The Hutto City Council met in a regular session on Thursday, June 15, 2017, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

Mayor Gaul called the session to order at 7:00 p.m.

ROLL CALL

Members of the City Council that were present were Mayor Doug Gaul, Mayor Pro-tem Tom Hines, Councilmember Anne Cano, Councilmember Nathan Killough, Councilmember Tim Jordan, and Councilmember Lucio Valdez.

Members of staff that were present were Odis Jones, City Manager, Danielle Singh, Assistant City Manager, Mike Shaunessy, City Attorney, Helen Ramirez, Executive Director Business/Development Services, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Michel Sorrell, Chief Financial Officer, Eliska Smith, Executive Director of Communications and Marketing, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Pastor Bernard Suppan with New Life Pentecostal Church.

PLEDGE OF ALLEGIANCE

Mayor Gaul led the Pledge of Allegiance and the Texas Pledge.

Following the pledge, Mayor Gaul addressed Item 10D and asked if there was a motion to remove the item.

**MOTION:** Councilmember Nathan Killough moved to removed Item 10D from the agenda. Councilmember Tim Jordan seconded the motion.

**VOTE:**

Ayes: Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Anne Cano  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez

Nays: None

Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

PUBLIC COMMENT

5A. Remarks from visitors

There were no remarks from visitors.

PRESENTATIONS

6A. Presentation from Hutto's Big Event Planning Committee to express appreciation to the City of Hutto for its continued support of Hutto's Big Event.

Jessica Romigh, President of Keep Hutto Beautiful Foundation, provided an overview of the most recent Big Event and presented the City Council with a token of appreciation for their sponsorship and support.

PUBLIC HEARINGS

7A. Consideration of a public hearing regarding an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, repealing it in its entirety and incorporating mixed-use development regulations into the Unified Development Code (UDC) Chapters One through Eight.

Helen Ramirez, Executive Director of Development/Business Services, made the staff presentation. Mrs. Ramirez pointed out that the purpose of combining these codes is to create one cohesive document that reduces jargon, removes redundancy, and addresses concerns related to utility placement, landscaping, signing, and non-conforming uses.

Mayor Gaul opened the public hearing at 7:10 p.m.

There being no one signed up to speak, Mayor Gaul closed the public hearing at 7:10 p.m.


Helen Ramirez, Executive Director of Development/Business Services, made the staff presentation. Mrs. Ramirez reiterated why the two codes are being combined into one cohesive document.

Mayor Gaul opened the public hearing at 7:11 p.m.

There being no one signed up to speak, Mayor Gaul closed the public hearing at 7:11 p.m.
CONSENT AGENDA ITEMS

8A. Consideration and possible action on the meeting minutes for the May 18, 2017 Regular City Council Meeting, the May 11, 2017 and May 15, 2017 Special Called City Council City Council Meetings, and the May 15, 2017 Joint City Council and Parks Advisory Board Work Session.

MOTION: Councilmember Anne Cano moved to approve items 8A on the consent agenda. Mayor Pro-tem Tom Hines seconded the motion.

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Anne Cano
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

RESOLUTIONS

9A. Consideration and possible action on a resolution awarding Smith Contracting Bid 17-05 for the East Street Reconstruction Project and authorizing the City Manager execute an agreement not to exceed $1,171,872.90.

Mario Perez – 209 East Street – spoke for downtown businesses in support of the project and asked that the council approve this item.

Danielle Singh, Assistant City Manager, made the staff presentation. Mrs. Singh provided a brief overview of the project scope, initial cost savings that were negotiated with the contract, and outlined several options to reduce additional costs.

Option 1 – Remove Parking Lot Amenities and Landscaping

Option 1A
- Remove Amenities: Food Truck Pedestals, Bike Rack, Concrete Pads
- Deduct $51,126.00

Option 1B
- Remove Landscaping for Parking Lot- Plants and Irrigation
- Deduct $32,032.00
Option 2 Remove Street Furniture
• Tree well rec box
• 8' bench
• 6’ Bench
• Deduct $30,250.00

Option 3 Remove Construction between Farley Street & US 79
• Deduct $84,661.60
• Cost is equal for work to be done under pavement management
• Deduction not Recommended

MOTION: Mayor Pro-tem Tom Hines moved to accept the new bid of $1,111,592.90 without removing any options. Councilmember Anne Cano seconded the motion.

Discussion ensued about the possible options to further reduce cost related to this project and possibly amending the motion. After further discussion, Mayor Pro-tem Tom Hines withdrew his original motion

MOTION: Mayor Pro-tem Tom Hines moved to approve the resolution awarding Smith Contracting the bid for the East Street Construction Project and authorizing the City Manager to execute an agreement not to exceed $1,030,214.90 with options 1A and 2 removed. Councilmember Anne Cano seconded the motion.

VOTE:  Ayes:  Mayor Doug Gaul
        Mayor Pro-tem Tom Hines
        Councilmember Anne Cano
        Councilmember Nathan Killough
        Councilmember Tim Jordan
        Councilmember Lucio Valdez

        Nays:  None
        Abstain: None
        Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

9B. Consideration and possible action on a resolution directing the Development Services Department to prepare a Municipal Service Plan for the proposed annexation of the Titan Innovation Business Park, 69.829 acres, more or less, of land out of the Martin Strouse Survey, Abstract No. 587, located at 550 Alliance Boulevard.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez provided some history concerning the property and the purpose of the Municipal Service Plan. She pointed out that this property is under an annexation development agreement.

MOTION: Councilmember Nathan Killough moved to approve the resolution directing the Development Services Department to prepare a Municipal Service Plan for the proposed annexation of the Titan Innovation Business Park, 69.829 acres, more or less,
of land out of the Martin Strouse Survey, Abstract No. 587, located at 550 Alliance Boulevard. Councilmember Lucio Valdez seconded the motion.

**VOTE:**

**Ayes:**
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Anne Cano
- Councilmember Nathan Killough
- Councilmember Tim Jordan
- Councilmember Lucio Valdez

**Nays:** None

**Abstain:** None

**Absent:** None

**ACTION:** The motion carried with 6 ayes and 0 nays.

**ORDINANCES**

10A. Consideration of a public hearing and possible action on the first reading of an ordinance granting a specific use permit for the property located at 447 Chris Kelley Boulevard, 0.943 acres, more or less, of land, Lot C8, Block G of the Enclave At Brushy Creek Section 1 Subdivision, allowing a car wash in the B-2 (General Commercial) zoning district.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez provide a summary of the request and the reason for the approval of a specific use permit, along with the current zoning of the property, and the properties surrounding the area.

Mrs. Ramirez pointed out that this development would not be a 24/7 operation, so there should be less of a noise impact to the citizens to the East.

The Planning and Zoning Commission recommended approval of this permit at their June 6, 2017 meeting.

Mayor Gaul opened the public hearing at 7:34 p.m.

There being no one signed up to speak, Mayor Gaul closed the public hearing at 7:34 p.m.

Daniel, Manager of the Big Red Express Car Wash, spoke about the business hours and the placement of the equipment on the site.

Discussion ensued about noise levels, and if there have been any complaints concerning the existing car wash on the property. To date there have not been any noise complaints at the current property.

Mayor Pro-tem Tom Hines requested that the company perform noise level testing on the blowers and bring that information back to the City Council.
**MOTION:** Councilmember Lucio Valdez moved to approve the first reading of an ordinance granting a specific use permit for the property located at 447 Chris Kelley Boulevard, 0.943 acres, more or less, of land, Lot C8, Block G of the Enclave At Brushy Creek Section 1 Subdivision, allowing a car wash in the B-2 (General Commercial) zoning district. Councilmember Anne Cano seconded the motion.

**VOTE:**

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**ACTION:** The motion carried with 6 ayes and 0 nays.

10B. **Consideration and possible action with respect to an ordinance authorizing the issuance of City of Hutto, Texas Limited Tax Notes, Series 2017; authorizing the levy of an ad valorem tax in support of the notes; approving a paying agent/registrar agreement and an official statement; awarding the sale of the notes; and authorizing other matters related to the issuance of the notes.**

Michel Sorrell, Chief Financial Officer, and Dan Wegmiller, with Special Public Finance, made the staff presentation.

Mr. Wegmiller outlined the process to verify the current bond rating for the City of Hutto, which is maintained at AA-. He highlighted that the rating agency noted the strong institutional framework and that the City received positive outlooks from all of the bond rating agencies.

Mr. Wegmiller stated that the bid notes are for 7 years and that 6 strong bids were received. Citigroup Global Markets, Inc. is the preferred group with the lowest interest rate.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve an ordinance authorizing the issuance of City of Hutto, Texas Limited Tax Notes, Series 2017; authorizing the levy of an ad valorem tax in support of the notes; approving a paying agent/registrar agreement and an official statement; awarding the sale of the notes; and authorizing other matters related to the issuance of the notes. Councilmember Anne Cano seconded the motion.

**VOTE:**

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Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

10C. Consideration and possible action on the second and final reading of an ordinance establishing Sex Offender Residency Regulations.

Byron Frankland, Chief of Police, made the staff presentation. Chief Frankland provided a brief overview of the ordinance and the accompanying map.

Mike Shaunessy, City Attorney, pointed out that the ordinance tracks the language of the current state law

MOTION: Councilmember Anne Cano moved to approve the second and final reading of an ordinance establishing Sex Offender Residency Regulations. Councilmember Lucio Valdez seconded the motion.

VOTE: Ayes: Mayor Doug Gaul
Councilmember Anne Cano
Mayor Pro-tem Tom Hines
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

10D. Consideration and possible action on the first reading of an ordinance establishing compensation for the Mayor, Mayor Pro-tem and the Councilmembers.

Item 10D was withdrawn from the agenda.

CITY MANAGER COMMENTS

11A. Discussion concerning updates on the Fritz Park Improvement Project.

Danielle Singh, Assistant City Manager, made the staff presentation. Mrs. Singh spoke briefly about discussions with the contactor and that a resolution has not been reached.

Mike Shaunessy, City Attorney, highlighted that the contractor rejected the City’s claims and the City Manager has authorized him to file documents to begin the process of a lawsuit.
The project is still on track to be completed this summer.

11B. Discussion concerning a Road and Drainage Maintenance Bond Program.

Danielle Singh, Assistant City Manager, provided an overview of the current road and drainage maintenance resources employed by the City, the challenges that are currently being experienced, and a potential solution being a Road and Drainage Maintenance Bond Program.

This solution would move Street, Drainage, and Grounds Division from the General Fund to a Bond Fund. Approximately $250,000 in debt service annually would fund approximately a $3 Million Bond, and this would free up approximately $1 Million in the General Fund. Those funds would allow for the hiring of additional police, it would address the street maintenance issue, and allow the city to purchase necessary equipment.

Mrs. Singh also highlighted similar programs in neighboring cities like Cedar Park and San Marcos.

Byron Frankland, Chief of Police, spoke briefly how additional staff would help them to be more proactive and expand services and their tool kit.

Dan Wegmiller, with Specialized Public Finance, outlined the financial impacts which included the following:

- Annual or Bi-annual Certificate of Obligation (CO) issuance for projects allows City to leverage the annual funds available into a larger upfront capital program through Certificate issuance
- Available funds for debt service should grow if the City's tax base grows allowing for the additional revenue to support future Certificate of Obligation (CO) issuance
- If revenue doesn't grow then the CO program can be suspended until revenue is available for additional funding needs
- Program can be rolled into the other Capital Improvement Program issuance needs of the City allowing for economies of scale in CO issuance

Discussion ensued about potential pitfalls, examples of how to exit the program, operational impacts, and the next steps in implementing this type of program.

11C. Discussion concerning a Draft Comprehensive Economic Development Policy.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez highlighted the purpose of this policy is to align economic development efforts to build a more diverse and sustainable economy as outlined in the Hutto Strategic Plan.

Following the purpose, Mrs. Ramirez provided an overview of Hutto’s current demographics and the 7 key growth corridors/area in the City.
Key Growth Corridors:
1. Historic Downtown/Co-Op site
2. State Highway 130,
3. New A-1 East- West Corridor,
4. Ed Schmidt (CR119) / FM1660 North Corridor,
5. New E-1 North-South Corridor (CR101/ FM3349),
6. Southeast Hutto

Mrs. Ramirez continued on by outlining how this document will help build the foundation for growth, cultivate a grow from within policy, and develop a financial incentive strategy to help create certainty in the competitive market and expand the current economic toolbox. She continued on by highlighting the recent market assessment that was completed and additional tax incentives and programs that could be developed.

Odis Jones, City Manager, emphasized the importance of developing this type of comprehensive policy in order to ensure success.

11D. Presentation and discussion concerning 4A and 4B Economic Development Corporations and their advantages.

Carol Polumbo, the City’s Bond Counsel with McCall, Parkhurst, and Horton, made the staff presentation. Ms. Polumbo provided an overview of how legislation concerning 4A and 4B Economic Development Corporations (EDC) has evolved over the years and the limitations and advantages of each type.

Discussion ensued concerning potential options moving forward, how you can change the type of corporation that exists, performance of the current EDC, structures of our benchmark cities EDC’s, and adjustments of the sales tax percentages.

11E. Progress Status Report concerning the implementation of the Strategic Plan and the Cascade Content Management System.

Eliska Smith, Executive Director of Communications and Marketing, and Shawna Willis, Director of Human Resources, made the staff presentation. They provided progress reports on each of the strategic objectives and highlighted achievements from each department.

WORK SESSION

12A. Presentation and discussion concerning the City’s financial statements and investments as of May 31, 2017.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell pointed out that they are currently diversifying the City’s investment portfolio, and she provided an overview of the revenues and expenditures for each of the following funds:
- General Fund
- General Debt Service Fund
- General Capital Replacement Fund
- Court Technology Fund
- Court Security Fund
- Court Training Fund
- Hotel Tax Fund
- ATS Red Light Camera Fund
- PEG Capital Fees Fund
- Utility Fund
- Utility Debt Service Fund
- Impact Fees Fund
- Utility Capital Replacement Fund
- Capital Improvements Project Fund
- Solid Waste Fund

Following all of the items, Mayor Gaul thanked Councilmember Anne Cano for her years of service on the City Council.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:02 p.m.

CITY OF HUTTO, TEXAS

[Signature]
Doug Gaul, Mayor

ATTEST:

[Signature]
Seth Gipson, City Secretary