CITY COUNCIL MEETING MINUTES
MONDAY, SEPTEMBER 20, 2010

The City Council of the City of Bellaire, Texas, met in Regular Session on Monday, September 20, 2010, in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, for the following purpose(s):

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

Mayor Siegel called the City Council of the City of Bellaire, Texas, to order at 7:03 p.m. on Monday, September 20, 2010.

Also present were Mayor Pro Tem Phil Nauert, Councilmen Will Hickman, James P. Avioli, Sr., Corbett Daniel Parker, and Andrew Friedberg, Councilwoman Mandy Nathan, City Manager Bernard M. Satterwhite, Jr., City Attorney Alan P. Petrov, and City Clerk Tracy L. Dutton.

B. INSPIRATIONAL READING AND/OR INVOCATION – Councilwoman Mandy Nathan.

Councilwoman Nathan provided the inspirational reading for the evening.

C. PLEDGES TO THE FLAGS – Councilwoman Mandy Nathan.

1. U.S. PLEDGE OF ALLEGIANCE.

2. PLEDGE TO THE TEXAS FLAG.

Councilwoman Nathan led the audience and City Council in the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

D. PERSONAL/AUDIENCE COMMENTS.

Margo Costello, 141 Pamellia Drive, Bellaire, Texas, as well as owner of a business located at 5213 Spruce Street, Bellaire, Texas:

Ms. Costello address City Council regarding a feral cat problem that existed in her business neighborhood located at 5213 Spruce Street in Bellaire. Business owners had witnessed people (from outside of Bellaire) feeding cats near the businesses on Spruce Street. Ms. Costello estimated that there were 30-50 cats feeding at that location, and that the population of the cats had grown to an intolerable level.
Ms. Costello cited several examples of property damage that had occurred as a result of the cats, including vandalism (landscaping and interiors of buildings), as well as additional costs incurred to exterminate for fleas.

With respect to enforcement, Ms. Costello noted that there was little that the Bellaire Police Department could do. In order to file trespassing charges, owners had to put up “no trespassing” signs and either witness someone trespassing on their property or the police had to witness someone trespassing. She urged City Council to develop an ordinance prohibiting the feeding of feral cats on City easements, as the feeding of the cats was a hardship to neighboring businesses.

Susan Strickland, 5204 Spruce Street, Bellaire, Texas:

Ms. Strickland advised that she owned the Children’s Gallery, a childcare facility, located at 5204 Spruce Street in Bellaire. Ms. Strickland was also experiencing problems as a result of the feeding of feral cats in the business neighborhood.

Ms. Strickland advised that she had to go into the backyard of her facility each day to pick up cat feces, as well as to bleach and try to disinfect the area, before the 65 children she cared for went out to play. In the hope that a different type of surface would help, Ms. Strickland expended $10,000.00 to install a rubber surface. It had not helped.

She noted that she had written down license plates of the people who were feeding the cats; however, the Bellaire Police Department could not do anything unless they caught the people themselves.

Fred Costello, 141 Pamellia Drive, Bellaire, Texas, as well as owner of a business located at 5213 Spruce Street, Bellaire, Texas:

Mr. Costello referred to the feeding of feral cats and advised that almost every business in the immediate area had lost money because they were dealing with the feral cat problem.

Mr. Costello advised that he had personally called the Bellaire Police Department at least 6-7 times when people drove onto his business property in order to start feeding cats. Initially it had appeared as if a burglary were in process as trunks were thrown open and people were walking around with flashlights. He indicated that he was entering into a point with the Bellaire Police Department that they wanted to wash their hands of it. He viewed this as a huge health and safety issue.

The Bellaire Police Department had indicated that their hands were tied and that they did not have much in the way of an ordinance. This was the reason that business owners in the 5200 block of Spruce Street had come before City Council this evening.
Mr. Costello indicated that he would like to see some type of control on private property as well as City easements, the purpose of which were for vehicular and pedestrian traffic and the transmission of utilities.

**Hemu Vela, 5224 Cedar Street, Bellaire, Texas:**

Ms. Vela advised that she owned a business at 5224 Cedar Street in Bellaire and had damage to the sheetrock in her business when it became necessary to cut into it in order to get a kitten out that had been caught in the wall. She was concerned that cats would keep accessing her attic and possibly die in the attic or in a wall resulting in further health issues.

**Dr. Johnnie Frazier, 4721 Jessamine Street, Bellaire, Texas:**

Dr. Frazier addressed City Council and advised that she had not come to talk about cats or the related problems in Bellaire, but she could not help to feel for the citizens concerning this problem. This was the type of situation that she thought was the purpose of City Council. She personally, as a physician, knew that there were several diseases that persons could get from cats. She would hate to have to hear that a cat scratched a child, jumped on a parent, or a pregnant lady was handling cat litter and came down with a disease that could ultimately cause a serious illness. She wanted City Council to be aware that such things did happen and something permanently or close to it should be done about the situation.

Dr. Frazier indicated that the purpose of her appearance this evening was to speak about one of Bellaire’s treasures—The Nature Discovery Center located at 7112 Newcastle Drive in Bellaire. The Nature Discover Center was a public facility, open full-time for the past 20 years, with a dedicated and hard-working staff. She referred to The Nature Discovery Center’s Annual Fundraising Gala to be held on November 6, 2010. She stated that The Nature Discovery Center needed the City Council’s support to set the example for the 18,000 citizens of Bellaire. She urged City Council to visit and become more familiar as members purchasing tickets and sponsorships for the gallant support of this fine discovery learning facility.

**Lynn McBee, 5314 Evergreen Street, Bellaire, Texas:**

Ms. McBee commended the citizens who had come to City Council as a last resort regarding their feral cat problem.

She referred to an item on City Council’s agenda this evening dealing with the Building Code and a suggested change to it. In the Appendix to the proposed ordinance, persons would be allowed to pave their parking areas with at least the equivalent in strength, effectiveness, durability and safety. What the packet material did not tell City Council was that the change came about from a Building and Standards Commission hearing on a requested variance whereby the applicant was trying to save trees. She noted that, at times,
there were conflicts in the City’s Building Code and with the City’s tree ordinance. In an effort to save the roots of the trees, a small portion of an access into a garage was paved with alternate materials. The applicant was then cited for not meeting the City’s Code.

The item before City Council now allowed a clarification of the site area that would be affected by it. The concern Ms. McBee had was that Codes could not be too rigid and the citizen committees and boards were there for that purpose. She emphasized that the proposed ordinance still would allow a right of appeal to a body, but the standard from which the body would have to decide and repeal, would have to be at least the equivalent. She felt that the standard might be too firm, and asked City Council to think about some flexibility for the Building and Standards Commission.

Secondly, Ms. McBee next referred to flood insurance. She indicated that it came as a great surprise to her that her flood zone had been reclassified by the Federal Emergency Management Agency (FEMA) from “X” to “AE.” This meant a change in her premium of $264 for her $100,000 valuation to $908, effective immediately. She was shocked that after all Bellaire had done to mitigate drainage in this town, that the zones now required people to pay a premium for flood insurance.

On another topic, Ms. McBee noted that on her Comcast bill she was forking up $12 per month between the state and local franchise tax on top of everything else.

Ms. McBee urged City Council to consider that the budget for Bellaire was not the only thing that affected residents.

Mayor Siegel advised that she understood that Councilman Parker planned to put something on a future agenda to address the feral cat problem.

E. REPORTS:

CITY MANAGER’S REPORT regarding residential safety (police activity report), public infrastructure/utilities (Recycling Center closure), employees (resignation of Chief Financial Officer), quarterly indicators (crime and building permits), and upcoming City Council meetings/events – Presented by City Manager Bernard M. Satterwhite, Jr.

City Manager Satterwhite presented the City Manager’s Report to City Council.

Residential Safety

Several years ago, there was an item in the budget for the Bellaire Police Department to purchase a public relations vehicle for the Bellaire Centennial.
The vehicle was ordered, restored, and paid for from that budget. City Manager Satterwhite provided a slide to show City Council and the audience what the vehicle, a 1955 Chevrolet, looked like.

City Manager Satterwhite reminded everyone that National Night Out was Tuesday, October 5, 2010, from 6:00 p.m. until 10:00 p.m. Instructions were provided to residents that wished to register their group or block for the event.

With respect to police activity, there were 36 part one criminal offenses reported in August as compared to 41 in the previous year. There were 40 traffic accidents as compared to 64 this time last year. No robberies occurred during August; however, there were nine assaults (eight of which involved incidents of reported family violence). No auto thefts were reported in August. There were eight burglaries of residences in August (four of which involved forced entries into residences and three of the four involved entry via unlocked doors). Burglaries of motor vehicles still continued.

**Public Infrastructure/Utilities**

The last day for the Recycling Center would be September 30, 2010.

**Employees**

City Manager Satterwhite noted that he had some sad news to pass on. The City’s Chief Financial Officer, Donna Todd, was leaving Bellaire to take a similar position in The Woodlands Township. Ms. Todd had been great for the City and everyone hated to see her go. He wished her the best of luck in the next phase of her career.

**Upcoming City Council Meetings/Events:**

The following upcoming City Council meetings/events were noted:

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Type of Meeting</th>
</tr>
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<tbody>
<tr>
<td>September 28</td>
<td>7:00 p.m.</td>
<td>Special Session (Public Hearing on Tax Rate Increase) (first of two required hearings)</td>
</tr>
<tr>
<td>October 4</td>
<td>6:00 p.m.</td>
<td>Special Session (Public Hearing on Tax Rate Increase) (second of two required hearings)</td>
</tr>
<tr>
<td>October 4</td>
<td>7:00 p.m.</td>
<td>Regular Session</td>
</tr>
<tr>
<td>October 11</td>
<td>6:00 p.m.</td>
<td>Special Sessions (Public Hearings on Bellaire High School Addition and Shipley Do-Nuts Drive-Through)</td>
</tr>
<tr>
<td>October 18</td>
<td>7:00 p.m.</td>
<td>Regular Session</td>
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Following questions of the City Manager, Mayor Pro Tem Nauert moved to accept the City Manager’s Report dated September 20, 2010, as presented by City Manager Satterwhite into the record. Councilman
Friedberg seconded the motion. The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

F. CONSENT AGENDA:

1. APPROVAL/CORRECTION OF MINUTES:

APPROVAL of the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, August 2, 2010.

2. FINAL PAYMENT ON CONTRACT:

CONSIDERATION of and possible action regarding a recommendation from the Bellaire Public Works Department and Engineering Consultants HDR|Claunch & Miller to approve a Final Change Order (No. 1) with JFT Construction, Inc., on a contract for the Rebuild Bellaire Program, Phase Two, Paving and Drainage Project, in the amount of $319,677.93, which reflects a net decrease in such project of $614,700.38, and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute said Final Change Order (No. 1) with JFT Construction, Inc., and approval for the City of Bellaire, Texas, to make the final payment on said contract to JFT Construction, Inc., in an amount not to exceed $319,677.93 – Item submitted by Director of Public Works Joe Keene.

Councilman Friedberg requested separate consideration of Consent Agenda item F.1. and Councilman Avioli requested separate consideration of Consent Agenda item F.2.

Separate Consideration of Consent Agenda Item F.1.:

APPROVAL of the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, August 2, 2010.

Councilman Parker moved to approve the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held on
Monday, August 2, 2010. Councilman Hickman seconded the motion.

Councilman Friedberg noted two sets of minor changes to be made to the meeting minutes of August 2nd. The first change was on page 2, line 92, which referenced a written comment from Nancy Stow. On line 96, there was a reference to Ms. Turner, which should have been Ms. Stow. Additionally, there was no “e” at the end of Stow.

Councilman Friedberg offered an amendment on page 6, line 284, by adding the words “proposed code” before the word “amendment.” On line 287 after the period in the middle of the line, he suggested that the next line be amended to add the word “code” after the word “proposed” as follows: The proposed “code” amendment also gave authority . . . .” Councilman Parker seconded the amendment. The amendment carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

The original motion, as amended, carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

Separate Consideration of Consent Agenda Item F.2:

CONSIDERATION of and possible action regarding a recommendation from the Bellaire Public Works Department and Engineering Consultants HDR|Claunch & Miller to approve a Final Change Order (No. 1) with JFT Construction, Inc., on a contract for the Rebuild Bellaire Program, Phase Two, Paving and Drainage Project, in the amount of $319,677.93, which reflects a net decrease in such project of $614,700.38, and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire,
Texas, to execute said Final Change Order (No. 1) with JFT Construction, Inc., and approval for the City of Bellaire, Texas, to make the final payment on said contract to JFT Construction, Inc., in an amount not to exceed $319,677.93 – Item submitted by Director of Public Works Joe Keene.

Councilman Parker moved to accept a recommendation to approve Final Change Order (No. 1) with JFT Construction, Inc., on a contract for the Rebuild Bellaire Program, Phase Two, Paving and Drainage Project, in the amount of $319,677.93, a net decrease in such project of $614,700.38, and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor of the City of Bellaire, Texas, to execute said Final Change Order (No. 1) with JFT Construction, Inc., and approval for the City of Bellaire, Texas, to make the final payment on said contract to JFT Construction, Inc., in an amount not to exceed $319,677.93. Councilman Avioli seconded the motion.

Councilman Avioli requested separate consideration of this Consent Agenda item in order to inquire as to the reason that the contract decreased 15-1/2%. It was noted that the contract was a unit cost contract and the number of units required for the project were less than anticipated. Director of Public Works Joe Keene advised that all work was satisfactorily performed.

The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

{Ordinance was subsequently numbered: 10-069}

G. ADOPTION OF ORDINANCES:

1. BID AWARD/CONSTRUCTION PHASE SERVICES:

   Feld Park Water Plant Improvements

   a. CONSIDERATION of and possible action on a recommendation from the Bellaire Public Works Department and Consulting Engineers Klotz Associates, Inc., to award Bid No. 10-005, Feld Park Water Plant
Improvements, to the lowest responsive bidder, Long & Sons, Inc., for the provision of applicable labor, services, materials, and equipment necessary for the construction of a new booster pump station and related infrastructure at Feld Park on Avenue B, Bellaire, Texas, in an amount not to exceed $1,176,225.00 and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, a Standard Form of Agreement with Long & Sons, Inc., for said services in an amount not to exceed $1,176,225.00 – Item submitted by Director of Public Works Joe Keene.

Ralph Cox, P.E., Klotz Associates, Inc., provided a brief presentation for City Council related to the Feld Park Water Plant Improvements. He noted that in 2005 his firm performed a study for the City of Bellaire to look at the condition of the water system in Bellaire. One of the sites under study was the Feld Park Water Plant site. There were significant recommended projects as a result of the evaluation of the site.

Improvements performed to date at Feld Park included rehabilitation and painting of the ground storage tank and elevated tank in 2007. A new well was completed at the site within the last year and accepted by City Council a few months ago.

Work remaining at Feld Park, which will be addressed in the construction contract that the Mayor just read through, would be a new booster pump station that would house some new pumps and new electrical switch gear and power distribution for the site. Additionally, there would be some new disinfection facilities which were mandated, in part, by the Texas Commission on Environmental Quality (TCEQ). It was noted that the Feld Park Water Plant was one of the City’s “take points” for City of Houston water. The valve that regulated the amount of water into the tank had been problematic for a few years in terms of repair and maintenance. This project would allow for the replacement of that flow control valve. A new water line would be installed, as well as some much needed site improvements, including pavement to get back to the site and general lighting.

Once this last contract was completed, all of the work anticipated in the 2005 study with respect to the Feld Park Water Plant would have been completed.
Mayor Pro Tem Phil Nauert moved to award Bid No. 10-005, Feld Park Water Plant Improvements, to the lowest responsive bidder, Long & Sons, Inc., for the provision of applicable labor, services, materials, and equipment necessary for the construction of a new booster pump station and related infrastructure at Feld Park on Avenue B, Bellaire, Texas, in an amount not to exceed $1,176,225.00 and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, a *Standard Form of Agreement* with Long & Sons, Inc., for said services in an amount not to exceed $1,176,225.00. Councilwoman Nathan seconded the motion.

Following questions of Mr. Cox and City Staff by members of City Council regarding the Feld Park Water Plant Improvements, a vote was taken on the motion. The *motion carried unanimously on a 7-0 vote* as follows:

**FOR:**
- Mayor Siegel
- Mayor Pro Tem Nauert
- Councilmen Hickman, Avioli, Parker, and Friedberg
- Councilwoman Nathan

**OPPOSED:**
- None

**ABSENT:**
- None

{Ordinance was subsequently numbered: 10-070}

b. **CONSIDERATION** of and possible action on a recommendation from the Bellaire Public Works Department to award an engineering services contract to Klotz Associates, Inc. for construction phase services related to the Feld Park Water Plant Improvements in the amount of $113,200.00 and on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, a *Letter Agreement for Consulting Services* with Klotz Associates, Inc. for said construction phase services in the amount of $113,200.00 – *Item submitted by Director of Public Works Joe Keene.*

Councilman Avioli moved to award an engineering services contract to Klotz Associates, Inc. for construction phase services related to the Feld Park...
Water Plant Improvements in the amount of $113,200.00 and to adopt an ordinance of the City Council of the City of Bellaire, Texas, authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, a Letter Agreement for Consulting Services with Klotz Associates, Inc. for said construction phase services in the amount of $113,200.00. Councilman Parker seconded the motion.

Following questions of Mr. Cox, City Staff, and City Attorney Petrov, a vote was taken on the motion. The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

{Ordinance was subsequently numbered: 10-071}

2. CODE AMENDMENT:

CONSIDERATION of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 9, Buildings, Article II, Building Codes, Division 1, Generally, of the Code of Ordinances of the City of Bellaire, Texas, by repealing the existing Section 9-21, Construction requirements for private parking areas in residential zoned districts and commercial zoned districts, and adopting a new Section 9-21, Construction requirements for private parking areas in all zoned districts, for the purpose of modifying the requirements for the imposition of current construction standards for private parking areas – Item submitted by Director of Community Development John McDonald.

Director of Community Development McDonald advised City Council that the Building and Standards Commission recently considered a variance from the requirements of Section 9-21, specifically regarding a tree wherein the requestor desired to use a form of gravel rather than concrete for a parking area. During that variance discussion, it was noted that the language discussing the minimum requirements for the use of concrete or asphalt were not worded the way in which City Staff was interpreting those requirements. Although the interpretation
issue did not come into play with the final variance, City Staff and the City Attorney felt that the best option was to clarify the language in the City’s Code to avoid any future interpretation issues.

The current language read that concrete or asphalt would be required in residential zoned districts for ingress and egress of motor vehicles of areas in excess of 2,000 square feet. City Staff has recommended removing the requirement totally so that all parking areas regardless of size would be required to be constructed of concrete or asphalt. The ability to seek a variance from the Building and Standards Commission would remain.

Councilman Parker moved to adopt an ordinance of the City Council of the City of Bellaire, Texas, amending Chapter 9, Buildings, Article II, Building Codes, Division 1, Generally, of the Code of Ordinances of the City of Bellaire, Texas, by repealing the existing Section 9-21, Construction requirements for private parking areas in residential zoned districts and commercial zoned districts, and adopting a new Section 9-21, Construction requirements for private parking areas in all zoned districts, for the purpose of modifying the requirements for the imposition of current construction standards for private parking areas. Councilman Hickman seconded the motion.

Councilman Friedberg offered an amendment to the first paragraph of the language proposed for Section 9-21, Construction requirements for private parking areas in all zoned districts, to read as follows:

This section shall be deemed to control and regulate the construction and/or reconstruction of all areas upon private property, in all zoned districts, for the ingress and egress of motor vehicles and the parking of the same and shall control the construction of such areas in all zoned districts.

Councilman Parker seconded the amendment. The amendment carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

Discussion ensued among members of City Council regarding the use of pavers as a construction material for private parking areas. It was
noted that many residents currently had driveways constructed of pavers and, the base of those driveways were not concrete or asphalt.

Mayor Pro Tem Nauert moved to postpone action to amend Chapter 9, Buildings, Article II, Building Codes, Division 1, Generally, of the Code of Ordinances of the City of Bellaire, Texas, by repealing the existing Section 9-21, Construction requirements for private parking areas in residential zoned districts and commercial zoned districts, and adopting a new Section 9-21, Construction requirements for private parking areas in residential zoned districts and commercial zoned districts, for the purpose of modifying the requirements for the imposition of current construction standards for private parking areas until such time as City Staff could provide a more definitive approach with respect to the applicability of pavers as a material for private parking areas and incorporating applicable language in Section 9-21. Councilman Avioli seconded the motion to postpone.

Councilman Friedberg asked if City Council wanted to hear from the Building and Standards Commission on this issue. Mayor Pro Tem Nauert agreed. Mayor Siegel asked Director McDonald to take the issue forward to the Building and Standards Commission and report back to City Council.

The motion to postpone carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

3. BUDGET – FY 2011:

CONSIDERATION of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, adopting the budget for the City of Bellaire, Texas, for the fiscal year beginning October 1, 2010, and ending September 30, 2011; and appropriating the several sums set up therein to the objects and purposes therein named – City Manager Bernard M. Satterwhite, Jr.

Councilman Avioli moved to adopt an ordinance of the City Council of the City of Bellaire, Texas, adopting the budget for the
City of Bellaire, Texas, for the fiscal year beginning October 1, 2010, and ending September 30, 2011; and appropriating the several sums set up therein to the objects and purposes therein named. Councilman Hickman and Councilwoman Nathan seconded the motion.

City Manager Satterwhite indicated that changes had been made to the version of the proposed budget for fiscal year 2011 that was presented to City Council in July. The changes included the removal of $2,900 for elected officials’ compensation; the removal of $1,100 for City Council meals; and the addition of $45,000 for the hiring of a Comprehensive Plan consultant. In summary, the overall impact to the General Fund budget was an increase of $41,000. The ending fund balance for the General Fund did reflect the referenced changes.

Following questions and discussion among members of City Council and City Manager Satterwhite, Councilman Hickman offered an amendment to transfer $240,000 from the Enterprise Fund to the General Fund.*

*It was noted that expenditures in the General Fund that could be tied to the Enterprise Fund exceeded $240,000. Councilman Hickman’s motion was made to recoup some of the General Fund expenditures.

Amendment failed due to the lack of a second.

Following further questions and discussion among members of City Council and City Manager Satterwhite, a vote was taken on the motion to adopt the proposed budget for fiscal year 2011. The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

{Ordinance was subsequently numbered: 10-072}

4. PROPERTY TAXES:

a. PRESENTATION, CONSIDERATION, and possible action on the submittal of the Certified 2010 Tax Roll and the 2010 Property Tax Rates in the City of Bellaire, Texas – Item submitted by Chief Financial Officer Donna Todd.
Chief Financial Officer Todd presented a PowerPoint presentation regarding truth-in-taxation for the City of Bellaire for tax year 2010.

Truth-in-taxation was defined as a guide for setting tax rates, governed by the Texas Constitution and the Texas Property Tax Code. The City of Bellaire was required to comply with certain steps in calculating and subsequently adopting tax rates.

The two-fold purpose of truth-in-taxation was to make taxpayers aware of the tax rate proposals and to allow them, in certain cases, to roll back or limit a tax increase.

Upon receipt of the certified appraisal tax roll, two rates were calculated—an effective tax rate and a rollback tax rate. The City was obligated to publish the rates and hold public hearings, if necessary, prior to adopting the tax rate.

The purpose of the effective tax rate calculation was to provide the same amount of revenue received the year before on the same properties that were taxed in both years. New properties were not considered in calculating the effective tax rate.

The rollback tax rate was calculated to provide about the same amount of tax revenue spent the previous year for maintenance and operations (M&O), plus an eight percent increase as allowed by state law, plus debt service requirements. This was the maximum rate that a governing body could approve or adopt without voter approval.

In addition, the tax rate must be adopted within 60 days after receipt of the certified appraisal tax roll or before September 30th. Since the tax information was not received in time to meet the September 30th deadline, the City must adopt its tax rate by Monday, November 1, 2010.

Chief Financial Officer Todd provided various slides as a part of her PowerPoint presentation depicting the effective tax rate calculation, the maintenance and operations component of the rollback tax rate, and the debt component of the rollback tax rate.

The rates were set forth as follows:

Effective Tax Rate: $0.393087
Rollback Tax Rate:

M&O Component: $0.299411
Debt Component: $0.146894 $0.446305

In summary, the City could adopt a maximum tax rate of $0.446305 without voter approval.

As noted previously, the City prepared its budget and determined the amount of tax that needed to be levied in order to fund that budget.

If the proposed tax rate exceeded the lower of the effective tax rate or the rollback tax rate, then the government body (City) must conduct public hearings as a result of proposing a tax increase.

It was noted that the proposed tax rate for tax year 2010 was $0.3999. The average residential appraised value decreased in 2010 from $562,732 to $556,071. The average residential taxable value also decreased in 2010 from $441,015 to $434,017. The impact of the proposed tax rate was provided as follows:

<table>
<thead>
<tr>
<th>Tax Year 2010</th>
<th>Tax Year 2009</th>
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<tbody>
<tr>
<td>$434,017 taxable value X $0.3999/$100 valuation = $1,736</td>
<td>$441,015 taxable value X $0.3759/$100 valuation = $1,658</td>
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Chief Financial Officer Todd indicated that the next step would be to hold public hearings because City Staff was proposing a higher tax rate than the effective tax rate. The first public hearing would be scheduled on Tuesday, September 28, 2010, at 7:00 p.m. The second public hearing would be held on Monday, October 4, 2010, at 6:00 p.m.

Once the public hearings were completed, the City would adopt the tax rate on October 18, 2010.

Following questions of Chief Financial Officer Todd from members of City Council regarding the truth-in-taxation calculations, Councilman Parker moved to accept the Certified 2010 Tax Roll and the 2010 Property Tax Rates in the City of Bellaire, Texas, as presented by Chief Financial Officer Donna Todd, into the record. Mayor Pro Tem Nauert
The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

b. CONSIDERATION of and possible action regarding the taking of a record vote to increase the tax revenue for the City of Bellaire, Texas, for the 2010 tax year by proposing a tax rate of $0.3999 per $100 valuation and authorizing the City Clerk and Chief Financial Officer to publish a Notice of Public Hearing on Tax Increase. The recommended dates for said public hearings are Tuesday, September 28, 2010, at 7:00 p.m. in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, and Monday, October 4, 2010, at 6:00 p.m. in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401 – Item submitted by Chief Financial Officer Donna Todd.

Mayor Pro Tem Nauert moved to propose a tax rate of $0.3999 per $100 valuation. Councilman Parker seconded the motion.

Councilman Hickman moved to amend the proposed tax rate to $0.393 per $100 valuation. The amendment failed due to the lack of a second.

A record vote was taken on the motion to propose a tax rate of $0.3999 per $100 valuation as follows:

<table>
<thead>
<tr>
<th>Member of City Council</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Councilman Will Hickman</td>
<td>Against</td>
</tr>
<tr>
<td>Councilman James P. Avioli, Sr.</td>
<td>For</td>
</tr>
<tr>
<td>Councilman Corbett Daniel Parker</td>
<td>For</td>
</tr>
<tr>
<td>Mayor Cindy Siegel</td>
<td>For</td>
</tr>
<tr>
<td>Mayor Pro Tem Phil Nauert</td>
<td>For</td>
</tr>
<tr>
<td>Councilman Andrew Friedberg</td>
<td>For</td>
</tr>
<tr>
<td>Councilwoman Mandy Nathan</td>
<td>For</td>
</tr>
</tbody>
</table>

The motion carried on a 6-1 vote as set forth above.
Councilman Parker moved to set the first public hearing on the tax increase on September 28, 2010, at 7:00 p.m. and the second public hearing on the tax increase on October 4, 2010, at 6:00 p.m., both of which would be held in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, and to authorize the City Clerk and Chief Financial Officer to publish notice of said public hearings. Mayor Pro Tem Nauert seconded the motion. The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None

H. COMMUNITY INTEREST ITEMS FROM THE MAYOR AND CITY COUNCIL.

Items of community interest included praise, recognition, and best wishes to Chief Financial Officer Todd in her new job; praise for professional responses made by the Bellaire Police Department and Bellaire Fire Department; and reminder of two openings (citizen representatives) on the Sunset Review Committee.

I. ADJOURNMENT.

Councilman Hickman moved to adjourn the Regular Session of the City Council of the City of Bellaire, Texas, at 9:52 p.m. on Monday, September 20, 2010. Councilman Parker seconded the motion. The motion carried unanimously on a 7-0 vote as follows:

FOR: Mayor Siegel, Mayor Pro Tem Nauert, Councilmen Hickman, Avioli, Parker, and Friedberg, and Councilwoman Nathan

OPPOSED: None

ABSENT: None
Respectfully submitted,

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

Approved:

___________________________
Cynthia Siegel, Mayor
City of Bellaire, Texas