CITY COUNCIL
MEETING MINUTES
SEPTEMBER 7, 2017

The Hutto City Council met in a regular session on Thursday, September 7, 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 Scott Rose, Councilmember Nathan Killough, Councilmember Tim Jordan, Councilmember Lucio Valdez, and Councilmember Terri Grimm.

Members of staff that were present were Odis Jones, City Manager, Mike Shaunessy, City Attorney, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Michel Sorrell, Chief Financial Officer, Helen Ramirez, Executive Director of Business/Development Services, Scot Stromsness, Executive Director of Public Works and Engineering, Shawna Willis, Human Resources Director, Eliska Smith, Executive Director of Communications and Marketing, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Pastor Russell Daniel with Austin Christian Fellowship.

PLEDGE OF ALLEGIANCE

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

PROCLAMATIONS

5A. Proclamation declaring the month of September 2017 as Library Card Sign-up Month in Hutto, Texas.

Mayor Gaul read and presented the following proclamation to Lisa Riggs, Library Supervisor, and members of the Library Advisory Board and Friends of the Hutto Library.

Official Proclamation
Whereas, the Hutto Public Library has served over 23,500 patrons of all ages within the last year, with over 3500 active members of the library, that have access to over 27,000
items in the collection, over 15,500 items for eReading, TexShare Databases, and
electronics; and,
Whereas, the Hutto Public library plays an important role in the education and
development of children by providing over 700 programs for all ages, including early
literacy, academic resources, College Preparation and GED resources, Preschool Story
Time, and reading programs with almost 900 participants; and,

Whereas, librarians lead the way in creating inclusive spaces for students of all
backgrounds to learn together as well as provide spaces for adult educational services
with Adult Basic Spanish, English as a Second Language, and GED/HISET Resources; and,

Whereas, libraries continue to transform and expand their services in ways that meet
the needs of the communities they serve, including making digital technology and
information equally accessible to all.

Now Therefore, I, DOUG GAUL, MAYOR of the City of Hutto do hereby proclaim the month
of September 2017, as

"LIBRARY CARD SIGN-UP MONTH"

in Hutto and urge all citizens of Hutto to sign up for their own library card today and
explore the many educational opportunities that our local library has to offer.

Proclaimed this the 7th day of September, 2017.

PUBLIC COMMENT

6A. Remarks from visitors

Anne Cano – 201 East Pecan – Spoke regarding board appointments to the Hutto EDC.

Ed Pride – 101 Cottonwood Dr. – Shared his concerns regarding the City Manager and
City Attorney responses to public comment, Hutto EDC board member requirements,
specifically population, and experience of Hutto EDC members.

Rudy Perez – 218 Cloud Rd. – Shared concerns regarding the actions of the City Council
and City Manger.

Kay Johnson – 113 East St. – shared her concerns regarding actions within the City of
Hutto.

Malcolm Scott – 206 Grisham Dr.- shared his concerns regarding the noise levels that
are produced by Hippo Hut and the impact that it is having on his quality of life.

PUBLIC HEARINGS
7A. Open and conduct the first public hearing regarding the proposed annexation of the property known as 2059 Limmer Loop, 4.97 acres, more or less, of land located on the northeast corner of Limmer Loop at CR 108.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Provided a brief overview of the project and its location in addition to the process that will occur. There was one comment in favor of the annexation that was received and the City attorney has approved the process as to form.

Mayor Gaul opened the public hearing at 7:22 p.m. There being no public comment, Mayor Gaul closed the public hearing at 7:22 p.m.

7B. Open and conduct the second public hearing to hear testimony regarding the proposed ad valorem tax rate.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of the proposed tax rate and the revenues that would be generated.

Mayor Gaul opened the public hearing at 7:24 p.m. There being no public comment, Mayor Gaul closed the public hearing at 7:24 p.m.

CITY MANAGER COMMENTS

8A. Recognition of employee’s service to the City of Hutto during Hurricane Harvey.

Odis Jones, City Manager, thanked all of the employees, civilian, police and fire, for working together as a team and for working around the clock to prepare and during Hurricane Harvey to ensure the safety of our community.

The City Council also thanked the staff for the care they showed to the citizens and the help that they provided.

8B. Discussion and review concerning the storm response.

Odis Jones, City Manager, made the staff presentation. Mrs. Jones highlighted the City’s infrastructure held up well, but there were some lessons learned and that staff was working on improvements for the future.

CONSENT AGENDA ITEMS

9A. Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 5 Final Plat, 23.2483 acres, more or less, of land, 100 single family lots, located at Knowles Drive and Duroc Drive.

9B. Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 6 Final Plat, 1.9465 acres, more or less, of land, two commercial lots, located on Chris Kelley Boulevard at US 79 (southwest corner).
9C. Consideration and possible action on the meeting minutes for the August 3, 2017 Regular City Council Meeting, August 3, 2017 Special Called City Council Meeting, and August 14, 2017 Joint City Council and Hutto Economic Development Corporation Board Meeting.

MOTION: Mayor Pro-tem Tom Hines moved to approve items 9A-9C on the consent agenda. Councilmember Nathan Killough seconded the motion.

VOTE:

Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 7 ayes and 0 nays.

ORDINANCES

10A. Consideration and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2017 Budget of the Hutto Economic Development Corporation - Type A.

Michel Sorrell, Chief Financial Officer, made the staff presentation. The proposed amendment will decrease the FY 2016-17 Budget by $59,800. On July 24, 2017 the new Hutto Economic Development Corporation Board - Type A reviewed and adopted the amended budget. The decrease is due to the restructuring of the Type A corporation and creation of a Type B Corporation.

MOTION: Mayor Pro-tem Tom Hines moved to approve the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2017 Budget of the Hutto Economic Development Corporation - Type A. Councilmember Tim Jordan seconded the motion.

VOTE:

Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm

Nays: None
Abstain: None

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Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

10B. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type A Fiscal Year 2017-18 Budget.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of the proposed budget, which included projected revenues and expenditures. This budget included projected growth in sales tax of 5%.

**MOTION:** Councilmember Nathan Killough moved to approve the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type A Fiscal Year 2017-18 Budget. Mayor Pro-tem Tom Hines seconded the motion.

**VOTE:**

**Ayes:** Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  
Councilmember Terri Grimm

**Nays:** Mayor Doug Gaul

**Abstain:** None

**Absent:** None

**ACTION:** The motion carried with 6 ayes and 1 nays.

10C. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2016-17 Budget.

Michel Sorrell, Chief Financial Officer, made the staff presentation. The FY 2017-16 Budget totals $50,000. This amount is to cover any provisional, or transitional, services costs paid for by the Hutto Economic Development Corporation - Type B and reimbursed by the Hutto Economic Development Corporation - Type A.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2016-17 Budget. Councilmember Terri Grimm seconded the motion.

**VOTE:**

**Ayes:** Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Terri Grimm
Nays: Councilmember Lucio Valdez
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 1 nays.

10D. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2017-18 Budget.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of the proposed budget, which included projected revenues and expenditures. This budget included projected growth in sales tax of 5%. Mrs. Sorrell pointed out that this budget is more generic due to the upcoming election and potential transition.

MOTION: Mayor Pro-tem Tom Hines moved to approve the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2017-18 Budget. Councilmember Tim Jordan seconded the motion.

VOTE: Ayes: Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Terri Grimm

Nays: Mayor Doug Gaul
Councilmember Lucio Valdez

Abstain: None
Absent: None

ACTION: The motion carried with 5 ayes and 2 nays.

10E. Consideration and possible action on the first reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2017 through September 30, 2018, and adopting the annual budget of the City of Hutto for Fiscal Year 2017-18.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell highlighted that the proposed budget is based on a reduced tax rate that was reduced from $.52043 to $.515171.

Mrs. Sorrell continued on by pointing out budget highlights that included the addition of staff, creation of a Streets, Drainage and Ground Bond Program, increase in salaries for sworn officers, average merit increase for staff, and equipment. Following the budget highlights, Mrs. Sorrell discussed the revenues, expenditures, and enhancements for each of the following funds:

- General Fund
- General Debt Service  
- General Capital Replacement Fund  
- General Capital Improvements Fund  
- Streets, Drainage and Ground Construction Fund  
- Solid Waste Fund  
- Utility Fund  
- Utility Debt Service Fund  
- Utility Capital Replacement Fund  
- Impact Fees Fund  
- Court Fees Fund  
- Hotel Tax Fund  
- PEG Fund  
- Red Light Camera Fund

**MOTION:** Mayor Pro-tem Tom Hines moved to approve the first reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2017 through September 30, 2018, and adopting the annual budget of the City of Hutto for Fiscal Year 2017-18. Councilmember Nathan Killough seconded the motion.

**VOTE:**  
Ayes:  
Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  
Councilmember Terri Grimm

Nays: None  
Abstain: None  
Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

10F. **Consideration and possible action on the first reading of an ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2017.**

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of the Taxable Value and Tax Rate Comparison for the City of Hutto.

**MOTION:** Councilmember Terri Grimm moved that the property tax rate be increased by the adoption of the tax rate $0.515171, which is effectively a 6.06 percent increase in the tax rate. Councilmember Nathan Killough seconded the motion.

**VOTE:**  
Ayes:  
Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan

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Councilmember Lucio Valdez  
Councilmember Terri Grimm

Nays: None  
Abstain: None  
Absent: None

ACTION: The motion carried with 7 ayes and 0 nays.

10G. Consideration and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2017-18 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2017.

MOTION: Councilmember Nathan Killough moved to approve the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2017-18 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2017. Mayor Pro-tem Tom Hines seconded the motion.

VOTE: Ayes:  
Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  
Councilmember Terri Grimm

Nays: None  
Abstain: None  
Absent: None

ACTION: The motion carried with 7 ayes and 0 nays.

10H. Consideration and possible action on the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflect projected year-end.

Michel Sorrell, Chief Financial Officer, made the staff presentation. This is the third budget amendment for Fiscal Year 2017.

Mrs. Sorrell provided an overview of projected year ends for each of the following funds:

- General Fund
- General Debt Service Fund
- General Capital Replacement Fund
- Court Fund
- Hotel Tax Fund
- ATS Red light Camera Fund
- PEG Capital Fee
- Utility Fund
- Utility Debt Service Fund
- Impact Fees Fund
- Utility Capital Replacement Fund
- Capital Improvements Project Fund
- Solid Waste Fund

Mrs. Sorrell provided Fiscal Year 2017 Budget highlights which included an increase in sales tax revenues, up 21%, bond proceeds for capital projects including Innovation Business Park, Front Street Utilities, Pollard Park purchase, engineering and hydrogeologist expenses for the pricing of the Heart of Texas Water Supply, a mobility study, the addition of five sworn officers, the expansion of the Communications Department, and the restructuring of the organization to provide efficient and effective services, including improved internal and external customer service.

**MOTION:** Mayor Pro-temp Tom Hines moved to approve the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflect projected year-end. Councilmember Tim Jordan seconded the motion.

**VOTE:**

Ayes: Mayor Doug Gaul
       Mayor Pro-temp Tom Hines
       Councilmember Scott Rose
       Councilmember Nathan Killough
       Councilmember Tim Jordan
       Councilmember Lucio Valdez
       Councilmember Terri Grimm

Nays: None

Abstain: None

Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

The City Council dispensed with the order of the agenda and recessed into executive session at 8:09pm to address item 13A. The City Council reconvened at 8:50pm.

101. Consideration and possible action on an ordinance authorizing the issuance and sale of one or more series of City of Hutto, Texas Combination Tax and Revenue Certificates of Obligation; authorizing the levy of an ad valorem tax and the pledge of certain revenues in support of the certificates; approving an official statement, the form of a paying agent/registrar agreement and other agreements related to the sale and issuance of the certificates; establishing procedures for selling and delivering one or more series of the certificates; and authorizing other matters related to the issuance of certificates.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of the certificates of obligation that included how the certificates would be funded and the projects that the proceeds would use for, which include:

- Innovation Business Park
- Co-op Municipal Complex & Entertainment District
- Streets, Utilities & Drainage Improvements
- Parks Facility Improvements - Amphitheater
- Purchasing of the Heart of Texas Water Utility
Mrs. Sorrell highlighted the estimated return on investment for the City and the strategic partners (Hutto ISD, EWCHEC, ESD, and County), in addition to the private sector investment into the community.

Walter Kulakowski, with Mesirow Financial, provided some background on the acquisition of the Heart of Texas Water Utility, his presentation included the benefits of acquiring the system, which included stabilization of water rates, and charts that showed the estimated savings to the City by purchasing the utility versus continuing on with the existing water contract.

There was a brief discussion concerning the estimated life of the water utility and return on investment.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve an ordinance authorizing the issuance and sale of one or more series of City of Hutto, Texas Combination Tax and Revenue Certificates of Obligation; authorizing the levy of an ad valorem tax and the pledge of certain revenues in support of the certificates; approving an official statement, the form of a paying agent/registrar agreement and other agreements related to the sale and issuance of the certificates; establishing procedures for selling and delivering one or more series of the certificates; and authorizing other matters related to the issuance of certificates. Councilmember Tim Jordan seconded the motion.

**VOTE:**

**Ayes:**
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Scott Rose
- Councilmember Nathan Killough
- Councilmember Tim Jordan
- Councilmember Lucio Valdez
- Councilmember Terri Grimm

**Nays:** None

**Abstain:** None

**Absent:** None

**ACTION:** The motion carried with 7 ayes and 0 nays.

10J. Consideration and possible action on the first reading of an ordinance amending Chapter 2, Article 2.05 Standards of Conduct, Section 2.05.006 Ethics Review Commission of the Code of Ordinances (2014 Edition).

**MOTION:** Councilmember Terri Grimm moved to table item 10J. Councilmember Lucio Valdez seconded the motion.

**VOTE:**

**Ayes:**
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Scott Rose
- Councilmember Nathan Killough
- Councilmember Tim Jordan

**Absent:** None
Councilmember Lucio Valdez  
Councilmember Terri Grimm

Nays: None  
Abstain: None  
Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.


**MOTION:** Councilmember Terri Grimm moved to table item 10K. Councilmember Lucio Valdez seconded the motion.

**VOTE:**  
Ayes: Mayor Doug Gaul  
        Mayor Pro-tem Tom Hines  
        Councilmember Scott Rose  
        Councilmember Nathan Killough  
        Councilmember Tim Jordan  
        Councilmember Lucio Valdez  
        Councilmember Terri Grimm

Nays: None  
Abstain: None  
Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

**RESOLUTIONS**

11A. Consideration and possible action on a resolution authorizing an increase to the not to exceed amount for legal services provided by McGinnis Lochridge for personnel, real estate and economic development matters.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell provided an overview of legal costs that have occurred and the effect on the general fund was.

Mrs. Sorrell outlined the following projects that have occurred and that reimbursement resolutions that have been approved.

- Titan Business Park  
- Pollard Park  
- Avery Wastewater Interceptor  
- Utilities North of Limmer Loop  
- Park Facilities - Amphitheater  
- Co-op Facilities & Infrastructure  
- Heart of Texas Utility  
- East Street Construction
- **Type A & B EDC**

Discussion ensued concerning the fees that have been paid to date, what happens if the cap is not increased, the need of a cap on legal expenses, and what is a needed for the remainder of the year.

**MOTION:** Councilmember Nathan Killough moved to approve the resolution authorizing an increase to the not to exceed amount for legal services provided by McGinnis Lochridge for personnel, real estate and economic development matters to $280,000. Councilmember Terri Grimm seconded the motion.

**VOTE:**

Ayes: Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Scott Rose  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  
Councilmember Terri Grimm

Nays: None

Abstain: None

Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

**OTHER BUSINESS**

12A. **Consideration and possible action on the TxDOT TAP Limmer Loop Sidewalk Project.**

Matt Rector, City Engineer, made the staff presentation. Mr. Rector provided an overview of the project, the grant that the City was awarded, the requirements of the Advanced Funding Agreement, and what has been completed to date. Mr. Rector pointed out that there may be some overages in the project due to increasing construction costs.

Discussion ensued concerning potential funding from Hutto ISD, space for future road expansion, and the Mobility and Thoroughfare Plans.

It was the consensus of the City Council to continue with bid process and talk with Hutto ISD about participating in funding the project.

12B. **Consideration and possible action on extending the submittal due date for the Facade Improvement Grant Program to September 15, 2017.**

Councilmember Nathan Killough recused himself from item 12B.

Helen Ramirez, Executive Director of Business/Development services, made the staff presentation. Mrs. Ramirez explained to the City Council that due to recent inclement weather, there were several applicants that could not submit the necessary paperwork
for the Façade Improvement Program by the deadline and suggested extending the deadline due to unforeseen circumstances.

**MOTION:** Mayor Pro-tem Tom Hines moved to extend the submittal due date for the Façade Improvement Grant Program to September 22, 2017. Councilmember Lucio Valdez seconded the motion.

**VOTE:**          
Ayes: Mayor Doug Gaul
                  Mayor Pro-tem Tom Hines
                  Councilmember Scott Rose
                  Councilmember Lucio Valdez
                  Councilmember Terri Grimm

Nays: Councilmember Tim Jordan

Abstain: Councilmember Nathan Killough

Absent: None

**ACTION:** The motion carried with 5 ayes and 1 nays.

The City Council recessed into executive session at 9:55 p.m.

**EXECUTIVE SESSION**

13A. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding economic development.

13B. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding arterial fences along Farm to Market Road 1660.

13C. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding contract negotiations with Williamson County Emergency Services District # 3.

The City Council reconvened into regular session at 11:03 p.m.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:03 p.m.

CITY OF HUTTO, TEXAS

[Signature]

Doug Gaul, Mayor

ATTEST:

[Signature]

Seth Gipson, City Secretary