The Hutto City Council met in a regular session on Thursday, April 6, 2017, 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 Tom Hines, Councilmember Anne Cano, Councilmember Tim Jordan, and Councilmember Lucio Valdez. Councilmember Nathan Killough was absent.

Members of staff that were present were Odis Jones, City Manager, Charlie Crossfield, City Attorney, Helen Ramirez, Executive Director Business/Development Services, Bryon Frankland, Chief of Police, Danielle Singh, City Engineer, Michel Sorrell, Chief Financial Officer, Seth Gipson, City Secretary, and Jill Cloud, Director of Communications.

INVOCATION

The invocation was given by Associate Pastor Caleb Higginbotham New Hope Christian Church.

PLEDGE OF ALLEGIANCE

Mayor Gaul led the Pledge of Allegiance and the Texas Pledge.

PROCLAMATIONS

5A. Proclamation declaring the month of April 2017, as Autism Awareness Month in Hutto, Texas.

   Mayor Gaul presented the following proclamation to Jeannie McMenimen, with the Hutto Support Group of the Autism Society of Texas.

   Official Proclamation

   Whereas, Autism is a pervasive developmental disorder affecting the social, communication, and behavioral skills of those affected by it; and
Whereas, as more health professionals become proficient in diagnosing autism, more children are being diagnosed on the autism spectrum, resulting in rates as high as 1 in 68 children nationally; and

Whereas, while there is no cure for autism, it is well documented that if individuals with autism receive early and intensive treatment throughout their lives, they lead significantly improved lives; and

Whereas, individuals with autism often require a lifetime of specialized and community support services to ensure their health and safety and to support families’ resilience as they manage the psychological and financial burdens autism can create; and

Whereas, many local and national organizations are spearheading a multitude of educational efforts to promote autism awareness, autism acceptance, and to draw attention to the many facing an autism diagnosis each year.

Now Therefore, I, DOUG GAUL, MAYOR, of the City of Hutto hereby proclaim the month of April 2017, as

“AUTISM AWARENESS MONTH”

in Hutto, and encourage all citizens to participate in National Autism Awareness Month activities, in order to become better educated about autism and create a better community for individuals with autism and their families.

Proclaimed this 6th day of April 2017.

PUBLIC COMMENT

5A. Remarks from visitors

Terri Grimm – 227 Tolcarne Dr. – Spoke concerning the process declaring a candidate ineligibility and the lack of clarity in the situation concerning Michael Smith.

Bryon Borchers – 114 Ryan Cove – Spoke in support of City Council and staff.

CITY MANAGER COMMENTS

7A. Recognition of employee’s service to the City of Hutto.

Odis Jones, City Manager, recognized Wayne Cunningham, Animal Control Officer for his dedicated service to the City of Hutto.

Mr. Jones also recognized the Development Services Team for their hard work and dedicate service the City of Hutto.
WORK SESSION:

8A. Work Session with the Planning and Zoning Commission regarding the Hutto 2040 Comprehensive Plan Future Land Use Map Amendment.

Helen Ramirez, made the staff presentation. The City Council and the Planning and Zoning Commission discussed the responses from the public outreach sessions that were conducted by the Development Services Staff, as well as, further modifications and analysis that has resulted in changes to the DRAFT 2040 Future Land Use Map.

Members of the Planning and Zoning Commission that were present were Chair Davey Robinson, Commissioner Tony Wertz, Commissioner Bryon Borchers, and Commission Mike Orman.

Mrs. Ramirez provided an overview and a recap of the process that was conducted for this project. The presentation covered current growth patterns, where growth can occur in the future, a comparison of current and future land use map percentages and trends.

Mrs. Ramirez continued on by explaining the examination process that was used to identify areas for specific uses like commercial, light industrial, residential, and types of districts to consider like entertainment and technology. She provided an overview of the following.

Lastly, the survey and public outreach results were provided and the next steps were outlined before the Future Land Use Plan comes back to the City Council for approval.

Commissioner Wertz noted that he was happy that we are moving towards more commercial and he likes the flexibility in the development.

Commissioner Borchers noted that incorporating the transportation plan is an important step in the development of the Future Land Use Map.

PUBLIC HEARINGS

9A. Open and conduct a public hearing regarding the Hutto 2040 Comprehensive Plan Future Land Use Map Amendment.

Mayor Gaul opened the public hearing at 7:51 p.m.

There being no public comment, Mayor Gaul closed the public hearing at 7:51 p.m.

PRESENTATIONS

10A. Presentation and discussion on the water and wastewater utility rate study.

Danielle Singh, Interim Assistant City Manager, and Matthew Garret, with NewGen Strategies, made the staff presentation. The City of Hutto has contracted with NewGen Strategies and Solutions to perform a utility rate study to review the City's cost of
providing utility services and recommend rate strategies to ensure cost recovery. Based on the results of the study, retail waste water rates will need to increase by 16% in FY 17 and FY 18. Retail water rates will need to increase by 7% in FY 17 and FY 18. The wholesale waste water rate to Jonah SUD will also need to increase by 16% in FY 17.

The rate increases are needed in order to maintain utility fund reserve requirements, invest in new infrastructure to allow expansion of the tax base, pay for increases to the Heart of Texas Water Supply Contract and meet debt service obligations for recent utility projects such as the new Hutto South Waste Water Treatment Plant. The City last conducted a utility rate study in 2013.

Discussion ensued regarding the current water contracts, utility infrastructure projects, possible options to reduce the proposed increase, future development, and the timeline for approving the new utility rates.

10B. Presentation and discussion concerning the City's financial statements and investments as of February 28, 2017.

Michel Sorrell, Chief Financial Officer, made the staff presentation. This is the first monthly report to the City Council. Ms. Sorrell provided an overview of the following

- Revenues & Expenditures by fund
  - General Fund
  - General Debt Service Fund
  - General Capital Replacement Fund
  - Court Technology Fund
  - Court Security Fund
  - Court Training
  - Hotel Tax Fund
  - ATS Red Light Camera Fund
  - PEG Capital Fees Fund
  - Utility Fund
  - Utility Debt Service Fund
  - Impact Fees Fund
  - Utility Capital Replacement Fund
  - Capital Improvements Project Fund
  - Solid Waste Fund
- Sales Tax Collections

Mrs. Sorrell highlighted the Utility Fund is under performing and that the City is in a positive net position.

CONSENT AGENDA ITEMS

11A. Consideration and possible action on a resolution approving the proposed Commercial Development 1660 South Hutto (Phase I) Lot 1A Amended Plat, 0.92 acres, more or less, of land, one commercial lot, located at 550 FM 1660 South.
11B. Consideration and possible action on a resolution approving the proposed Legends Of Hutto Phase Two Lot 1 Block A Amended Plat, 3.25 acres, more or less, of land, one drainage easement/public utility lot, located in the Legends Of Hutto Phase Two Subdivision off of Richards Drive.

11C. Consideration and possible action on a resolution approving the proposed Amended Plat of Block A, Star Ranch Section 4, 5.341 acres, more or less, of land, 4 commercial lots and 1 joint access lot, located within Hutto's extraterritorial jurisdiction at Gattis School Road (north boundary) and Muirfield Bend (west boundary).

11D. Consideration and possible action on a resolution approving the proposed Star Ranch Phase 2 Section 2 Final Plat, 8.086 acres, more or less, of land, 4 commercial lots, located within Hutto's extraterritorial jurisdiction at Muirfield Bend Drive (west boundary) and Priem Lane (south boundary).

11E. Consideration and possible action on a resolution approving the proposed Star Ranch Phase 2 Section 3 Final Plat, 2.681 acres, more or less, of land, 3 commercial lots, located within Hutto's extraterritorial jurisdiction at Muirfield Bend Drive (west boundary) and Burgan Path (south boundary).

11F. Consideration and possible action on a resolution directing the Development Services Department to prepare a Municipal Service Plan for the proposed annexation of the Canutillo Corner, 2.590 acres, more or less, of land located on the northeast corner of FM 1660 North and Limmer Loop.

11G. Consideration and possible action on the second and final reading of an ordinance granting a specific use permit for the property located at 311 FM 1660 South, 1.284 acres, more or less, of land, Lot 1 Block A of the Legends of Lone Star Commercial Two Subdivision, allowing a convenience store with gasoline sales in the B-1 (local business) zoning district.

Mayor Pro-tem Hines asked if the meeting with the concerned citizen had occurred and were his concerned addressed.

Helen Ramirez, Executive Director of Business/Development Services, confirmed that the concerns had been addressed.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve items 11A-11G on the consent agenda as presented. Councilmember Anne Cano seconded the motion.

**VOTE:**

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<td>Mayor Doug Gaul</td>
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<td>Councilmember Anne Cano</td>
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| Absent:   | Councilmember Nathan Killough |
ACTION: The motion carried with 5 ayes and 0 nays.

OTHER BUSINESS

12A. Consideration and possible action concerning the acceptance of Bettina Jordan's resignation from City Council, Place 6.

MOTION: Mayor Pro-tem Tom Hines moved to Bettina Jordan's resignation. Councilmember Lucio Valdez seconded the motion.

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Anne Cano
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

ACTION: The motion carried with 5 ayes and 0 nays.

ORDINANCES


Michel Sorrell, Chief Financial Officer, made the staff presentation. The City of Hutto is one of the fastest growing cities in Texas. This means the utility customer base is growing at a tremendous pace. Currently we have one meter technician who performs all meter management which includes installation, connection, maintenance and disconnects. Public Works staff assists with after-hours, weekend and holiday reconnects. Due to the increased volume of disconnects from non-payment, both the meter technician and the Public Works staff have been strained.

Article 24.04 Water and Sewers, Section 24.04.039(b) does not currently designate any specific hours for re-connections to occur. Because there is no set time for re-connections, both the Public Works staff and the meter technician can be called out at any hour. This practice costs the City money in over-time and excessive wear and tear on City vehicles. It is also a potential safety issue for employees to be on call at such late hours. Staff recommends the following hours be implemented for re-connects: After-hours connections requested Monday through Friday will only be done from 7:00 a.m. to 8:00 a.m. and from 5:00 p.m. to 8:00 p.m. After-hours connections requested on weekends or holidays will be done from 7:00 a.m. to 8:00 p.m.

Discussion ensued about adding additional staff, cost of reconnections, and exceptions to the process.

MOTION: Councilmember Anne Cano recommended approval of the first reading of an ordinance amending Article 24.04 Water and Sewers, Section 24.04.039(b) Charge for

**VOTE:**

Ayes:
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Anne Cano
- Councilmember Tim Jordan
- Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

**ACTION:** The motion carried with 5 ayes and 0 nays.

**RESOLUTIONS**

**14A.** Consideration and possible action on a resolution approving the proposed Hutto Highlands Section 2 Preliminary Plat, 145.463 acres, more or less, of land, 486 single-family lots, located at Hendelson Lane and Plantain Drive.

*Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez provided an overview of the project, type of development, the results of the traffic impact analysis that was conducted.*

There were five letters of objection and two in favor. The objections were concerns of that traffic that would be generated. To help mitigate traffic there was an additional access point added on County Road 132.

**MOTION:** Councilmember Lucio Valdez moved to approve the resolution approving the proposed Hutto Highlands Section 2 Preliminary Plat, 145.463 acres, more or less, of land, 486 single-family lots, located at Hendelson Lane and Plantain Drive. Councilmember Anne Cano seconded the motion.

**VOTE:**

Ayes:
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Anne Cano
- Councilmember Tim Jordan
- Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

**ACTION:** The motion carried with 5 ayes and 0 nays.

**14B.** Consideration and possible action on a resolution authorizing the City to engage the firm of McGinnis Lochridge to provide legal services for personnel, real estate and economic development matters.
Michel Sorrell, Chief Financial Officer, made the staff presentation. The City requires the engagement of legal counsel that specializes in employment law, as well as real estate and economic development law. McGinnis Lochridge, attorneys at law, provides legal services in many areas including employment law and real estate and economic development law. Staff seeks approval of the engagement of McGinnis Lochridge in anticipation the contract may exceed $50,000, which requires City Council approval. This approval will allow legal services to continue without interruption.

Councilmember Jordan requests that there be a cap on the expenditures for these services.

Odis Jones, City Manager, instructed the Finance Department to put a $200,000 cap on the budget line item.

**MOTION:** Councilmember Anne Cano moved to approve the resolution authorizing the City to engage the firm of McGinnis Lochridge to provide legal services for personnel, real estate and economic development matters, not to exceed $200,000. Mayor Pro-tem Tom Hines seconded the motion.

**VOTE:**

Ayes: Mayor Doug Gaul
     Mayor Pro-tem Tom Hines
     Councilmember Anne Cano
     Councilmember Tim Jordan
     Councilmember Lucio Valdez

Nays: None

Abstain: None

Absent: Councilmember Nathan Killough

**ACTION:** The motion carried with 5 ayes and 0 nays.

14C. Consideration and possible action on a resolution concerning an additional schedule of five (5) leased vehicles for Development Services to the Enterprise Master Lease Agreement (MLA).

David Mason, Purchasing Manager, made the staff presentation. In September 2016 the City of Hutto entered into a Master Equity Lease Agreement with Enterprise FM Trust to lease three (3) vehicles for the Police Department. The City of Hutto is requesting to add five (5) vehicles to this already approved Master Lease Agreement (MLA) with Enterprise FM Trust. This contract will replace all fleet for Development Services. The City will lease five (5) trucks from Enterprise with the option to keep them at the end of the lease or sell and appropriate the funds for new equipment if needed. In addition, this contract covers all maintenance for each vehicle for the five (5) year term. The cost of this lease is not to exceed $120,000 for the five (5) year term. The annual cost will average $23,060.

Discussion ensued concerning the vehicle selection, management of the lease agreements, and a fleet management program.
MOTION: Councilmember Anne Cano moved to approve the resolution concerning an additional schedule of five (5) leased vehicles for Development Services to the Enterprise Master Lease Agreement (MLA). Mayor Pro-tem Tom Hines seconded the motion.

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Anne Cano
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

ACTION: The motion carried with 5 ayes and 0 nays.

14D. Consideration and possible action on a resolution ordering a special election for June 10, 2017, to fill the vacancy of City Council, Place 6.

Seth Gipson, made the staff presentation

MOTION: Councilmember Lucio Valdez moved to approve the resolution ordering a special election for June 10, 2017, to fill the vacancy of City Council, Place 6. Councilmember Tim Jordan seconded the motion.

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Anne Cano
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

ACTION: The motion carried with 5 ayes and 0 nays.

14E. Consideration and possible action on a resolution authorizing the City Manager to file the necessary documents with the Secretary of State to dissolve the Frame Switch Local Government Corporation.

Michel Sorrell, Chief Financial Officer, made the staff presentation. The City of Hutto adopted resolution R-14-04-10-5A in April of 2014 which created the Frame Switch Local Government Corporation between the City of Hutto and City of Taylor. This corporation was created to promote a development when a large organization had shown interest in the area.

The prospect for this development area no longer exists and the board of directors are no longer associated with the City of Hutto.
**MOTION:** Mayor Pro-tem Tom Hines moved to approve the resolution authorizing the City Manager to file the necessary documents with the Secretary of State to dissolve the Frame Switch Local Government Corporation. Councilmember Lucio Valdez seconded the motion.

**VOTE:**

Ayes:
- Mayor Doug Gaul
- Mayor Pro-tem Tom Hines
- Councilmember Anne Cano
- Councilmember Tim Jordan
- Councilmember Lucio Valdez

Nays:
None

Abstain:
None

Absent:
Councilmember Nathan Killough

**ACTION:** The motion carried with 5 ayes and 0 nays.

**EXECUTIVE SESSIONS**

15A. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney, concerning Heart of Texas Water Contract.

15B. Executive Session, as authorized by Section 551.072, Texas Government Code, deliberations concerning real property, regarding contract negotiations with Heart of Texas Water Suppliers, L.P.

15C. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney, concerning the threat of pending litigation.

The City Council recessed into executive session at 9:50 p.m.

The City Council reconvened into regular session at 11:07 p.m.

**ACTION RELATIVE TO EXECUTIVE SESSIONS**

16A. Consideration and possible action on a resolution authorizing the City Manager to enter into a professional services contract, that shall not exceed $244,800.00 with an engineering firm to perform phase 2 of an independent engineering study of the Heart of Texas Water Suppliers, L.P. water wells.

**MOTION:** Councilmember Anne Cano moved to approve the resolution authorizing the City Manager to enter into a professional services contract, that shall not exceed $244,800.00 with an engineering firm to perform phase 2 of an independent engineering study of the Heart of Texas Water Suppliers, L.P. water wells. Mayor Pro-tem Tom Hines seconded the motion.

**VOTE:**

Ayes:
- Mayor Doug Gaul
Mayor Pro-temp Tom Hines  
Councilmember Anne Cano  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  

Nays: None  
Abstain: None  
Absent: Councilmember Nathan Killough

ACTION: The motion carried with 5 ayes and 0 nays.

16B. Consideration and possible action on a resolution authorizing the City Manager to execute a Memorandum of Understanding and Conditional Purchase Contract with Heart of Texas Water Suppliers, L.P. regarding the potential acquisition of Heart of Texas Water Suppliers, L.P. water system.

MOTION: Councilmember Anne Cano moved to approve the resolution authorizing the City Manager to execute a Memorandum of Understanding and Conditional Purchase Contract with Heart of Texas Water Suppliers, L.P. regarding the potential acquisition of Heart of Texas Water Suppliers, L.P. water system. Councilmember Lucio Valdez seconded the motion.

VOTE: Ayes: Mayor Doug Gaul  
Mayor Pro-temp Tom Hines  
Councilmember Anne Cano  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  

Nays: None  
Abstain: None  
Absent: Councilmember Nathan Killough

ACTION: The motion carried with 5 ayes and 0 nays.

Mike Shaunessy, Attorney for the City of Hutto, provided an update on the letters that were filed with the Equal Employment Opportunity Commission by former employees.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:12 p.m.

CITY OF HUTTO, TEXAS

[Signature]
Doug Gaul, Mayor

ATTEST:

[Signature]
Seth Gipson, City Secretary