The Hutto City Council met in a regular session on Thursday, April 21, 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, Mike Hemker, Parks and Recreation Director, Helen Ramirez, Development Services Director, Earl Morrison, Chief of Police, Melanie Hudson, Finance Director, Randy Barker, General Services Director, 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 declaring May 2016, as National Bike Month in Hutto, Texas.

Mayor Debbie Holland read and presented the following proclamation to Jessica Romigh, Bike Hutto Founder, and members of the Bike Hutto Advisory Board.

Official Proclamation

Whereas, the bicycle is an economical, healthy, convenient, and environmentally sound form of transportation and an excellent tool for recreation and commuting throughout Hutto; and,
Whereas, throughout the month of May, the residents of Hutto and visitors will experience the joys of bicycling through educational programs, commuting events, charity and social events, or by simply getting out and going for a ride; and,

Whereas, creating a bicycling-friendly community has been shown to improve citizens’ health, well-being, and quality of life, with the ability to grow the economy of Hutto by attracting tourism dollars, improving traffic safety, supporting student learning outcomes, and reducing pollution, congestion, and wear and tear on our streets and roads; and,

Whereas, Bike Hutto, Bike Texas, the League of American Bicyclists, schools, parks and recreation departments, police departments, companies and civic groups are promoting bicycling tourism year round to attract more visitors to enjoy our local restaurants, hotels, retail establishments, and cultural and scenic attractions.

Now therefore, I, Deborah Holland, Mayor of Hutto, do hereby proclaim May 2016, as

“NATIONAL BIKE MONTH”

in Hutto Texas, and I urge all residents to join me in this special observance.

Proclaimed this 21st day of April 2016.

PRESENTATIONS

6A. Recognition of Emma Vollentine’s Gold Award achievement from the Girls Scouts of the United States of America for her work on creating the City of Hutto Dog Park.

Mike Hemker, Parks and Recreation Director, made the staff presentation. Emma Vollentine is one of the individuals who recognized a need in the Hutto community for a dog park. Ms. Vollentine’s focus was to ensure the design phase would include an agility area for people to work on their own training with their pets at this facility. Her role and guidance during the design discussions created concept plans which the planning committee came to a mutual agreement upon.

Emma submitted her project for approval in 2014 and the final review occurred in March 2016, when she was notified she had met all the steps to earn the award.

Mayor Debbie Holland expressed her thanks and presented Emma with a Mayor’s Challenge Coin.

6B. Recognition of the Texas Telecommunicator Team of the Year award.

Earl Morrison, Chief of Police, made the staff presentation. This year, Williamson County Emergency Communications was honored by being named the Telecommunicator Team of the Year by the Texas Association of Public Safety Communications Officials (APCO).
The award is given to a group of three or more telecommunicators in recognition of the exemplary handling of a specific emergency situation or 9-1-1 call.

The department was nominated for the call handling of their first line of duty death of Sergeant Chris Kelley with Hutto Police Department. Additional personnel were brought in to assist, and emergency calls were answered even though the team was experiencing the most challenging day of their careers.

They accepted the award in remembrance of Sergeant Chris Kelley and the 62 other law enforcement professionals in Texas that gave the ultimate sacrifice in the past five years.

Chief Earl Morrison presented the Williamson County Emergency Communications Team with a certificate of appreciation on behalf the Hutto Police Department.

PUBLIC COMMENT

6A. Remarks from visitors

Paul Martin expressed his concern with the lack of sidewalks in undeveloped portions of subdivisions and asked that development standards be reevaluated.

CONSENT AGENDA ITEMS:

All items listed on the consent agenda are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Council member in which event, the item will be removed from the consent agenda and considered as a regular agenda item.

8A. Consideration and possible action on a resolution concerning the acceptance of the streets, sidewalks, wastewater and drainage improvements of Riverwalk Phase 1, Section 3 subdivision.

8B. Consideration and possible action on a resolution to participate in a rate case against Oncor.

Item 8B was withdrawn from the consent agenda and addressed during the regular session.

8C. Consideration and possible action on the second and final reading of an ordinance adopting a new franchise agreement with Atmos Energy Corporation.

8D. Consideration and possible action on the meeting minutes for the April 7, 2016 City Council Regular Meeting.

MOTION: Mayor Pro-tem Michael Smith moved to approve items 8A, 8C, & 8D on the consent agenda as presented. Councilmember Lucio Valdez seconded the motion. The motion carried with 7 ayes and 0 nays.
8B. Consideration and possible action on a resolution to participate in a rate case against Oncor.

Councilmember Tom Hines recused himself from the discussion and vote concerning item 8B.

Karen Daly, City Manager, made the staff presentation. Recent Public Utility Commission of Texas ("Commission") proceedings related to approval of conversion of Oncor into a Real Estate Investment Trust ("REIT") resulted in the Commissioners desire to share $200 million to $250 million in annual federal income tax ("FIT") savings with Oncor ratepayers. Since the proceeding involves a change of ownership and control of Oncor was not a rate case, the Commission had no jurisdiction to order a reduction in rates. The new owners of Oncor indicated an intent to file a rate case in mid-2017 to become effective in 2018. Believing that a two year wait to factor FIT savings into rates was too long to wait, the Steering Committee of Cities Served by Oncor decided to initiate a rate case against Oncor.

Cities have original rate making jurisdiction over Oncor's rates and services within their municipal commissioners' limits. As a regulatory authority, cities that retain original jurisdiction may initiate rate making proceedings by filing a resolution requiring a public utility to show cause why rates should not be reduced.

Hutto works with other similar Oncor cities on regulatory issues through the Steering Committee of Cities Served by Oncor which has functioned continuously since 1988. The Executive Committee of the Steering Committee recommends that member Cities pass show cause resolutions to initiate a rate case so that Oncor rates may be reduced.

**MOTION:** Councilmember Ronnie Quintanilla-Perez moved to approve the resolution as presented. Mayor Pro-Tem Michael Smith seconded the motion. The motion carried with 6 ayes and 0 nays.

**ORDINANCE**

9A. Consideration and possible action on the first reading of an ordinance amending the Fiscal Year 2015-16 Budget to reflect audited beginning fund balances, merit adjustments, and other miscellaneous adjustments.

Melanie Hudson, Finance Director, gave the staff presentation. This represents the second amendment of the FY16 Budget. This amendment includes adjustments to the beginning fund balances based on the city's current audit, as well as adjustments to the City's operating, capital projects, and special revenue funds. Also included are merit pay distributions, grant revenue and expense allocation, and other miscellaneous adjustments. Major budget changes were reviewed by the Fiscal and Budgetary Committee.

*Ms. Hudson provided an overview of the proposed amendments to each of the following funds.*
- General Fund
- General Debt Service Fund
- Capital Replacement Fund
- Hotel Tax Fund
- Utility Fund
- Utility Debt Service Fund
- General Fund CIP
- Solid Waste Fund

**MOTION**: Councilmember Tom Hines moved to approve the first reading of the ordinance amending the Fiscal Year 2015-16 Budget to reflect audited beginning fund balances, merit adjustments, and other miscellaneous adjustments. Councilmember Anne Cano seconded the motion. The motion carried with 7 ayes and 0 nays.

**RESOLUTIONS**

10A. **Consideration and possible action on a resolution amending the Fiscal and Budgetary Policy.**

Melanie Hudson, Finance Director, gave the staff presentation. The City of Hutto adopted a Fiscal and Budgetary Policy in March 2007, which has been amended multiple times. Per the policy, the City must annually review the policy.

Revisions to the Fiscal and Budgetary policy are proposed to ensure the policy remains current and provides clarification on various items. Specialized Public Finance Inc., the City's financial advisory firm, reviewed the policy and recommended additional changes based on public finance regulations and best practices.

The Fiscal and Budgetary Committee reviewed all proposed revisions, provided clarification and made recommendations as necessary.

Ms. Hudson pointed out that one of the proposed modifications is to reduce the percentage that is allocated for outside agencies from 1% to 0.75%, due to making contributions to Williamson County ESD #3 and the Williamson County and Cities Health District budget as line items.

**MOTION**: Councilmember Anne Cano moved to approve the resolution amending the Fiscal and Budgetary Policy. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

10B. **Consideration and possible action on a resolution concerning an Engineering Agreement with RPS Klotz Associates for design of the East Street Improvement Project.**

Emily Truman, City Engineer, gave the staff presentation. Ms. Truman provided an overview of the improvements to East St., which include: extending streetscaping, sidewalks, and underground storm water improvements, and running electricity to...
several locations for seasonal lighting and events. The right-of-way will be widened to accommodate angled parking on the east side of the street, and a surface parking lot will be constructed on property purchase by the City. The project also includes an overlay on the southern block of East Street between HWY 79 and Farley. The design will be performed with the 2016-2020 CIP budget and the construction will be part of the upcoming 2017-2021 CIP budget. The project is expected to bid for construction at the beginning of next year.

Ms. Truman continued on by outlining the Request for Qualifications process, the evaluation of the Statement of Qualifications received, and the interviews conducted. RPS Klotz Associates was ranked highest after the interviews. Ms. Truman also pointed out that the project manager is working with the City to accommodate downtown events.

**MOTION:** Councilmember Anne Cano moved to approve the resolution concerning an Engineering Agreement with RPS Klotz Associates for design of the East Street Improvement Project. Councilmember Tom Hines seconded the motion. The motion carried with 7 ayes and 0 nays.

10C. Consideration and possible action on a resolution concerning recognition of the month of May as "Fines Forgiveness Month" for the Hutto Public Library and waiving of Library fees as specified.

Randy Barker, General Services Director, gave the staff presentation. The Hutto Public Library proposes that Fines Forgiveness Month be held again from May 1st through May 31, 2016. The Hutto Public Library proposes to collect canned and boxed goods as well as specific toiletries that are not expired during the month of May. $1.00 in fines will be removed per item donated.

Mr. Barker highlighted that this program supports our local food pantry by providing needed resources, while providing patrons an alternative to reducing their fines.

**MOTION:** Councilmember Tom Hines moved to approve the resolution concerning recognition of the month of May as "Fines Forgiveness Month" for the Hutto Public Library and waiving of Library fees as specified. Councilmember Ronnie Quintanilla-Perez seconded the motion. The motion carried with 7 ayes and 0 nays.

**EXECUTIVE SESSION**

11A. Executive Session as authorized by §551.074, Texas Government Code, related to the discussion, deliberation, and/or negotiations regarding the annual performance evaluation of the City Manager.

11A. Executive Session as authorized by §551.074, Texas Government Code, Personnel Matters, regarding appointments to the Planning and Zoning Commission, Hutto Economic Development Corporation Board of Directors, and the Zoning Board of Adjustment.
The Hutto City Council recessed into the City Hall Conference Room for executive session at 7:54 pm.

The Hutto City Council reconvened into regular session in the City Hall Council Chambers at 8:37 pm.

ACTION RELATIVE TO EXECUTIVE SESSION

12A. Consideration and possible action relative to executive session item 11A.

Mayor Holland moved to approve a 2.5% merit pay increase for the City Manager based on the annual performance evaluation. Discussion ensued and Councilmembers Anne Cano, Tom Hines, and Lucio Valdez did not support the motion citing the vote of no confidence that had occurred earlier in the year and they questioned this item being considered because of Ms. Daly’s ability to handle crises and not follow policy.

Councilmember Ronnie Quintanilla-Perez stated, that as a whole, Ms. Daly’s leadership has improved the organization and moved it forward and is deserving of the merit raise.

Mayor Holland indicated that while partnerships are very important, Ms. Daly’s main concerns are the City and the staff. Mayor Holland added that she questions the motive of the vote of no confidence, because Ms. Daly has clearly moved the City forward.

MOTION: Mayor Debbie Holland moved to approve a 2.5% pay increase for the City Manager based on the annual performance evaluation. Councilmember Max Yeste seconded the motion. The motion failed with 3 ayes and 4 nays.

12A. Consideration and possible action on recommendations from the Leadership and Legislative Committee for appointments to the Hutto Economic Development Corporation Board of Directors, Parks Advisory Board, Planning and Zoning Commission, and Zoning Board of Adjustments.

MOTION: Councilmember Max Yeste moved to appoint Michael Jones to the Hutto Economic Development Corporation Board of Directors to an unexpired term that will expire December, 2017. Councilmember Ronnie Quintanilla-Perez seconded the motion. The motion carried with 6 ayes and 1 nays.

MOTION: Mayor Pro-tem Michael Smith moved to appoint Kori Cox to the Parks Advisory Board to an unexpired term that will expire December, 2016. Councilmember Tom Hines seconded the motion. The motion carried with 6 ayes and 1 nays.

Councilmember Ronnie Quintanilla-Perez recused herself from the discussion and vote concerning the Planning and Zoning Commission appointment.

MOTION: Councilmember Tom Hines moved to appoint Tony Wertz to the Planning and Zoning Commission to an unexpired term that will expire December, 2017. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 5 ayes and 1 nays.
**MOTION:** Councilmember Anne Cano moved to appoint Bill McDonald as a Zoning Board of Adjustment Alternate to a term that will expire December, 2017. Councilmember Tom Hines seconded the motion. The motion carried with 6 ayes and 1 nays.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:47pm.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor

ATTEST:

Seth Gipson, City Secretary