The Hutto City Council met in a regular session on Thursday, July 16, 2015, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

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

ROLL CALL.

Members of the City Council that were present were Mayor Debbie Holland, Mayor Pro-temp Michael J. Smith, Councilmember Anne Cano, Councilmember Tom Hines, Councilmember Ronnie Quintanilla-Perez, and Councilmember Lucio Valdez. Councilmember Max Yeste was absent.

Members of the city staff that were present were Karen Daly, City Manager, Micah Grau, Assistant City Manager, Charlie Crossfield, City Attorney, Melanie Hudson, Finance Director, Randy Barker, General Services Director, Helen Ramirez, Development Services Director, and Earl Morrison, Chief of Police.

INVOCATION

Invocation was given by Father Adrian Chishimba with St. Patrick's Catholic Church.

PLEDGE OF ALLEGIANCE

Mayor Holland led the Pledge of Allegiance.

PROCLAMATIONS

5A. Proclamation declaring August 4, 2015, as 'National Night Out' in the City of Hutto in recognition of the community activities that will be held in the City.

Mayor Holland read the following proclamation and presented it to Chief of Police Earl Morrison.

WHEREAS, the Hutto Police Department along with the National Association of Town Watch is participating in a unique, nationwide crime and drug prevention program on August 4, 2015, called "National Night Out"; and

WHEREAS, the 32nd Annual National Night Out provides a unique opportunity for Hutto to join forces with thousands of other communities across the country in promoting cooperative, police community crime prevention, and the enhancement of quality-of-life issues; and
WHEREAS, the citizens of Hutto play a vital role in assisting the Police Department through joint crime, drug prevention, and reporting efforts in Hutto; and
WHEREAS, it is essential that all citizens of Hutto be aware of the importance of crime prevention programs and the impact their participation can have on reducing crime, drugs, and violence in Hutto; and
WHEREAS, police-community partnerships, neighborhood safety, awareness, and cooperation are important themes of the National Night Out program.
NOW THEREFORE, I, Debbie Holland, Mayor of the City of Hutto do hereby proclaim August 4, 2015, as the "32nd ANNUAL NATIONAL NIGHT OUT" and call upon all citizens to join with me in supporting this important night.
PROCLAIMED this 16th day of July, 2015.

5B. Proclamation recognizing the month of August as "Breast Feeding Awareness Month."

Mayor Holland read the following proclamation and presented it to Christy Abels.

WHEREAS, the Williamson County and Cities Health District's Women, Infants and Children (WIC) Program takes this occasion to educate, inform, and encourage breastfeeding mothers on the importance of health care for mothers and babies; and
WHEREAS, the mission of WIC is focused on improving the nutritional status of low and moderate income women, infants, and children by providing food, nutrition and breastfeeding education; and
WHEREAS, the goals of WIC are to highlight the importance of breast milk for infants as well as the support that is available throughout the community and to make sure that the importance of breastfeeding reaches as many people as possible,
NOW THEREFORE, I, Debbie Holland, Mayor of the City of Hutto do hereby proclaim the month of August as "BREAST-FEEDING AWARENESS MONTH" in Hutto and urge all citizens to take part in recognizing the successes of healthy mothers and healthy children and to help by providing encouragement to breast-feeding mothers.
PROCLAIMED this the 16th day of July, 2015.

6A. Remarks from visitors.

Ron Liles with CONANN Homes – 2901 Cedar Crest Cr. – read and presented the council with a statement that is attached as Exhibit A.

REGULAR AGENDA ITEMS

ORDINANCES

7A. Consideration and possible action on the first reading of an ordinance amending the City of Hutto fee schedule concerning Article A 1.000 Development Services, Engineering and Construction, Article A 4.000 Public Facility Rentals, Article A 7.000 Library, and Article A 8.00 Miscellaneous.
Melanie Hudson, Finance Director, gave the staff presentation. She provided the following summary of the amendments to the fee schedule.

**Article A1.000 Development Services, Engineering and Construction: Elimination of the $75 refundable inspection deposit for several miscellaneous building permits. The inspection deposit is collected when a permit is issued, and refunded by mail after the final inspection is passed (generally three weeks). The deposits expire three years from the date the permit is issued.**

**Article A4.000 Public Facility Rentals: Addition of rental fees for the Hutto Gin facility. Proposed fees include rental rates and security deposits for Hutto residents ($500/day, $100/hour, $250 deposit), non-residents ($600/day, $200/hour, $350 deposit) and local non-profit organizations ($300/day, $50/hour, $250 deposit). This will help to offset operating costs.**

**Article A7.000 Library: Clarification of the non-resident library card fee. The current fee schedule requires people not living within Hutto city limits or enrolled in Hutto ISD schools to pay a $10 library card fee. The proposed revision changes the application of the non-resident fee to people not living or owning property within Hutto city limits or Hutto ISD boundaries, and allows all Hutto taxpayers to receive a library card free of charge.**

**Article A8.000 Miscellaneous: Addition of filming application and disruptive use fees. These fees are part of the City’s Film Friendly program adopted by the City Council on May 7, 2015. Other changes in this amendment are renaming and renumbering items based on the proposed additions and revisions.**

Ms. Hudson answered several questions concerning the definition of Temporary Certificate of Occupancy and current inspection fees.

**MOTION:** Councilmember Ronnie Quintanilla-Perez moved to approve the first reading of the ordinance that amends the fee schedule concerning Development Services, Engineering and Construction, Public Facility Rentals, Library, and Miscellaneous. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 6 ayes and 0 nays.

**7B. Consideration and possible action on the first reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation Fiscal Year 2015-16 Budget.**

Erin Klingemann, Interim Hutto EDC President, gave the presentation for this item. The Hutto Economic Development Corporation (EDC) by-laws require the EDC budget to be approved by City Council before the budget will become effective. The budget shall contain such classifications as shall be in such form as may be prescribed from time to time by City Council. The by-laws of the Hutto EDC require that the EDC adopt a budget at least 60 days prior to the beginning of the next fiscal year. The Hutto EDC fiscal year
is the same as the City, which starts October 1 and ends September 30. The State Comptroller’s Office remits the ½ cent Type A economic development sales tax to the City. The funds are transferred to the EDC account monthly. The FY 2016 Budget totals $799,000. In accordance with the Texas Local Government Code Section 504.105 "Limitation on use of revenues for promotional purposes,” the Hutto EDC is proposing to spend $42,000 on marketing and promotions in the FY16 Budget. This is approximately 5% of the annual budget and less than the maximum of 25% allowed by statute. The Hutto Economic Development Corporation Board of Directors recommended approval of the proposed budget at their meeting on June 23, 2015.

Ms. Klingemann continued on by outlining the following:

Long-Term Projects
- Committed $2.6 Million to Targeted Infrastructure Projects
- Committed Over $3.1 Million to Higher Education Campus in Hutto

2015 Highlights
- Target Industry Analysis
- Williamson County Economic Development Partnership
- Mega-site: Partnered with Austin Chamber
- Taylor Partnership
- Secured relationships with land owners
- Projects and site visits

2016 Goals
- Update EDC Strategic Guide
- Spec Buildings
- Attain AEDO Reaccreditation
- Business Retention
- Continued support of community and regional partnerships

Ms. Klingemann fielded questions concerning the fluctuation in salaries and project accounts. A final comment from the Mayor was for the Hutto Economic Development Board to consider establishing a policy for fund reserves.

MOTION: Councilmember Anne Cano moved to approve the first reading of the ordinance to adopt the Hutto Economic Development Corporation for Fiscal Year 2015-16. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 6 ayes and 0 nays.

RESOLUTIONS

8A. Consideration and possible action on a resolution concerning Outside Agency Funding allocations and authorizing the City Manager to execute all Interlocal Agreements established with Outside Agencies for the 2015-16 Fiscal Year.

This item was postponed to a later City Council meeting.
8B. Consideration and possible action on a resolution concerning a cooperative agreement with Williamson County for inclusion in the County's application for US Department of Housing and Urban Development for the Community Development Block Grant program and the Home Investment Partnership Program.

Helen Ramirez, Director of Development Services, gave the staff presentation. Cities have the ability to partner together with other agencies when soliciting federal grant dollars through the US Department of Housing and Urban Development for the Community Development Block Grant program and the Home Investment Partnership Program. By including Hutto's population numbers with the Williamson County application, the City increases its chances of getting local funds for CDBG projects. The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to units of local government and States. The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. CDBG is an important tool for helping local governments tackle serious challenges facing their communities. The CDBG program has made a difference in the lives of millions of people and their communities across the Nation. The annual CDBG appropriation is allocated between States and local jurisdictions called "non entitlement" and "entitlement" communities respectively. Entitlement communities are comprised of central cities of Metropolitan Statistical Areas (MSAs); metropolitan cities with populations of at least 50,000; and qualified urban counties with a population of 200,000 or more (excluding the populations of entitlement cities). States distribute CDBG funds to non-entitlement localities not qualified as entitlement communities. HUD determines the amount of each grant by using a formula comprised of several measures of non-entitlement "community need, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

Ms. Ramirez concluded that the city could apply for multiple projects and that there is no financial obligation for entering into the cooperative agreement.

The City Council asked that staff conduct research and compile a list of potential projects that the city could submit to this program.

MOTION: Councilmember Ronnie Quintanilla-Perez moved to approve the resolution concerning the cooperative agreement with Williamson County for inclusion in the County's application for US Department of Housing and Urban Development for the Community Development Block Grant program and the Home Investment Partnership Program. Councilmember Tom Hines seconded the motion. The motion carried with 6 ayes and 0 nays.

OTHER BUSINESS
9A. Consideration and possible action on the meeting minutes for the July 2, 2015 City Council regular meeting.

MOTION: Councilmember Tom Hines moved to approve the July 2, 2015 City Council meeting minutes. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 6 ayes and 0 nays.

WORK SESSION

The work session was conducted for information and educational purposes. No action was taken by the City Council on the item listed.

10A. Presentation and discussion concerning the Proposed Fiscal Year 2015-16 Annual Operating Budget.

Karen Daly, City Manager, gave the staff presentation. She outlined information on the proposed Fiscal Year 2015-16 annual operating budget. The work session included a discussion on projected revenues and assumptions, property tax, utility rates, capital improvement projects and debt service requirements. She added that the information presented is still in the preliminary stage. The FY16 Proposed Annual Operating Budget will be presented on July 30, 2015.

Ms. Daly provided details and explained the following:

- Fiscal and Budgetary Policy Parameters
- Major Revenue Streams
  o Property Tax
  o Sales
  o Development Fees
  o Franchise Fees
  o Fines
- Appraised Property Values – FY 16 Estimate is $1.2 Billion
- Current Property Tax Rates
- Sales Tax Growth
- Cost Increases
  o Merit/Step Pay Plan
  o Health Insurance
  o Rental Inspection Program
  o School Resource Officer Transition
- FY 16 CIP Projects
  o FM 1660 N Sidewalks (Construction)
  o Publics Works Paving
  o Animal Shelter Design
  o Limmer Loop Rehabilitation
  o Railroad Quiet Zones
  o Pavement Rehabilitation
  o East Street
- Fritz Park & Parkland Acquisition
- FM 685
- Arterial Fences
- Authorized Outstanding Debt
- General Fund Debt Service
- Utility Fund
- Water Contracts
- Water Rate Models
- Truth in Taxation Laws

Councilmember Hines requested that the Finance Department run a scenario increasing the property tax rate to add an additional police officer position and that the word meter be removed from wastewater meter on the water bill.

Councilmember Quintanilla-Perez requested that staff run additional scenarios for water and wastewater rates to see how they will affect the Utility Fund balances.

There being no further questions. Ms. Daly concluded her presentation.

**ADJOURNMENT**

There being no further discussion, the meeting adjourned at 8:32 p.m.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor

ATTEST:

Seth Gipson, City Secretary
Thank you council members for allowing me the opportunity to express a disappointment regarding a project we were developing at 101 front street. My name is Ron Liles, with Conann homes and I am the principal designer for the site and building structure for that project. Back in September of 2014 we had an opportunity to purchase the parcel on the corner of Jim Cage and Front Street. Our intent was to build a small office complex. Prior to the purchase of the property we met with city staff to discuss our concept design and get their feedback on the feasibility and fit of the project. The city staff seemed to support the project and felt it would add value to the community. We purchased the property based on the positive feedback we received from city staff and began refining our building and site layouts.

In November 2014 we met with the city planning and engineering departments to review our site layout. The relevant issue at the meeting was the entrance, parking and traffic flow in and around the property. We originally discussed having an entrance off Front Street, since the city had installed a driveway apron nearly adjacent to our proposed entrance we felt that was the preferred location. However, after discussion with the city engineer (Matt Bushak) we agreed to move the entrance to Jim Cage, due to the traffic load on Front Street. There was a discussion regarding the proximity of the entrance to the intersection of Jim Cage Ln and Front Street but city engineering decided it was acceptable.

During January 2015 we engaged the HPC process and began submitting site and building plans to the city planning department. Working with the city planning department, we created several different building designs for the HPC until we reconciled with a design all interested parties would accept. Every design iteration showed the entrance to the parking on Jim Cage Ln. At no time was the entrance proximity to the intersection of Jim Cage and Front Street called in to question. It is also our understanding that the HPC package must include a site plan detailing parking, traffic flow and building placement for review and approval by the HPC.

After receiving approval by the HPC in and around April, we began the detailed site engineering and construction plans for the permitting process. While working through this process we were in discussions with the city planning office regarding the landscape location. At issue was the actual location of the north boundary line. New City of Hutto benchmarks indicated the property line should actually be 10' north of the existed historic platted property line. We, as well as city staff felt that this could be used to satisfy the 10' landscape easement. So we all agreed, Hutto city Manager, engineering, planning office and both survey teams to create a license agreement for the 10' space in question. Shortly after that meeting we were notified by the city planning office that we would need a variance to relocate the 10' landscape to the 10' space we were preparing a license agreement for. We had our engineer submit the variance paperwork in the June 2015 time frame. Shortly after that submission we were informed by the city planning department that they would be writing a staff report against approval of the variance because we did not meet the hardship requirement. This drove yet another meeting with the city planning office to discuss options. At the meeting with the interim city engineer and the city planning staff we were informed that we could no longer have an entrance to the property off Jim Cage Ln., without commissioning a traffic study since it was less than 200' from the intersection. Alternative site and building layout plans were discussed but would require significant rework of all of our engineering and architectural plans. This was very disappointing to us. To get this far with construction plans only to find out that something that was agreed to back in December of 2014 was no longer acceptable.

It is my perspective that working with the City of Hutto has been more confrontational than collaborative. We felt that we worked in good faith the city and we were misled and let down on this project.

Thank you for your time