The Hutto City Council met in a regular session on Thursday, January 7, 2016, 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.

Members of staff that were present were Karen Daly, City Manager, Micah Grau, Assistant City Manager, Charlie Crossfield City Attorney, Amy McIlothin, Human Resources Director, Melanie Hudson, Finance Director, Randy Barker, General Services Director, Mike Hemker, Parks and Recreation Director, Earl Morrison, Chief of Police, and Seth Gipson, City Secretary.

INVOCATION

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

PLEDGE OF ALLEGIANCE

Mayor Holland led the Pledge of Allegiance.

PROCLAMATIONS:

5A. Proclamation encouraging Hutto residents to sign up for the HEB Community Challenge and to live healthy and active lifestyles.

Mayor Debbie Holland read the following proclamation.

Official Proclamation
Whereas, the It's Time Texas Community Challenge is a competition challenging communities across the state to compete to see which can demonstrate the greatest commitment to healthy living; and

Whereas, the It's Time Texas Community Challenge unites and energizes schools, businesses, organizations, and the community towards the common goal of transforming their community's health; and
Whereas, Hutto has participated in the It’s Time Texas Community Challenge since 2012 as a means to promote healthy and active lifestyles; and

Whereas, healthy and active lifestyles lead to better overall quality of life and lower health care costs; and

Whereas, Hutto is making community health a priority by offering numerous fitness opportunities through the Parks and Recreation Department along with construction of trails and the Hutto Family YMCA.

Now, Therefore, I, Debbie Holland, Mayor of The City of Hutto, do hereby proclaim: That the City of Hutto is participating in the It’s Time Texas Healthy Community Challenge, and I urge all residents, businesses, schools, and other community organizations to sign up for the It’s Time Texas Community Challenge and for all residents to live healthy, active lifestyles.

Proclaimed this 7th day of January 2016.

PUBLIC COMMUNICATION
6A. Remarks from visitors.

The following individuals spoke during public comment in support of the City Manager:

- Joaquin Bordoni – Hutto
- Michele Kelley – Hutto
- Chris Covarrubias – Hutto
- Bill Reitmeyer – Hutto
- Dick Brock – Round Rock
- Ron Silva – Hutto
- Glenda Whitehead – Round Rock
- Mike Orman – Hutto
- Jeff Phillips – Hutto
- TaraSpoons – Hutto

The following individuals spoke during public comment about their concerns regarding the City Manager:

- Timothy Jordan - Hutto
- Mike Cooper – Hutto

Russ Metcalf – Round Rock – spoke of his concerns about the city and encouraged that open dialogue and change needed to take place.

Paul Leal – Taylor – outlined the termination and appeal process that was used by the City and his dislike of the video that was publish by the City informing everyone of his termination.
Lorie Killian – Hutto – encouraged the City Council to continue with the decision concerning the investigation that was made at the August 6, 2015 City Council meeting.

Raymond Fagan – Hutto – requested a 4-way stop or a reduction in the speed limit at the intersection of Carl Stern and Lone Star Blvd.

CONSENT AGENDA ITEMS

All items listed on the consent agenda were considered to be routine by the City Council and were en acted by one motion. There was no separate discussion of these items and no items were removed from the consent agenda.

7A. Consideration and possible action on a resolution concerning the acceptance of the water, wastewater, street and drainage improvements of the Glenwood Phase 6B residential subdivision.

7B. Consideration and possible action on a resolution concerning the acceptance of the public water, wastewater, sidewalk and drainage improvements of the Trails at Carmel Creek development.

7C. Consideration and possible action on the appointment of Mayor Debbie Holland to represent the City of Hutto on the Clean Air Coalition of the Capital Area Council of Governments.

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

REGULAR AGENDA ITEMS

ORDINANCES

8A. Consideration and possible action on the first reading of an ordinance amending the City of Hutto fee schedule concerning Article A3.000 Public Works.

Melanie Hudson, Finance Director made the staff presentation. This adjustment to the Fee Schedule is a result of the proposed solid waste and recycling rate that was selected by the City Council on December 17, 2015.

MOTION: Councilmember Ronnie Quintanilla-Perez moved to approve the first reading of an ordinance amending the City of Hutto fee schedule concerning Article A3.000 Public Works. Councilmember Anne Cano seconded the motion. The motion carried with 7 ayes and 0 nays.

RESOLUTIONS

9A. Consideration and possible action on a resolution outlining terms for a proposed Interlocal Agreement for The Allocation of Sales Tax Revenue between the City of Hutto and Williamson County Emergency Services District #3.
Micah Grau, Assistant City Manager, made the staff presentation. On October 21, 2015, the Williamson County ESD#3 Board approved a resolution calling for a special election on the issue of the adoption of a local sales and use tax by the District pursuant to Chapter 775 of the Health & Safety Code. The election would be for the full 2% of local sales tax that is allowed by state law. The election is proposed to occur on the uniform election date of May 7, 2016.

The last day to call or modify a ballot proposition is February 19, 2016. The financial affect of this election is unknown at this time. However, as the City annexes commercial developments into its jurisdiction in the future, all local sales tax generated at the location would go to the ESD#3, should the election pass. This could adversely impact the City’s ability to provide services in the future and impact the City’s ability to incentivize any future development through a traditional Chapter 380 Sales Tax agreement.

The Texas Health & Safety Code Section 775.0754 allows a district and municipality to enter into an agreement that allocates the sales and use tax collections back to a municipality upon annexation.

Discussion ensued concerning the amount of sales tax that is currently generated in the Extraterritorial Jurisdiction and Growth Area, the potential impacts to the city’s future growth and economic development, current discussions of the City Council-ESD Task Force, and the importance of establishing a starting point for negotiations.

Several council members expressed their concern of requesting 100% of the sales tax returned once the City annexes a property and they determined that the wording should state a negotiated percentage amount of sales and use tax at the time of the annexation by the City of Hutto.

**MOTION:** Councilmember Ronnie Quintanilla-Perez moved to approve the resolution outlining terms for a proposed Interlocal Agreement for The Allocation of Sales Tax Revenue between the City of Hutto and Williamson County ESD #3 and that bullet point number 3 be changed to state a negotiated amount of sales and use tax that could go back to the city upon the time of annexation. Councilmember Anne Cano seconded the motion. The motion carried with 6 ayes and 1 nay.

**EXECUTIVE SESSION**

The City Council recessed into the City Hall conference room at 8:18 p.m. to address the following executive session item.

10A. Executive Session as authorized by §551.087, Texas Government Code, related to the discussion, deliberation, and/or negotiations of economic development matters regarding a Chapter 380 Agreement with Tack Development.

Item 10A was removed from the agenda.

The City Council adjourned the executive session and reconvened back into regular session at 10:05 p.m.

ACTION RELATIVE TO EXECUTIVE SESSION

11A. Consideration and possible action on a vote of no confidence in the City Manager.

Mayor Debbie Holland began the discussion concerning this item. She asked that each council member share their thoughts, concerns, and reasoning related to this item.

MOTION: Councilmember Anne Cano moved to take a vote of no confidence in the City Manager. Councilmember Lucio Valdez requested the vote be a roll call vote and seconded the motion.

Roll Call Vote:
Mayor Debbie Holland – Nay
Mayor Pro-tem Michael Smith – Aye
Councilmember Anne Cano – Aye
Councilmember Tom Hines – Aye
Councilmember Ronnie Quintanilla-Perez – Nay
Councilmember Lucio Valdez – Aye
Councilmember Max Yeste – Nay

The motion carried with 4 ayes and 3 nays.

ADJOURNMENT
There being no further business, the meeting was adjourned at 10:20 p.m.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor

ATTEST:

Seth Gipson, City Secretary