not exceed $190,000. An example of an additional cost was noted to be an Opticon detector, which the City would purchase itself.

Q: Councilman Jeffery referred to the after-hours utilities and services cost of $2,500 per month. He inquired as to whether the amount was similar to what the City paid for utilities and services at the existing Fire Station.

A: Director Miller indicated that the City was paying a little over $1,300 per month (excluding water) for utilities and services at the existing Fire Station. The cost to be paid to Chevron was a little more than the City currently paid. He noted that Bellaire did not know what Chevron had to pay per kilowatt-hour for utilities, noting that it could be significantly higher than Bellaire had to pay. He had similar conversations with Chevron and Chevron advised that they had actually rounded the cost down for Bellaire.

C: Mayor Pro Tem Peggy Faulk advised that since she worked for Chevron she would be abstaining from voting on the Lease Agreement.
C/Q: Councilman James P. Avioli, Sr., advised that the number on page two of Director Miller’s report was incorrect because the cost of the stove had been left off (i.e., $600). With respect to the Lease Agreement, Councilman Avioli inquired as to whether there was a provision to extend the lease term beyond one year.

A: Director Miller indicated that an extension of the lease term was not identified within the Lease Agreement, but based on his conversations with Chevron and their willingness to accommodate the Bellaire Fire Department, Director Miller could not imagine that there would be a problem with an extension. The majority of the building the Bellaire Fire Department would be utilizing was vacant. A small section was being utilized by the company’s credit union. To Director Miller’s knowledge, Chevron had no plans to move anyone into that area.

Q: Councilman Avioli agreed that the Lease Agreement represented a great deal for the City. He was merely concerned that the construction of the new Fire Station might take longer than anticipated.

A: City Attorney Alan P. Petrov indicated that the lease did not have a provision for an automatic lease extension. The situation would be similar to leasing an apartment in that once a person’s lease was up, that person would have to go back and renegotiate for another term. Conceivably, the City could go back to Chevron and negotiate an extension or approve the current Lease Agreement and attempt to obtain some type of extension agreement in the event an extension were needed.

C: Councilman Avioli restated that he believed that this was an excellent deal, but felt that the City legally needed to cover itself.

R: City Manager Satterwhite referred to the fact that there were “out” clauses in the Lease Agreement and for a $1 consideration, he felt that Bellaire had a pretty good lease. Putting an extension in now for a $1 consideration would not get the City much anyway.

City Attorney Petrov advised that Chevron did have the right to terminate the lease with a four-month notice to the City.

Q: Councilman Avioli referred to the improvements to be made to the facility by Bellaire. He also noted that Director Miller indicated that Chevron might not require the City to remove the
improvements. If Chevron did ask the City to remove the improvements, Councilman Avioli inquired as to what would happen.

A: **Director Miller** indicated that the City would be required to remove any permanent improvements. Obviously any temporary things the City did, such as moving in a new stove, would come back to the City. Chevron did not give the City a “blanket” statement that no removal would be required, but based on the current situation, Chevron did not plan on requiring the City to remove the permanent improvements to be made. If, on the other hand, the Bellaire Fire Department temporarily relocated to the Bellaire Civic Center, all permanent improvements would have to be removed to get the Bellaire Civic Center back to its current state.

C/Q: Councilman Will Hickman thanked City Staff for finding this opportunity and thanked Chevron for making the facility available to the City. He referred to the map that was included in the agenda packet and inquired as to which building the Bellaire Fire Department would be located in.

A: **Director Miller** stated that the Bellaire Fire Department would be located in “Building C.”

Q: Councilman Hickman inquired as to where the fire equipment would be located.

A: **Director Miller** indicated that the equipment would be located directly between Building C and Building E.

Q: Councilman Hickman inquired as to whether there was a driveway for access off of South Rice Avenue.

A: **Director Miller** advised that there was a driveway off of South Rice Avenue.

Q: Councilman Hickman inquired as to whether the facility was adequately sized for the Bellaire Fire Department’s operations.

A: **Director Miller** stated that the facility was more than adequate for the Bellaire Fire Department’s operations. He indicated that he did not think the City could have asked for a better temporary set-up.

Q: Councilman Hickman referred to “Section 7” of the *Lease Agreement*, which set out the insurance requirements. He inquired of City Attorney Petrov as to whether the City currently
met those requirements or if additional insurance would need to be purchased.

A: City Attorney Petrov advised that it was his understanding that the City currently met those insurance requirements.

Director Miller and City Manager Satterwhite advised that City Attorney Petrov was correct.

Q: Councilman Hickman referred to the cancellation term wherein Chevron could cancel the lease with notice of 120 days or four months. He advised that this was of concern to him, especially if the City made all of the improvements and were kicked out four months later. He inquired as to whether Director Miller was concerned about that.

A: Director Miller understood Councilman Hickman raising the concern, but advised that he was not real concerned about it. Although it was feasible, he really did not expect it to occur. Based on meetings he had with Chevron, the company seemed very happy to have Bellaire there.

C: Mayor Cindy Siegel noted that she had taken a tour of Chevron’s facilities with their property manager approximately one year ago. The property manager indicated that they had not done any analyses as to where they were going with the facility the City would be leasing or several other outlying buildings on their property.

R: Director Miller advised that the situation outlined by Mayor Siegel was still the same. Chevron had not made any plans for those buildings. Many of the buildings were currently being utilized for storage.

C/Q: Councilman Hickman certainly understood what Mayor Siegel and Director Miller had stated. He was concerned that plans often changed and if Chevron had the ability, Bellaire could be moved out four months after spending $190,000 to $218,000 in improvements.

He inquired of City Attorney Petrov how it would work if he wanted to propose a change in the lease terms. He also inquired as to whether the Lease Agreement had been written by Chevron.

A: City Attorney Petrov advised that the Lease Agreement was written by Chevron. Bellaire would have to go back to Chevron to see if they would agree with any revisions.
C: Councilman Hickman advised that he, too, was concerned that there were no provisions for a possible extension of the lease term. He understood what City Manager Satterwhite had stated, but would be happy to pay more, such as $5,000 to $10,000 per month, if the City went over its lease term.

He indicated that Director Miller was probably better at building than he was, but having built a home recently, he noted that things often took longer than expected. He would hate to get to October 31st and not have a completed fire station.

Councilman Hickman proposed changing the cancellation term to 180 days (i.e., versus 120 days). He also proposed adding a provision for a possible extension in the term of the lease beyond October 31, 2010.

C: Mayor Siegel indicated that she was in agreement with Councilman Hickman and inquired of City Attorney Petrov as to the best way to accomplish the changes.

R: City Attorney Petrov indicated that the most expedient process might be to approve the Lease Agreement with the modifications proposed by Councilman Hickman. Then, if Chevron agreed to the modifications, it could be signed without having to come back to City Council. If Chevron did not agree, then obviously City Staff would have to come back to City Council and ask for approval as the agreement currently stood.

AMENDMENT NO. 1 TO MOTION TO ADOPT ORDINANCE AUTHORIZING LEASE AGREEMENT AND REIMBURSEMENT OF MODIFICATION OF WORKSPACE COSTS:

An Amendment (No. 1) was made by Councilman Will Hickman to amend the terms of the Lease Agreement to extend the notification of termination date from 120 days to 180 days and to include a provision for a possible extension in the term of the lease beyond October 31, 2010.

DISCUSSION (CONT.):

Q: Councilman Pat McLaughlan noted that there had been vague references that Chevron might want to sell some of the property within their complex. He inquired as to whether there was any serious potential on the part of Chevron to sell that property to the City of Bellaire for a permanent station location.

A: Director Miller indicated that he had not held any conversations with Chevron in that regard.
Q: **Councilman McLaughlan** indicated that if the Chevron location were suitable for over one year, it would probably be good as a permanent location. This would work wonders for the Bellaire Town Square area as well. He did not know how to approach the matter, but if there were that possibility, it might be something that the City should put on the table.

A: **Mayor Siegel** stated that she did not believe the property managers knew the answer to that. She noted that Joe Gaither Park, which was leased by the City, was owned by Chevron. Historically, it seemed that Chevron did not wish to sell their property. Mayor Siegel indicated that she would be very surprised if Chevron was willing to sell that property to the City.

**Fire Chief Darryl Anderson** advised that from an ISO rating standpoint, the City could get by with the Chevron location temporarily. As a permanent structure, however, the location was too far outside the City’s boundaries to the south. The City did not have the same amount of mutual aid coverage to the south as the City did to the northeast with the City of West University Place.

C/Q: **Councilman McLaughlan** stated that Fire Chief Anderson had made a very pertinent comment. He noted that the City had a very good ISO rating of 2. The rating system defined a certain linear mileage distance from a fire station to the far reaches of a community. The Chevron location on South Rice Avenue all the way to some of the streets on far end of Baldwin Avenue, such as Dorothy, Cynthia, and Edith Streets, represented a long distance.

He inquired of Fire Chief Anderson as to whether the City was going to have an issue in terms of the insurance rating.

A: **Fire Chief Anderson** indicated that the City would not have an issue with its insurance rating in the short term. ISO would give the City some latitude with respect to a temporary structure based on what was available to the City.

Q: **Councilman McLaughlan** referred to the design of the new fire station and noted that City Council was informed of the need to be able to handle walk-in patients for blood pressure checks, etc. Significant accommodations were made in the new fire station for those patients. With the security setup at Chevron, any walk-in individual wanting some emergency check would be essentially “fenced out” from reaching the Bellaire Fire Department. He inquired as to how the Bellaire Fire Department would handle that situation.
A: **Fire Chief Anderson** stated that his thought would be that a buzzer could be set up at the gate instead of the patients coming to the Bellaire Fire Department inside the Chevron facility.

Q: **Councilman McLaughlan** advised that he felt that this was a very important thing and inquired as to whether the City could be assured that this would be implemented with appropriate signage.

A: **Fire Chief Anderson** indicated that signage would have to start at the existing fire station and point to the Chevron facility, but he felt that this was something that could be done.

Q: **Councilman McLaughlan** referred to the stove to be purchased for use at the Chevron facility. He inquired as to the Bellaire Fire Department's need for a dishwasher and three refrigerators.

A: **Fire Chief Anderson** indicated that the Bellaire Fire Department only had one refrigerator. He stated that the existing dishwasher and refrigerator would be removed and taken over to the Chevron facility.

Q: **Councilman Avioli** noted that Mayor Pro Tem Faulk had recused herself from voting on this issue as she worked for Chevron. Although he did not work for Chevron, a member of his family did. He had not discussed this item with anyone and would like to participate in the vote, but he certainly did not want to violate any legal rules. He inquired of City Attorney Petrov as to whether or not he could participate.

Q: **City Attorney Petrov** inquired as to how close the member of his family was to him.

A: **Councilman Avioli** indicated that his son worked for Chevron and was in management for them.

Q: **Mayor Siegel** inquired as to the area in which Councilman Avioli’s son worked.

A: **Councilman Avioli** stated that his son was in pipeline operations.

Q: **Mayor Siegel** asked City Attorney Petrov if that could be taken into account, noting that Councilman Avioli’s son was not in the property management division of Chevron.
A: City Attorney Petrov advised that he was struggling with this issue because the lease was almost a "no cost" lease. The rule was whether or not Councilman Avioli’s son or his company would have a pecuniary gain from the action. It certainly picked up anyone within the first degree of consanguinity (which would be Councilman Avioli’s children). The fact that the lease was $1 plus utilities, it was difficult to see that this had any value to Chevron.

Mayor Siegel indicated that Chevron would retain any build out/permanent improvements that the City would make to the facility.

City Attorney Petrov agreed with Mayor Siegel. In that regard, he felt that Councilman Avioli should recuse himself as well.

Q: Councilman Jeffery noted that he had three large contracts with Chevron for which he was his company’s agent.

Q: City Attorney Petrov inquired as to whether Councilman Jeffery had an ownership interest in his company or if he were an employee of the company.

A: Councilman Jeffery advised that he was both an employee and had an ownership interest in his company.

Q: Mayor Siegel inquired as to whether City Council should postpone consideration of the item.

A: City Attorney Petrov stated that he did feel that a postponement was necessary so that he could check into some of the conflict issues.

MOTION TO POSTPONE CONSIDERATION OF AGENDA ITEM:

A motion was made by Councilman John Jeffery and seconded by Councilman Will Hickman to postpone consideration of an ordinance authorizing a Lease Agreement with Chevron U.S.A. Inc. and authorizing the City Manager to reimburse Chevron U.S.A. Inc. for necessary modification of workspace costs in an amount not to exceed $190,000 until such time as City Staff could discuss a modification to the notification of termination date and possible extension of the lease, as well as to allow the City Attorney to research any possible conflict of interest issues for three members of City Council.
VOTE ON MOTION TO POSTPONE CONSIDERATION OF AGENDA ITEM:

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

FOR: Siegel, Cindy
     Hickman, Will
     Avioli, James P., Sr.
     McLaughlan, Pat
     Jeffery, John

OPPOSED: None

ABSENT: Nauert, Phil

ABSTAIN: Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk abstained from participating in a vote on this agenda item due to her employment with Chevron U.S.A. Inc.

3. ITEMS FOR INDIVIDUAL CONSIDERATION:

a. DISCUSSION and review of pool hours for The City of Bellaire Elaine Wood Therapy Pool located in Evergreen Park, 4500 Evergreen Street, Bellaire, Texas, and possible direction to City Staff regarding said pool hours – Item submitted by City Manager Bernard M. Satterwhite, Jr., on behalf of Mayor Cindy Siegel.

Note: This agenda item was postponed during the Regular Session held on June 15, 2009, so that City Staff could obtain information related to operating costs, demand, usage, etc.

MOTION TO BRING AGENDA ITEM BACK TO THE TABLE:

A motion was made by Mayor Pro Tem Peggy Faulk and seconded by Councilman Will Hickman to bring the agenda item related to a discussion and review of pool hours for The City of Bellaire Elaine Wood Therapy Pool back to the table.

City Clerk Tracy L. Dutton noted that prior to postponement of this agenda item on June 15, 2009, there was a motion and an amendment to the motion on the floor as follows:
ORIGINAL MOTION FROM JUNE 15, 2009:

A motion was made by Councilman James P. Avioli, Sr., and seconded by Councilman Pat McLaughlan to extend the closing hour for the Evergreen Pool Complex from 7:00 p.m. to 8:30 p.m.

AMENDMENT NO. 1 TO MOTION FROM JUNE 15, 2009:

An Amendment (No. 1) was made by Councilman Pat McLaughlan and seconded by Councilman James P. Avioli, Sr., to extend the closing hour for the Evergreen Pool Complex from 7:00 p.m. to 8:00 p.m.

DISCUSSION ON AMENDMENT NO. 1 TO MOTION FROM JUNE 15, 2009:

Mayor Pro Tem Peggy Faulk asked Director of Parks & Recreation Jane L. Dembski what City Staff would recommend regarding the extension of the closing hour at the Evergreen Pool Complex.

Director of Parks & Recreation Jane L. Dembski advised that she was not present at the last City Council meeting and was, therefore, not real clear on the discussion held by City Council.

She felt that an easy solution was to extend the entire Evergreen Pool Complex (Evergreen Pool and the Elaine Wood Therapy Pool) from 7:00 p.m. to 8:30 p.m., but change the opening time to 12:00 p.m. from Monday through Friday. This would extend the closing hour three evenings per week and change the opening time from 10:30 a.m. to 12:00 p.m. so that there were no cost or personnel changes associated with this change. The remaining evenings would be utilized for pool rentals.

Mayor Pro Tem Faulk inquired as to how many patrons the Evergreen Pool Complex had between 10:30 a.m. and noon.

Director Dembski indicated that the number of patrons utilizing the pools between 10:30 a.m. and noon was minimal. This was the reason for the recommendation. The Therapy Pool would still open at 7:00 a.m. and close at 10:00 a.m. It would reopen again at noon. Those hours would be in effect only on Monday, Wednesday, and Friday.
**Mayor Pro Tem Faulk** inquired as to whether many people used the therapy pool in the mornings.

**Director Dembski** advised that there were quite a few people that used the therapy pool in the early mornings.

**Mayor Pro Tem Faulk** inquired as to the opening time for the Family Aquatic Center pool.

**Director Dembski** indicated that the Family Aquatic Center pool opened at 10:30 a.m.

**Councilman Pat McLaughlan** referred to the therapy pool and the morning hours of 7:00 a.m. to 10:00 a.m. and inquired as to whether those hours were in effect Monday through Friday.

**Director Dembski** indicated that the morning hours of 7:00 a.m. to 10:00 a.m. for the therapy pool were in effect every day.

**Councilman John Jeffery** indicated that he had previously inquired as to the cost associated with keeping the pool open for an additional hour or one and one-half hours. He noted that under the current recommendation, cost was a moot point.

**Mayor Cindy Siegel** stated that she would like to know the cost difference if the hours for the Evergreen Pool Complex were the same as the Bellaire Family Aquatic Center hours.

**Director Dembski** asked if City Council wanted the cost for the entire Evergreen Pool Complex or just the Elaine Wood Therapy Pool.

**Mayor Siegel** advised that she thought the entire Evergreen Pool Complex should be considered.

**Director Dembski** indicated that the cost to keep the Evergreen Pool Complex open an extra hour and one-half hour would be $100. If the Evergreen Pool Complex were open until 8:30 p.m. every night, then the pool rentals would be eliminated.

If someone had a young child and wanted to have a pool party, that person would not want to start their pool party at 8:30 p.m. So, those people with young children would probably never be able to have a private pool party.
Mayor Siegel asked for confirmation that the extended hours would occur on three evenings and the other evenings would be used for rentals.

Director Dembski advised that Mayor Siegel was correct, but noted that the Evergreen Pool Complex was already open until 8:30 p.m. on Sunday evenings.

Mayor Siegel asked for confirmation that extending the closing hour to 8:30 p.m. three days per week would cost $300 per week.

Director Dembski stated that if the pool opened at noon three days per week, then there would be no additional cost to extend the evening hour.

Mayor Siegel advised that she was concerned that City Council might legislate a movement of hours and get unintended consequences as a result. The problem might be solved for those people who worked during the day, but affect another group who utilized the pool at 10:00 a.m.

Director Dembski stated that everyone could not be pleased.

Mayor Siegel advised that she did not understand why the City could not have the same hours for both pools, excluding the rentals. She asked for confirmation that the cost would be $300 per week if the Evergreen Pool Complex had the same hours as the Bellaire Family Aquatic Center.

Director Dembski indicated that the cost would be higher or $500 per week. She was trying to compromise with her recommendation.

Mayor Siegel stated that she understood the compromise and thought the suggestion was good. She inquired as to whether there were enough lifeguards to extend the hours at the Evergreen Pool Complex.

Director Dembski advised that she had enough lifeguards, but asked City Council to remember that she was operating within a budget. Since the budget was prepared ahead of time, it was difficult to change things around, as something had to give in another division or area to make those changes.

Mayor Siegel indicated that she understood that, but ultimately the City Council and City Staff worked for the citizens and had to supply the service that met the greatest need.
Councilman Will Hickman asked if extending the closing pool hour to 8:30 p.m., Monday through Friday, would cost an additional $500.

Mayor Siegel advised that if the Evergreen Pool Complex hours were the same as the Bellaire Family Aquatic Facility hours, excluding the two evenings that pool rentals were already scheduled at the Evergreen Pool Complex, the cost would be an additional $500 per week.

Director Dembski had originally recommended extending the closing hour for the pool on three evenings each week. The additional cost was basically $100 per day.

Councilman Hickman inquired as to the number of days per week that the Evergreen Pool was rented on average.

Director Dembski advised that the pool was rented on average a couple of times per week.

Councilman Hickman asked for confirmation that the pool rentals would go away if the closing hour were extended for five days of the week.

Director Dembski advised that Councilman Hickman was correct.

Councilman Hickman inquired as to how much the City received in rental revenue.

Director Dembski advised that a full pool rental was $200-$300 (minimum rental of two hours). The Bellaire Family Aquatic Center could be rented after 8:30 p.m.; however, the cost of the rental was $800.

Councilman Hickman inquired as to whether the usage of the Evergreen Pool Complex was greater between 10:30 a.m. and noon as compared to the usage between 7:00 p.m. and 8:30 p.m.

Director Dembski stated that she was not sure.

Councilman Hickman inquired as to the difference between the Elaine Wood Therapy Pool and the Bellaire Family Aquatic Center. In other words, what benefits were associated with using the Elaine Wood Therapy Pool?
Director Dembski stated that it really depended on the type of therapy needed. Some people had a real hard time getting into the pool and needed to use a ramp. The leisure pool at the Bellaire Family Aquatic Center had a beach entry with some circular areas that could be used for exercising. The Elaine Wood Therapy Pool had benches with jets. To get into the lap pool at the Bellaire Family Aquatic Center to water walk, the patron would either have to be lifted into the pool or would have to compromise the stairs. The Bellaire Family Aquatic Center could accommodate some types of therapy, but it was not really a therapy pool.

Councilman Hickman inquired as to whether the temperature in the Elaine Wood Therapy Pool and the Bellaire Family Aquatic Center pool would be about the same at this point in time.

Director Dembski advised that the temperature would be close. It had been 91 degrees at both pools.

Councilman Hickman asked if City Staff had looked at the possibility of having a “happy hour” where the cost to use the Bellaire Family Aquatic Center would be the same as the cost to use the Evergreen Pool after 7:00 p.m.

City Manager Bernard M. Satterwhite, Jr., stated that it was doable. The issue or concern brought forward this evening was not related to the cost difference at the pools. The issue or primary concern was to have the Evergreen Pool Complex open.

Councilman Hickman asked for confirmation that the concern was not that there was no pool open, but that the correct pool was not open.

City Manager Satterwhite and Director Dembski advised that Councilman Hickman was correct.

Director Dembski advised that there were many people that really enjoyed the therapy pool at the Evergreen Pool Complex.

Mayor Pro Tem Peggy Faulk left the Council table temporarily at this point in the meeting.

AMENDMENT NO. 2 TO MOTION:

An Amendment (No. 2) was made by Councilman Will Hickman and seconded by Councilman James P. Avioli, Sr., to extend the closing hour for the Evergreen Pool
Complex from 7:00 p.m. to 8:00 p.m., Monday through Friday.

VOTE ON AMENDMENT NO. 2 TO MOTION:

Amendment No. 2 failed on a 2-3 vote as follows:

FOR: Hickman, Will
     Avioli, James P., Sr.

OPPOSED: Siegel, Cindy
         McLaughlan, Pat
         Jeffery, John

ABSENT: Nauert, Phil
        Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk left the Council table temporarily and did not participate in the vote on Amendment No. 2.

AMENDMENT NO. 3 TO MOTION:

An Amendment (No. 3) was made by Mayor Cindy Siegel and seconded by Councilman John Jeffery to revise the pool hours for the Evergreen Pool Complex on Monday, Wednesday, and Friday to open at noon and close at 8:30 p.m.

Councilman McLaughlan asked for confirmation that this amendment would allow Director Dembski to rent the pool on Tuesdays and Thursdays. He also inquired as to what time the pool would close on Tuesdays and Thursdays.

Mayor Siegel advised that the pool would close on Tuesdays and Thursdays at 7:00 p.m. In other words, the hours for Tuesdays and Thursdays would not change.

VOTE ON AMENDMENT NO. 3 TO MOTION:

Amendment No. 3 carried on a vote of 4-1 as follows:

FOR: Siegel, Cindy
     Avioli, James P., Sr.
     McLaughlan, Pat
     Jeffery, John

OPPOSED: Hickman, Will
ABSENT: Nauert, Phil
Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk left the Council table temporarily and did not participate in the vote on Amendment No. 3.

VOTE ON AMENDMENT NO. 1, AS AMENDED BY AMENDMENT NO. 3 TO MOTION:

Amendment No. 1, as amended by Amendment No. 3, carried on a vote of 4-1 as follows:

FOR: Siegel, Cindy
      Avioli, James P., Sr.
      McLaughlan, Pat
      Jeffery, John

OPPOSED: Hickman, Will

ABSENT: Nauert, Phil
        Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk left the Council table temporarily and did not participate in the vote on the original motion, as amended by Amendment No. 1 and Amendment No. 3.

VOTE ON ORIGINAL MOTION, AS AMENDED BY AMENDMENT NO. 1 AND AMENDMENT NO. 3:

Original motion, as amended by Amendment No. 1 and Amendment No. 3, carried on a vote of 4-1 as follows:

FOR: Siegel, Cindy
     Avioli, James P., Sr.
     McLaughlan, Pat
     Jeffery, John

OPPOSED: Hickman, Will

ABSENT: Nauert, Phil
        Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk left the Council table temporarily and did not participate in the vote on the original motion, as amended by Amendment No. 1 and Amendment No. 3.

b. APPOINTMENT of a subcommittee to evaluate and return to City Council with a recommendation regarding a
request to rename the public property known as “Jaquet Park,” located on Jaquet Street at Elm Street, as the “Henry and Louise Ware Park” in honor of the Ware Family – Item submitted by City Manager Bernard M. Satterwhite, Jr., at the request of the Bellaire Parks & Recreation Advisory Board.

Mayor Cindy Siegel referred to the City’s policy on naming public property, which was established under Resolution No. 97-008 dated September 15, 1997. Under the policy, the Mayor was to appoint a subcommittee to review and return to City Council with a recommendation on a request to rename public property.

Mayor Siegel advised that she wished to appoint Councilman Pat McLaughlan, noting he was currently the Council Liaison to the Parks & Recreation Advisory Board; Jane Dembski as Director of Parks & Recreation; and Leslie Little as Chair of the Parks & Recreation Advisory Board to a subcommittee to review a request by the Bellaire Parks & Recreation Advisory Board to rename the public property known as “Jaquet Park,” located on Jaquet Street at Elm Street, as the “Henry and Louise Ware Park” in honor of the Ware Family.

c. DISCUSSION on a request from Petitioners John R. and Christine Wilson, Terry and Kathy Hinze, Cindy and Jim Fish, Don P. and Cynthia Marion, Peregrine Constructors, Inc., Durwin L. Sharp, Susan Dicioccio and Thomas J. Gaseor, Janis and Graciela Upitis, David T. and Catherine V. Herr, and Doris and James Solomon, for the abandonment by the City of Bellaire, Texas, and subsequent purchase by said Petitioners of the approximately 14,550 square feet, being a strip of land between twelve feet (12’) and fifteen feet (15’) in width, of the Fournace Place right-of-way situated between Pin Oak Lane on the west and Avenue B on the east, Bellaire, Harris County, Texas, also known as the south side of the 4600 block of Pin Oak Lane, and possible direction to City Staff to prepare an ordinance for future City Council consideration related to said Fournace Place right-of-way – Item submitted by City Clerk Tracy L. Dutton at the direction of City Council.

MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

A motion was made by Councilman Will Hickman and seconded by Mayor Cindy Siegel to direct City Staff to
prepare an ordinance related to the Fournace Place right-of-way to abandon 14,550 square feet, being a strip of land between twelve feet (12’) and fifteen feet (15’) in width situated between Pin Oak Lane on the west and Avenue B on the east, Bellaire, Harris County, Texas, also known as the south side of the 4600 block of Pin Oak Lane, to Petitioners John R. and Christine Wilson, Terry and Kathy Hinze, Cindy and Jim Fish, Don P. and Cynthia Marion, Peregrine Constructors, Inc., Durwin L. Sharp, Susan Dicioccio and Thomas J. Gaseor, Janis and Graciela Upitis, David T. and Catherine V. Herr, and Doris and James Solomon, at an assessed value of $40.00 per square foot, discounted by 25% as recommended by the City’s appraiser.

DISCUSSION ON MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

Mayor Cindy Siegel advised that City Staff had recommended that City Council consider abandoning only six feet.

Councilman James P. Avioli, Sr., noted that during the public hearing City Council found out that there was a gas line in the right-of-way. He was not sure if the City had any interaction, feedback, or notification from the gas company as to what their position was with respect to this abandonment request.

Director of Community Development John McDonald indicated that he had spoken with the gas company last week. While the gas company would prefer to leave the easement open so that they could access their line, they could live with the abandonment, but would want a separate easement outlining their claim to that area.

Councilman Avioli asked for confirmation as to whether the gas company wanted the City to abandon the easement or not.

Director McDonald stated that the gas company’s preference was for the line to remain accessible. Whether the City controlled the area or the landowner controlled the area would not matter. The gas company would prefer to have their line outside of the fenced area. This would be the only gas line in that area that would be located behind a fence. Coming from the east, the gas line was a foot or so within the right-of-way about halfway through and then was approximately three feet within the right-of-way for the remainder of the distance. The entire line would be behind the fence if the City abandoned six feet of the right-of-way.
Councilman Avioli asked for confirmation that if twelve feet were abandoned, the gas line would be located within the homeowner’s property.

Director McDonald advised that Councilman Avioli was correct. With a twelve-foot abandonment, both the water main and the gas line would be located behind the homeowners’ fences.

Councilman Avioli inquired as to where the lines would be located if six feet were abandoned.

Director McDonald stated that if six feet were abandoned, the gas line would remain behind the fences, but the water main would not. The water main would remain within the right-of-way and be controlled by the City. The gas line would be located in the residents’ yards.

Councilman Hickman advised that someone had mentioned the possibility of other utilities located in the right-of-way, such as a fiber optic cable.

Director McDonald indicated that all of the fiber optic lines owned by AT&T were roughly located under the existing sidewalk.

Councilman Avioli asked for confirmation that fourteen lots were located in this block of Pin Oak Lane abutting Fournace Place, however, only ten lot owners wanted to participate.

Director McDonald advised that Councilman Avioli was correct. The Petition was filed by ten of the fourteen property owners and five fences currently crossed into the right-of-way.

Councilman Avioli asked if the abandonment were approved if City Council could still see an erratic fence line in that area.

Director McDonald advised that Councilman Avioli was correct.

Councilman Pat McLaughlan inquired as to how the abandonment would benefit the City of Bellaire.

Director McDonald stated that he did not believe there was any straight benefit to the City of Bellaire to release the easement. As the City Manager pointed out in his memorandum, there were no direct plans for the property. There were, however, very few areas in the City where there
was controlled access beyond the sidewalk more than a few feet.

In working with the Comprehensive Plan, one of the recommendations that would be coming forward was a trail system. Right now, the City was limited as to areas where a trail could be constructed.

**Councilman McLaughlan** inquired as to whether a trail system would still be functional with a six-foot abandonment.

**Director McDonald** stated that it could still be functional to some extent. The greater the area, however, the more room the City would have for landscaping and lighting design.

**Councilman Hickman** asked if he could build a twelve-foot longer home, or a bigger garage in the rear of his property, or build closer to the street if he owned a property on Pin Oak Lane and was able to include the extra twelve feet as part of his property.

**Director McDonald** stated that he did not believe that Councilman Hickman would be able to do that. The City would need an easement protecting that area in the rear of the property. Under the City’s current Code, you one could not build within ten feet of an easement.

**Councilman Hickman** inquired as to whether it would move the building line or change lot coverage calculations.

**Director McDonald** indicated that technically the building line or lot coverage calculations would change, but because of the easement factor, a person would still be limited as to how far back they could build.

**City Manager Satterwhite** stated that a person could probably build a bigger building on that lot.

**Councilman Hickman** referred to the discussion regarding pool construction, which was unknown during the public hearing. He inquired as to whether a pool could be built in a different location than currently required if the fence were moved back.

**Director McDonald** stated that if the extra property were released, then nothing could be built in that area.
Mayor Siegel referred to the current motion on the floor and advised that the items that needed to be decided were whether to abandon the requested twelve-fifteen feet or six feet as recommended by City Staff; the price; the discount factor; and whether to allow the abandonment for ten property owners or to request that all fourteen property owners participate. A secondary issue would be to consider what kind of easement restrictions would have to be built in.

Councilman Jeffery asked for clarification that ten of the fourteen property owners agreed to purchase the easement and the other four had not agreed for whatever reason. He asked what happened to the remaining four properties. In other words, did it remain as City property?

City Manager Satterwhite advised that the portions of the easement that were not purchased would remain as City right-of-way.

Mayor Siegel asked for confirmation that those four properties would have to go through the process all over again if the properties changed hands.

City Manager Satterwhite advised that Mayor Siegel was correct.

Councilman Hickman inquired as to whether the City could add an opt-in provision.

Mayor Siegel stated that it was an item that needed to be discussed.

City Manager Satterwhite advised that a representative of the residents indicated that the ten property owners would be willing to purchase the right-of-way at a rate of $15.00 per square foot. If City Council assessed a rate in excess of $15.00 per square foot, then he was not certain how many would agree to a higher rate.

City Manager Satterwhite noted further that the City had gone through several right-of-way abandonments wherein people had petitioned and the City had taken action to abandon those right-of-ways, yet the people had never purchased the right-of-ways.

Mayor Siegel stated that she had concerns regarding the price in the appraisal. She felt that prices were coming down. She believed the discount factor suggested by the appraiser was
consistent with what had been done before. She was not concerned with the participation by only ten of the fourteen property owners. The City could ultimately end up with only two of the ten agreeing to purchase the right-of-way. In other words, this was not a contract and even if City Council voted for everything the residents requested, some could still come back and advise that they did not wish to participate.

City Attorney Petrov advised that Mayor Siegel was correct.

Mayor Siegel indicated that she would lean toward abandoning six feet rather than twelve feet. Given the Comprehensive Plan proposal of possible trail location in the area, she felt that a six-foot abandonment was a good compromise.

Councilman McLaughlan advised that the appraiser recommended a value of $40.00 per square foot. He felt that this was a reasonable and legitimate value for the property. He asked if Mayor Siegel’s thought was that the value should be less than $40.00 per square foot.

Mayor Siegel stated that she felt the economy had impacted prices. She was not certain in today’s market that $40.00 per square foot was reasonable.

Councilman Hickman indicated that he was not an appraiser and had just contested his home value recently. The $40.00 per square foot did seem reasonable to him. The cheapest lot someone could find in Bellaire was a 5,000 square foot lot in Southdale for $200,000, which worked out to $40.00 per square foot. The 25% discount also seemed reasonable.

Councilman Hickman disagreed with one of the speakers in the public hearing that felt there was no added value to the property as a result of the abandonment. Those homeowners would get a bigger backyard, could build a bigger building, and had more square footage to work with on the lot coverage.

He stated that he was curious about the location of the water main and inquired as to whether it was located between the six feet and twelve feet being considered for abandonment.

City Manager Satterwhite advised that Councilman Hickman was correct.

Councilman Hickman asked for confirmation that under the six-foot abandonment the water line would be outside the fence
and under the twelve-foot abandonment the water line would be inside the fence.

City Manager Satterwhite advised that Councilman Hickman was correct.

AMENDMENT (NO. 1) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 1) was made by Councilman Will Hickman and seconded by Councilman Pat McLaughlan to reduce the amount of right-of-way to be abandoned to six feet of the Fournace Place right-of-way abutting the properties on the south side of the 4600 block of Pin Oak Lane, Bellaire, Harris County, Texas, to Petitioners John R. and Christine Wilson, Terry and Kathy Hinze, Cindy and Jim Fish, Don P. and Cynthia Marion, Peregrine Constructors, Inc., Durwin L. Sharp, Susan Dicioccio and Thomas J. Gaseor, Janis and Graciela Upitis, David T. and Catherine V. Herr, and Doris and James Solomon, at an assessed value of $40.00 per square foot, discounted by 25% as recommended by the City’s appraiser.

DISCUSSION ON AMENDMENT (NO. 1) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

Councilman Jeffery asked if a six-foot abandonment would ensure that all fences currently in the easement would be in compliance.

Director McDonald indicated that the five fences encroaching onto the right-of-way currently were approximately 10-12 feet into it. So, those residents would still have to move their fences back approximately four feet or so.

Councilman McLaughlan asked for confirmation that Councilman Hickman’s amendment was to assess a value of $40.00 per square foot.

Mayor Siegel stated that the amendment was to assess a value of $40.00 per square foot, discounted by 25%.

Councilman Avioli inquired as to whether City Council had agreed not to address the concern that only ten of the fourteen property owners had agreed to participate.
Mayor Siegel asked if City Council would be willing to vote on the motion and then continue discussions wherein Councilman Avioli’s inquiry could be addressed.

After noting no objections, Mayor Siegel called for a vote on the amendment.

**VOTE ON AMENDMENT (NO. 1) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:**

Amendment (No. 1) to motion carried on a 4-1 vote as follows:

**FOR:** Siegel, Cindy  
Hickman, Will  
Avioli, James P., Sr.  
McLaughlan, Pat

**OPPOSED:** Jeffery, John

**ABSENT:** Nauert, Phil  
Faulk, Peggy*

*Mayor Pro Tem Peggy Faulk left the Council table temporarily and did not participate in the vote on Amendment No. 1 to the motion.

Mayor Siegel inquired as to what would occur if one of the four property owners that had not petitioned the City for abandonment wished to participate after the fact. In other words, would that property owner have to go back through the entire process again with a petition, appraisal, public hearing, etc.?

City Attorney Petrov advised that Mayor Siegel was correct. City Council would need to make it clear in their motion that the abandonment and assessed price were available to all owners on the south side of the 4600 block of Pin Oak Lane.

City Clerk Tracy L. Dutton advised that under the City’s ordinance, the period in which the abandoned property could be purchased was six months.
AMENDMENT (NO. 2) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 2) was made by Councilman Will Hickman to the motion to direct City Staff to prepare an ordinance for the abandonment of a portion of the Fournace Place right-of-way to add an opt-in period to the ordinance of ten years from date of passage of the ordinance for property owners to participate in the abandonment of said portion of the Fournace Place right-of-way.

Amendment (No. 2) to motion failed due to the lack of a second.

Mayor Pro Tem Peggy Faulk returned the Council table at this point in the meeting.

AMENDMENT (NO. 3) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 3) was made by Mayor Cindy Siegel and seconded by Councilman Will Hickman to add an opt-in period to the ordinance of six months from date of passage for property owners to participate in the abandonment of said portion of the Fournace Place right-of-way.

Councilman Jeffery suggested that the City consider an opt-in period for six months, then offer another six-month provision if a new appraisal were obtained.

Mayor Siegel stated that City Council could allow a ten-year opt-in period and require a new appraisal and a new price assessment by City Council. Her problem with Councilman Hickman’s motion was that she did not believe it was fair that someone had ten years to decide to purchase the property and would get to pay today’s value for the property.

After discussion wherein it was noted that the City’s policy on abandonment of public property allowed a six-month opt-in period, Mayor Siegel and Councilman Hickman withdrew their amendment.
AMENDMENT (NO. 4) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 4) was made by Councilman James P. Avioli, Sr., to make the abandonment contingent on the participation/opt-in of all property owners in the affected area.

Amendment (No. 4) to motion failed due to the lack of a second.

AMENDMENT (NO. 5) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 5) was made by Councilman John Jeffery and seconded by Councilman Will Hickman to the motion to direct City Staff to prepare an ordinance for the abandonment of a portion of the Fournace Place right-of-way to allow all properties on the south side of the 4600 block of Pin Oak Lane (i.e., 14 properties) to purchase their portion of the six feet abutting their property line of the Fournace Place right-of-way at the assessed value of $40.00 per square foot, discounted by 25% as recommended by the City's appraiser, for a period of six months from date of passage of ordinance with an opt-in period of ten years, with a new appraisal required at the expense of the property owner(s) and payment of a new price assessed by City Council based on the new appraisal.

Mayor Siegel inquired as to whether the current City Council could bind a future City Council.

City Attorney Petrov noted that there was no guarantee that the opt-in provision would last for ten years. A subsequent City Council could repeal the ordinance passed by the current City Council.

Mayor Pro Tem Peggy Faulk asked how solid the City’s position was to defend its easement rights and require the movement of fences out of the easement if none of the abandonment was approved.

City Attorney Petrov indicated that the City’s position was very solid.
Mayor Pro Tem Faulk stated that at one time that seemed to be an issue and she did not recall hearing officially what the City’s position was.

City Attorney Petrov advised that initially there was a question over exactly where the City’s right-of-way was and whether the fences really were in the right-of-way based on some of the plats. After doing substantial research, he was very confident that the City controlled that right-of-way.

Mayor Pro Tem Faulk stated that during the public hearing a comment was made to the effect that the City was not maintaining the right-of-way. The City never maintained rights-of-way abutting properties she had owned in the past. She inquired as to the City’s position with respect to maintenance of rights-of-way.

City Manager Satterwhite advised that the City typically did not maintain rights-of-way that abutted private property. This was generally assumed to be the responsibility of the property owner. The City did maintain rights-of-way that were in the center of a right-of-way, such as an esplanade, or rights-of-way that abutted public property.

Mayor Siegel referred to a similar situation on Jessamine Street.

City Manager Satterwhite advised that the lots in the 4700 block of Willow Street backed all the way up to the Jessamine Street right-of-way. Bellaire did not maintain those rights-of-way either. The residents maintained that right-of-way outside the back of their fences.

Mayor Pro Tem Faulk indicated that she would not be supporting the amendment. She felt that the City needed to maintain the right-of-way. There was talk at one time of constructing biking trails or other types of trails in that part of the City. Such trails needed to be considered for the greater good of the community.

Councilman Hickman advised that he understood that the current City Council could not bind a future City Council, however, this was the same situation as City Council giving the City Manager a contract that lasted longer than the terms of the current City Council in place. In other words, he felt that City Council often voted on items that exceeded the limits of their terms.
City Manager Satterwhite noted that whatever City Council decided upon this evening would be set into an ordinance and that ordinance would be binding.

Mayor Siegel agreed that City Council often voted on items that carried forward beyond their terms of office. She felt that it was important for people to have an understanding that a future City Council could amend or repeal any ordinance passed by the current City Council.

VOTE ON AMENDMENT (NO. 5) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

Amendment (No. 5) to motion carried on a 4-2 vote as follows:

FOR: Siegel, Cindy
     Hickman, Will
     McLaughlin, Pat
     Jeffery, John

OPPOSED: Avioli, James P., Sr.
         Faulk, Peggy

ABSENT: Nauert, Phil

AMENDMENT (NO. 6) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

An Amendment (No. 6) was made by Mayor Cindy Siegel to the motion to direct City Staff to prepare an ordinance for the abandonment of a portion of the Fournace Place right-of-way to change the assessed value to $30.00 per square foot, with a 50% discount (or $15.00 per square foot).

Amendment (No. 6) to motion failed due to the lack of a second.

Councilman Hickman inquired as to what limitations needed to be placed in the ordinance with respect to use of the abandoned property.

City Attorney Petrov noted that the width of the property had been reduced.
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City Manager Satterwhite indicated that he believed that City Staff’s recommendation of abandoning six-feet did not require the dedication of an easement back to the City.

Mayor Siegel inquired as to whether CenterPoint Energy would need an easement. If so, she inquired as to whether CenterPoint Energy needed to work that out or if the City needed to be involved as well.

City Manager Satterwhite indicated that he did not know the answer to Mayor Siegel’s question.

City Attorney Petrov advised that CenterPoint Energy did not currently have a separate easement. Their line was located within Bellaire’s right-of-way.

Mayor Siegel inquired as to City Attorney Petrov’s recommendation. She noted that the City solved its problem by changing the width of the abandonment to six feet, but there was still a problem for CenterPoint Energy. We needed to protect their line as well.

City Attorney Petrov stated that the City would need an easement sufficient for CenterPoint Energy.

City Manager Satterwhite advised that he believed CenterPoint Energy would desire that this abandonment be contingent on a dedicated easement given to them.

Mayor Siegel asked if the motion should be amended for the easement.

City Attorney Petrov advised that Mayor Siegel was correct. City Council needed to specifically include an easement in their motion.

**AMENDMENT (NO. 7) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:**

An Amendment (No. 7) was made by Councilman John Jeffery and seconded by Councilman Will Hickman to the motion to direct City Staff to prepare an ordinance for the abandonment of a portion of the Fournace Place right-of-way to include a contingency that a dedication of an easement would be placed on the entire portion of the right-of-way to be abandoned.
VOTE ON AMENDMENT (NO. 7) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:

Amendment (No. 7) to motion carried on a 4-2 vote as follows:

FOR: Siegel, Cindy
     Hickman, Will
     McLaughlan, Pat
     Jeffery, John

OPPOSED: Avioli, James P., Sr.
          Faulk, Peggy

ABSENT: Nauert, Phil

Mayor Siegel asked if any other issues needed to be addressed.

City Clerk Dutton inquired as to who would pay for a new survey and legal descriptions for each of the individual properties.

Councilman Jeffery asked if individual surveys were necessary for each property.

City Attorney Petrov indicated that the City would need a legal description for each property that wanted to be included in the abandonment.

Mayor Siegel inquired as to how it was normally handled.

City Attorney Petrov advised that the property owner normally provided that information. The City usually only had one property owner at a time requesting abandonment for a strip of property adjacent to their lot. The description was given to the City upfront.

Mayor Siegel asked about the survey.

City Clerk Dutton indicated that the Petitioners had already paid for a survey; however, the survey included the entire strip.

Mayor Siegel asked if this meant the Petitioners had to pay for another survey.

City Manager Satterwhite advised that this was correct.
Councilman Hickman inquired as to whether this step could be done as individual property owners came forward and if the cost could be paid from the proceeds of the sale of the property.

City Attorney Petrov stated that only the property owners interested in purchasing the strip needed to come forward to do so. City Council could also state that the price of the survey would be paid out of the sale proceeds or that the price of the survey would be paid by the lot owner upfront.

**AMENDMENT (NO. 8) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:**

An Amendment (No. 8) was made by Councilman Will Hickman and seconded by Mayor Cindy Siegel to the motion to direct City Staff to prepare an ordinance for the abandonment of a portion of the Fournace Place right-of-way for the purpose of directing City Staff to have a survey conducted to obtain a metes and bounds (legal) description for individual properties to be abandoned and that payment for said survey would come from the sales proceeds.

Councilman McLaughlan inquired as to whether this would include the preparation of the legal description and any other items the City would need.

City Attorney Petrov advised that the survey would include the preparation of legal descriptions.

**VOTE ON AMENDMENT (NO. 8) TO MOTION TO DIRECT STAFF TO PREPARE ORDINANCE FOR ABANDONMENT OF PORTION OF RIGHT-OF-WAY:**

Amendment (No. 8) to motion failed on a 3-3 vote as follows:

**FOR:**
- Siegel, Cindy
- Hickman, Will
- McLaughlan, Pat

**OPPOSED:**
- Avioli, James P., Sr.
- Faulk, Peggy
- Jeffery, John

**ABSENT:**
- Nauert, Phil
Mayor Siegel asked if City Council needed to consider something else in order to handle the preparation of a new survey and legal descriptions.

City Manager Satterwhite indicated that he felt the City would go back to the original ordinance, which required the Petitioner to pay for the survey.

**VOTE ON ORIGINAL MOTION, AS AMENDED BY AMENDMENT NO. 1, AMENDMENT NO. 5, AND AMENDMENT NO. 7:**

Original motion, as amended by Amendment No. 1, Amendment No. 5, and Amendment No. 7, carried on a 4-2 vote as follows:

**FOR:**
- Siegel, Cindy
- Hickman, Will
- McLaughlan, Pat
- Jeffery, John

**OPPOSED:**
- Avioli, James P., Sr.
- Faulk, Peggy

**ABSENT:**
- Nauert, Phil

d. **DISCUSSION and review of possible alternative means for performing construction phase services (construction management, construction administration, and construction observation) in conjunction with infrastructure projects within the City of Bellaire and possible direction to staff regarding the means for performing said services** – *Item submitted by City Manager Bernard M. Satterwhite, Jr.*

**SUMMARY:**

City Manager Bernard M. Satterwhite, Jr., noted that the means of handling construction phase services was an issue that had been brought up a long time. He had advised City Council at that time that City Staff would look into it. He wanted to present some alternatives to City Council this evening so that City Staff could get an idea as to how City Council wanted to approach the services for budget purposes.

City Staff’s recommendation was contained within City Manager Satterwhite’s memorandum to City Council and included as part of the agenda packet. The recommendation was to continue
handling construction phase services as the City currently did, taking into account a few things City Staff felt it could do to bring the costs down even further. For example, City Staff could ensure that there was no duplication within the proposals and that project timelines were tightened (i.e., hours required to be spent on a project reduced).

In comparing with other entities and how those entities performed construction phase services (i.e., in-house or outsourcing), City Staff felt that the percentage of the total projects the City was getting right now was well within the ballpark.

He stated again that he wanted to get this item on the agenda to see what City Council’s feelings were with respect to it and whether City Staff needed to go in any other direction with respect to the upcoming budget.

**Mayor Siegel** advised that Councilman Avioli had requested City Staff to consider alternative means for construction phase services and asked if he would like to start the discussion this evening.

**Councilman James P. Avioli, Sr.,** complimented Assistant City Manager Diane K. White and Director of Public Works Joe Keene for the piece they had put together, noting there was a tremendous amount of work included in the packet.

Councilman Avioli asked City Council to turn to Enclosure 2, page 3. A statement was made at the top of that page that construction oversight represented 4.03% of the entire project cost. He indicated that this would be discussed further in Enclosure 5.

On page 4, Enclosure 2, fourth bullet point, a statement was made that the City had an inspector or had oversight for each unique project. The next sentence indicated that there might be some multitasking. Councilman Avioli advised that he was a little confused about that statement.

Also, on page 4, it was noted that there were individual inspectors for each project. Then, on page 8, Enclosure 3, it was noted that there was some multitasking that could take place. In Enclosure 3, on pages 4-7, there was a list on expertise areas that a construction inspector must have. Frankly, he was very impressed that City Staff could enumerate all of the qualities that an inspector must have. Councilman Avioli commented that if an inspector had all of those qualities
that he was certainly overqualified to inspect sidewalk construction. He might already be a Master in Civil Engineering and should probably be building bridges rather than looking at sidewalk construction.

Enclosure 3 on page 8 mentioned having an inspector full-time on a job. Councilman Avioli advised that he would point out that many things were included in City Staff’s report that did not apply to some of the projects ongoing within the City.

Councilman Avioli next referred to a schedule in Enclosure 5. At the bottom of the schedule, one could see how much Bellaire was paying for engineering services (i.e., 6-1/2%). This was very favorable compared to what some of the other entities were paying for this type of service. Construction observation was 5.1% of the total cost of the project. Earlier in the City Staff’s report, it was stated that construction observation was 4%. His point was that although the difference was only 1%, there was a difference between the two statements.

Councilman Avioli also pointed out that construction administration was 8% of the engineering costs. Overall costs were noted to be 6-1/2%, however, if looking at the column titled “construction observation,” one could see that “construction observation” was 32% of the engineering costs. When getting into the nitty-gritty, the City was paying 32% in engineering costs for construction oversight. When looking at the cost of the job, one needed to look at how much it cost in regard to the engineering costs.

The 2008 Sidewalk Repair/Maintenance Project was the first project in which Councilman Avioli really got involved with construction phase services. The engineering costs for that project were $63,000 and construction observation was $21,000. Construction observation, therefore, represented 34% of the cost. Having someone look at the construction of sidewalks for 40 hours in a week was like watching paint dry.

Councilman Avioli indicated that sidewalks were under construction on his street, and the contractor was doing a very good job. He did not, however, see any construction oversight on that project on his street today.

Councilman Avioli stated that he wished to point out that Bellaire, as a City, was going to be facing some very serious challenges as the City moved forward. He advised that City Council really needed to focus on the costs being spent on projects. Councilman Avioli agreed, based on the numbers
provided by City Staff, that it was a toss up as to whether the City should provide construction phase services on an in-house basis or outsource those services.

Councilman Avioli’s assessment of the report was that City Staff would like to continue to outsource those services. He could certainly respect that. He referred to a statement in the report made by the City Manager and read it as follows: 

> Finally, we will continue to analyze the options with regard to construction administration and observation to provide for the most cost effective means available for each given project. There are some projects that we can handle in-house that traditionally have been outsourced.

Councilman Avioli advised that he was satisfied with City Staff’s report at this time. He was going to continue to look at the costs of City projects and he would continually raise questions when the City had to pay 32% of engineering services cost for someone to have to watch construction that was going on. He did believe City Staff’s report was a good one and that it was a toss up as to whether the services should be provided on an in-house basis or outsourced. He would continue to voice opinions if the City continued to pay as much as it had been for construction oversight.

**Councilman John Jeffery** advised that since there was no motion on the table, he was not sure how to proceed with his comments.

**Mayor Siegel** suggested that everyone get questions about the report answered first. She understood Councilman Avioli to say that he was not making a motion to direct City Staff to do anything at this point in time.

**Councilman Will Hickman** stated that his gut feeling associated with performing construction phase services in-house was that there would not be a consistent flow of work for that person or persons. In other words, the demand varied depending on projects underway at a given point in time.

**City Manager Satterwhite** noted that the City had many projects ongoing for the past few years. He felt that City Staff could guesstimate the flow of work and, perhaps, a loose correlation could be made to the building inspectors where there was a time when we did not have enough and now the City was looking at having too many.
Councilman Hickman inquired as to whether City Manager Satterwhite had a feeling as to whether it would be cheaper or more expensive to provide the same services in-house.

City Manager Satterwhite agreed with Councilman Avioli in that the cost would be a toss up for performing services in-house versus outsourcing those services. The total cost as related to engineering costs or as related to total project costs would be about the same. Given the funding sources and how those services were managed in-house, it would be better to have flexibility versus strapping another position into the operational budget.

Councilman Pat McLaughlan stated that in terms of the City’s current observation or inspection of projects, he believed it was manageable for those services to continue to be outsourced because with the variety of projects that the City had, he did not know if one individual could be established with the level of expertise and skill to manage a variety of engineering projects. He would personally suggest that the City continue to outsource those services.

The construction observation and inspection services were unbelievably inefficient. The City was spending a great deal more money than it needed to on those services. Multitasking was mentioned and somewhere in City Staff’s report it appeared that one inspector was assigned to one job. Councilman McLaughlan had seen the inspector work and noted that he was a very competent, congenial individual. These individuals sat in the back of a truck all day and watched one job. He felt that the City’s obligation was to get the maximum bang it could for its buck. To do so, the City should decouple the inspector or observer from the construction engineer. The City should independently and on a competitive basis seek to contract with an inspector or observer.

Councilman McLaughlan added that the City had an excellent consulting engineering firm, but it had continually bothered him that the City never readdressed a competitive structure. He also stressed the importance of multitasking, indicating that there was no reason why an inspector could not provide oversight for more than one job at a time.

Mayor Siegel stated that she felt that City Staff’s report was a good document and a good exercise and appreciated all of the time that was put into it. Mayor Siegel noted that money was tight right now and was going to get tighter. She knew City
Staff had reviewed its contracts and would continue to do so. City Staff also understood the urgency of money being tight.

Mayor Siegel agreed with resident Lynn McBee in that outsourcing the services provided for an independent means of oversight. It was easier to scale back on projects than to eliminate internal positions.

Mayor Siegel also agreed with Councilman Avioli in that construction phase services costs needed to be reviewed even more closely in the current economic climate.

City Manager Satterwhite noted that City Staff worked with project management everyday and appreciated City Council’s concern. He very respectfully disagreed with Councilman McLaughlan. He did not believe that the inspectors did what Councilman McLaughlan described. Inspectors were assigned to a particular project and not an individual street or particular place.

City Manager Satterwhite indicated that paying 5% for construction phase services resulted in a very efficient process. The benefit to the City, in City Manager Satterwhite’s opinion, exceeded the cost. He felt that the inspectors closely controlled the unit costs. There were generally two-three inspectors working in the City at any given time because there were two-three projects going on at any one time.

He continued and noted that he knew the inspectors and they were highly qualified and had been providing oversight on projects for many, many years. City Manager Satterwhite would be very hesitant as a City Manager to try to make the process more efficient for want of a few thousand dollars versus paying for it at the other end. He noted that many of the City’s projects ultimately came in under the bid amount and City Manager Satterwhite believed that this was largely due to the controls in place during construction oversight.

Councilman Avioli indicated that the point that really troubled him was the 5% mentality. His issue was with the cost under the cost. When looking at construction observation, it was not 5%--it was 34% of the engineering services and 5% of the overall cost of the job. Five percent of $28 million was a big number as 1.4% was a big number of total engineering costs of 4.3%. He indicated that he became a little uneasy with “5%” and advised that the City could not get comfortable with 5% as the cost was more than that for construction oversight.
**G. ADJOURNMENT.**

**MOTION TO ADJOURN:**

A motion was made by Councilman Pat McLaughlan and seconded by Councilman Will Hickman to adjourn the Regular Session of the City Council of the City of Bellaire, Texas, at 9:29 p.m. on Monday, July 6, 2009.

**VOTE ON MOTION TO ADJOURN:**

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

**FOR:** Siegel, Cindy
Hickman, Will
Avioli, James P., Sr.
Faulk, Peggy
McLaughlan, Pat
Jeffery, John

**OPPOSED:** None

**ABSENT:** Nauert, Phil

Respectfully submitted,

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

Approved:

____________________________
Cynthia Siegel, Mayor
City of Bellaire, Texas