The Hutto City Council met in a regular session on Thursday, June 2, 2016, 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 Michael J. Smith, Councilmember Anne Cano, Councilmember Tom Hines, Councilmember Nathan Killough, Councilmember Lucio Valdez, and Councilmember Bettina Jordan.

Members of staff that were present were Karen Daly, City Manager, Micah Grau, Assistant City Manager, Charlie Crossfield, City Attorney, Helen Ramirez, Development Services Director, Earl Morrison, Chief of Police, Melanie Hudson, Finance Director, Scot Stromaess, Public Works Director, Randy Barker, General Services Director, Amy McGlothlin, Human Resources Director, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Pastor Austin Murray with the Fellowship Hutto.

PLEDGE OF ALLEGIANCE

Mayor Gaul led the Pledge of Allegiance.

PUBLIC COMMENT

5A. Remarks from visitors

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

- Joaquin Bordoni – Hutto
- Lance Romigh – Hutto
- Max Yeste – Hutto
- Ronnie Quintanilla-Perez – Hutto
- Michelle Kelley – Hutto
The following individuals spoke during public comment about their concerns regarding the City Manager.

- Michael Cooper – Hutto
- Paul Leal – Taylor

Catherine Teague – Hutto – spoke of her concern for the future of the City of Hutto due to the actions of city council members.

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.

6A. Consideration and possible action on the meeting minutes for the May 5, 2016, and May 19, 2016 City Council Regular Meetings and the May 17, 2016 Special Called City Council Meeting.

MOTION: Councilmember Tom Hines moved to approve items 6A on the consent agenda as presented. Councilmember Nathan Killough seconded the motion. The motion carried with 7 ayes and 0 nays.

ORDINANCES


Councilmember Nathan Killough recused himself from this item.

Helen Ramirez, Development Services Director, gave the staff presentation. This proposed amendment is to modify the existing tax rebate program in order to make more projects eligible for this incentive. The City’s existing tax rebate program allows property owners, in the 1911 Historic District, who increase their total property value by at least 50% to qualify for a property tax rebate valued at 100% of municipal property taxes in years one and two, and 80% in years three through five. Due to the relatively high threshold of 50% property value increase, this incentive is generally available only for new construction. Staff is proposing to lower the threshold from 50% to 20% in order to allow more projects, including existing buildings, to qualify for the tax rebate incentive.

The goal is that this incentive program will encourage existing property owners to invest in, and make improvements to, their property.

Mrs. Ramirez also provided example properties to illustrate how the program would work.

2 | June 2, 2016 – City Council Meeting Minutes
MOTION: Councilmember Tom Hines moved to approve the first reading of an ordinance amending Chapter 1, Article 1.06, Economic Development of the Code of Ordinances (2014 Edition) regarding the Downtown Incentive Program Property Tax Rebate Policy. Councilmember Anne Cano seconded the motion. The motion carried with 6 ayes and 0 nays.

7B. Consideration and possible action on the first reading of an ordinance adopting the Downtown Facade Improvement Grant Program.

Helen Ramirez, Development Services Director, gave the staff presentation. The facade improvement grant program would be structured as a 50/50 matching grant for building improvements that are highly visible from a public street. This incentive would be available to all properties located within the Historic District, including both commercial and residential properties. Eligible facade improvement expenses would include major facade restoration, such as repointing brick or restoring original wood windows, as well as fresh paint and historically appropriate signage.

Staff is proposing an initial City investment of $10,000 per year, with matching grants up to $5,000 for major facade repair projects, up to $2,000 for fresh paint, and up to $500 for new, historically appropriate signage. Matching grants would be determined by a staff committee, and priority would be given to contributing structures, owner occupied buildings, and buildings located on highly visible corridors. The proposed program would be structured as a reimbursement grant, therefore funds would be awarded to the property owner upon satisfactory completion of the work.

If approved, the proposed facade improvement grant program would be a three-year pilot program, which may either be renewed or discontinued at the end of three years.

Discussion concerning project selection ensued. Mrs. Ramirez stated that staff is currently drafting a scoring matrix that would be used, by a staff committee, to determine which projects are funded each year and depending on the popularity of the program the City Council could adjust the amount of funding offered.

MOTION: Councilmember Tom Hines moved to table the first reading of an ordinance adopting the Downtown Facade Improvement Grant Program until the scoring matrix is completed and presented to the City Council. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

7C. Consideration and possible action on the first reading of an ordinance adopting the Historic Preservation Property Tax Freeze Program.

Councilmember Anne Cano recused herself from this item.

Helen Ramirez, Development Services Director, gave the staff presentation. The proposed historic preservation tax freeze program would be available to owners of contributing residences who undertake substantial rehabilitation of their home. Under this program, if a property owner invests 20% or more of the value of the structure on
qualifying expenses, they would be eligible to have their municipal property taxes frozen at the pre-renovation value for a period of five years. In this case, qualifying expenses would include improvements that extend the life of the building and preserve it for future generations. Examples of qualifying expenses would include installation of a new roof, repairs to the foundation, or restoration of the original wood windows. Cosmetic changes such as new bathroom fixtures or kitchen counters would not be considered eligible expenses. Projects would be reviewed by staff before work is begun, and verified after the work is completed.

There was a short discussion concerning using incentive programs in conjunction with one another, how many contributing structures are in the historic area, and what happens to the tax freeze if the property is sold during the five years following the renovation.

**MOTION:** Mayor Pro-temp Michael Smith moved to approve the first reading of an ordinance adopting the Historic Preservation Property Tax Freeze Program. Councilmember Nathan Killough seconded the motion. The motion carried with 6 ayes and 0 nays.

RESOLUTIONS

8A. Consideration and possible action on a resolution concerning an agreement with Chasco Constructors for the construction of the FM 1660 N Hike and Bike Trail in the amount of $1,511,340 pending Texas Department of Transportation approval.

Emily Truman, Engineer, This project includes the installation of 5700’ linear feet of a 10-foot wide shared use path and a bridge with associated appurtenances along Mager Lane from Hutto Elementary to FM 1660, North on FM 1660 to Cockrill Street in Hutto, Texas.

Five (5) sealed bid packages were received for the project at the bid opening on April 28, 2016. The Bid Tabulation is attached. Chasco Constructors is the apparent low bidder with a bid of $1,511,340.00. After reviewing the contractor’s qualifications and verifying project references, the City’s design consultant, BSP Engineers, Inc., recommends the bid be awarded to Chasco Constructors.

This contract will be awarded by the City pending approval by Texas Department of Transportation.

Mrs. Truman highlighted that this hike and bike trail will connect with the Cottonwood Creek sidewalk that is being constructed along Limmer Loop. This will ultimately connect the Hutto Parke and Hutto Highlands Subdivisions to Cottonwood Creek Elementary and Hutto Elementary and to the City’s current trail system. This project also qualifies for the Safe Routes to School Program.

**MOTION:** Councilmember Anne Cano moved to approve the resolution concerning an agreement with Chasco Constructors for the construction of the FM 1660 N Hike and Bike Trail in the amount of $1,511,340 pending Texas Department of Transportation approval.
approval. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

EXECUTIVE SESSION

9A. Executive session as authorized by §551.074, Texas Government Code. Personnel Matters: City Manager, City Manager’s Contract and The City of Hutto’s contractual obligations and options regarding the City Manager’s contract.

The Hutto City Council recessed into executive session at 8:00pm.

The Hutto City Council reconvened into regular session at 8:17pm.

ACTION RELATIVE TO EXECUTIVE SESSION

9A. Consideration and possible action concerning the Executive Session regarding the City Manager, City Manager’s Contract and The City of Hutto’s contractual obligations and options regarding the City Manager’s contract.

MOTION: Mayor Pro-tem Michael Smith moved to accept Karen Daly’s resignation and authorize Mayor Doug Gaul to execute the voluntary exit agreement. Councilmember Bettina Jordan seconded the motion. The motion carried with 7 ayes and 0 nays.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:18 pm.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary