The Hutto City Council met in a regular session on Thursday September 17, 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 7:00 p.m.

ROLL CALL

Members of the City Council that were present were Mayor Debbie Holland, Mayor Pro-tem Michael J. Smith, Councilmember Anne Cano, Councilmember Tom Hines, Councilmember Ronnie Quintanilla-Perez, Councilmember Lucio Valdez, and Councilmember Max V. Yeste arrived at 7:01p.m.

Members of staff that were present were Karen Daly, City Manager, Micah Grau, Assistant City Manager, Charlie Crossfield, City Attorney, Melanie Hudson, Finance Director, Amy McGlothlin, Human Resources Director, and Earl Morrison, Chief of Police.

INVOCATION

The invocation was given by Pastor Michael Roepke with New Hope Christian Church.

PLEDGE OF ALLEGIANCE

Mayor Holland led the Pledge of Allegiance.

PUBLIC COMMENT

5A. Remarks from visitors.

There were no remarks from the visitors present.

CONSENT AGENDA ITEMS:

All items listed on the consent agenda were considered to be routine by the City Council and were enacted by one motion. There was no separate discussion of the items listed and no items were removed from the consent agenda.
6A. Consideration and possible action on the second and final reading of an ordinance amending the City of Hutto fee schedule concerning Article A5.000 Utilities.

6B. Consideration and possible action on the meeting minutes for the August 20, 2015 City Council Regular Meeting and the August 27, 2015 City Council Work Session.

MOTION: Councilmember Tom Hines moved to approve all the items listed on the consent agenda. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

REGULAR AGENDA ITEMS

ORDINANCES

7A. Consideration and possible action on the first reading of an ordinance amending Chapter 2: Administration and Personnel; Article 2.03: Personnel; Section 2.03.002: Employee Policies and Procedures of the City of Hutto 2014 Code of Ordinances.

Amy McGlothlin, Human Resources Director, gave the staff presentation. Periodically, it is necessary to amend the Employee Policies and Procedures Handbook to reflect changes in policy to ensure the fair and equitable treatment of employees as well as ensuring the overall operational efficiency of the organization.

Ms. McGlothlin outlined the following recommended changes to the City of Hutto Employee Policies and Procedures Handbook. The majority of the changes were minor housekeeping/clarification items. Other changes were reflective to changes in the federal and state laws.

- Removal of Classification & Pay Plan policy
- Removal of Classification & Pay Plan policy
- Removal of Classified and Unclassified Service policy
- Removal of Compensation Plan policy
- Removal of Performance Evaluation System policy
- Removal of Reserve Personnel policy
- Addition of Classification & Compensation Administration policy
- Addition of Employee Volunteer Paid Leave policy
- Drug and Alcohol Use policy
- Family and Medical Leave Act policy
- Holidays policy
- Light Duty policy
- Overtime and Time Management policy
- Recruitment and Selection policy
- Sick Leave policy
- Weapons Control policy
MOTION: Councilmember Ronnie Quintanilla-Perez moved to approve the first reading of an ordinance amending Chapter 2: Administration and Personnel; Article 2.03: Personnel; Section 2.03.002: Employee Policies and Procedures of the City of Hutto 2014 Code of Ordinances. Councilmember Tom Hines seconded the motion. The motion carried with 7 ayes and 0 nays.

7B. Consideration and possible action on the second and final reading of an ordinance making appropriations for the support of the City of Hutto for the Fiscal Year October 1, 2015 through September 30, 2016, and adopting the annual budget of the City of Hutto for Fiscal Year 2015-16.

Melanie Hudson, Finance Director, gave the staff presentation. The ordinance to adopt the Fiscal Year 2015-16 Budget establishes appropriations for the 2016 Fiscal Year. Total revenues and expenses depend on the tax rate the City Council chooses to adopt. There have been no changes since the first reading of the ordinance.

MOTION: Councilmember Ronnie Quintanilla-Perez moved to approve the second and final reading of the ordinance making appropriations for the support of the City of Hutto for the Fiscal Year October 1, 2015 through September 30, 2016, and adopting the annual budget of the City of Hutto for Fiscal Year 2015-16. Councilmember Anne Cano seconded the motion.

VOTE: Ayes: Mayor Debbie Holland
Mayor Pro-tem Michael Smith
Councilmember Anne Cano
Councilmember Tom Hines
Councilmember Ronnie Quintanilla-Perez
Councilmember Lucio Valdez
Councilmember Max Yeste

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried unanimously.

7C. Consideration and possible action on the second and final 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 2015.

Melanie Hudson, Finance Director, made the staff presentation. On July 30, 2015, the City Council took a record vote on the proposed ad valorem rate. While this vote did not establish the tax rate, it did establish a ceiling for tax rate consideration. The Council set a tax ceiling at $0.5285 per $100 valuation. The City Council needs to adopt a tax rate that corresponds with the 2015-16 Budget. The impact of the tax rate was discussed as
part of the budget presentations. The City Council hosted two public hearings on the proposed ad valorem rate in August.

**MOTION:** Councilmember Max Yeste moved that the property tax rate be increased by the adoption of a tax rate of $0.5285, which is effectively a 14.33 percent increase in the tax rate. Councilmember Anne Cano seconded the motion. The motion carried with 7 ayes and 0 nays.

Councilmember Ronnie Quintanilla-Perez clarified for the audience that this is not an increase in the actual tax rate, but because the rate generates more money than last year, due to an increase in appraisal values, it is considered an increase in taxes.

**7D. Consideration and possible action on the second and final reading of an ordinance ratifying an Ad Valorem tax increase for the 2015-16 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2015.**

Melanie Hudson, Finance Director, gave the staff presentation. House Bill 3195 was adopted by the Texas Legislature during the 2007 legislative session. It requires a separate vote of the governing body to ratify the property tax increase in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

**MOTION:** Councilmember Max Yeste moved to approve the second and final reading of the ordinance ratifying an Ad Valorem tax increase for the 2015-16 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2015. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

**RESOLUTIONS**

**8A. Consideration and possible action on a resolution concerning the update of the 2035 Strategic Guide.**

Karen Daly, City Manager, gave the staff presentation. On August 27, 2015, the City Council convened for a planning retreat facilitated by The Management Connection. The retreat concentrated on reaffirming and updating the 2035 Strategic Guide for the City. The policies were discussed and reaffirmed and some goals were modified while others were removed due to completion or due to being a program instead of a policy. The Strategic Guide for 2035 has incorporated all of those changes. Ms. Daly also presented the strategic work plan for 2016.

Councilmember Max Yeste stated that one modification needed to be made under the Fiscal and Budgetary Policy. The fifth bullet point: Increase reserves to recognized standards, should state: Maintain reserves according to recognized standard, because the City has reached that goal.
MOTION: Councilmember Ronnie Quintanilla-Perez moved to approve the resolution concerning the update of the 2035 Strategic Guide. Mayor Pro-tem Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

EXECUTIVE SESSION

10A. Executive Session as authorized by §551.074, Texas Government Code, related to the discussion, deliberation, and/or negotiations regarding the semi-annual performance evaluation of the City Manager.

The City Council recessed to the City Hall Conference Room at 7:34 pm for the Executive Session and reconvened back into regular session at 9:16 pm.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:16 p.m.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor

ATTEST:

Seth Gipson, City Secretary