The Hutto City Council met in a regular session on Thursday, May 18, 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, Councilmember Anne Cano, Mayor Pro-tem Tom Hines, Councilmember Nathan Killough, Councilmember Tim Jordan, and Councilmember Lucio Valdez.

Members of staff that were present were Odis Jones, City Manager, Danielle Singh, Interim Assistant City Manager, Mike Shaunessey, City Attorney, Helen Ramirez, Executive Director Business/Development Services, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Michel Sorrell, Chief Financial Officer, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Councilmember Anne Cano.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT

5A. Remarks from visitors

There were no remarks from visitors.

SWEARING IN CEREMONY FOR THE NEWLY ELECTED CITY COUNCIL MEMBERS

6A. City Council Member, Place 4

District Judge Rick Kennon conducted the swearing-in ceremony for Tim Jordan, Place 4.

The Hutto City Council recessed at 7:02 p.m. and reconvened into regular session at 7:06 p.m.
OTHER BUSINESS

7A. Consideration and possible action on the appointment of the Mayor Pro-tem position.

MOTION: Councilmember Anne Cano moved to appoint Tom Hines as Mayor Pro-tem. Councilmember Lucio Valdez seconded the motion.

VOTE:

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

Nays: None

Abstain: None

Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

PRESENTATIONS

8A. Presentation of the Distinguished Budget Presentation Award by the Government Finance Officers Association.

Michel Sorrell, Chief Financial Officer, spoke briefly on the importance of the award and presented it to Mayor Gaul. Ms. Sorrell highlighted that the City of Hutto has received the award for the last eleven years and that Gretchen Doty, Senior Budget Analyst, has received this award six years in a row, one for every year that she has been with the City.

CONSENT AGENDA ITEMS

9A. Consideration and possible action on the meeting minutes for the March 16, 2017, and April 6, 2017 Regular City Council Meetings, and April 13, 2017 Special Called City Council City Council Meeting.

MOTION: Councilmember Nathan Killough moved to approve item 9A on the consent agenda. Mayor Pro-tem Tom Hines seconded the motion.

VOTE:

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

Nays: None

Abstain: None

Absent: None
ACTION: The motion carried with 6 ayes and 0 nays.

The City Council dispensed with the order of the agenda and addressed item 11D.

11D. Consideration and possible action on a resolution authorizing the City Manager to execute a Hotel Occupancy Tax Funding Agreement, not to exceed $130,000, with GAR BROADCASTING, LLC., for the 1st Annual KOKEFEST.

Michel Sorrell, Chief Financial Officer, introduced Lise Hudson, Marketing Manager/Producer with Austin Radio Network. Ms. Hudson provided an overview of KOKEFEST, which will take place on August 19, 2017, which included how the location was chosen, logistics, attendance expectations, economic impacts to the city, and the experience that can be created for attendees and the participating bands.

MOTION: Mayor Pro-tem Tom Hines moved to approve the resolution authorizing the City Manager to execute a Hotel Occupancy Tax Funding Agreement, not to exceed $130,000, with GAR BROADCASTING, LLC., for the 1st Annual KOKEFEST. Councilmember Nathan Killough seconded the motion.

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

Nays: None

Abstain: None

Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

ORDINANCES

10A. Consideration and possible action on the first reading of an ordinance regarding the proposed annexation of the Canutillo Corner property, located on 2,590 acres more or less, of land located on the northeast corner of FM 1660 North and Limmer Loop.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Ms. Ramirez gave a brief overview of the project and the steps taken to get to this point in the annexation process.

MOTION: Mayor Pro-tem Tom Hines moved to approve the second reading of an ordinance regarding the proposed annexation of the Canutillo Corner property, located on 2,590 acres more or less, of land located on the northeast corner of FM 1660 North and Limmer Loop. Councilmember Anne Cano seconded the motion.

VOTE: Ayes: Mayor Doug Gaul

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Mayor Pro-tem Tom Hines
Councilmember Anne Cano
Councilmember Nathan Killough
Councilmember Tim Jordan
Councilmember Lucio Valdez

Nays: None
Abstain: None
Absent: None

**ACTION:** The motion carried with 6 ayes and 0 nays.

**REVISED MOTION:** Councilmember Anne Cano moved that the minutes reflect that this is the first reading of the ordinance regarding the proposed annexation of the Canutillo Corner property, located on 2.590 acres more or less, of land located on the northeast corner of FM 1660 North and Limmer Loop and not the second as stated in the first motion. Mayor Pro-tem Tom Hines seconded the motion.

**VOTE:**

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

Nays: None
Abstain: None
Absent: None

**ACTION:** The motion carried with 6 ayes and 0 nays.

10B. Consideration and possible action on the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflect audited beginning fund balances, organizational restructure, and other miscellaneous adjustments (budget amendment #2).

Michel Sorrell, Chief Financial Officer, made the staff presentation. Budget Amendment #2 includes adjustments to fund balances to reflect audited balances, salary and benefit adjustments based on organizational restructure, and miscellaneous adjustments. Ms. Sorrell provided an overview of the changes in revenues and expenses in the following funds:

- General Fund
- Hotel Tax Fund
- Red Light Cameras Fund
- Utility Fund

**MOTION:** Mayor Pro-tem Tom Hines moved to approve the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflect audited beginning fund balances, organizational restructure, and other miscellaneous adjustments (budget amendment #2). Councilmember Anne Cano seconded the motion.

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

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

RESOLUTIONS

11A. Consideration and possible action on a resolution authorizing the City Manager to execute a professional services contract with an engineering firm to provide design and construction phase services for the infrastructure for the Industrial Park Development.

Danielle Singh, Interim Assistant City Manager, made the staff presentation. Ms. Singh provided an overview of the services that are scheduled to be performed according to the development agreement between the City, Titan Innovation Business Park, LLC, and Chris and Clay Schneider, and Veronica Bolander, which was approved on April 13, 2017.

Ms. Singh continued on by explaining the Request for Qualifications process that was used. The recommendation is to select MWM Design Group for this project and that design will not exceed $530,000.

Discussion ensued concerning the scope of the project, how communication is going with the residents, and the timeframe for the project.

MOTION: Councilmember Anne Cano moved to approve the resolution authorizing the City Manager to execute a professional services contract with an engineering firm to provide design and construction phase services for the infrastructure for the Industrial Park Development. Councilmember Lucio Valdez seconded the motion.

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

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 6 ayes and 0 nays.

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Consideration and possible action on a resolution concerning a negotiated settlement between the ATMOS Cities Steering Committee (ACSC) and Atmos Energy Corporation, Mid-Tex Division regarding the Company’s 2017 Rate Review Mechanism Filings.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Ms. Sorrell outlined the purpose and process of the Rate Review Mechanism Filings and the alternative process called Gas Reliability Infrastructure Program (GRIP). She also highlighted the anticipated additional revenues for Atmos Energy Corporation and the potential impacts to the customers.

Chris LeBlanc, a representative from Atmos Energy Corporation Marketing Group, spoke concerning the upcoming review of the current process, which is done periodically, and that the group is recommending that the existing process be maintained.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve resolution concerning a negotiated settlement between the ATMOS Cities Steering Committee (ACSC) and Atmos Energy Corporation, Mid-Tex Division regarding the Company’s 2017 Rate Review Mechanism Filings. Councilmember Anne Cano seconded the motion.

**VOTE:**

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

Nays: None

Abs: None

**ACTION:** The motion carried with 6 ayes and 0 nays.

Consideration and possible action on a resolution authorizing the City Manager to execute Change Order No. 7 with Archer Western Construction, LLC for the construction of the Hutto South Wastewater Treatment Plant.

Danielle Singh, Interim City Manager, made the staff presentation. The Hutto South Wastewater Treatment Plant has reached substantial completion. This is the final change order required for close out of the project. Ms. Singh provided an overview of the proposed changes and highlighted that this project will finish $213, 204.00 under budget.

**MOTION:** Mayor Pro-tem Tom Hines moved to approve the resolution authorizing the City Manager to execute Change Order No. 7 with Archer Western Construction, LLC for the construction of the Hutto South Wastewater Treatment Plant. Councilmember Lucio Valdez seconded the motion.
VOTE: Ayes:  
Mayor Doug Gaul  
Mayor Pro-tem Tom Hines  
Councilmember Anne Cano  
Councilmember Nathan Killough  
Councilmember Tim Jordan  
Councilmember Lucio Valdez  

Nays: None  
Abstain: None  
Absent: None  

ACTION: The motion carried with 6 ayes and 0 nays.  

11D. Consideration and possible action on a resolution authorizing the City Manager to execute a Hotel Occupancy Tax Funding Agreement, not to exceed $130,000, with GAR BROADCASTING, LLC., for the 1st Annual KOKIEFEST.

The City Council dispensed with the order of the agenda and addressed item 11D immediately following item 9A.

11E. Consideration and possible action on resolution adopting the City’s Internal Control Policy dated May 18, 2017.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Ms. Sorrell pointed out that the City does not currently have a policy like this in effect and that this is another tool to ensure the safeguards of assets, the effective and efficient use of those assets, and fiscal accountability. Ms. Sorrell also highlighted certain items such as the addition of monthly financial statement presentations to the city council and the cash deposit process.

MOTION: Mayor Pro-tem Tom Hines moved to approve the resolution adopting the City’s Internal Control Policy dated May 18, 2017. Councilmember Anne Cano seconded the motion.

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

Nays: None  
Abstain: None  
Absent: None  

ACTION: The motion carried with 6 ayes and 0 nays.

11F. Consideration and possible action on a resolution appointing the law firm McGinnis Lochridge, as the City Attorney of the City of Hutto.
Odis Jones, City Manager, made the staff presentation. The new charter authorizes the City Council to appoint the City Attorney instead of the City Manager. Mr. Jones recommends that McGinnis Lochridge continue in their capacity as the City Attorney.

**MOTION:** Councilmember Nathan Killough moved to approve the resolution appointing the law firm McGinnis Lochridge, as the City Attorney of the City of Hutto. Councilmember Lucio Valdez seconded the motion.

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

Nays: None  
Abstain: None  
Absent: None

**ACTION:** The motion carried with 6 ayes and 0 nays.

**WORK SESSION**

12A. Presentation and discussion concerning the City's financial statements as of April 30, 2017, investments as of second quarter, March 31, 2017 and overall mid-year review.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Ms. Sorrell provided an overview of the following:

- Updates to the Strategic Plan  
- Investments  
- All Funds Revenue Summary  
- All Funds Expenditures Summary  
- All Funds Fund Balance (Net Position)  
- General Fund  
- Utility Fund  
- Fiscal Year 2017 Capital Improvement Project Updates  
- Fiscal Year 2018 Budget Planning Calendar.

Discussion ensued concerning potential changes to the budget process and future budget meetings.

**CITY MANAGER'S COMMENTS**

13A. Discussion concerning the development of a City-Wide Economic Development Strategy.
Odis Jones, City Manager, opened the conversation with sharing some of his observations of how economic development is currently structured in the City of Hutto, and the need for the development of an overarching economic development policy for the City to ensure the goals are being met.

Discussion ensued concerning topics that should be addressed in the policy, how the City's current economic development structure would be reviewed, roles of the City, Economic Development Corporation, and Chamber of Commerce, and policy directives from the City Council.

The Memorial Day Fireworks Show, which has an economic development impact to the City, was approved in the Fiscal Year 16-17 Budget. There is a requirement in the Code of Ordinances that the City Council approve all fireworks shows within the City. For the record, approval of the budget constituted the approval of the Memorial Day Fireworks, as stated in the ordinance.

EXECUTIVE SESSIONS

14A. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney.

The City Council recessed into executive session at 9:10 p.m.

The City Council reconvened into regular session at 10:01 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:02 p.m.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary