CITY OF HUTTO, TEXAS
REGULAR CITY COUNCIL MEETING
THURSDAY, SEPTEMBER 1, 2016 AT 7:00 PM
CITY HALL - CITY COUNCIL CHAMBERS
401 WEST FRONT STREET

CITY COUNCIL
Doug Gaul, Mayor
Anne Cano, Place 1
Tom Hines, Place 2
Nathan Killough, Place 3
Michael J. Smith, Place 4, Mayor Pro-tem
Lucio Valdez, Place 5
Bettina Jordan, Place 6

AGENDA

1. CALL SESSION TO ORDER

2. ROLL CALL

3. INVOCATION

4. PLEDGE OF ALLEGIANCE

5. PUBLIC COMMENT
   5A. Remarks from visitors. (Three-minute time limit)

6. PUBLIC HEARINGS:
   6A. Open and conduct a public hearing to hear testimony regarding the proposed Fiscal Year 2016-17 Budget.

7. WORK SESSION:
   A work session is conducted for information or educational purposes. No action is taken by the Council on items listed. It is the policy of the City Council that public comment will not be allowed for work session items.

   7A. Work session on an application for a grant to Texas Parks and Wildlife to develop athletic fields and other park improvements.
7B. Work session to discuss the proposed bond referendum election.

8. **PRESENTATIONS:**

8A. Presentation and discussion concerning the Quarterly Investment Report.

9. **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.

9A. Consideration and possible action on a resolution concerning the issuance of a purchase order to Musco Lighting for athletic field lighting for the Fritz Park improvements project.

9B. Consideration and possible action on a resolution concerning the issuance of a Purchase Order to The PlayWell Group, Inc. for Icon Shelter Systems for the Fritz Park Improvements project.

9C. Consideration and possible action on a resolution concerning the acceptance of the water, wastewater, street, and drainage improvements of the Hutto Crossings Phase 1 Section 3 subdivision.

9D. Consideration and possible action on the meeting minutes for the July 21, 2016 City Council Regular Meeting and the August 1, 2016 Special Called City Council meeting.

**REGULAR AGENDA ITEMS**

10. **ORDINANCES:**

10A. Consideration and possible action on the first reading of an ordinance making appropriations for the support of the City of Hutto for the Fiscal Year October 1, 2016 through September 30, 2017, and adopting the annual budget of the City of Hutto for Fiscal Year 2016-17.

10B. Consideration and possible action on the first reading of an ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2016.

10C. Consideration and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2016-17 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2016.
10D. Consideration and possible action on an ordinance authorizing the issuance of City of Hutto, Texas General Obligation Bonds, Series 2016; approving a paying agent/registrar agreement, an official statement, and other related documents; awarding the sale of the bonds and authorizing other matters relating to the bonds.

10E. Consideration of a public hearing and possible action on the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code, Chapter 4, Section 10.403: Bulk, setbacks and buffers.

10F. Consideration of a public hearing and possible action on the first reading of an ordinance amending the SmartCode, Articles 1, 2, 3, 4, 5, 6, and 7.

10G. Consideration and possible action on the second and final reading of an ordinance amending Chapter 2: Administration and Personnel; Article 2.03: Personnel; Section 2.03.002: Employee Policies and Procedures of the City of Hutto 2014 Code of Ordinances.

11. RESOLUTIONS:

11A. Consideration and possible action on a resolution concerning an Interlocal Agreement with Hutto I.S.D. for cost sharing related to the construction of a sidewalk.

11B. Consideration and possible action on a resolution concerning the termination of the red light camera contract with American Traffic Solutions.

12. WORK SESSION:

A work session is conducted for information or educational purposes. No action is taken by the Council on items listed. It is the policy of the City Council that public comment will not be allowed for work session items.

12A. Work session concerning updates to the 2035 Strategic Guide.

13. ADJOURNMENT

The City Council for the City of Hutto reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by the Texas Government Code Sections 551.071 [Litigation/Consultation with Attorney], 551.072 [Deliberations regarding real property], 551.073 [Deliberations regarding gifts and donations], 551.074 [Deliberations regarding personnel matters] or 551.076 [Deliberations regarding deployment/implementation of security personnel or devices] and 551.087 [Deliberations regarding Economic Development negotiations].
CERTIFICATION

I certify that this notice of September 1, 2016 Hutto City Council meeting was posted on the City Hall bulletin board of the City of Hutto on Monday, the 29th day of August 2016 at 3:30pm.

Seth Gipson, City Secretary

The City of Hutto is committed to comply with the American with Disabilities Act. The Hutto City Council Chamber is wheelchair accessible. Request for reasonable special communications or accommodations must be made 48 hours prior to the meeting. Please contact the City Secretary at (512) 759-4033 or seth.gipson@huttoxc.gov for assistance.
AGENDA ITEM NO.: 6A
AGENDA DATE: September 01, 2016

PRESENTED BY:

ITEM: Open and conduct a public hearing to hear testimony regarding the proposed Fiscal Year 2016-17 Budget.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND:
Section 102.006 of the Local Government Code requires that “The governing body of a municipality shall hold a public hearing on the proposed budget.”

BUDGETARY AND FINANCIAL SUMMARY:
A copy of the FY 2016-17 proposed budget was filed with the City Secretary on August 4, 2016, and was placed on the City’s website (www.HuttoTX.gov). The public hearing notice was included in the Taylor Daily Press on August 21st and 24th and Hutto News on August 24th. The notice was also included on the City’s website as well as the public access channel.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.

CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends opening and conducting the public hearing for the proposed FY 2016-17 Budget.

SUPPORTING MATERIAL:
1. Budget Public Hearing Notice
PUBLIC HEARING NOTICE

PUBLIC HEARING ON PROPOSED FISCAL YEAR 2016-17 BUDGET

As per the requirements of Chapter 102 of the Texas Local Government Code and Section 8.05 of the City Charter of the City of Hutto, notice is hereby given that the Hutto City Council will conduct a public hearing on the proposed 2016-17 Budget.

This budget will raise more revenue from property taxes than last year’s budget by an amount of $1,364,589, which is a 20.4 percent increase from last year’s budget. The property tax revenue to be raised from new property added to the tax roll this year is $296,635.”

This meeting will be held on the 1st of September 2016, beginning at 7:00 pm at the Hutto City Council Chambers, 401 W. Front St. Hutto, Williamson County, Texas 78634.

A copy of materials related to this item will be available in the Hutto City Hall building located at 401 W. Front St. Hutto, Texas between the hours of 8:00 am and 5:00 pm Monday through Friday. The proposed budget can also be found on the City’s website (www.HuttoTX.gov). For further information contact Melanie Melancon, Finance Director, at 512-759-4053.
AGENDA ITEM NO.: 7A.  AGENDA DATE: September 01, 2016

PRESENTED BY: Larry Foos, Parks and Recreation Director

ITEM: Work session on an application for a grant to Texas Parks and Wildlife to develop athletic fields and other park improvements.

STRATEGIC GUIDE POLICY: Quality of Life

ITEM BACKGROUND: The City Council entered into a memorandum of understanding with the YMCA of Greater Williamson County on July 21, 2016, to jointly develop athletic fields on 11 acres of land leased to the YMCA from the East Williamson County Higher Education Center. Since entering into that agreement, the Texas State Technical College Board of Regents has denied a request to re-assign and extend the land lease from the YMCA to the City of Hutto in order to meet the requirements outlined by Texas Parks and Wildlife for a grant.

With the grant opportunity no longer available at this location, staff requests further Council direction.

BUDGETARY AND FINANCIAL SUMMARY: Texas Parks and Wildlife offers park development grants on a one to one match basis up to $500,000. The City of Hutto has opportunities to apply for other projects if desired by the City Council.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: The Parks Advisory Board has not had an opportunity to discuss the status of this project. It will be discussed at their meeting on September 14.
CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Not applicable.

SUPPORTING MATERIAL:
There are no supporting documents.
AGENDA ITEM NO.: 7B.  AGENDA DATE: September 01, 2016

PRESENTED BY: Micah Grau, Interim City Manager

ITEM: Work session to discuss the proposed bond referendum election.

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND: The purpose of the work session is so that the City Council can provide direction to the recently appointed Bond Election Committee.

BUDGETARY AND FINANCIAL SUMMARY: Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.

CITY ATTORNEY REVIEW: Not applicable.

STAFF RECOMMENDATION: Not applicable.

SUPPORTING MATERIAL: There are no supporting documents.
AGENDA ITEM NO.: 8A.  
AGENDA DATE: September 01, 2016

PRESENTED BY: Melanie Melancon, Director of Finance

ITEM: Presentation and discussion concerning the Quarterly Investment Report.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND: This report provides Council with the City's investment balances, in accordance with the Public Funds Investment Act.

BUDGETARY AND FINANCIAL SUMMARY: The investment report shows cash and investment balances for all funds combined.

The City's investment balances as June 30, 2016, were made up of cash, investment pools, and certificates of deposit.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.

CITY ATTORNEY REVIEW: Not applicable.

STAFF RECOMMENDATION: Not applicable.

City of Hutto

For the Quarter Ended

June 30, 2016

Prepared by
FirstSouthwest Asset Management
MARKET RECAP - JUNE 2016:

By and large the U.S. economic data released during June was weaker than expected, but by the end of the month geopolitical events would trump the data and everything else, setting bond yields on a course to new record lows in the first days of July. The ISM manufacturing index for May crept up to 51.3 from 50.8, lingering just above the expansion break-even level of 50, while the non-manufacturing (service sector) index slipped from 55.7 to 52.9, the weakest reading since February 2014. The May employment report was both a huge disappointment and the final nail in the coffin for a June rate hike. Non-farm payrolls grew by just +38k in May, well short of even the most pessimistic forecast for +90k and the worst showing since September 2010. Revisions to the two prior months subtracted another -59k from the tally, taking the three month average down to +116k. This is in sharp contrast to the +229k monthly average for all of 2015. The unemployment rate did decline to 4.7%, but for all the wrong reasons as the labor force plunged by -488k, taking the participation rate down to 62.6%. Automobile sales remained fairly ebullient at 17.4 million annual units and overall retail sales logged a decent month, gaining +0.5% at the headline while the less volatile control group advanced +0.4%. Housing data put in another mixed performance in May with new home sales slipping -6% to 551k annual units and existing homes sales up +1.8% to 5.53 million annual units. Inflation data was mixed as well with the results depending on which indicator you focus on. At the wholesale level, producer prices were up +0.4% overall in May and +0.3% ex food and energy with core PPI up +1.2% year-over-year. Consumer prices have firmed in recent months and that trend continued in May with headline CPI gaining +0.2% for the month and +1.0% year-over-year. Core CPI, which excludes food and energy, is running +2.2% over the last twelve months. The Fed’s preferred core PCE measure is rising at a cooler +1.6% annual rate.

With the data out of the way we turn our attention to what really mattered in June. First, it was the June FOMC meeting. By the time of the mid-month meeting it was a forgone conclusion that the Fed would not raise interest rates. What mattered was what the FOMC said in its press release and the dot plot forecast, both of which were more dovish than the market had expected as the Fed reduced its forecasts for future rate hikes. The market quickly digested this news and shifted its focus to the British referendum on whether to remain a member of the European Union. In the days leading up to the June 23rd “Brexit” vote most experts predicted “remain” would carry the day. When British voters instead decided to leave the EU, financial markets were thrown into disarray. The immediate fallout was a sharp sell-off in worldwide equity markets and a flight to safety rally in fixed income. Uncertainty over exactly what the decision means and fears that it might spark a global recession are leading to expectations for additional central bank stimulus. Although the direct impact on the U.S. economy is likely to be small, the prospects for Fed rate hikes in the face of all this have greatly diminished. That alone would be enough to send yields lower but when you also consider that U.S. government bond yields remain the highest of most developed markets, and by a large margin, you have a recipe for a massive rally. That in fact is what we are seeing. The two-year Treasury note yield, which opened the month at 0.88%, closed a stunning 30 basis points lower at 0.58% and would trade below 0.54% in the early days of July. The 10-year Treasury note would lose nearly 40 basis points, falling from 1.85% to 1.47% in June, before seeing an all-time record low 1.32% on July 6th.
For the Quarter Ended
June 30, 2016

This report is prepared for the City of Hutto (the “Entity”) in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: “Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period.” This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Officer Names and Titles:

Name: Karen Daly          Title: City Manager

Name: Melanie Hudson      Title: Director of Finance
Executive Summary

As of 06/30/16

City of Hutto

Account Summary

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Weighted Avg. YTW 0.250%                      0.310%
Weighted Avg. YTM 0.250%                      0.310%

Allocation by Security Type

- BANK DEP 21%
- CD 13%
- LGIP 66%
- Total: 100%

Allocation by Issuer

- TEXPOOL 47%
- TEXSTAR 18%
- WF 17%
- FSBCTX 13%
- COMPASS 4%
- FSB 0%
- Total: 100%

Maturity Distribution %

- Overnight 91 - 180 Days 87%
- 6 - 12 Months 2%
- 1 - 2 Years 2%
- Total: 100%

Credit Quality

- AAA 66%
- Collateralized 34%
- Total: 100%

Weighted Average Days to Maturity: 40
Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.
## Detail of Security Holdings

**As of 06/30/2016**

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**Total for Debt Service**

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- 100,000
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**Total for Operating Fund**

- 18,321,622.34
- 100,000
- 18,321,622.34
- 100,000
- 18,321,622.34
- 51
- 0.283
- 0.283

**Total for City of Hutto**

- 22,881,631.87
- 100,000
- 22,881,631.87
- 100,000
- 22,881,631.87
- 41
- 0.310
- 0.310
### Change in Value

**From 03/31/2016 to 06/30/2016**

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<td>06/30/16</td>
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#### 2007 Tax Note Bond Fund

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<th>168,023.88</th>
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**Total for 2007 Tax Note Bond Fund**: 168,023.88 157.64 0.00 0.00 0.00 168,181.52 168,023.88 168,181.52 157.64

#### 2010 Bond Fund

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**Total for 2010 Bond Fund**: 166,734.69 156.42 0.00 0.00 0.00 166,891.11 166,734.69 166,891.11 156.42

#### 2010 GO Bond Fund

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**Total for 2011 CO Bond Fund**: 198,442.77 186.14 0.00 0.00 0.00 198,628.91 198,442.77 198,628.91 186.14

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**Total for 2012 GO Bond Fund**: 90,544.36 84.91 0.00 0.00 0.00 90,629.27 90,544.36 90,629.27 84.91

#### 2013 CO Bond Fund

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<th>1,006,385.22</th>
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<table>
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**Total for 2013 CO Bond Fund**: 1,250,059.20 1,835.32 0.00 0.00 0.00 1,251,894.52 1,250,059.20 1,251,894.52 1,835.32
## Change in Value
### From 03/31/2016 to 06/30/2016

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| Debt Service | | | | | | | | | | | |
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| Total for Debt Service | 2,524,886.99 | 2,368.48 | 0.00 | 0.00 | 0.00 | 0.00 | 2,527,255.47 | 2,524,886.99 | 2,527,255.47 | 2,368.48 |

| Operating Fund | | | | | | | | | | | |
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City of Hutto

Earned Income

From 03/31/2016 to 06/30/2016
## City of Hutto
**Earned Income**
*From 03/31/2016 to 06/30/2016*

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**Total for Operating Fund**

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**Total for City of Hutto**

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### City of Hutto

**Projected Cash Flows**

**Cash Flows for next 180 days from 06/30/2016**

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**Total for Operating Fund**

- **Interest:** 5,094.58
- **Principal:** 509,335.66
- **Total Amount:** 514,430.24
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<th>CUSIP</th>
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### Total for All Portfolios

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<tr>
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**Total Projected Cash Flows for City of Hutto**

<p>| | | | |</p>
<table>
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<tr>
<td></td>
<td>5,094.58</td>
<td>509,335.66</td>
<td>514,430.24</td>
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AGENDA ITEM NO.: 9A. AGENDA DATE: September 01, 2016

PRESENTED BY: Larry Foos, Parks & Recreation Director

ITEM: Consideration and possible action on a resolution concerning the issuance of a purchase order to Musco Lighting for athletic field lighting for the Fritz Park improvements project.

STRATEGIC GUIDE POLICY: Quality of Life

ITEM BACKGROUND:
Musco Lighting offers athletic field light structures to government entities through their contract #423-13 the BuyBoard Cooperative Purchasing Program. The City is a member of the BuyBoard cooperative Purchasing Program and authorized to purchase from the existing contract in accordance with Local Government Code Section 271.102.

The purchase will provide lighting for the Fritz Park Improvement Project for both the football and baseball/softball fields. This amount is included as part of the overall $3.3 million Fritz Park project and is not a request for additional funds. The contractor, STR, will install the equipment as part of the project, but the City was able to procure the equipment at a lower rate through the BuyBoard contract.

BUDGETARY AND FINANCIAL SUMMARY:
This amount is included as part of the overall $3.3 million Fritz Park project and is not a request for additional funds. The contractor, STR, will install the equipment as part of the project, but the City was able to procure the equipment at a lower rate through the BuyBoard contract. Musco Lighting has provided pricing for the lighting structures at a total cost of $204,000.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.
CITY ATTORNEY REVIEW:
Not Applicable.

STAFF RECOMMENDATION:
Staff recommends approval and issuance of a purchase order to Musco Lighting for purchase of the lighting structures.

SUPPORTING MATERIAL:
1. Musco Lighting Resolution
2. Musco Lighting Quote
RESOLUTION NO. ________________

WHEREAS, the City of Hutto (“City”) and Musco Lighting have a mutual intent and understanding with respect to the supply of athletic field lighting to the City by Musco Lighting, and

WHEREAS, the City and Musco Lighting agree to enter into a purchasing agreement whereby the City desires to purchase athletic field lighting structures for the Fritz Park Improvement Project from Musco Lighting, and

WHEREAS, the City and Musco Lighting wish to enter into a Purchasing Agreement outlining their mutual understanding and agreement to work cooperatively and in good faith to supply the lighting structures to the City by Musco Lighting,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HUTTO, TEXAS,

That the Mayor is hereby authorized and directed to issue on behalf of the City a Purchase Order to Musco Lighting.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED on this the 1st day of the month of September, 2016.

CITY OF HUTTO, TEXAS

______________________________
Doug Gaul, Mayor

ATTEST:

______________________________
Seth Gipson, City Secretary
City of Hutto FB/SB  
Hutto, TX  
Date: March 29, 2016  
To: Mike Hemker  

Texas Buy Board  
Master Project: 146396  
Contract Number: 423-13  
Expiration: 09/30/2016  
Commodity: Parks/Rec & Field Lighting  

Quotation Price – Materials Only  
Musco’s Light Structure Green™ as described below and delivered to the job site:  

Football and Softball.................................................................$204,000.  

Sales tax, if applicable, is not included as part of this quote.  
**Pricing furnished is effective for 60 days unless otherwise noted and is considered confidential.**

Equipment Description  
Light Structure Green™ System delivered to your site in Five Easy Pieces™  
- (10) Pre-cast concrete bases  
- (10) Galvanized steel poles  
- UL Listed remote electrical component enclosures  
- Pole length wire harness  
- (60) Factory-aimed and assembled luminaires  

Also Includes:  
- Energy savings of more than 50% over a standard lighting system  
- 50% less spill and glare light than Musco’s prior industry leading technology  
- Musco Constant 25™ product assurance and warranty program that eliminates 100% of your maintenance costs for 25 years, including labor and materials  
- Guaranteed constant light level of 30 footcandles for Football for 25 years.  
- Guaranteed constant light level of 50 footcandles on infield and 30 footcandles on outfield for Softball for 25 years.  
- 1 group re-lamp at the end of the lamps’ rated life, 5000 hours based on 300 usage hours a year  
- Reduced energy consumption with an average of 93.84 kW per hour  
- Control Link® Control & Monitoring System for flexible control and solid management of your lighting system  
- Lighting Contactors sized for Voltage and Phasing  
- (2) 1500W fixtures on the back side of B1 pole to light the batting cage on a separate circuit.
Payment Terms to be determined between Musco Credit department and purchasing entity

Fax or e-mail a copy of your Purchase Order to:

BuyBoard Cooperative Purchasing
Fax: 800-211-5454
E-mail: info@buyboard.com

Musco Sports Lighting, LLC
Fax: 800-374-6402
E-mail: musco.contracts@musco.com

All purchase orders and/or Musco PA’s should note the following:
BuyBoard Purchase
Master Project: 146396
Contract Number: 423-13

The contract balance is due upon terms approved by Musco’s Credit department. 
Late payment will be subject to service charges of 1 ½ % per month (18% APR).

Musco will make every effort to coordinate shipment so that delivery corresponds with the customer’s payment schedule. We will expect payment within the terms described above unless there is a written statement from Musco's corporate headquarters stating the acceptance of different terms.

Delivery to the job site from the time of order, submittal approval, and confirmation of order details including voltage and phase, pole locations is approximately 30-45 days. Due to the built-in custom light control per luminaire, pole locations need to be confirmed prior to production. Changes to pole locations after the product is sent to production could result in additional charges.

Notes

Quote is based on:
- Shipment of entire project together to one location
- Field size of 360’ x 160 for Football
- Field size of 300’ x 330’ x 300’ for Softball
- Structural code and wind speed = 2012 IBC, 115 MPH Risk Cat II.
- Confirmation of pole locations prior to production

Thank you for considering Musco for your sports-lighting needs. Please contact me with any questions.

Brant Troutman
Sales Representative
Musco Sports Lighting, LLC
Phone: 512-914-9500
E-mail: brant.troutman@musco.com
AGENDA ITEM NO.: 9B.                AGENDA DATE: September 01, 2016

PRESENTED BY: Larry Foos, Parks & Recreation Director

ITEM: Consideration and possible action on a resolution concerning the issuance of a Purchase Order to The PlayWell Group, Inc. for Icon Shelter Systems for the Fritz Park Improvements project.

STRATEGIC GUIDE POLICY: Quality of Life

ITEM BACKGROUND: The PlayWell Group, Inc. provides a variety of park equipment and supplies to government entities through their contract #423-13 the BuyBoard Cooperative Purchasing Program. The City is a member of the BuyBoard cooperative Purchasing Program and authorized to purchase from the existing contract in accordance with Local Government Code Section 271.102.

The purchase will provide Icon Shelter Systems for the Fritz Park Improvement Project for both Holmstrom Field. This amount is included as part of the overall $3.3 million Fritz Park project and is not a request for additional funds. The contractor, STR, will install the equipment as part of the project, but the City was able to procure the equipment at a lower rate through the BuyBoard contract. The Playwell Group, Inc. has provided pricing for the structures at a total cost of $149,682.65.

BUDGETARY AND FINANCIAL SUMMARY: This amount is included as part of the overall $3.3 million Fritz Park project and is not a request for additional funds. The contractor, STR, will install the equipment as part of the project, but the City was able to procure the equipment at a lower rate through the BuyBoard contract. The Playwell Group, Inc. has provided pricing for the structures at a total cost of $149,682.65.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.
CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends approval and issuance of a purchase order to the PlayWell Group, Inc. for purchase for Icon shelter systems.

SUPPORTING MATERIAL:
1. PlayWell Group, Inc. Resolution
2. The Playwell Group, Inc. Icon Quote
RESOLUTION NO. ______________

WHEREAS, the City of Hutto (“City”) and the PlayWell Group, Inc. have a mutual intent and understanding with respect to the supply of Icon shelter systems athletic field lighting to the City by Musco Lighting, and

WHEREAS, the City and the Playwell Group, Inc. agree to enter into a purchasing agreement whereby the City desires to purchase Icon Shelter Systems from the PlayWell Group, Inc. for the Fritz Park Improvement Project, and

WHEREAS, the City and the Playwell Group, Inc. wish to enter into a Purchasing Agreement outlining their mutual understanding and agreement to work cooperatively and in good faith to supply the Icon Shelter Systems to the City by the Playwell Group, Inc.,

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HUTTO, TEXAS,

That the Mayor is hereby authorized and directed to issue on behalf of the City a Purchase Order to the Playwell Group, Inc.,

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED on this the 1st day of the month of September, 2016.

CITY OF HUTTO, TEXAS

______________________________
Doug Gaul, Mayor

ATTEST:

______________________________
Seth Gipson, City Secretary
TERMS AND CONDITIONS

INVOICE TERMS
Tax funded and bonded projects only, Net 30 days. All other entities required 50% down and balance Net 30. All past due amounts will be subject to a finance charge in accordance with the Texas Prompt Payment Act, Chapter 2251, Texas Government Code.

Delay of Installation (if applicable): If the Customer delays the installation, the stored product will be invoiced with a term of Net 30.

OPEN ACCOUNT
Credit terms are available to municipalities, government agencies, school systems, bonded contractors, and businesses (with prior approved credit). To establish credit your organization must have a satisfactory rating with Dun & Bradstreet and provide three credit references. To establish credit, your initial order must total at least $10,000.00. 50% deposit is required on all orders from non-tax funded entities. Prepayment may be required for any order at The PlayWell Group, Inc. sole discretion.

METHODS OF PAYMENTS
MasterCard, Visa, American Express, money order, checks. Sorry no C.O.D. orders.

FEDERAL/STATE GOVERNMENT AND CO-OP’S CONTRACT
Available for Federal/State Government, Co-Op’s and agency accounts on many items. Call your Sales Consultant for information.

SALES TAX
Will be added to the invoice, except when a tax-exempt/resale certificate is furnished, or your entity qualifies in your state as tax exempt.

FREIGHT CHARGES/DELIVERY TERMS
All shipments are F.O.B factory, except where specifically stated otherwise. Delivery of materials is up to eight weeks from the order date, plus a few days for transit, unless otherwise noted. Every effort is made to comply with scheduled shipping dates; however, The PlayWell Group, Inc. is not liable for any loss or damage arising out of delay in delivery of any of its products due to causes beyond the control of the Company.

DAMAGE/SHORTAGE CLAIMS
All claims for concealed loss or damage to product must be noted on the Bill of Lading or delivery ticket and reported immediately to our Customer Service Department. All claims for product damage and shortage via common carrier must be promptly made by consignee (customer) direct to The PlayWell Group’s Customer Service Department. When reporting damage, be sure to hold all containers and packing materials for inspection (claims should be filed within 15 days of receipt of shipment).

RETURNS/CANCELLATIONS
No merchandise is to be returned without first obtaining written authorization from The PlayWell Group, Inc. Please provide invoice number, date and reason for your return. Any authorized merchandise must be carefully packed and in saleable condition to be accepted for return. A 25% (of list price) re-stocking charge plus freight to and from the manufacturer applies on all returned merchandise when error is not the fault of The PlayWell Group. All returned merchandise must be shipped insured and freight prepaid. Orders cancelled prior to shipment will be charged 10% of list price. Once the material has been installed, no refund will be granted.

FREIGHT CARRIER INFORMATION
All freight is shipped unassembled via common carrier. Made via common carrier to the end user, the customer is responsible for unloading all deliveries.

COLOR CHOICES
Be sure to specify color selections when ordering. Please sign attached Color Selection Form (if applicable).

INSTALLATION
Installation/Prices are not included on this Quotation. A separate installation quotation must be included with your order if installation is required.

PLAYGROUND SURFACING WARNING
All play equipment must be installed over impact absorbing surface. Go to www.cpsc.gov for more information.

PRODUCT WILL BE ORDERED IMMEDIATELY UPON RECEIPT OF WRITTEN APPROVALS.
Please email or fax all pages.

Sales Quote #: ____________________________ Purchase Order #: ____________________________

Signature: ____________________________ Date: ____________________________
### BILL TO:
City of Hutto  
Accounts Payable  
401 West Front Street  
Hutto, TX 78634  
Phone: (512) 759-4000

### SHIP TO:
City of Hutto-Fritz Park  
Mike Hemker  
306 East Live Oak  
Hutto, TX 78634  
Phone: (512) 845-6363

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<td>RECTANGULAR 19...</td>
<td>RECTANGULAR MONOSLOPE 19'X13' BLEACHER COVER WITH 24 GAL MULTI RIB ROOF, EYEBOLTS ON COLUMNS, ANCHOR BOLTS, ECOAT/POWDER COAT FRAME &amp; ENGINEERING DRAWINGS</td>
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<td>RECTANGULAR 8...</td>
<td>RECTANGULAR MONOSLOPE 8’X37’ DUGOUT COVER WITH 24 GA MULTI RIB STEEL ROOF PANEL OVER TONGUE AND GROOVE ROOF DECK, ANCHOR BOLTS, ECOAT/POWDERCOAT FRAME &amp; ENGINEERING DRAWINGS</td>
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<td>31,882.00</td>
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<td>SHIP-ICON</td>
<td>SHIPPING AND HANDLING ICON SHELTER SYSTEMS, INC. - Deliveries require special or additional care or attention. Please refer to the WARNING LABEL upon delivery. FREIGHT IS BASED ON (3) SHELTERS PURCHASED AND SHIPPED TOGETHER.</td>
<td>1</td>
<td>7,480.00</td>
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QUOTE VALID FOR 30 DAYS. Product will be ordered upon receipt of written approvals and/or deposit. Please email or fax all pages.  
PLEASE REMIT YOUR DEPOSIT TO:  
THE PLAYWELL GROUP, INC.  
9430 SAN MATEO BLVD., NE, UNIT G  
ALBUQUERQUE, NM 87113

Date __________________ Signature __________________

| | SUBTOTAL | $149,682.65 |
| | SALES TAX (0.0%) | $0.00 |
| | TOTAL | $149,682.65 |
AGENDA ITEM NO.: 9C. AGENDA DATE: September 01, 2016

PRESENTED BY: Helen Ramirez, Development Services Director

ITEM: Consideration and possible action on a resolution concerning the acceptance of the water, wastewater, street, and drainage improvements of the Hutto Crossings Phase 1 Section 3 subdivision.

STRATEGIC GUIDE POLICY: Infrastructure

ITEM BACKGROUND:
The infrastructure improvements for the Hutto Crossings Phase 1 Section 3 subdivision have been constructed and are ready to be accepted by the City. A final inspection was conducted by the City's Construction Inspector of all streets, sidewalk, water, wastewater and drainage improvements. All items inspected by the City of Hutto have been constructed according to engineering plans and City codes and standards. The contractor has submitted a maintenance bond to cover materials and workmanship for two years.

BUDGETARY AND FINANCIAL SUMMARY:
The total value of the streets, sidewalks, water, wastewater and drainage improvements is $1,737,070. Erosion control/restoration costs are not included in the value as they are not permanent assets.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.

CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends that the City Council approve the resolution.

SUPPORTING MATERIAL:
1. Hutto Crossings Phase 1 Section 3 - Resolution
2. Hutto Crossings Phase 1 Section 3 - Construction Summary
3. Hutto Crossing Phase 1 Section 3 Site Map
RESOLUTION NO. ______________

A RESOLUTION AUTHORIZING THE MAYOR TO ACCEPT THE INFRASTRUCTURE IMPROVEMENTS FOR THE SUBDIVISION KNOWN AS "HUTTO CROSSING PHASE ONE SECTION THREE"; IN THE CITY OF HUTTO, WILLIAMSON COUNTY, TEXAS.

WHEREAS, the infrastructure improvements for the Hutto Crossings Phase One Section Three residential subdivision have been constructed and are ready for acceptance, and;

WHEREAS, a final inspection was conducted by the City’s Construction Inspector of all water, wastewater, streets, sidewalks and drainage improvements, and;

WHEREAS, all items have been constructed according to engineering plans and City codes and standards, and;

WHEREAS, Patin Construction LLC submitted a warranty bond to cover the materials and workmanship for two years.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS, hereby accepts the infrastructure improvements for the Hutto Crossing Phase One Section Three subdivision.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 1st day of September, 2016.

CITY OF HUTTO, TEXAS

ATTEST:

________________________
Doug Gaul, Mayor

________________________
Seth Gipson, City Secretary
# PROJECT CONSTRUCTION SUMMARY

**PROJECT NAME:** HUTTO CROSSING PHASE ONE, SECTION THREE

**FINAL ACCEPTANCE DATE:**

**INSPECTOR:** Tony Host/Chris Cervenka

**CONTRACTOR:** PATIN CONSTRUCTION

## CONSTRUCTION COSTS

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<td>SIDEWALK IMPROVEMENT COST</td>
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<td>SIDEWALK RAMP IMPROVEMENT COST</td>
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<tr>
<td>BRIDGE IMPROVEMENT COST</td>
<td>$494,532.00</td>
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<tr>
<td>POND(S) COST</td>
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</tr>
<tr>
<td>DRAINAGE IMPROVEMENT COST</td>
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<tr>
<td>WATER IMPROVEMENT COST</td>
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<tr>
<td>WASTEWATER IMPROVEMENT COST</td>
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<tr>
<td>EROSION CONTROLS / RESTORATION COST</td>
<td>$96,999.70</td>
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<tr>
<td><strong>TOTAL IMPROVEMENT COST</strong></td>
<td>$1,834,069.45</td>
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**PREPARED BY (DESIGN ENGINEER):** Ken Martin, P.E., Murfee Engineering

**CHECKED BY (CITY INSPECTOR):**
### CONSTRUCTION SUMMARY FOR BRIDGES

#### BRIDGES / BRIDGE CLASS CULVERTS / DRAINAGE CULVERTS ACROSS ROW

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<tr>
<th>STREET NAME AND ADDRESS OR LOCATION</th>
<th>FEATURE CROSSED</th>
<th>TYPE</th>
<th>DESCRIPTION</th>
<th>DECK</th>
<th>COST</th>
<th>PRIVATE</th>
<th>ETJ</th>
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<tbody>
<tr>
<td>CARL STERN DRIVE</td>
<td>CARMEL CREEK</td>
<td>C</td>
<td>3 – 10'X6', 6 – 10'X7', 1 – 10'X8' MBC</td>
<td>49.58</td>
<td>122.88</td>
<td>$494,532,000</td>
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1 – Feature Crossed: Creek name if major creek or branch, or roadway name if overpass.

2 – Type: B – Bridge, C - Culvert, P – Pipe. All crossings 20’ and wider including multiple box culverts totaling 20’ or wider shall be classified as a B – Bridge. Culverts are precast of cast-in-place box culverts. Pipes are smaller drainage pipe crossings with or without headwalls.

3 – Description: i.e. 2 spans (Bridge), 2 – 5 X 7’ (Culverts), 2 – 24” RCP (Pipes).

4 – Deck Width: Use “footprint” of culvert/pipes for width on buried culvert/pipes; include full “out to out” dimension including sidewalks/railings for width of standard bridges.

5 – Deck Length: Measured along the centerline of the roadway.
## CONSTRUCTION SUMMARY FOR DRAINAGE

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## JUNCTION BOXES

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## OUTFALL STRUCTURES

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<td>4: 1 SET</td>
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<td>6:1 SET</td>
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<td>1</td>
<td>36&quot;</td>
<td>4:1 SET, 45° SKEW</td>
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## CHANNEL

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<th>LENGTH (FT)</th>
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<th>SIDE SLOPE (FT/FT)</th>
<th>LINING MATERIAL TYPE</th>
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<tr>
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1) Grate, Area, Curb, Recessed Curb, Combination, Slotted Drain
2) Cast-in-Place, Precast
3) Pipe size / Culvert Size
4) Headwall, Wing Walls, Gabions
## CONSTRUCTION SUMMARY FOR WASTEWATER

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EXIT 423 NB

Cyril Dr

Carl Stern Dr

Hutto Crossing Phase 1 Section 3

Legend

- Hutto Parcels
- Roadways

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SH 130
AGENDA ITEM NO.: 9D. \hspace{1cm} AGENDA DATE: September 01, 2016

PRESENTED BY: Seth Gipson, City Secretary

ITEM: Consideration and possible action on the meeting minutes for the July 21, 2016 City Council Regular Meeting and the August 1, 2016 Special Called City Council meeting.

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND: The City Council meeting minutes for the July 21, 2016 City Council Regular Meeting and the August 1, 2016 Special Called City Council meeting have been drafted for the City Council’s review and consideration.

BUDGETARY AND FINANCIAL SUMMARY: Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.

CITY ATTORNEY REVIEW: Not applicable.

STAFF RECOMMENDATION: Staff recommends approval of the City Council meeting minutes for the July 21, 2016 City Council Regular Meeting and the August 1, 2016 Special Called City Council meeting.

SUPPORTING MATERIAL:
1. Draft - July 21, 2016 City Council Meeting Minutes
2. Draft - August 1, 2016 Special Called City Council Meeting Minutes
The Hutto City Council met in a regular session on Thursday, July 21, 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 Micah Grau, Interim City Manager, Charlie Crossfield, City Attorney, Helen Ramirez, Development Services Director, Earl Morrison, Chief of Police, Melanie Melancon, Finance Director, Randy Barker, General Services Director, Scot Stromsness, Public Works Director, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Pastor Will Hutchinson with Resonate Community Church.

PLEDGE OF ALLEGIANCE

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

PROCLAMATIONS

5A. Proclamation recognizing the month of August 2016, as "Breast Feeding Awareness Month" in the City of Hutto.

Mayor Gaul read and presented the proclamation to Candace Charles, with the Williamson County and Cities Health District.

Official Proclamation

Whereas, the Williamson County and Cities Health District’s Women, Infants and Children (WIC) Program takes this occasion to educate, inform, and encourage breast-feeding mothers on the importance of health care for mothers and babies; and
Whereas, the mission of WIC is focused on improving the nutritional status of low and moderate income women, infants, and children by providing food, nutrition and breastfeeding education; and

Whereas, the goals of WIC are to highlight the importance of breast milk for infants as well as the support that is available throughout the community and to make sure that the importance of breastfeeding reaches as many people as possible.

Now Therefore, I, DOUG GAUL, MAYOR of the City of Hutto do hereby proclaim the month of August, 2016 as

“BREAST-FEEDING AWARENESS MONTH”

in Hutto and urge all citizens to take part in recognizing the successes of healthy mothers and healthy children and to help by providing encouragement to breast-feeding mothers.

Proclaimed this the 21st day of July, 2016.

5B. Proclamation declaring August 2, 2016, as 'National Night Out' in the City of Hutto in recognition of the community activities that will be held in the City.

Mayor Gaul read and presented the proclamation to Officer Suzanne Glass and Chief Earl Morrison.

Official Proclamation

Whereas, the Hutto Police Department along with the National Association of Town Watch is participating in a unique, nationwide crime and drug prevention program on August 2, 2016, called “National Night Out”; and

Whereas, the 33rd Annual National Night Out provides a unique opportunity for Hutto to join forces with thousands of other communities across the country in promoting cooperative, police community crime prevention, and the enhancement of quality-of-life issues; and

Whereas, the citizens of Hutto play a vital role in assisting the Police Department through joint crime, drug prevention, and reporting efforts in Hutto; and

Whereas, it is essential that all citizens of Hutto be aware of the importance of crime prevention programs and the impact their participation can have on reducing crime, drugs, and violence in Hutto; and

Whereas, police-community partnerships, neighborhood safety, awareness, and cooperation are important themes of the National Night Out program.
Now Therefore, I, DOUG GAUL, MAYOR of the City of Hutto do hereby proclaim August 2, 2016, as the

33rd ANNUAL NATIONAL NIGHT OUT

and call upon all citizens to join with me in supporting this important night.

Proclaimed this 21st day of July, 2016.

5C. Proclamation declaring July 2016, as "Parks and Recreation Month" in the City of Hutto.

Mayor Gaul read and presented the proclamation to Troy McMillin, Park Advisory Board Chair, Kelly Gaydos, Parks Advisory Board Vice-Chair, and Micah Grau, Interim City Manager.

Official Proclamation

Whereas, public parks and recreation systems are dedicated to enhancing the quality of life for millions of residents in communities around the world, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community through recreation programming, leisure activities and conservation efforts; and

Whereas, parks and recreation programs increase a community’s economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

Whereas, parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air, provide vegetative buffers to development, and produce habitats for wildlife; and

Whereas, recreation programs such as Park Kids Summer Camp, softball leagues, Summer Track Club, and Movies in the Park are programs which keep children and adults active and healthy as well as promote Hutto’s park system; and

Whereas, in observance of Recreation and Parks Month, we recognize the vital contributions of the volunteers who have served or currently serve on the Parks Advisory Board, various youth sports organizations, and the employees of our parks and recreation department and also recognize the dedicated supporters that keep public parks clean and safe for visitors, organize youth activities, provide educational programs, advocate for more open space, ensure that facilities are safe and accessible for all citizens to enjoy, and unselfishly raise funds for local improvements.

Now, Therefore, I, DOUG GAUL, MAYOR of the City of Hutto, do hereby proclaim the month of July, 2016 as
HUTTO PARKS & RECREATION MONTH

in the City of Hutto and applaud the continued celebration of our parks and recreation system in the community. I further encourage the community to stay active by visiting their neighboring parks and trails.

Proclaimed this the 21st day of July, 2016.

PUBLIC COMMENT

6A. Remarks from visitors

Kelly Gaydos – 1200 Regan Wells Dr. – spoke in opposition to the joint City/YMCA athletic fields.

Randy Lee – 105 E. Doucet Cove - spoke of the potential uses of the Joint City/YMCA athletic fields for the Hutto Youth Baseball Softball Association.

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.

7A. Consideration and possible action on a resolution concerning the proposed Carol Meadows Section 2 Preliminary Plat, 34.49 acres, more or less, of land, 112 single family lots, located at Limmer Loop and Carol Drive.

7B. Consideration and possible action on the second reading of an ordinance amending the Fiscal Year 2015-16 Budget to reflect adjustments such as internal fund transfers, salary adjustments, and other miscellaneous items (Budget Amendment #3).

7C. Consideration and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2016 Budget of the Hutto Economic Development Corporation.

7D. Consideration and possible action on a resolution concerning the proposed Hutto Crossing Phase 4 Section 1 Final Plat, 1.88 acres, more or less, of land, 1 amenity lot, located on Cyril Drive at Duroc Drive.

MOTION: Councilmember Tom Hines moved to approve items 7A-7D on the consent agency as presented. Mayor Pro-tem Michael Smith seconded the motion.

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

Nays: None  
Abstain: None  
Absent: None  

ACTION: The motion carried with 7 ayes and 0 nays.

ORDINANCES

8A. Consideration and possible action on the first reading of an ordinance continuing Chapter 14 Offenses and Additional Provisions, Division 2 Curfew, of the City of Hutto Code of Ordinances regarding juvenile curfew regulations.

Earl Morrison, Police Chief, gave the staff presentation. This ordinance must be readopted every three years by the governing body, per state law. There were no changes recommended to the current ordinance.

MOTION: Councilmember Nathan Killough moved to approve the first reading of an ordinance continuing Chapter 14 Offenses and Additional Provisions, Division 2 Curfew, of the City of Hutto Code of Ordinances regarding juvenile curfew regulations. Councilmember Anne Cano seconded the motion.

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

Nays: None  
Abstain: None  
Absent: None  

ACTION: The motion carried with 7 ayes and 0 nays.

8B. Consideration of a public hearing and possible action on the first reading of an ordinance concerning the zoning change for 485 FM 685, 0.944 acres, more or less, of land, Lot C7, Block G of the Enclave At Brushy Creek Section 1, from SF-1 (single family residential) to B-2 (general commercial) zoning district.

Helen Ramirez, Development Services Director, gave the staff presentation, which consisted of an overview of the property, the development plans, and Mrs. Ramirez highlighted that this project is consistent with the Future Land Use Plan.

Mayor Doug Gaul opened the public hearing at 7:21 pm.
There being no public to comment, Mayor Doug Gaul closed the public hearing at 7:21 pm.

**MOTION:** Councilmember Anne Cano moved to approve the first reading of an ordinance concerning the zoning change for 485 FM 685, 0.944 acres, more or less, of land, Lot C7, Block G of the Enclave At Brushy Creek Section 1, from SF-1 (single family residential) to B-2 (general commercial) zoning district. Councilmember Bettina Jordan seconded the motion.

**VOTE:**

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**ACTION:** The motion carried with 7 ayes and 0 nays.

Councilmember Nathan Killough moved to dispense with the second reading of the ordinance. Councilmember Lucio Valdez seconded the motion.

**VOTE:**

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**ACTION:** The motion carried with 7 ayes and 0 nays.

8C. Consideration and possible action on the first reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation Fiscal Year 2016-17 Budget.

Tim Chase, Hutto EDC President, made the staff presentation, which included an overview of the following:

- Long-term projects
- Fiscal Forecast for 2012-2016
- Comparison of FY 2014, 2015, and 2016 Budgets
Comparison of FY 2016 Budget and the Forecasted Year-end
Proposed FY 2017 Budget
Incentives Pool

**MOTION:** Councilmember Tom Hines moved to approve the first reading of an ordinance adopting the Hutto Economic Development Corporation Fiscal Year 2016-17 Budget. Councilmember Anne Cano seconded the motion.

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

Nays: None
Abstain: None
Absent: None

**ACTION:** The motion carried with 7 ayes and 0 nays.

**RESOLUTIONS**

9A. Consideration and possible action on a resolution directing the Development Services Department to prepare a Municipal Service Plan for the proposed annexation of the Malone Tract, 63.46 acres, more or less, of land located on CR 136, southwest of the intersection of FM 1660 South and CR 163.

_Helen Ramirez, Development Services Director, made the staff presentation. The City of Hutto has received a request for a voluntary annexation for a property consisting of approximately 63.46 acres of land referred to as the Malone tract._

_The overall vision for this property, once annexed, is to be zoned Smartcode and be developed as one cohesive development that would include commercial, open space and residential development. The developer of this property, RPS Group, has also submitted a zoning application._

**MOTION:** Councilmember Lucio Valdez moved to approve the a resolution directing the Development Services Department to prepare a Municipal Service Plan for the proposed annexation of the Malone Tract, 63.46 acres, more or less, of land located on CR 136, southwest of the intersection of FM 1660 South and CR 163. Mayor Pro-tem Michael Smith seconded the motion.

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

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 7 ayes and 0 nays.

9B. Consideration and possible action on a resolution regarding the execution of Amendment No. 2 to the Advanced Funding Agreement with TxDOT for funding of the FM 685 Widening and Bridge Replacement Project.

Emily Truman, City Engineer, made the staff presentation. This amendment reduces the city’s financial responsibility and the Advanced Funding Agreement is being revised to reflect current project costs.

MOTION: Councilmember Tom Hines moved to approve the resolution regarding the execution of Amendment No. 2 to the Advanced Funding Agreement with TxDOT for funding of the FM 685 Widening and Bridge Replacement Project. Councilmember Anne Cano seconded the motion.

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

Nays: None
Abstain: None
Absent: None

ACTION: The motion carried with 7 ayes and 0 nays.

9C. Consideration and possible action on a resolution regarding the execution of an Advance Funding Agreement for Voluntary Local Government Contributions to Transportation Improvement On-system Project with no required match for the installation of a traffic signal on SH 130 at FM 685/Star Ranch Blvd., Hutto, Texas.

Emily Truman, City Engineer, made the staff presentation. The SH 130 and FM 685 intersections are currently stopped controlled, however, the westbound travel movement at both intersections is uncontrolled providing for free flowing movements. A signal warrant has been met for the existing condition. With the construction of the proposed HEB development as well as other commercial/retail developments planned for this area, it is recommend that this intersection be signalized to provide safe and efficient traffic flow for all approaches to the intersections.
The construction of the traffic signal will be accomplished through the execution of this Advanced Funding Agreement between the City of Hutto and TxDOT and the traffic signal shall be constructed at the time the Muirfield Bend Drive extension is completed and connected to the existing section of Klattenhoff Lane.

**MOTION:** Councilmember Anne Cano moved to approve the resolution regarding the execution of an Advance Funding Agreement for Voluntary Local Government Contributions to Transportation Improvement On-system Project with no required match for the installation of a traffic signal on SH 130 at FM 685/Star Ranch Blvd., Hutto, Texas. Mayor Pro-tem Michael Smith seconded the motion.

**VOTE:**

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| Nays:                  | None                             |
| Abstain:               | None                             |
| Absent:                | None                             |

**ACTION:** The motion carried with 7 ayes and 0 nays.

9D. Consideration and possible action on a resolution concerning an amendment to the Williamson County Regional Animal Shelter Interlocal Agreement.

Micah Grau, Interim City Manager, made the staff presentation. Mr. Grau provided an overview of the following.

- Animal Shelter History
- Interlocal Amendments
- Goals for the Animal Shelter Expansion
- Charts concerning population growth and animal intake
- Construction schedule, phases, and costs

Cheryl Schneider, Director of the Williamson County Animal Shelter, provided information on how the current spaces have been used for multiple purposes and Ms. Schneider highlighted some specific immediate shelter needs.

**MOTION:** Councilmember Tom Hines moved to table the resolution concerning an amendment to the Williamson County Regional Animal Shelter Interlocal Agreement. Councilmember Anne Cano seconded the motion.

**VOTE:**

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| Nays:                  | None                             |
| Abstain:               | None                             |
| Absent:                | None                             |
9E. Consideration and possible action on a resolution concerning a memorandum of understanding with the YMCA of Greater Williamson County to jointly develop, operate, and maintain recreation fields to serve the Hutto community.

Mayor Doug Gaul recused himself from this item.

Micah Grau, Interim City Manager, made the staff presentation. Sport fields continue to be a need in this community as youth and adults search for recreation and athletic opportunities. Creating additional soccer and baseball/softball fields was ranked as a high priority in the 2015 adopted Parks Master Plan.

The YMCA of Greater Williamson County first approached the City in 2014 to discuss a partnership to jointly develop sport fields located along Innovation Blvd. At that time, the City Council was unable to provide a direct monetary contribution to the project. Staff continued to work with the YMCA and has developed a Memorandum of Understanding with the YMCA to construct the fields. The City can pursue a Local Parks Non-Urban Recreation grant totaling $500,000 from the Texas Parks and Wildlife to match a contribution from the YMCA of $500,000 to build additional sport fields.

Discussion concerning maintenance and operations, next steps in moving forward with the memorandum of understanding, lease agreement with Texas State Technical College, infrastructure, and project costs.

MOTION: Councilmember Anne Cano moved to approve the resolution concerning a memorandum of understanding with the YMCA of Greater Williamson County to jointly develop, operate, and maintain recreation fields to serve the Hutto community. Councilmember Tom Hines seconded the motion.

VOTE: Ayes: Mayor Pro-tem Michael Smith  
Councilmember Anne Cano  
Councilmember Tom Hines  
Councilmember Nathan Killough
Nays: Councilmember Lucio Valdez  
Councilmember Bettina Jordan
Abstain: Mayor Doug Gaul
Absent: None

ACTION: The motion carried with 4 ayes and 2 nays.
WORK SESSION

10A. Presentation and discussion concerning the Proposed Fiscal Year 2016-17 Annual Operating Budget.

Melanie Melancon, Finance Director, made the staff presentation. Ms. Melancon provided an overview of the following:

- Utility Fund Revenues
- Utility Fund Expenses
- Utility Fund Contracts

Scot Stromsness, Public Works Director, provided an overview of the Utility Division of Public Works, which included the following:

- History and operations of the Central Wastewater Treatment Facility
- Contract with the Brazos River Authority
- Water and Wastewater Division accomplishments and FY 17 objectives
- Planning Indicators
  - Customer growth
  - Service levels
  - Service demand request
  - Impacts

Randy Barker, General Service Director, provided an overview of the Utility Billing Division accomplishments and FY 17 objectives.

Ms. Melancon continued the presentation by providing updates concerning the Utility Fund CIP, Utility Debt Service Fund, Impact Fee Fund, and the Utility Capital Replacement Fund.

10B. Work session on the East Street rehabilitation and parking lot project.

Helen Ramirez, Development Services Director, and Emily Truman, City Engineer, made the staff presentation. City staff has been working with RPS Klotz on the design of the East Street and parking lot improvements project. They outlined the scope of the project, preliminary concepts plans, a design update, and three parking options.

The council discussed each option. The council consensus was to move forward with option c, as it had the most parking spaces and included a pedestrian plaza. The City Council also recommended that these options be presented to the downtown business owners.

10C. Work session to update the City Council on the Hutto Economic Development Corporation’s efforts to attract and expand economic development activities in Hutto.

Tim Chase, Hutto EDC President, made the staff presentation. Mr. Chase discussed the following:
- Historical perspective on the organization, staffing, budget and major projects
- Responsibilities of the Hutto EDC
- Types of Development: Community Development, Economic Development, and Business Development
- Ways to grow wealth
- Competitiveness in the market place
  - Labor Shed
- Site Research
  - Mega Site
  - Understanding infrastructure
  - Rail Road
  - Scientific Studies
    - Geotechnical
    - Wetlands Delineation
    - Archeological
    - Endangered Species
- Comparison of project counts for 2015 and 2016

EXECUTIVE SESSION

11A. Executive Session as authorized by §551.087, Texas Government Code regarding deliberation, Economic Development Negotiations, including the following: Project Wire.

11B. Executive Session as authorized by §551.087, Texas Government Code regarding deliberation, Economic Development Negotiations, including the following: Project Tonk.

The Hutto City Council recessed into executive session at 10:39 pm.

The Hutto City Council reconvened into regular session at 11:45 pm.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:45 pm.

CITY OF HUTTO, TEXAS

______________________________
Doug Gaul, Mayor

ATTEST:

______________________________
Seth Gipson, City Secretary
The Hutto City Council met in a special session on Monday, August 1, 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 6:30 pm.

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 Micah Grau, Interim City Manager, and Seth Gipson, City Secretary.

EXECUTIVE SESSION

3A. Executive Session as authorized by §551.074, Texas Government Code, Personnel Matters, to deliberate the appointment, employment, evaluation, or duties of public officer or employees: City Manager.

The City Council recessed into executive session at 6:31 pm.

The City Council reconvened into regular session at 9:06 pm.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:06 pm.

CITY OF HUTTO, TEXAS

_______________________________
Doug Gaul, Mayor

ATTEST:

_______________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 10A.  
AGENDA DATE: September 01, 2016

PRESENTED BY: Melanie Melancon, Finance Director

ITEM: Consideration and possible action on the first reading of an ordinance making appropriations for the support of the City of Hutto for the Fiscal Year October 1, 2016 through September 30, 2017, and adopting the annual budget of the City of Hutto for Fiscal Year 2016-17.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND: The proposed Fiscal Year 2016-17 Budget was presented to the City Council on August 4, 2016. Since the presentation, work sessions were held on August 18th and August 25th to review priorities and revenue assumptions. The required budget Public Hearing will be held on September 1, 2016. According to the City Charter, the City Council must adopt the budget on or before the last day of the last month of the current fiscal year.

BUDGETARY AND FINANCIAL SUMMARY: The ordinance to adopt the Fiscal Year 2016-17 Budget establishes appropriations for the 2016 Fiscal Year. Total revenues and expenses will depend on the tax rate the City Council chooses to adopt. Exhibit A details fund summaries based on the proposed tax rate of $0.520443 per $100 of valuation as proposed by staff.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.
CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends the Council approve the first reading of the ordinance. Adoption must be made through a roll call vote.

SUPPORTING MATERIAL:
1. Budget Adoption Ordinance
2. FY17 Proposed Budget Document
ORDINANCE NO. ____________

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF HUTTO FOR THE FISCAL YEAR OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017 AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF HUTTO FOR THE 2017 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the budget for the fiscal year October 1, 2016 through September 30, 2017, was duly presented to the City Council and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said public hearing was held according to said notice; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

That the appropriations for the fiscal year October 1, 2016 through September 30, 2017 for the support of the general government of the City of Hutto be fixed and determined for said terms in accordance with the expenditures shown in the City’s 2017 fiscal year budget, a summary of which is appended hereto as Exhibit A.

SECTION II.

That the budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City’s budget for the fiscal year October 1, 2016 through September 30, 2017.

SECTION III.

That there is hereby appropriated the amount shown in said budget the required funds to provide for a Interest and Sinking Fund for the payment of the principal and interest and the retirement of the bonded debt of said City.

SECTION IV. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

SECTION V. Severability Clause
The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

SECTION VI. Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

SECTION VII. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VIII.

This ordinance shall take effect and be in force from and after its passage.

READ and APPROVED the first reading on the 1st day of September, 2016 at a regular called meeting of the City Council of the City of Hutto, there being a quorum present.

READ, APPROVED and ADOPTED on the second reading this 15th day of September, 2016 at a regular meeting of the City Council of the City of Hutto, there being a quorum present.

CITY OF HUTTO, TEXAS

________________________
Doug Gaul, Mayor

ATTEST:

________________________
Seth Gipson, City Secretary
Mayor and City Council,

It is my honor to present to you the 2016-17 Budget for your consideration. The 2016-17 Budget was carefully crafted to meet the growing needs of the Hutto community. The 2016-17 Budget continues Hutto’s conservative financial approach while balancing the demands associated with growth, aging infrastructure, and the desire to grow and expand programs and services.

Hutto is at a crossroad in its development. The decisions made today will have long lasting impacts on the community and will affect future generations of Hutto residents. Choices made today on topics such as economic development, leadership, public safety, infrastructure, and growth will shape the future of Hutto. It is no wonder that the City Council identified these topics as their highest priorities. This proposed budget and work plan was crafted to work towards solutions to these pressing topics and to set the City of Hutto on a course for future prosperity.

Driving these issues is Hutto’s phenomenal growth. Hutto is in the midst of its largest economic boom in its 105 year history. Since 2013, the City has issued 17 new commercial construction permits and 53 commercial certificates of occupancy. The City has added over 1,500 homes within the last five years and expects to add over 400 in 2016 alone. These 400 homes will add approximately 1,200 new residents that need services. This remarkable residential expansion is not expected to slow as new subdivisions are continuing to develop. While this growth results in many positives, it also brings challenges. Our roadways are becoming congested. There are increased demands on our infrastructure. There are more people in need of services from our Public Safety, Library, Parks and Recreation, and the Williamson County Regional Animal Shelter. New subdivisions brought on by development have increased the workload of the Development Services and Public Works staff who is responsible for the upkeep of the City’s infrastructure. Support service staff are also being stretched as there are more grants, projects, and accounts to manage.

Before we can consider growing and expanding our infrastructure, it is imperative that we develop long term strategies and funding sources to take care of what we already have. With the exception of Farley Street and East Street in the near future, much of the infrastructure in Hutto’s historic downtown has not been updated. Infrastructure in subdivisions that have sprung up in the last 10-15 years are now in need of maintenance. This budget works towards this need by adding critical staff, increasing the repair and maintenance budgets for City equipment and infrastructure, and continues the implementation of infrastructure master plans.

While the community continues to grow, the City has not kept pace with staffing levels needed to serve the expanding population. The City of Hutto currently staffs 93.75 FTEs or “full-time equivalents” which gives Hutto a staffing ratio of 4.12 staff per 1,000 residents. This is the lowest staffing ratio of all of Hutto’s benchmark cities, with the average ratio being 7.28 per 1,000 residents. To keep up with the growing needs of the community, the City will need to add staff and resources to support the programs and services in the community as well as maintain the City’s investment in its infrastructure. To this end, this budget will add 7 FTEs including a full time Building Inspector, Accountant, School...
Resource Officer Sergeant Replacement, two Police Officers, and a Water/Wastewater Utility Tech. The budget also includes the addition of two part time positions, a Recreation Assistant to assist with the Parks and Recreation programs and a part time Marketing and Events Coordinator to help continue to build quality programs and events for residents and visitors to Hutto.

<table>
<thead>
<tr>
<th>City</th>
<th>Population Estimate</th>
<th>Full Time Equivalents (FTE) 2016</th>
<th>FTE Ratio per 1,000 Citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hutto</td>
<td>22,722</td>
<td>93.75</td>
<td>7.28</td>
</tr>
<tr>
<td>Belton</td>
<td>20,547</td>
<td>166</td>
<td>8.07</td>
</tr>
<tr>
<td>Cedar Park</td>
<td>65,945</td>
<td>445.5</td>
<td>6.75</td>
</tr>
<tr>
<td>Cibolo</td>
<td>26,637</td>
<td>129.95</td>
<td>4.87</td>
</tr>
<tr>
<td>Georgetown</td>
<td>63,716</td>
<td>670.75</td>
<td>10.52</td>
</tr>
<tr>
<td>Kyle</td>
<td>35,733</td>
<td>206.5</td>
<td>5.77</td>
</tr>
<tr>
<td>Leander</td>
<td>37,889</td>
<td>230.5</td>
<td>6.08</td>
</tr>
<tr>
<td>Little Elm</td>
<td>34,355</td>
<td>227.4</td>
<td>6.61</td>
</tr>
<tr>
<td>Pflugerville</td>
<td>57,122</td>
<td>339</td>
<td>5.93</td>
</tr>
<tr>
<td>Round Rock</td>
<td>113,968</td>
<td>891.25</td>
<td>7.82</td>
</tr>
<tr>
<td>Schertz</td>
<td>37,938</td>
<td>377</td>
<td>9.93</td>
</tr>
<tr>
<td>Seguin</td>
<td>27,864</td>
<td>264</td>
<td>9.47</td>
</tr>
<tr>
<td>Taylor</td>
<td>16,702</td>
<td>146.25</td>
<td>8.75</td>
</tr>
</tbody>
</table>

**Economic Outlook**

Hutto is positioned for a prosperous future. Hutto’s location at the intersection of US Hwy 79 and State Highway 130 makes Hutto a convenient location and easily accessible. Because of this, Hutto also benefits from growth that is occurring regionally. The recently announced Kalahari Resort in Round Rock is a mere 2 miles from Hutto’s border and is expected to have a positive impact on Hutto businesses. Job growth in the Austin-San Marcos MSA is strong each month and unemployment is a low 2.9% as of May 2016.

The economic indicators in Hutto point towards a vibrant local economy. The phenomenal residential growth was previously mentioned, and commercial growth is occurring at its fastest rate in history. The opening of the new HEB Plus and the surrounding retail in the Star Ranch limited purpose annexation area, will boost Hutto’s sales tax revenues and will spur further economic growth in the area. Other development sites such as the Crossings of Carmel Creek and Townwest Commons offer great opportunities for future retail and commercial growth.

The City is working closely with the Hutto Economic Development Corporation (HEDC) to ramp up the community’s efforts to create jobs and further expand the community’s commercial tax base.

Sales tax collections continue to climb and new records are established each year. Sales tax collections are conservatively projected to rise 5% in FY17.

Home values have also experienced steady increases in appraised values which are confirmed by strong sales numbers and a low inventory. Average home values in Hutto have steadily risen from $145,495 in FY15 to $164,745 in FY16 and now $183,267 in FY17.
Budget Overview

The proposed 2016-17 Budget totals $32,449,462 in expenses, of which $26,356,944 is for operations, $6,092,518 is for new capital projects, and $5,192,195 is for debt services associated with past and proposed capital projects. Revenue for the budget totals $28,795,536 and includes a proposed $2.5 million in new bonds to support proposed capital projects. The total proposed budget exceeds revenues as the budget proposes to draw down on fund balances to fund one time capital expenditures. The ongoing operating revenues exceed the proposed ongoing expenses of the City making the proposed FY17 Budget a balanced budget.

Budget Priorities

During the City Council retreat held in June of 2016, the Council discussed the current state of the City. Mayor Gaul facilitated an exercise to determine the strengths, weaknesses, opportunities, and challenges facing the community. The City Council also had an opportunity to discuss their highest priorities. The priorities, the corresponding Strategic Guide policy, and the actions proposed in the 2017 Budget are listed below.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Strategic Guide Policy</th>
<th>Action Steps</th>
</tr>
</thead>
</table>
| Economic Development | It is the desire of the Hutto City Council to develop business diversity consistent with the Comprehensive Plan to maintain an economic base that is sustainable and adaptable. | • Continue work with Hutto EDC on developing economic development strategies.  
• Conduct a retail assessment survey and develop a recruitment strategy.  
• Develop a strategy for development of the Co-Op site.  
• Pursue a sales tax sharing agreement with WCESD#3.  
• Complete intersection signalizations for the HEB Star Ranch access. |
| Leadership        | It is the desire of the City Council to provide honest, ethical, and effective guidance in the development and structure of leadership for the City. | • Hire a new city manager.  
• Facilitate a Council review of strategic planning documents.  
• Conduct a Charter revision election. |
| Public Safety     | It is the desire of the Hutto City Council to ensure the safety and well-being of the residents, businesses and visitors in the City. | • Hire two additional Police Officers including vehicles and equipment.  
• Replace aging Police vehicles.  
• Develop and take action related to the Fire Task Force Report and Council direction. |
| Infrastructure    | It is the desire of the Hutto City Council to provide and maintain a quality infrastructure system to meet the vision as set out in the Comprehensive Plan. | • Complete the capital projects included in the FY17 Budget.  
• Update the Wastewater Master Plan.  
• Conduct a Mobility Master Plan.  
• Conduct a bond referendum election.  
• Bring the new wastewater treatment plan online.  
• Complete recommended pavement rehabilitation projects.  
• Hire an additional Utility Technician.  
• Replace (3) auto ammonia/monochloramine analyzers for the water distribution system. |
Growth Guidance

It is the desire of the Hutto City Council to achieve the orderly growth and development of the City by maintaining and following the Comprehensive Plan which promotes beneficial and appropriate land uses and supporting infrastructure.

• Revise and update the Future Land Use Map based on the Comprehensive Plan 2040.
• Evaluate and revise development codes as needed.
• Review and consider for adoption the 2015 ICC codes.
• Hire an additional Building Inspector to ensure inspections are completed in a timely and efficient manner.

General Fund

The General Fund is the largest fund of the City and accounts for the general service and operations. The General Fund is where services such as Police, Planning, Public Works, Parks and Rec, and Administration are budgeted. The majority of the City’s employees are funded out of the General Fund.

The General Fund budget totals $11.7 million, which is an increase over the prior year’s adopted budget of $10.8 million. The General Fund budget is based on the rollback ad valorem rate of $0.520443 per $100 of valuation. The proposed rate of $0.520443 is the rollback tax rate (the highest rate that the City may propose without risk of an election petition), yet the proposed rate is lower than the prior year’s rate of $0.5285.

Utility Fund

The Utility Fund is the second major operating fund of the City. It accounts for the City’s water and wastewater system. Utility Fund revenues total $11.9 million and includes $2.3 million in proposed certificates of obligation to fund capital improvement projects. A utility rate study update is currently underway. No water or wastewater rate changes are proposed at this time, but changes may be brought forward once the study is complete.

Utility Fund expenses are proposed to total $10.4 million. Additionally, there is a transfer out of $3.9 million to the Utility Debt Service Fund to cover the City’s debt obligations related to water and wastewater infrastructure. The majority of expenses in the Utility Fund are for contracted services related to the City’s water supply contracts with Heart of Texas Water Suppliers LLC, Manville WSC, and the City of Taylor. The cost for these contracts has increased due to rate and volume increases. The City contracts operation and maintenance of the wastewater treatment plants with the Brazos River Authority. The cost of wastewater treatment is increasing as the new 2.0 mgd South Wastewater Treatment Plant is expected to become operational this fall.

Capital Projects

The FY17 Budget includes $6 million for capital projects including $3.6 million in tax supported projects and $2.4 million in utility supported projects. These projects were vetted through other commissions such as the Parks Advisory Board and were included in the Capital Improvements Plan that was recommended by the Planning and Zoning Commission. The projects, and their funding source, are included in the table below.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>Cost</th>
<th>Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>General CIP</td>
<td>East St. Reconstruction</td>
<td>$899,000</td>
<td>2016 GO Bonds</td>
</tr>
<tr>
<td></td>
<td>Pavement Management</td>
<td>$990,000</td>
<td>2016 GO Bonds</td>
</tr>
<tr>
<td></td>
<td>Limmer Loop Improvements Agreement</td>
<td>$100,000</td>
<td>Cash</td>
</tr>
<tr>
<td></td>
<td>Railroad Quiet Zones</td>
<td>$75,000</td>
<td>Cash</td>
</tr>
<tr>
<td></td>
<td>Limmer Loop Sidewalk</td>
<td>$1,200,000</td>
<td>Grant/Cash</td>
</tr>
<tr>
<td></td>
<td>Brushy Creek Gap Trail</td>
<td>$90,000</td>
<td>Cash</td>
</tr>
<tr>
<td></td>
<td>Animal Shelter Expansion</td>
<td>$214,000</td>
<td>Cash</td>
</tr>
<tr>
<td>Utility</td>
<td>Front St. Waterline Replacement</td>
<td>$1,490,000</td>
<td>Bonds</td>
</tr>
<tr>
<td>Project</td>
<td>Amount</td>
<td>Source</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Lakeside Estates Abandon Lift Station</td>
<td>$50,000</td>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>Avery Lake Wastewater Interceptor</td>
<td>$731,000</td>
<td>Bonds</td>
<td></td>
</tr>
<tr>
<td>Carmel Crossings Wastewater Interceptor</td>
<td>$181,851</td>
<td>Cash</td>
<td></td>
</tr>
</tbody>
</table>

The City Council has formed a bond selection committee that will be recommending future projects for a proposed May 2017 bond election.

Design and construction of a future fire station is not included at this time as staff is awaiting direction from the City Council. The City Council formed a Fire Task Force last October that includes representatives from the City and the Williamson County Emergency Services District #3 (WCESD#3). The Task Force will be presenting the results of that study to the City Council and WCESD#3 at an upcoming joint meeting.

**Conclusion**

The Budget document establishes the direction and focus for the upcoming year as it connects resources to the priorities identified by the City Council and the previously adopted strategic planning documents. I look forward to the challenges and opportunities that the next year will present.

2017 will be a transitional year for the City of Hutto as new leadership and members on the City Council lead the City of Hutto. A new city manager is also expected to be named later this fall. It will be their responsibility to fulfill and complete many of the objectives identified in this budget. I believe that the resources and strategies are in place to help that individual succeed.

Lastly, I would like to thank the City Council and the City staff, especially the Finance staff, for their countless hours spent preparing and discussing the proposed 2017 Annual Budget. Your thoroughness and thoughtfulness results in a greater product.

It is an honor to continue to serve this great community!

Sincerely,

Micah Grau
Interim City Manager
READER’S GUIDE

The intention of the Reader’s Guide is to provide an overview of the City of Hutto’s budget process and procedures so that the reader may better understand the document.

Overview

The Overview section of the budget is intended to give the reader a comprehensive understanding of the City of Hutto. Type of government, organizational structure, and services provided are all important items to consider when reading the budget. The Budget Transmittal Letter provides an overview of the budget as it relates to economic outlook, items to be addressed in the coming fiscal year, and a highlight of revenues and expenses.

Strategic Planning

The annual budget is the operationalization of the City’s strategic planning elements. The Strategic Planning section of the budget allows the reader to gain an understanding of the planning tools used in creating the annual budget. It connects the budget with the long-range priorities identified by the City Council. Summaries of important planning documents are included, allowing the reader to understand the impact the budget has on strategic priorities and on future initiatives.

Financial Summary

The Financial Summary section provides an overview of the City’s budget by providing fund summaries for each of the City’s funds. Revenues and expenses are grouped by type and offer the reader a comprehensive view of the City’s finances. Narrative is provided in this section to provide insight on trends and assumptions as well as explain variances between fiscal years. The General Fund and Utility Fund are provided with greater detail as they are the two major operating funds of the City.

Departmental Budgets

This section provides a detailed look at each division of the City. A division description is provided to enable the reader to understand the role the division plays within the organization. Five year goals are from the Five Year Plan and Fiscal Forecast and are used to connect short-term initiatives with long-range priorities. Fiscal Year Objectives reflect annual objectives related to the five year goals and operational improvements.

Performance measures are included as indicators of service demand, output, efficiency, and effectiveness. Only key indicators are reported as they relate to the five year goals or to the provision of service. Targets have been added to measures where appropriate to identify service level goals.

Expenditures are broken into five different categories, and personnel are listed by position. Major budget changes explain variances between the different fiscal years. Enhancements are new programs or the expansion of services that require additional funding. New programs, staff, and capital equipment purchases are included under this section.

Capital Projects

As the City continues to grow, new infrastructure is required to provide utilities and services to Hutto residents. This section includes capital projects for the upcoming fiscal year.

Debt Analysis

This section provides an analysis of debt service requirement for the fiscal year. A summary of existing and proposed debt is included.

Statistical and Reference

The Statistical and Reference section includes information that impacts the budget. Tax rate information, applicable laws and charter requirements, policies, ordinances, and other information are included in this section.

Glossary

The Glossary provides a definition for terms and acronyms used throughout the budget document.
BUDGET PROCESS

The City of Hutto uses a performance-based budgeting process. The City of Hutto annually budgets operating revenues and expenditures by two types of funds, the Governmental and Proprietary funds. The City uses a total of fourteen separately and independently budgeted funds to carry out the day-to-day operations of the City. A fund is generally defined as a fiscal and accounting entity that has its own self-balancing set of accounts recording cash and other financial resources, as well as any liabilities or residual equities or balances. Normally funds are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Governmental funds are used for tax supported general government activities and include the General Fund, General Debt Service Fund, Special Revenue Funds, and the General Capital Projects Fund. Proprietary funds, funds that operate more like a business enterprise, include the Utility Fund, Impact Fee Fund, and Utility Debt Service Fund.

Each fund is budgeted separately and includes its own financial statement. The Hutto Economic Development Corporation (HEDC) is the City’s 4A Economic Development Corporation. The HEDC budget is adopted by both the seven member board and the City Council. The financial information for the HEDC is included in the annual financial report for the City.

Basis of Accounting

All funds are budgeted on the modified-accrual basis of accounting. Under this basis, revenues are recognized when they become both measurable and available to finance expenditures within the current period. Expenditures are recognized when the related fund liability is incurred except for: (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earning on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

Gather Information

The City Council is consulted throughout the year. Their response and feedback are considered during budget review and analysis of budget requests. The Council annually adopts budget priorities. Following the Council elections, the City Council holds a retreat to discuss the budget priorities and strategic issues important to Hutto’s future. The Budget Priorities are incorporated where possible in the adopted budget. The Budget Priorities for the upcoming fiscal year are addressed in the opening pages of this document and in the Budget Transmittal Letter section as well as the updated Strategic Guide 2035.

Update Strategic Plans

Each year staff reviews and updates strategic plans used to properly plan for the City’s growth. One of these documents is the Five Year Strategic Plan and Fiscal Forecast. This document connects short-term initiatives with long-term strategic priorities identified by the City Council. Adjustments are made as needed based on service demands and assessments. Future budget requests are guided by goals and priorities identified in the strategic plans. Costs for capital improvements
are updated with the help of the City Engineer. Fiscal Forecast projections and estimates are updated based on trend analysis, expected growth due to commercial expansion, and other anticipated factors.

**Revenue Projections**

Revenue projections for the new fiscal year begin mid-year of the current fiscal year. Projections are based upon consultations with state and local agencies, trend analysis, anticipated changes in the local and regional economy, and discussions with directly associated staff. Although beginning earlier, revenue projections occur concurrently with departmental budget development and extends until the budget is adopted based upon the receipt of new information.

**Budget Development**

The budget is prepared to promote fiscal responsibility and ensure superb service delivery to Hutto citizens. In preparing the budget, departments are asked to review existing programs, make cuts where appropriate, and to calculate the resources needed to provide the current or base level service in the next fiscal year. These base budgets do not include any new programs, but costs may fluctuate from year to year due to inflation and other market conditions. After establishing base budget requests, departments were asked to factor in budget enhancements to the budget requests based on the budget priorities adopted by the City Council. Budget enhancements are costs related to new or expanded programs including new personnel, supplies, and equipment.

During the budget development stage, the City Manager and Finance Department work with department and division managers to analyze requests, provide advice and lend assistance. Program goals, objectives, and measures are evaluated during the budget development to determine the effectiveness and efficiency of program activities to determine appropriate levels of funding. Staff work sessions are held to discuss goals and performance indicators, as are one-on-one consultations for the development of cost estimates. As the City encourages a participatory style of leadership, input is gathered from each employee, the leadership team, and appropriate employee committees during the budget development process.

The budget is drafted in accordance with the City’s Charter, state law, and also the City’s Fiscal and Budgetary Policy. The Fiscal and Budgetary Policy provides additional guidelines in regards to Financial Planning, the Budget Preparation Process, Revenue and Expenditure Management, Staffing, Economic Development, Intergovernmental Relations, Capital-Asset Management, Financial Reporting, and Debt Management.

**Budget Workshops and Public Hearings**

Budget work sessions are held with the City Council in open meetings to review and discuss the proposed budget. Citizen input is gathered through public hearings.

**Budget Adoption and Maintenance**

Budget adoption occurs in September after City Council deliberations and public hearings. The City Council may take action to modify the proposed budget per its discretion. The City Council also adopts a tax rate to support the adopted funding levels.

An adopted budget is compiled and published during the first months of the new fiscal year. Budget maintenance is a year-round activity of department and division directors, the City Manager, and the Finance Department. Mid-year program evaluations use performance measures to identify poorly performing programs so that adjustments may be made accordingly. Control mechanisms include monthly review of expenditures by the City Manager and Finance Department, and authorization to purchase from the City’s Finance Department. The City Manager may move appropriations from account to account; however, budget amendments resulting in a decrease or increase of total appropriations must be approved by ordinance by the City Council.
2016-17 Budget Overview

The 2016-17 Budget totals $32,449,462 in expenses and $26,295,536 in revenues. Savings from previous fiscal years, along with strong revenue growth, has increased the City’s beginning fund balances. The City will utilize a portion of the projected fund balance that exceeds the reserve requirement to pay for one time purchases in the current fiscal year as well as in FY17. Of the amount budgeted for total expenses, $20,264,426, is for operations. The remaining budget is related to capital projects and debt service.

CITY TAX IMPACT

<table>
<thead>
<tr>
<th>Avg. Home Value</th>
<th>Avg. Tax Bill</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000</td>
<td>$625</td>
</tr>
<tr>
<td>$180,000</td>
<td>$675</td>
</tr>
<tr>
<td>$160,000</td>
<td>$725</td>
</tr>
<tr>
<td>$140,000</td>
<td>$775</td>
</tr>
<tr>
<td>$120,000</td>
<td>$825</td>
</tr>
<tr>
<td>$100,000</td>
<td>$875</td>
</tr>
</tbody>
</table>


Avg. Home Value Avg. Tax Bill
## ALL FUNDS SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>2014-15 ACTUAL</th>
<th>2015-16 ADOPTED</th>
<th>2015-16 AMENDED</th>
<th>GENERAL FUND</th>
<th>UTILITY FUND</th>
<th>DEBT SVC FUNDS</th>
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<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Property Taxes</td>
<td>5,886,422</td>
<td>6,546,215</td>
<td>6,649,211</td>
<td>6,095,403</td>
<td>-</td>
<td>1,313,698</td>
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<tr>
<td>Sales Taxes</td>
<td>2,389,009</td>
<td>2,334,339</td>
<td>2,464,649</td>
<td>2,586,764</td>
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<tr>
<td>Franchise Fees</td>
<td>894,810</td>
<td>861,718</td>
<td>877,506</td>
<td>767,944</td>
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<td>-</td>
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<tr>
<td>Building &amp; Development</td>
<td>1,064,134</td>
<td>748,400</td>
<td>698,172</td>
<td>728,150</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fines</td>
<td>561,569</td>
<td>474,100</td>
<td>474,100</td>
<td>307,092</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trash Collection</td>
<td>1,253,506</td>
<td>1,297,973</td>
<td>1,259,760</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>3,689,807</td>
<td>2,508,029</td>
<td>2,948,040</td>
<td>833,375</td>
<td>556,800</td>
<td>36,273</td>
</tr>
<tr>
<td>Connection Fees</td>
<td>178,586</td>
<td>216,154</td>
<td>216,154</td>
<td>-</td>
<td>226,600</td>
<td>-</td>
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<tr>
<td>Impact Fees</td>
<td>1,224,365</td>
<td>900,000</td>
<td>1,362,743</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Water Revenues</td>
<td>4,129,547</td>
<td>4,988,006</td>
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<td>-</td>
<td>4,921,629</td>
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<tr>
<td>Wastewater Revenues</td>
<td>3,168,889</td>
<td>3,348,861</td>
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<td>-</td>
<td>3,967,591</td>
<td>-</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>24,420,644</td>
<td>24,223,795</td>
<td>25,287,202</td>
<td>11,318,727</td>
<td>9,672,620</td>
<td>1,349,971</td>
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<td><strong>EXPENDITURES</strong></td>
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<td>2,156,252</td>
<td>2,148,479</td>
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<td>Finance</td>
<td>492,426</td>
<td>551,161</td>
<td>551,161</td>
<td>635,186</td>
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<td>-</td>
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<td>Development Services</td>
<td>1,147,317</td>
<td>1,216,959</td>
<td>1,162,021</td>
<td>1,643,983</td>
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<td>7,217,339</td>
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<td>3,629,625</td>
<td>3,692,787</td>
<td>3,718,046</td>
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<td>-</td>
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<td>Parks &amp; Recreation</td>
<td>849,494</td>
<td>922,235</td>
<td>936,411</td>
<td>987,860</td>
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<td>3,495,351</td>
<td>1,274,844</td>
<td>668,301</td>
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<td>4,235,526</td>
<td>4,235,526</td>
<td>-</td>
<td>-</td>
<td>5,192,195</td>
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<tr>
<td>Capital Improvements</td>
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<td>8,083,120</td>
<td>27,453,761</td>
<td>-</td>
<td>2,452,851</td>
<td>-</td>
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<tr>
<td>Non-Departmental</td>
<td>746,961</td>
<td>514,656</td>
<td>448,427</td>
<td>89,149</td>
<td>50,080</td>
<td>-</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>28,660,790</td>
<td>31,000,762</td>
<td>51,217,389</td>
<td>11,701,791</td>
<td>10,388,571</td>
<td>5,192,195</td>
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<tr>
<td><strong>OTHER FINANCING SOURCES (USES)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Transfers</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(11,169)</td>
<td>(2,603,564)</td>
<td>3,552,416</td>
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<tr>
<td>Bond Proceeds</td>
<td>22,828,400</td>
<td>6,560,000</td>
<td>6,560,000</td>
<td>-</td>
<td>2,300,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL OTHER FINANCING SOURCES (USES)</strong></td>
<td>22,828,400</td>
<td>6,560,000</td>
<td>6,560,000</td>
<td>(161,169)</td>
<td>(303,564)</td>
<td>3,552,416</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>18,588,254</td>
<td>(216,967)</td>
<td>(19,370,187)</td>
<td>(394,233)</td>
<td>(1,021,115)</td>
<td>(289,808)</td>
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<tr>
<td><strong>BEGINNING FUND BALANCE</strong></td>
<td>10,436,000</td>
<td>9,679,953</td>
<td>30,218,882</td>
<td>3,411,844</td>
<td>6,959,130</td>
<td>445,849</td>
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<td><strong>ENDING FUND BALANCE</strong></td>
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<td>9,462,986</td>
<td>10,848,695</td>
<td>3,017,611</td>
<td>5,938,015</td>
<td>156,042</td>
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<td><strong>RESERVES</strong></td>
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<td>4,551,002</td>
<td>4,746,706</td>
<td>2,925,448</td>
<td>2,381,196</td>
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<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>24,689,089</td>
<td>4,911,984</td>
<td>6,101,989</td>
<td>92,163</td>
<td>3,556,819</td>
<td>156,042</td>
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### ALL FUNDS SUMMARY

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<tr>
<th>Revenues</th>
<th>Replacement Funds</th>
<th>General CIP</th>
<th>Solid Waste</th>
<th>Impact Fee</th>
<th>Court Fees</th>
<th>Misc Funds</th>
<th>2016-17 Total</th>
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<tbody>
<tr>
<td>Property Taxes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>7,409,101</td>
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<td>Sales Taxes</td>
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<td>-</td>
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<td>2,586,764</td>
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<td>Franchise Fees</td>
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<td>-</td>
<td>105,000</td>
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<td>905,138</td>
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<td>Building &amp; Development</td>
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<td>-</td>
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<td>-</td>
<td>728,150</td>
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<tr>
<td>Fines</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>12,600</td>
<td>30,000</td>
<td>349,692</td>
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<td>Solid Waste User Fees</td>
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<td>-</td>
<td>1,273,572</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Other</td>
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<td>1,003,000</td>
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<td>-</td>
<td>-</td>
<td>220,000</td>
<td>2,678,448</td>
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<td>Connection Fees</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>226,600</td>
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<td>Impact Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,248,852</td>
<td>-</td>
<td>-</td>
<td>1,248,852</td>
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<tr>
<td>Water Revenues</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,921,629</td>
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<tr>
<td>Wastewater Revenues</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,967,591</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>1,253,000</td>
<td>1,407,572</td>
<td>1,248,852</td>
<td>12,600</td>
<td>282,194</td>
<td>26,295,536</td>
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</tbody>
</table>

| Expenditures | 37,535 | - | - | - | - | 125,850 | 2,311,864 |
| Finance | - | - | - | - | - | - | 633,186 |
| Development Services | - | - | - | - | - | - | 1,643,983 |
| Public Works | - | - | - | - | - | - | 8,423,983 |
| Police | - | - | - | - | - | 35,000 | 3,753,046 |
| Parks & Recreation | - | - | - | - | - | - | 987,860 |
| General Services | - | - | 1,276,072 | - | - | 51,181 | 3,271,598 |
| Debt Service | - | - | - | - | - | - | 5,192,195 |
| Capital Improvements | - | 3,639,667 | - | - | - | - | 6,092,518 |
| Non-Departmental | - | - | - | - | - | - | 139,229 |
| Total Expenditures | 37,535 | 3,639,667 | 1,276,072 | - | 51,181 | 160,850 | 32,449,462 |

| Other Financing Sources (USES) | 120,000 | 479,000 | - | (1,248,852) | - | (197,831) | 2,500,000 |
| Net Transfers | 120,000 | 479,000 | - | (1,248,852) | - | (197,831) | 2,500,000 |
| Bond Proceeds | 139,229 | - | - | - | - | - | 2,500,000 |

| Net Change in Fund Balance | 82,465 | (1,957,667) | 41,500 | - | (38,581) | (76,487) | (3,653,926) |
| Beginning Fund Balance | 691,535 | 1,957,667 | 71,991 | - | 38,582 | 303,791 | 13,880,398 |
| Ending Fund Balance | 774,000 | - | 113,491 | - | - | 227,304 | 10,226,463 |
| Reserves | - | - | - | - | - | - | 5,306,644 |
| Ending Fund Balance | 774,000 | - | 113,491 | - | - | 227,304 | 4,919,819 |
ALL FUNDS SUMMARY

FUND DESCRIPTION
The All Funds Summary depicts all budgeted funds for the City, including capital improvements, bond proceeds, and special revenue funds, which are restricted for specific purposes. Individual fund schedules, descriptions and variances follow in this section. Ending Fund Balance refers to current assets less current liabilities in all fund types. The Actual 2014-15, Adopted and Amended 2015-16 and 16-17 Budgets have been included for multi-year comparisons.

Hutto uses thirteen independently budgeted funds to account for the total Budget. Of the funds, the General and Utility Fund are the largest. The General Fund is the governmental fund used to provide general government services to the Hutto community. The Utility Fund is a proprietary fund, as the City’s Water and Wastewater services operate more like a business.

A separate fund is used to track impact fees collected from new development for the expansion of utility infrastructure. The debt service funds are used to pay the City’s debt issuances. A debt service fund exists for both general and utility operations.

The General Capital Improvements Plan (CIP) Fund contains general capital improvement projects including street and drainage, sidewalk, and facility projects.

The Court Fees column is a summary of three Municipal Court special revenue funds including the Court Technology, Court Security, and Court Training Funds. Miscellaneous Funds include the Hotel Occupancy Tax Fund, Red Light Camera Fund, and PEG Fund used to account for special revenues allowed under state law.

The General Capital Replacement Fund and the Utility Capital Replacement Funds are used to track monies reserved for the replacement of capital equipment, fleet vehicles, and facility maintenance.

REVENUES

Revenues total $28,795,536 including $2.5 million in bonds. Operating revenues total $26,295,536 a 4% increase over the FY16 Amended amounts. Property tax revenue saw an 11.4% increase over the FY16 Amended amounts. Wastewater Revenues, Sales tax, building development fees reflected an 18.5%, 5%, and 4.3% increase respectively, over the FY16 Amended amounts due to new population growth.

A greater in-depth analysis of revenues is provided in the individual fund summaries.

EXPENSES

Operational expenses are projected to increase 10.9% from the Amended 2015-16 Budget for a total of $26,356,944. All expenses, including capital projects, total $32,449,462 including $6,092,518 for general and utility capital projects and $5.2 million in debt service payments.

A greater in-depth analysis of expenses is provided in the individual fund summaries and in the department and division sections.

BUDGET VARIANCES

An average merit pool increase of 3% has been included in the FY17 Budget. In conjunction, health insurance rates will increase slightly due to healthcare cost increases. Seven new FTE positions including two Police Officers, a School Resource Sergeant replacement, a Building Inspector, Accountant, Recreation Specialist, Utility Technician and a Marketing & Events Coordinator are budgeted for FY17.

The budget maintains contingency reserves at 25% in the General Fund and maintains reserves at 30% in the Utility Fund. More information regarding fund variances can be found on the individual fund summaries on the following pages.
GENERAL FUND SUMMARY

<table>
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<tr>
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<td>748,913</td>
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<td>281,500</td>
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<td>120,358</td>
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<td>132,030</td>
<td>132,530</td>
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<td>464,575</td>
<td>521,330</td>
<td>542,989</td>
<td>143,875</td>
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<td>447,875</td>
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<td><strong>TOTAL REVENUES</strong></td>
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<td>10,285,108</td>
<td>10,454,767</td>
<td>10,678,299</td>
<td>10,764,727</td>
<td>554,000</td>
<td>11,318,727</td>
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<tr>
<td>CITY ADMINISTRATION</td>
<td>1,854,120</td>
<td>1,923,513</td>
<td>1,943,725</td>
<td>1,885,333</td>
<td>2,054,256</td>
<td>94,324</td>
<td>2,148,479</td>
</tr>
<tr>
<td>FINANCE</td>
<td>492,426</td>
<td>551,161</td>
<td>551,161</td>
<td>504,045</td>
<td>556,444</td>
<td>76,743</td>
<td>633,186</td>
</tr>
<tr>
<td>DEVELOPMENT SERVICES</td>
<td>1,147,317</td>
<td>1,216,959</td>
<td>1,162,021</td>
<td>1,125,969</td>
<td>1,289,044</td>
<td>354,938</td>
<td>1,643,983</td>
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<td>3,505,847</td>
<td>3,330,868</td>
<td>3,208,737</td>
<td>509,309</td>
<td>3,718,046</td>
</tr>
<tr>
<td>PARKS &amp; RECREATION</td>
<td>849,494</td>
<td>922,235</td>
<td>936,411</td>
<td>926,265</td>
<td>949,316</td>
<td>38,544</td>
<td>987,860</td>
</tr>
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<td>GENERAL SERVICES</td>
<td>1,331,019</td>
<td>1,014,545</td>
<td>1,384,832</td>
<td>1,529,960</td>
<td>1,274,844</td>
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<td>NON-DEPARTMENTAL</td>
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<td>421,462</td>
<td>89,149</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
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<td>10,751,862</td>
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<td>10,739,480</td>
<td>10,628,034</td>
<td>1,073,858</td>
<td>11,701,791</td>
</tr>
</tbody>
</table>

| OTHER FINANCING SOURCES (USES)    |                |                |                 |                   |              |                 |                 |
| TRANSFERS IN                      | 918,000        | 370,240        | 370,240         | 370,240           | 537,831      |                | 537,831        |
| TRANSFERS OUT                     | (721,178)      | (70,000)       | (496,340)       | (496,340)         | (549,000)    |                | (549,000)      |
| **TOTAL OTHER FINANCING SOURCES (USES)** | 196,822         | 300,240        | (126,100)       | (126,100)         | (11,169)     |                | (11,169)       |

| NET CHANGE IN FUND BALANCE        | 285,150        | (166,514)      | (802,561)       | (178,281)         | 125,524      | (519,858)       | (394,233)      |
| BEGINNING FUND BALANCE            | 3,305,017      | 2,805,185      | 3,590,125       | 3,590,125         | 3,411,844    |                | 3,411,844      |
| ENDING FUND BALANCE               | 3,590,125      | 2,678,196      | 2,787,564       | 3,411,844         | 3,537,368    |                | 3,017,931      |
| CONTINGENCY RESERVES              | 2,520,133      | 2,687,966      | 2,782,807       | 2,684,870         | 2,637,008    |                | 2,925,448      |
| UNRESERVED ENDING FUND BALANCE    | 1,070,034      | 111             | 4,757           | 726,974           | 880,360      |                | 92,160         |
| RESERVES                          | 25%            | 25%             | 25%             | 25%               | 25%          |                | 25%            |

FUND DESCRIPTION

The General Fund is the general operating fund and the largest fund of the City as it includes all traditional government services such as public safety, street and drainage maintenance, parks and recreation, library services, and general administration. The General Fund uses tax revenue, fees, fines, and other revenues to fund these services. It functions as a governmental fund, which is accounted for using a modified accrual basis of accounting.
REVENUES

General Fund revenues are budgeted to total $11,318,727 an increase of 5.9% from FY16 Projected and an 10% increase from the FY16 Adopted Budget. Property taxes make up the bulk of the revenues followed by sales tax. A diverse revenue base is essential for maintaining a sound financial system. Increased commercial development is anticipated in the coming years to reduce the City’s reliability on residential property tax revenue as more sales tax is collected and the tax base continues to diversify.

Property Tax is based on lowering the tax rate to $0.520443 per $100 of valuation. The split between the two portions of the tax rate is decreasing (Operations and Maintenance - $0.429335 + Interest and Sinking - $0.091107) but will still allow the City to continue its existing service and programs, while adding additional staff. The effective tax rate, which is the rate required to levy the same amount of taxes on the same properties as the year before, is $0.480395 per $100 valuation. The average home taxable value has increased for the third year in a row, rising from $164,745 to $183,267 in 2016. Property Tax makes up the largest percentage of General Fund revenues at 54%. A total of $6,095,403 is budgeted for collection, which is a 9.9% increase over the FY16 Projections. The increase is due to an overall increase in appraised value and from $53 million in new property added to the tax rolls.

Sales tax is the second largest revenue source for the General Fund, accounting for 23% of revenues. Sales tax is budgeted at $2,586,764, a 4.9% increase over the FY16 Projected amount. Sales tax collections have remained strong as a result of new construction, including HEB and Whataburger sites, and a still growing population.

Franchise fees totaling $767,944 are fees collected for private utilities such as electricity, gas, and telecommunications located in the public right-of-way. The fee is generally based on a percentage of a company’s gross revenues collected within the City’s limits. Franchise fees are expected to increase 2.5% over FY16 Projections due to customer growth.

Interlocal revenue represents funds paid from Hutto ISD and other local agencies to the City through this partnerships and agreements. Hutto ISD has agreed to contribute $125,000 in FY17 to assist the City in its construction of multiple sidewalk projects throughout the City. In late FY16 HISD and HPD began discussing creating a hybrid department that would include HISD police officers and City police department administration. This interlocal agreement outlines the terms for which HPD will provide administrative oversight with an Interim Chief of Police and one (1) Police Sergeant assigned to HISD. The District agrees to pay the City for the salary and benefits of one (1) Sergeant and an administrative fee to compensate for services provided by HPD Chief and staff. The total amount due to the City annually is $125,000.

Development fees are budgeted to total $728,150. Development fees account for 7% of revenues. FY17 revenue increased 4.3% over the FY16 Amended Budget due to additional building inspection staff and anticipated growth in residential and commercial permits.

Transfers In are transfers from different funds into the General Fund. A portion of the Utility Fund is transferred into the General Fund to offset the administrative costs associated with managing the operations including General Services, Finance, and Public Works. The transfer from the Utility Fund has decreased from $744,000 to $200,000 with the relocation of Utility Billing to the Utility Fund. $94,981 will be transferred from the Hotel Occupancy Tax Fund to offset salary and expenses incurred by the Downtown and Tourism Division. An additional $90,000 will be transferred from the Solid Waste Fund for expenses and pavement replacement. The remaining Red Light Camera Fund balance, estimated at $102,850 for FY17, will be transferred to the General Fund to offset Police Department expenses related to traffic enforcement.

Parks revenue is budgeted to increase slightly due to more growth in winter, spring and summer camps. As well increased participation in indoor league sports such as basketball. Parks revenue includes payments for Gin Building, Saul House use, pavilion rentals, recreational programming, and Library fees.

Other revenue includes interest, miscellaneous fees and taxes, donations, grants, and other minor revenue sources. Other revenue is budgeted to total $447,875 in FY17. The FY17 budget includes funding for capital lease proceed from the purchase of replacement equipment in the amount of $304,000 to offset the expense.
EXPENSES

General Fund expenses include costs related to general government operations such as administration, police, planning and development, streets and drainage, library services, and parks and recreation. General fund expenses total $11,701,791 which is an increase of 9% over the Amended 2015-16 Budget.

Police, with the majority of employees including thirty-one sworn officers, makes up the largest percentage of General Fund expenses with a total budget $3.7 million. Administration and Development Services make up the next largest percentages at 19% and 14% respectively.

Salaries and benefits make up the majority of General Fund expenses at 62% of the budget. All Hutto employees, except for the seven Utility employees, are paid from the General Fund. This category includes salaries, insurance, and retirement expenses. A total of $1,073,858 is included for additions, replacements and enhancements.

Enhancements include new or expanded programs or services. $76,743 is budgeted to hire an Accountant meet the growing needs in Finance due to growing demands and continued fiscal transparency. An additional Building Inspector is also budgeted for FY17 at the cost of $104,938 including vehicle to facilitate a growing need in the community. Two Police Officer positions were created in FY17 to meet the minimum staffing requirements and provide more efficiency of the Hutto Police Department. The total for the new positions including salary and benefits totals $141,910. Other new positions included in the General Fund for FY17 include two part-time positions to facilitate growing needs in both the Downtown & Tourism/Public Information and Recreation areas.

Other additions to the FY17 budget include a Retail/Co-Op Study, Transportation Mobility Plan, and equipment purchases that include two new and two replacement vehicles for the Patrol Division and a top dresser for the Parks Maintenance Division.

BUDGET VARIANCES

This section explains differences between the 2015-16 Amended Budget and the 2015-16 Budget. Expenses are broken into five categories

<table>
<thead>
<tr>
<th></th>
<th>2014-15 ACTUAL</th>
<th>2015-16 BUDGET</th>
<th>2015-16 AMENDED</th>
<th>2015-16 PROJECTED</th>
<th>2016-17 BASE</th>
<th>2016-17 ENHANCE</th>
<th>2016-17 BUDGET</th>
<th>% CHANGE AMENDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; benefits</td>
<td>6,057,425</td>
<td>6,558,741</td>
<td>6,576,144</td>
<td>6,220,372</td>
<td>6,968,456</td>
<td>423,058</td>
<td>7,391,514</td>
<td>+12.4%</td>
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<tr>
<td>Supplies &amp; materials</td>
<td>738,025</td>
<td>600,412</td>
<td>745,231</td>
<td>711,781</td>
<td>686,365</td>
<td>6,400</td>
<td>692,665</td>
<td>-7.1%</td>
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<tr>
<td>Repairs &amp; maintenance</td>
<td>202,649</td>
<td>254,675</td>
<td>290,477</td>
<td>354,380</td>
<td>281,000</td>
<td>-</td>
<td>281,000</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Other services &amp; charges</td>
<td>2,604,488</td>
<td>2,498,234</td>
<td>2,512,940</td>
<td>2,431,832</td>
<td>2,459,407</td>
<td>340,400</td>
<td>2,799,807</td>
<td>+11.4%</td>
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<tr>
<td>Capital outlay</td>
<td>477,944</td>
<td>839,800</td>
<td>1,006,436</td>
<td>1,021,116</td>
<td>232,805</td>
<td>304,000</td>
<td>536,805</td>
<td>-46.7%</td>
</tr>
<tr>
<td>Total</td>
<td>10,080,530</td>
<td>10,751,862</td>
<td>11,131,228</td>
<td>10,739,480</td>
<td>10,628,034</td>
<td>1,073,858</td>
<td>11,701,791</td>
<td>+5.1%</td>
</tr>
</tbody>
</table>

Salaries and benefits are expected to increase 12.4% from the FY16 Amended Budget. An average merit pay adjustment of 3% has been included in the base budget, as well as an increased boot allowance for qualified employees. In addition, health insurance rates will increase a slight 4.5% due to changes in healthcare and benefits. In addition to merit pay, a restructured incentive pay program for all sworn officers has been included as an enhancement in the FY17 Proposed Budget. The majority of the increase is directly related to the (7) FTE positions requested in the FY17 Proposed Budget.

Supplies and materials are budgeted to decrease 7.1% from the FY16 Amended Budget

Repairs and maintenance are budgeted to decrease 3.3%. The decrease is for ongoing maintenance of city equipment, vehicles, roadways/sidewalks, parks, etc. The variance is a direct correlational to new vehicle/equipment purchases that help remove aging vehicles/equipment from the City fleet.

Other services and charges will increase 11.4% due to expenses related to the Transportation Mobility Plan and Retail/Co-Op Study, as well as increases to Attorney Services, Contracted Mowing Services, Facility Utilities and Streetlights.
Capital outlay is decreasing 46.7% from the FY16 Amended Budget due to completion of facility improvements in FY16. This category fluctuates on a year-to-year basis due to vehicle, machinery, equipment, and other building facility improvements.

Transfers out include transfers to other funds. $50,000 will be transferred to the General Capital Replacement Fund to finance the future replacement of assets; an additional $20,000 will be transferred to the General Capital Replacement Fund to finance the maintenance and replacement costs associated with the YMCA Recreation Center per agreement. An additional $479,000 will be transferred to the General CIP Fund to cash fund project related expenses (see CIP Fund Summary).
GENERAL DEBT SERVICE FUND

FUND DESCRIPTION
The General Debt Service fund tracks revenue from the ad valorem property tax levy for the payment of debt issued for general governmental functions, such as streets, parks, and facilities. The payment of principal and interest are paid through this fund.

REVENUES
Revenues comprise of property tax collections based on the interest and sinking portion of the City’s tax rate. The Fiscal Year 2017 Interest and Sinking (I&S) portion of the tax rate will be $0.091108 per $100 valuation. This rate will generate $1,313,698 in property tax revenue, and increase over the FY16 levels due to an increase in taxable property. The Interest and Sinking tax rate is calculated based on annual debt service requirements.

Interest and other revenue includes Hutto Economic Development Corporation lease payments. The City and EDC entered into an agreement in 2012 for the City to purchase the office space that the EDC was leasing. In exchange, the EDC pays a pro rata share of the 2013 COs that were used to purchase the space.

EXPENDITURES
Expenditures include principal and interest payments for the bond obligations. For a full list of debt service, turn to the Debt Section of the budget. $642,000 in general fund supported debt is proposed in Fiscal Year 2017.

FY17 expenses include $580,950 for principal, $730,998 for interest and $1750 for paying agent fees. Debt service payments will increase in coming years as a result of bonds issued in the past two years.

BUDGET VARIANCES
Revenues exceed expenses for this fund as the City will use additional revenue to maintain one-twelfth of debt service in fund balance per requirements. Increases in future taxable values will offset debt service payments in future years as well as increases to the City’s I&S rate when necessary.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
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<tr>
<td>Property Taxes</td>
<td>1,074,132</td>
<td>1,157,375</td>
<td>1,157,375</td>
<td>1,168,525</td>
<td>1,313,698</td>
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<tr>
<td>Interest &amp; Other</td>
<td>34,969</td>
<td>35,557</td>
<td>35,557</td>
<td>36,903</td>
<td>35,773</td>
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<td><strong>TOTAL REVENUES</strong></td>
<td>1,109,101</td>
<td>1,192,932</td>
<td>1,192,932</td>
<td>1,205,427</td>
<td>1,349,471</td>
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<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
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<tr>
<td>Debt Service</td>
<td></td>
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<tr>
<td>Principal Reduction</td>
<td>614,787</td>
<td>622,900</td>
<td>622,900</td>
<td>622,900</td>
<td>580,950</td>
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<td>Interest</td>
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<td>593,267</td>
<td>594,435</td>
<td>730,998</td>
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<td>Paying Agent Fees</td>
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<td>1,750</td>
<td>1,750</td>
<td>1,750</td>
<td>1,750</td>
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<td><strong>TOTAL DEBT SERVICE</strong></td>
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<td>1,217,917</td>
<td>1,217,917</td>
<td>1,219,085</td>
<td>1,313,698</td>
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<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(115,741)</td>
<td>(24,985)</td>
<td>(24,985)</td>
<td>(13,658)</td>
<td>35,773</td>
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<td><strong>BEGINNING FUND BALANCE</strong></td>
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<td>126,478</td>
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<td>83,926</td>
<td>70,268</td>
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<td><strong>ENDING FUND BALANCE</strong></td>
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<td>101,493</td>
<td>58,941</td>
<td>70,268</td>
<td>106,042</td>
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</table>
GENERAL CAPITAL REPLACEMENT FUND

FUND DESCRIPTION
The Capital Replacement Fund was created in Fiscal Year 2010 to begin setting aside funds to replace aging equipment and worn capital assets including vehicles and equipment. Proceeds from the sale of capital assets will be deposited in this fund for the replacement of future capital assets. A portion of asset’s value is set aside each year to build up the cost of replacing the asset. The amount reserved for replacement is based on the asset’s cost and useful lifespan. The total replacement cost of assets is approximately $1,450,000.

REVENUES
Revenues represent transfers in from the General Fund. The City has been setting aside $50,000 annually since 2010 when the fund was established. An additional $20,000 was set aside for YMCA Building Repair and Maintenance per agreement.

EXPENSES
The only allocated expenses are related to the YMCA Building Repair and Maintenance. The entire amount is budgeted to give the staff the flexibility to use the funds as needed. No additional funds will be used from the Capital Replacement Fund as the City plans to build up the remaining fund balance to be used to replace aging and worn capital assets.

BUDGET VARIANCES
Fund balance is expected to increase over the next few years as the City sets aside funds to replace older assets. The General Capital Replacement Fund has a higher unfunded replacement cost than the utility due to the City’s Police fleet.
# General Capital Improvements Fund

<table>
<thead>
<tr>
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<td><strong>Revenues</strong></td>
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<tr>
<td>Interest &amp; Other</td>
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<td>-</td>
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<td>Bond Interest</td>
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<td>Contributions</td>
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<td>Grants</td>
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<td>Parkland Fees</td>
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<td>-</td>
<td>29,250</td>
<td>29,520</td>
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<td>Bond Proceeds</td>
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<td>6,560,000</td>
<td>6,560,000</td>
<td>200,000</td>
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<td><strong>Total Revenues</strong></td>
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<td><strong>7,656,000</strong></td>
<td><strong>7,830,361</strong></td>
<td><strong>7,830,706</strong></td>
<td><strong>1,203,000</strong></td>
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<tr>
<td><strong>Expenditures</strong></td>
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<tr>
<td>Administration</td>
<td></td>
<td></td>
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<tr>
<td>Co-Op/Facility Study</td>
<td>161,903</td>
<td>-</td>
<td>3,446</td>
<td>3,449</td>
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<tr>
<td>Gin Building Improvements</td>
<td>844,734</td>
<td>-</td>
<td>191,622</td>
<td>191,622</td>
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<td>Public Works</td>
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<td>Sidewalk Program</td>
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<td>Farley/Taylor Street</td>
<td>14,636</td>
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<td>Mager Lane</td>
<td>1,531</td>
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<td>-</td>
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<td>Fencing</td>
<td>13,073</td>
<td>236,000</td>
<td>241,678</td>
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<tr>
<td>FM 685</td>
<td>859,633</td>
<td>6,560,000</td>
<td>153,890</td>
<td>153,890</td>
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<td>FM 1660 N Sidewalks</td>
<td>47,608</td>
<td>1,234,000</td>
<td>1,674,535</td>
<td>1,674,535</td>
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<td>PW Facility Improvements</td>
<td>-</td>
<td>157,000</td>
<td>157,000</td>
<td>157,000</td>
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<td>East St. Reconstruction</td>
<td>-</td>
<td>1,234,000</td>
<td>1,234,000</td>
<td>335,000</td>
<td>899,000</td>
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<td>Pavement Management</td>
<td>-</td>
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<td>990,000</td>
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<td>990,000</td>
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<td>Limmer Loop Improvements</td>
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<td>100,000</td>
<td>100,000</td>
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<td>Railroad Quiet Zones</td>
<td>-</td>
<td>100,000</td>
<td>100,000</td>
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<td>75,000</td>
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<td>Tap Limmer Loop Sidewalks</td>
<td>-</td>
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<td>-</td>
<td>1,200,000</td>
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<td>Parks</td>
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<tr>
<td>Fritz Park Improvements</td>
<td>-</td>
<td>2,775,000</td>
<td>3,000,000</td>
<td>3,000,000</td>
<td>-</td>
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<tr>
<td>Brushy Creek GAP Trail</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>90,000</td>
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<tr>
<td>Other Services &amp; Charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Land</td>
<td>-</td>
<td>250,000</td>
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<td>-</td>
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<tr>
<td>Animal Shelter Expansion</td>
<td>-</td>
<td>50,000</td>
<td>50,000</td>
<td>39,285</td>
<td>214,000</td>
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<td>Bond Issuance Costs</td>
<td>16,284</td>
<td>52,920</td>
<td>52,920</td>
<td>52,920</td>
<td>71,667</td>
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<td>Debt Services</td>
<td>1,230,683</td>
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<td>-</td>
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<td>-</td>
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<tr>
<td><strong>Total – Capital Improvements</strong></td>
<td><strong>3,292,440</strong></td>
<td><strong>7,833,269</strong></td>
<td><strong>8,249,091</strong></td>
<td><strong>6,299,379</strong></td>
<td><strong>3,639,667</strong></td>
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<tr>
<td>Transfers</td>
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<tr>
<td>Transfers In</td>
<td>831,178</td>
<td>-</td>
<td>426,340</td>
<td>426,340</td>
<td>479,000</td>
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<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Total Transfers</strong></td>
<td><strong>831,178</strong></td>
<td>-</td>
<td>426,340</td>
<td>426,340</td>
<td>479,000</td>
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<tr>
<td></td>
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<tr>
<td><strong>Net Change in Fund Balance</strong></td>
<td>(630,443)</td>
<td>(268,269)</td>
<td>7,610</td>
<td>1,957,667</td>
<td>(1,957,667)</td>
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<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>630,443</td>
<td>268,269</td>
<td>-</td>
<td>-</td>
<td>1,957,667</td>
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<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>-</td>
<td>-</td>
<td>7,610</td>
<td>1,957,667</td>
<td>-</td>
</tr>
</tbody>
</table>
**FUND DESCRIPTION**

The General CIP Fund is a minor governmental fund used by the City to account for the City’s general capital improvement projects including streets, facilities, and park improvement projects. Projects are funded through a combination of transfers in from the General Fund, interest, and bonds.

**REVENUES**

Revenues include Bond Proceeds of $200,000 and $1 million in TxDOT Grant funding for the TAP Limmer Loop project. An additional Transfer In of $479,000 from General Fund will be used to cash fund project such as Brushy Creek GAP Trail design, Limmer Loop Rehabilitation payment, and Railroad Quiet Zones. Other revenues include interest, bond interest, and parkland fees.

**EXPENSES**

The City will continue to work on a number of projects from FY16 including:
- East St. Reconstruction - $899,000 Funded with FY16 Bonds
- Railroad Quiet Zones - $75,000 Cash Funded
- Pavement Rehabilitation - $990,000 Funded with FY16 Bonds

Multiple projects are budgeted for FY17 including:
- TAP Limmer Loop Sidewalks – $1,200,000 Bonds/Grant
- Animal Shelter Expansion – $214,000 Cash Funded
- Brushy Creek GAP Trail (design only) - $90,000 Cash Funded

Ongoing expenses in the amount of $100,000 for Limmer Loop Rehabilitation will continue to be cash funded from the General Fund.

Other project balances remaining at the end of the fiscal year are transferred into the new budget through a budget amendment. Visit the “Capital Projects” section of the budget to learn more about the planned improvements.

**BUDGET VARIANCES**

Fund balance for this fund will fluctuate depending on the timing of projects and bond issuances.
### SOLID WASTE FUND SUMMARY

**FUND DESCRIPTION**

The Solid Waste Fund was created in the 2014-15 Budget to account for the City’s solid waste services. All expenses associated with the City’s garbage and recycling services are included in the fund.

**REVENUES**

Revenues for the fund include the new (3) proposed rates per the negotiated contract for curbside and recycling services with Al Clawson Disposal, Inc. for current customers plus an additional 4% growth factor. In addition, the City charges a franchise fee to refuse collection companies that offer commercial services to businesses in Hutto that will not expire until July 2017.

**EXPENSES**

In December 2016 the City entered into contract with Al Clawson Disposal, Inc. to be the sole provider for Residential and Commercial garbage services. By shifting services to a single provider, the City is able to reduce costs for residential customers, and the City anticipates this will result in savings for most commercial accounts. The proposed contract will progress the City towards its strategic goal of 100% Recycling Participation by including commercial recycling services in the City as it offers weekly recycling pickup for residential customers and includes a variety of options for commercial accounts. In addition, the City will offer two different cart size options for residents in order to better meet their needs. ACDI reimbursed the City for previously purchased Recycle Carts in the amount of $131,123 in FY16, thus reducing the need for capital lease expenses in 2016-17.

**BUDGET VARIANCES**

The Solid Waste Fund was created in FY16. $90,000 was budgeted in FY17 in Transfers Out to offset the expenses still incurred in General Fund for Public Works Streets and Drainage Pavement rehabilitation per agreement.

<table>
<thead>
<tr>
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<td><strong>REVENUES</strong></td>
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<td>Late Fees</td>
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<td>Solid Waste User Fees</td>
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<td>Recycling Cart Fee</td>
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<td>62,631</td>
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<tr>
<td>Miscellaneous Income</td>
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<td><strong>TOTAL REVENUES</strong></td>
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<td>1,407,572</td>
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</tr>
<tr>
<td>Waste Management</td>
<td>1,163,082</td>
<td>1,230,341</td>
<td>1,230,341</td>
<td>1,230,341</td>
<td>1,268,572</td>
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<tr>
<td>Bad Debt</td>
<td>(1,091)</td>
<td>7,500</td>
<td>7,500</td>
<td>7,500</td>
<td>7,500</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>26,592</td>
<td>27,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital Leases</td>
<td>44,497</td>
<td>44,497</td>
<td>175,620</td>
<td>175,620</td>
<td>-</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>1,233,079</td>
<td>1,309,338</td>
<td>1,413,461</td>
<td>1,413,461</td>
<td>1,276,072</td>
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<tr>
<td><strong>TRANSFERS</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>(105,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(90,000)</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(105,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(90,000)</td>
</tr>
<tr>
<td><strong>TOTAL TRANSFERS</strong></td>
<td>(105,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(92,000)</td>
<td>(90,000)</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>55,225</td>
<td>27,979</td>
<td>16,766</td>
<td>16,766</td>
<td>41,500</td>
</tr>
<tr>
<td><strong>BEGINNING FUND BALANCE</strong></td>
<td>-</td>
<td>3,110</td>
<td>55,225</td>
<td>55,225</td>
<td>71,991</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>55,225</td>
<td>31,089</td>
<td>71,991</td>
<td>71,991</td>
<td>113,491</td>
</tr>
</tbody>
</table>
UTILITY FUND SUMMARY

FUND DESCRIPTION

The Utility Fund accounts for the City’s Water and Wastewater Enterprise. It functions as a proprietary fund which operates more like a business. The budget for the Utility Fund, however, uses a modified accrual basis of accounting. Reserves for the Utility Fund are maintained at 30% of the operating budget.
Utility operational revenues total $11.9 million which is 28.2% above the FY16 Projected Budget. The increase is a result of customer growth due to the new homes and business under construction, as well as $2.3 million in estimated bond proceeds. The current housing boom will add new water and wastewater customers to the City’s utility system, though a portion of new homes will be serviced by Jonah SUD and Manville WSC as they are outside of the City’s water service area. The number of accounts is expected to grow at approximately 3% for both water and wastewater during the next year.

**Water revenues** make up the majority of the Utility Fund operating revenue, totaling $4,921,629. Water revenue is revenue collection for the provision of water to utility customers. This is an increase of 3% over the FY16 Projected Budget and is due to anticipated customer growth and average use.

**Wastewater revenues** are budgeted to total $3,967,591, a 3% increase over FY16 Projected Budget. The City has more wastewater connections than water connections because water may be provided by Manville Water Supply or Jonah SUD depending on service location. The City also acts as a wholesale wastewater provider to customers located in Jonah’s service area north of Limmer Loop.

**Impact Fees (shown as “Transfers In”)** help cover new growth’s impact on the utility system. Impact fees are collected in the Impact Fee Fund and are transferred to the Utility Fund to help offset debt service payments. Impact fees help shift the financial burden of constructing new infrastructure for new growth from existing customers to the new growth that is prompting the infrastructure improvements. Collections are expected to total $1,248,852 based on new construction trends, anticipated growth and rate model.

**Connection fees** represent the cost of connecting new customers to the City’s utility system. The fee is calculated based on the cost of the meter and the end point in addition to time and equipment needed to set the meter. Connection fees are conservatively budgeted to increase over the FY16 Amended Budget. Connection fees are only collected when the City of Hutto provides service to the home. Water connection fees would not be collected for homes that are constructed in the Jonah SUD or Manville WSC service areas.

**Other revenue** is made up of interest, miscellaneous income, and account administrative and late fees. The City receives $100,000 annually from the Hutto Economic Development Corporation from an agreement that led to the extension of water and wastewater utilities along the eastern SH 130 corridor. $2.3 million in bond proceeds are included in the FY17 budget for project related expenses.

**Customer Trends** The number of City water customers has grown an average of 4.72% over the past five years. The number of total accounts is expected to grow a conservative 3% in FY17 as a result of new customers. The City continues to provide wholesale wastewater service to the approximately 800 wastewater customers north of Limmer Loop. This number continues to grow as both the Hutto Highlands and Hutto Park subdivisions continue to expand and grow.

**EXPENSES**

Utility Fund expenses are the costs associated with the provision of water and wastewater services to the Hutto customers. The Utility Fund includes eight full-time water and wastewater employees whose salary and benefit costs are evenly split between the two divisions. As of FY16 is the five full-time Utility Billing employees whose salary and benefits were previously included in General Fund expenses are included in Utility fund expenses. The 2016-17 Utility Fund Operating Budget totals $10,390,171. When including the net transfers to account for the debt service expense, Utility Fund expenses total $14,242,588.
Water services, totaling $4.8 million, makes up the bulk of operating expenses because of water supply agreements. The FY17 Water Service budget will increase 11.6% from the FY16 Projected Budget due to increases in both the Heart of Texas and City of Taylor water contracts. The majority of the Utility Fund’s budget is appropriated towards Other Services and Charges because of its water supply contracts and the contract with Brazos River Authority to operate the wastewater treatment plant. The City currently purchases treated water from the City of Taylor, Manville, and Heart of Texas.

Major variances are explained on the following page.

**Budget Variances**

This section explains the difference between the FY17 Budget and the FY16 Amended amounts.

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<tbody>
<tr>
<td>Salaries &amp; benefits</td>
<td>461,744</td>
<td>742,476</td>
<td>742,476</td>
<td>735,188</td>
<td>776,171</td>
<td>62,583</td>
<td>838,754</td>
<td>13%</td>
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<td>Supplies &amp; materials</td>
<td>426,382</td>
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<td>285,373</td>
<td>255,015</td>
<td>237,350</td>
<td>850</td>
<td>238,200</td>
<td>-16.5%</td>
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<td>Repairs &amp; Maintenance</td>
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<td>156,000</td>
<td>141,000</td>
<td>123,000</td>
<td>120,700</td>
<td>-</td>
<td>120,700</td>
<td>-14.4%</td>
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<tr>
<td>Other services &amp; charges</td>
<td>4,847,737</td>
<td>4,865,661</td>
<td>5,034,618</td>
<td>5,085,890</td>
<td>6,280,766</td>
<td>176,860</td>
<td>6,457,626</td>
<td>28.3%</td>
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<td>Capital outlay</td>
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<td>63,284</td>
<td>127,538</td>
<td>150,424</td>
<td>37,885</td>
<td>134,456</td>
<td>172,341</td>
<td>14.6%</td>
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<tr>
<td>Heart of Texas</td>
<td>94,754</td>
<td>146,700</td>
<td>216,326</td>
<td>132,326</td>
<td>109,700</td>
<td>109,700</td>
<td>109,700</td>
<td>-17.1%</td>
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<tr>
<td>Total Operations</td>
<td>6,072,771</td>
<td>6,210,121</td>
<td>6,547,331</td>
<td>6,481,843</td>
<td>7,562,172</td>
<td>374,749</td>
<td>7,936,920</td>
<td>21.2%</td>
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<tr>
<td>CIP Water/Wastewater</td>
<td>3,618,847</td>
<td>249,851</td>
<td>19,204,670</td>
<td>19,336,670</td>
<td>181,851</td>
<td>2,271,000</td>
<td>2,452,851</td>
<td>-87.2%</td>
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</tr>
<tr>
<td>Net Transfers</td>
<td>3,814,399</td>
<td>3,272,766</td>
<td>3,272,766</td>
<td>3,272,766</td>
<td>3,852,416</td>
<td>-</td>
<td>3,852,416</td>
<td>17.7%</td>
<td></td>
<td></td>
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<tr>
<td>Total Expenses</td>
<td>13,506,017</td>
<td>9,732,738</td>
<td>29,024,767</td>
<td>29,091,279</td>
<td>11,596,839</td>
<td>2,645,749</td>
<td>14,242,588</td>
<td>-50.9%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Salaries and benefits will increase 13% or about $96,278 over the FY16 Amended Budget. The increase includes an average 3% merit increase, as well as the addition of a Utility Technician for the Water and Wastewater Division. In conjunction, health insurance rates will increase slightly due to changes in healthcare and benefits.

Supplies and materials are budgeted at $237,800, which is a decrease of 16.7% over FY16 Amended Budget. The decrease in largely due to the completion of an upgrade to the City’s automatic meter reading system.

Repairs and maintenance costs will see a decrease of 14.4% over the FY16 Amended budget due to completion elevated tank and ground storage tanks.

Other services and charges make up the majority of Utility expenses. Included in this section are the water supply contracts with the City of Taylor, Manville, and Heart of Texas as well as the wastewater treatment agreement with Brazos River Authority. The increase of 28.3% is largely due to increases in the Heart of Texas and City of Taylor water contracts, as well as the addition of the Hutto South Wastewater Treatment Plant to the Brazos River Authority contract.

Capital outlay is costs related to new capital costs such as vehicles, facilities, and equipment. This number fluctuates annually depending on the capital needs. The number is increasing 14.6% due to one-time purchases for water and wastewater equipment in FY17. The FY17 budget includes $80,000 for a Ford F450 with crane attachment which will be purchased through a capital lease.

CIP.

Transfers out are increasing 17.7% over the FY16 Amended Budget. The transfer from the Utility Fund to the General Fund was reduced to $200,000 for administrative costs, and the $50,000 transfer to the Utility Capital Replacement Fund has been included. The debt service transfer is increasing due to the initial principal payment for TWDB Certificates of Obligation.
UTILITY DEBT SERVICE FUND SUMMARY

FUND DESCRIPTION
The Utility Debt Service Fund tracks the revenue set aside for the retirement of certificates of obligation issued for utility improvements. The fund also tracks the payment of principal and interest for outstanding bond obligations. Utility Debt Service is paid using revenues generated by the provision of water and sewer service. The approximate amount needed to pay principal and interest related to the City’s indebtedness is transferred in from the Utility Fund.

REVENUES
Revenues are transferred in from the Utility Fund totaling $3,552,416 which is an increase from the FY16 Budget. A portion of the debt service is paid using impact fees that are used for debt service payments for eligible capital projects. Debt service requirements are paid using water and wastewater user fees and other collected revenue.

EXPENSES
Debt service payments are generally made in February and August of each year. Expenses include principal reduction ($2,204,050) and interest ($1,669,447) on existing certificates of obligation. The variance in the overall expense in FY17 includes the first principal payment towards the TWDB Certificates of Obligation of approximate $800,000.

BUDGET VARIANCES
Remaining fund balance from FY16 will be used to offset the additional costs associated with the initial principal payment for the TWDB Certificates of Obligation. Additional fund balance was due to the late issuance of the 2015 General Obligation Refunding. Only the annual debt service requirement is transferred to the Utility Debt Service Fund each year. The Debt Analysis Section provides more information regarding the City’s outstanding and proposed debt issuances.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>ACTUAL</td>
<td>BUDGET</td>
<td>AMENDED</td>
<td>PROJECTED</td>
<td>BUDGET</td>
</tr>
<tr>
<td>REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTEREST &amp; OTHER</td>
<td>840</td>
<td>500</td>
<td>500</td>
<td>1,145</td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td>840</td>
<td>500</td>
<td>500</td>
<td>1,145</td>
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<tr>
<td>EXPENDITURES</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>DEBT SERVICE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRINCIPAL REDUCTION</td>
<td>1,130,979</td>
<td>1,237,100</td>
<td>1,237,100</td>
<td>1,237,100</td>
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<td>INTEREST</td>
<td>1,718,105</td>
<td>1,775,509</td>
<td>1,775,509</td>
<td>1,621,173</td>
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<td>PAYING AGENT FEES</td>
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<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
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<td>TOTAL DEBT SERVICE</td>
<td>2,851,141</td>
<td>3,017,609</td>
<td>3,017,609</td>
<td>2,863,273</td>
</tr>
<tr>
<td>TRANSFERS</td>
<td></td>
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<td></td>
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<tr>
<td>TRANSFER IN</td>
<td>3,020,399</td>
<td>2,840,915</td>
<td>2,840,915</td>
<td>2,840,915</td>
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<tr>
<td>TRANSFERS OUT</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL TRANSFERS</td>
<td>3,020,399</td>
<td>2,840,915</td>
<td>2,840,915</td>
<td>2,840,915</td>
</tr>
<tr>
<td>NET CHANGE IN FUND BALANCE</td>
<td>170,099</td>
<td>(176,193)</td>
<td>(176,193)</td>
<td>(21,213)</td>
</tr>
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<td>BEGINNING FUND BALANCE</td>
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<td>226,193</td>
<td>396,794</td>
<td>396,794</td>
</tr>
<tr>
<td>ENDING FUND BALANCE</td>
<td>396,794</td>
<td>50,000</td>
<td>220,600</td>
<td>375,581</td>
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</tbody>
</table>
UTILITY CAPITAL REPLACEMENT FUND

Fund Description

The Capital Replacement Fund was created to track the cost of replacing aged and worn capital assets including vehicles and equipment, and begin setting aside funds to replace aging equipment. A portion of asset’s value is set aside each year to build up the cost of replacing the asset. Proceeds from the sale of capital assets will be deposited in this fund for the replacement of future capital assets. The amount reserved for replacement is based on the asset’s cost and useful lifespan. The total unfunded replacement cost is approximately $500,000.

Revenues

Revenues represent transfers in from the Utility Fund. A transfer of $50,000 from the Utility Fund to the Utility Capital Replacement Fund is budgeted for FY17.

Expenses

Expenses would include replacement equipment and machinery used by the City’s utility system. No expenses are planned for the Capital Replacement Fund in 2016-17. The City plans to build up the fund balance to be used to replace aging and worn capital assets.

Budget Variances

This fund was created in Fiscal Year 2010. Fund balance is expected to increase over the next few years as the City sets aside funds to replace aging assets.
IMPACT FEES FUND

**FUND DESCRIPTION**

The Impact Fees Fund is used to manage the collection and use of impact fees for the City’s Water and Wastewater Capital Improvement Projects. The City began collecting impact fees in the fall of 2006. The Impact Fee Study was last conducted in 2013. The City transfers collected Impact Fees to the Utility Fund to help pay for debt service related to capital projects. Any fund balance left at the end of the year is due to the timing of collections.

**REVENUES**

Revenues are calculated based on anticipated development of subdivisions and commercial sites. Impact fees are assessed at the time a property is platted and paid at the time the building permit is issued. Impact fee collections are expected to increase in line with the increase in new growth currently occurring in Hutto. The City currently assesses the following impact fees:

*For lots platted prior to February 2013:*
- Water - $3,625 per service unit equivalent
- Wastewater - $2,128 per service unit equivalent

*For lots platted after February 2013:*
- Water - $4,363 per service unit equivalent
- Wastewater - $1,068 per service unit equivalent

Included in the 2016-17 Budget is costs related to an Impact Fee Study update. Revenue may fluctuate in FY17 due to the findings associated with the Impact Fee Study.

**EXPENSES**

Eligible Impact Fee collections will be transferred to the Utility Fund to support eligible debt service payments.

**BUDGET VARIANCES**

The Impact Fee Fund was created in 2008 to appropriately account for revenues and expenses related to impact fees under Chapter 395 of the Texas Water Code. Collected impact fees are transferred to the Utility Fund for eligible expenses.

---

**2014-15** | **2015-16 BUDGET** | **2015-16 AMENDED** | **2015-16 PROJECTED** | **2016-17 BUDGET**
---|---|---|---|---
**Actual** | 2015-16 | 2015-16 | 2015-16 | 2015-16 |
**Water Impact Fees** | 641,693 | 500,000 | 694,271 | 694,271 | 654,526 |
**Wastewater Impact Fees** | 582,672 | 400,000 | 668,472 | 668,472 | 594,325 |
**Total Revenues** | 1,224,365 | 900,000 | 1,362,743 | 1,362,743 | 1,248,852 |

**Transfers**

**Transfer In** | - | - | - | - | - |

**Transfer Out** | (1,244,465) | (900,000) | (1,362,743) | (1,362,743) | (1,248,852) |

**Total Transfers** | (1,244,465) | (900,000) | (1,362,743) | (1,362,743) | (1,248,852) |

**Net Change in Fund Balance** | (20,100) | - | - | - | - |

**Beginning Fund Balance** | 20,100 | - | - | - | - |

**Ending Fund Balance** | - | - | - | - | - |
COURT FEES FUND

REVENUES
Court Technology Fees 7,130 7,000 6,700 7,000 7,000
Court Security Fees 5,018 5,100 5,100 5,100 5,100
Court Training Fees 487 500 450 500 500
Total Revenues 12,635 12,600 12,250 12,600 12,600

EXPENDITURES
Court Technology 6,727 7,024 7,024 693 13,730
Court Security 5,538 28,652 28,652 3,875 35,010
Court Training - 1,939 1,939 - 2,441
Total Expenditures 12,265 37,615 37,615 4,568 51,181

Net Change in Fund Balance 370 (25,015) (25,015) 8,032 (38,581)

Beginning Fund Balance 30,180 25,015 30,550 30,550 38,582

Ending Fund Balance 30,550 - - 38,582 -

FUND DESCRIPTION
The Court Fees special revenue fund tracks fees that are allowed to be collected on certain Class C Misdemeanors in Municipal Court. These fees must only be used for specific purposes outlined in the law, including Court Security, Court Technology and Court Training.

REVENUES
Court fees are special Municipal Court revenues collected in accordance with state law to enhance Court security, technology, and training. A total of $12,600 has been budgeted for FY17.

EXPENSES
The special revenues may only be used for expenses related to Court technology, security, and training. The budget reflects using the full balance of each of the funds each year to give the staff the flexibility to use the funds as needed. Court Security Fund was used in 2014 to implement a Warrant Officer program with great success. This program was designed to raise fine collections and reduce the cost of outside resources.

BUDGET VARIANCES
The Court Fee Funds summary includes Court Technology, Security, and Training Funds. Fund balance will fluctuate depending on the timing of projects.
HOTEL TAX FUND

**Fund Description**

The Hotel Occupancy Tax Fund was created in 2008 to better manage revenue and expenses related to the Hotel Occupancy Tax collected by the City of Hutto. State law stipulates special restrictions for the expenditure of Hotel Occupancy Tax revenue. The City Council adopted a Hotel Tax Use Policy in 2009 defining how hotel tax revenues may be used. The Policy stipulates that funds may be used for any of the follow functions so long as the action aids in bring overnight tourists to Hutto:

1) Convention and Visitor’s Bureau functions - 15%
2) Promotion of the Arts - 15%
3) Historical Restoration and Museums - No limit
4) Sporting Event Promotion - No limit
5) Enhancement of Existing Sports Facilities - No limit
6) Signage (directional signage for tourists) - No limit

**Revenues**

Revenues represent the 7% Hotel Occupancy Tax allowed by state law. The City’s first major hotel opened in 2008. A second hotel opened in 2015, increasing the City’s hotel tax collections.

**Expenses**

The City implemented a Hotel Tax Use Policy in 2009 to outline how hotel/motel tax revenues may be used in accordance with state law. In 2014 the Hotel Tax Use Policy was amended to allow for businesses intending to promote the City of Hutto to visitors through a public project or event to also apply for funding. The application process has been revised to have applicants apply during a designated time annually rather than throughout the year allowing for improved budgetary planning and further clarification to applicants. The application packet has also been modified to include a cover letter,
overview, checklist, application revisions, a copy of Chapter 351 of the Texas Tax Code, and a lodging directory. Funding is at the discretion of the City Council. The Downtown and Tourism Manager oversees the use of the funds in accordance with state law and city policy.

A transfer to General Fund allows for the City to act in a Convention and Visitor’s Bureau. Currently HOT funds are spent on a portion of the Downtown & Tourism Manager’s salary and other various expenses through an internal transfer. The fund supports expenses incurred on an annual webpage for Hutto on www.TourTexas.com which allows the City to receive visitor leads and mail brochures when requested. The Downtown & Tourism Manager utilizes the additional funding for printing brochures, online banner ads on Tour Texas, as well as other placed ads (such as in the Houston House & Home), to market events such as Christmas Fair/Old Town Christmas Weekend and the Home & Garden Show. In 2016-17 the Downtown & Tourism Division plans to utilize a portion of the funds to buy a full page in the Hill Country Trail Brochure. This brochure is printed and distributed around the state as well as online for downloading.

A full breakdown of expenses was added with the 2016-17 Budget to allow the reader to see how much is available within each category. Unencumbered funds from previous fiscal years are also available for use.

**Budget Variances**

Actual expenses will be based on applications from community organizations for use of the funds.
RED LIGHT CAMERA FUND

REVENUES

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<td>251,601</td>
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<td>180,000</td>
<td>250,000</td>
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<td><strong>Total Revenues</strong></td>
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<td>180,000</td>
<td>250,000</td>
<td>30,000</td>
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EXPENDITURES

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<tbody>
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<td>Red Light Camera (ATS)</td>
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<td>Other Supplies &amp; Materials</td>
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<td>19,000</td>
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<tr>
<td>Remittance to State</td>
<td>45,814</td>
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<td>48,000</td>
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<td><strong>Total Expenditures</strong></td>
<td>185,695</td>
<td>186,940</td>
<td>186,940</td>
<td>213,000</td>
<td>35,000</td>
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TRANSFERS

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<tr>
<td>Transfers In</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(102,850)</td>
</tr>
<tr>
<td><strong>Total Transfers</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(102,850)</td>
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NET CHANGE IN FUND BALANCE

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<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>4,942</td>
<td>6,942</td>
<td>70,850</td>
<td>70,850</td>
<td>107,850</td>
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<tr>
<td>Ending Fund Balance</td>
<td>70,850</td>
<td>-</td>
<td>63,910</td>
<td>107,850</td>
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FUND DESCRIPTION

The Red Light Cameras Fund tracks revenues and expenses associated with the City’s red light cameras.

REVENUES

Revenues represent collections from the City’s red light cameras. The City contracted with American Traffic Solutions in 2008 to install red light monitoring cameras at key intersections to reduce traffic accidents. Revenues are expected to decrease after November 2016 with the assumption that the City Council will terminate the contract.

EXPENSES

As per the contract with American Traffic Solutions (ATS), the City pays $3,750 per approach each month to ATS for the cost of the equipment, administration, and maintenance of the system. Half of remaining funds are transferred to the state in accordance with Chapter 7 of the Texas Transportation Code. Expenses are expected to decrease after November 2016 with the expiration of the ATS contract. Any remaining funds will be transferred to General Fund to offset costs for Police Department equipment purchases related to traffic enforcement.

BUDGET VARIANCES

The Red Light Camera fund was created in FY2010 to better manage revenues and expenses related to the red light cameras. Funds generated through red light cameras may be used to enhance traffic enforcement. Effective with the cancellation of the ATS contract all remaining will be transferred to General Fund to offset ongoing expenses related to Police Department traffic enforcement.
PEG FUND

FUND DESCRIPTION
The Public, Education and Government Channel Fund (PEG Fund) accounts for cable franchise fee payments used for the provision of a public, educational and governmental access channel in accordance with state law.

REVENUES
The City of Hutto, through a state franchise agreement, receives franchise fees equal to 1% of gross cable provider revenues to support certain expenses in providing a public access channel. The estimated 2016-17 revenue of $32,194 is based on a 2% growth in the gross revenue received by Time Warner Cable.

EXPENSES
Use of PEG revenues is regulated by state law. In short, the franchise fee may be used to pay capital costs associated with operating a public access channel. The City of Hutto, in partnership with Hutto ISD, launched the Hutto Cable Access Channel in early 2014 on Time Warner Cable Channel 10. The City budgets all available resources in order to pay for expenses throughout the year.

The City will began broadcasting City Council Meetings in September 2015 and all associated expenses for set up were paid with PEG funds.

BUDGET VARIANCES
The PEG Fund was created through a budget amendment in FY2014 to account for revenues and expenses in accordance with the state franchise agreement.

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<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
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<tr>
<td>PEG Capital Fees</td>
<td>30,907</td>
<td>29,131</td>
<td>29,131</td>
<td>31,563</td>
<td>32,194</td>
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<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>30,907</td>
<td>29,131</td>
<td>29,131</td>
<td>31,563</td>
<td>32,194</td>
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<tbody>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
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<tr>
<td>Technology Equipment &amp; Supplies</td>
<td>21,536</td>
<td>38,000</td>
<td>24,287</td>
<td>245</td>
<td>41,425</td>
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<tr>
<td>Professional Services</td>
<td>41,983</td>
<td>24,190</td>
<td>24,190</td>
<td>-</td>
<td>41,125</td>
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<tr>
<td><strong>TOTAL EXPENDITURES</strong></td>
<td>63,339</td>
<td>62,190</td>
<td>48,477</td>
<td>245</td>
<td>82,850</td>
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<tbody>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(32,432)</td>
<td>(33,059)</td>
<td>(19,346)</td>
<td>31,318</td>
<td>(50,656)</td>
</tr>
<tr>
<td><strong>BEGINNING FUND BALANCE</strong></td>
<td>51,778</td>
<td>33,060</td>
<td>19,346</td>
<td>19,346</td>
<td>50,660</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>19,346</td>
<td>-</td>
<td>-</td>
<td>50,660</td>
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ARTICLE 8
FINANCIAL ADMINISTRATION

Section 8.01. FISCAL YEAR.

The fiscal year of the City shall begin on October 1, each year and end on the following September 30. The fiscal year may be changed by the City Council by ordinance, provided that no change shall be effective until six (6) months after the passage of such ordinance.

Section 8.02. SUBMISSION OF BUDGET AND BUDGET MESSAGE.

On or before the 15th day of August of each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying message.

Section 8.03. BUDGET MESSAGE.

The City Manager's message shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline the adopted financial policies of the City for the ensuing fiscal year, describe the important features of the budget and indicate any major changes from the current year in financial policies, expenditures and revenues together with the reasons for such changes. The message shall also summarize the City's debt position and include such other material as the City Manager deems desirable.

Section 8.04. BUDGET.

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections as follows:

a) Goals and Objectives. The proposed goals, objectives and expenditures for current operations during the ensuing fiscal year, detailed for each fund by organization unit and program, purpose or activity, and the method of financing such expenditures;

b) Capital Budget. Proposed capital expenditures during the ensuing fiscal year, detailed for each fund by organization unit when practicable, and the proposed method of financing each capital expenditure; and

c) Enterprise Funds. The anticipated income and expense and profit and loss for the ensuing year for each public utility or other proprietary enterprise fund, as defined in this Charter, operated by the City. For any fund, the total of proposed expenditures shall not exceed the total of estimated income plus any fund balance carried forward, exclusive of reserves.

d) Appropriation. To ensure a higher quality of life and security for the citizens of Hutto, the following appropriations will be mandated in each and every Annual Budget:

a. Ten (10) percent of the Annual Budget shall be placed in a Contingency Fund to be used for Emergency Purposes as outlined in Section 8.05 of the Charter.
Section 8.05. **CITY COUNCIL ACTION ON BUDGET.**

a) **Notice and hearing.** The City Council shall publish in one or more newspapers of general circulation in the City and as files available for download via the Internet, the general summary of the budget and a notice stating the times and places where copies of the message and budget are available for inspection the public, and the time and place, not less than two weeks after such publication, for a public hearing on the budget.

b) **Amendment before Adoption.** After the public hearing, the City Council may adopt the budget with or without amendment. In amending the budget, the City Council may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for an estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than estimated income.

c) **Adoption.** The City Council shall adopt the budget on or before the last day of the last month of the current fiscal year. If the City Council fails to adopt the budget by this date, the budget proposed by the City Manager shall go into effect.

Section 8.06. **APPROPRIATION AND REVENUE ORDINANCES.**

To implement the adopted budget, the City Council shall adopt the following prior to the beginning of the ensuing fiscal year:

a) **Ordinance Adopting Budget.** An ordinance shall be made adopting the budget and making the appropriations set forth therein by department or major organizational unit and authorizing a single appropriation for each program, capital project or activity.

b) **Tax Levy Ordinance.** A tax levy ordinance shall be made authorizing the property tax levy or levies and setting the tax rate or rates.

c) **Revenue Ordinances.** Any other ordinances required to authorize new revenues or to amend the rates or other features of existing taxes or other revenue sources shall be made.

Section 8.07. **AMENDMENTS AFTER ADOPTION.**

a) **Supplemental Appropriations.** If, during the fiscal year, the City Manager certifies that there are revenues available for appropriation that are in excess of those estimated in the budget, the City Council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

b) **Emergency Appropriations.** To meet a public emergency affecting life, health, property, or the public peace, or to avoid a material cost or public expense, the City Council may make emergency appropriations. Such appropriations may be made by emergency ordinance in accordance with the provisions of 3.15 of this Charter. To the extent that there are no available unappropriated revenues or a sufficient fund balance to meet such appropriations, the City Council may by emergency ordinance authorize the issuance of emergency notes. Such notes may be renewed from time to time; however, an emergency note and renewal for any fiscal year shall be paid not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

c) **Reduction of Appropriations.** If at any time during the fiscal year it appears probable to the City Manager that the revenues or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the City Manager shall report to the City Council within no more than two weeks, indicating the estimated amount of the deficit, any remedial action taken by the City Manager and recommendations as to any other steps to be taken. The City Council shall then take such further action as it deems necessary to prevent or reduce any deficit and for that purpose it may by ordinance reduce one or more appropriations.

d) **Transfer of Appropriations.** At any time during the fiscal year the City Council may by resolution transfer part or all of the unencumbered appropriation balance from one department or major organizational unit to the appropriations for other departments or major organizational units. The City Manager may transfer part or all of any unencumbered appropriation balances among programs within a department or organizational unit and shall report such transfers to the City Council no later than the next regular City Council meeting.
c) **Limitations and Effective Dates.** No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of its unencumbered balance. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this Section may be made effective immediately upon adoption.

**Section 8.08. LAPSE OF APPROPRIATIONS.**

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until expended, revised or repealed. The purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

**Section 8.09. ADMINISTRATION OF THE BUDGET.**

The City Council shall provide by ordinance the procedures for administering the budget.

**Section 8.10. OVERSPENDING OF APPROPRIATIONS PROHIBITED.**

No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with authorized appropriations and unless the City Manager or his designee first certifies that there is a sufficient unencumbered balance in such allotment or appropriation and that sufficient funds are or will be available to cover the claim or meet the obligation when it becomes due and payable. Any authorization of payment or incurring of obligation in violation of the provisions of this Charter shall be void and any payment made shall be illegal. A violation of this provision shall be cause for removal of any officer who knowingly authorized or made such payment or incurring such obligation. Such officer may also be liable to the City for any amount so paid. Except as prohibited by law, however, nothing in this Charter shall be construed to prevent the making or authorizing of payments or making of contracts for capital improvements to be financed in whole or in part by the issuance of bonds or to prevent the making of any contract or lease providing for payments beyond the end of the fiscal year, but only if such action is made or approved by ordinance.

**Section 8.11. DEPOSITORY.**

All moneys received by any person, department or agency of the City for or in connection with affairs of the City shall be deposited daily in the City depository or depositories. The City Council shall designate depositories in accordance with regulations and subject to security requirements for deposits and accrued interest as may be established by ordinance. All checks, vouchers, or warrants for the withdrawal of money from the City depositories shall be signed by the City Manager or by the Mayor in the absence of the City Manager and countersigned by a City official designated by the City Council. The City Council may by ordinance authorize the use of machine-imprinted facsimile signatures of the Mayor or City Manager on checks, vouchers and warrants. However, two original signatures shall be required for all checks in excess of $5,000.

**SECTION 8.12. PURCHASE PROCEDURE.**

All purchases made and contracts executed by the City shall be pursuant to requisitions from the heads of the offices, departments or agencies whose appropriations will be charged. No contract or order shall be binding upon the City unless the Finance Officer certifies that there is to the credit of such office, department or agency a sufficient unencumbered appropriation to pay for the supplies, materials, equipment, or contractual services for which the contract or order is to be issued. All contracts or purchases of property shall be made in accordance with State law or ordinance provided that the City Council or the City Manager, in such cases as he/she is authorized to contract for the City, shall have the right to reject any and all bids. Contracts for personal or professional services are not required to be let on competitive bids.

**SECTION 8.13. SALE OF REAL PROPERTY.**

The sale of real property owned by the City of Hutto shall be limited by govern by State Law. In addition, all sales of real property owned by the City of Hutto shall be subject to the approval of the City Council.

**Section 8.14. INDEPENDENT AUDIT.**
At the close of each fiscal year and at other times as necessary, the City Council shall have a certified public accountant conduct an independent audit of all accounts of the City. The certified public accountant shall have no personal interest in the financial affairs of the City or of its officers. A summary of the results of the completed audit shall be on file in the City Secretary’s office as a public record and as files available for download via the Internet.

ARTICLE 9
TAXATION

SECTION 9.01. TAXATION POWERS
The City Council shall have power to levy taxes to the extent and for all purposes authorized by the laws of the State of Texas, and by this Charter. The limitations thereon fixed by the Constitution of the State, and provide for the mode and manner of levying, assessing and collecting the same, and to apportion such taxes as in the discretion of the City Council shall be to the best interest of the city.

SECTION 9.02. DUTY TO LEVY
It shall be the duty of the City Council annually, to levy, assess and collect such taxes on the assessed valuation of all taxable property within the city as may be necessary for general purpose and current expenses of the city, provided that the rate of taxation shall never exceed the limit prescribed by the Constitution and laws of the State of Texas.

SECTION 9.03. SINKING FUND
The City Council shall have power to annually levy, assess and collect such taxes as may be necessary to pay the interest on, and create a sinking fund or funds for, the bonded or other indebtedness of the city now existing or hereafter to be created.

SECTION 9.04. TAX LIABILITIES
The property of all persons owing any taxes to the City of Hutto is hereby liable for all taxes, whether the same be due upon personal or real property, or both, and a lien is hereby expressly fixed upon all such property to secure the payment of said taxes; and the ad valorem taxes due on any one piece of property shall not be received by the collector from the owner or other person interested therein separately without paying the ad valorem taxes owing by him on other property.

SECTION 9.05. COLLECTION OF TAXES
The City Council shall have power to provide by ordinance for the prompt collection of taxes levied, assessed and imposed under this Charter and the ordinances of said city, and it is hereby authorized, and to that end shall have full power and authority to sell, or cause to be sold, all kinds of property, real and personal, and shall make such rules and regulations, ordain and pass such ordinances, as it may consider necessary to the levying, imposing, assessing and collecting of any and all taxes provided for in this Charter and unless otherwise provided by ordinance, all property in said city liable and subject to taxation shall be assessed, and said taxes shall be levied and collected, in accordance with the provisions of the general laws of the State of Texas.

SECTION 9.06. COLLECTIONS FOR BONDED AND OTHER INDEBTEDNESS
All moneys arising from the collection of taxes levied for the payment of interest on, and providing a sinking fund for, bonded or other indebtedness of the City, shall be maintained in a separate fund, to be designated "Interest and Sinking Fund," and a separate account shall be kept of the funds applicable to each series of indebtedness.

SECTION 9.07. FORCED COLLECTION OF TAXES
The city Council may provide by ordinance for the prompt collection by suit, sale or otherwise, of all taxes due the city, of every kind. The Council may also provide penalties for the failure to pay taxes by a given date, provided the penalty shall never exceed that imposed by the State law. The city may proceed in the matter of the enforced collection of taxes in all things as provided by law for the collection of State and county taxes in this State, insofar as same is applicable, and the City Attorney shall receive for his services in tax suits the same fees allowed by law for county attorneys for like services.
ARTICLE 10
BONDS

SECTION 10.01  BORROWING FOR CAPITAL IMPROVEMENTS

Borrowing.

The City Council shall have the power, except as prohibited by law, to borrow money by whatever method it may deem to be in the public interest.

General Obligation Bonds and Certificates of Obligation.

The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds and certificates of obligation for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the state of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds or certificates of obligation shall be issued in conformity with the laws of the state of Texas and shall be used only for the purpose for which they were issued.

Revenue Bonds.

The City shall have the power to borrow money for the purpose of constructing, purchasing, improving, extending or repairing of public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the constitution and laws of the state of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income there from, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the state of Texas and shall be used only for the purpose for which they were issued.

Bonds Incontestable.

All bonds of the City having been issued and sold and having been delivered to the purchaser thereof, shall thereafter be incontestable and all bonds issued to refund in exchange for outstanding bonds previously issued shall and after said exchange, be incontestable.
The procedure for adoption of any ordinance relative to borrowing for capital improvements shall be:

A copy of the proposed ordinance shall be furnished to (1) each member of the City Council, (2) the City Attorney, and (3) any citizen of the City for inspection upon request to the City Secretary, at least three days before the date of the meeting at which the ordinance is to be considered.

Any ordinance relative to borrowing for capital improvements may be adopted and finally passed at the meeting at which it is introduced.
FISCAL AND BUDGETARY POLICY

(ADOPTED APRIL 21, 2016)

OVERVIEW AND STATEMENT OF PURPOSE

The City of Hutto has an important responsibility to its citizens and customers to carefully account for public funds, to manage City finances wisely and to plan for the adequate funding of services desired by the public.

The broad purpose of the Fiscal and Budgetary Policy is to enable the City to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operations of the City’s financial affairs. The City’s financial management, as directed by this Policy, is based upon the foundation of integrity, prudent stewardship, planning, accountability and full disclosure.

Policy scope generally spans areas of financial planning, operating and capital budgeting, revenue management, expenditure control, asset management, pay philosophy, accounting and financial reporting, debt management, and reserves. This is done in order to:

A. Demonstrate to the citizens of Hutto, the City’s bond holders, other creditors and the bond rating agencies that the City is committed to a strong fiscal operation;

B. Provide a common vision for financial goals and strategies for current and future policy-makers and staff;

C. Fairly present and fully disclose the financial position of the City in conformity to Generally Accepted Accounting Principals (GAAP); and

D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code, bond covenants and other legal mandates.

The Fiscal and Budgetary Committee will annually review the Fiscal and Budgetary Policy and make recommendations to City Council.

FIVE YEAR FINANCIAL PLAN

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. Multi-year budgeting provides a means to identify the impact of implementing new programs and projects on future budgets. The Five Year Financial Plan is the City’s long range operations and capital plan. The plan includes all of the operating departments of the General Fund and Utility Fund as well as the capital improvement funds of the City. The plan is reviewed and updated annually.

A. Capital Improvements Program – The Capital Improvements Plan (CIP) outlines the major utility infrastructure, streets and drainage, facilities, parks and other improvements needed to serve the citizens, maintain existing infrastructure and facilities, meet growth related needs and comply with state and federal regulations.

1. Preparation – The City Engineer, with the support of the Finance Department, coordinates the annual update and adoption of the five-year CIP as a part of the annual budget process. In accordance with the City Charter (Charter, section 12.03), the CIP will be delivered to the Planning and Zoning Commission, so that P&Z recommendations may be presented to City Council. The CIP includes all costs associated with the design, rights of way, acquisition and construction of a project, as well as the estimated operating and maintenance costs, which impacts future operating budgets. The following guidelines will be utilized in developing the CIP:

   • Needed capital improvements and major maintenance projects are identified through system models, repair and maintenance records and growth demands.
   • A team approach will be used to prioritize CIP projects, whereby City staff from all operational areas provide input and ideas relating to each project and its effect on operations.
   • Citizen involvement and participation will be solicited in formulating the capital budget through website solicitation.
   • City Master Plans
2. **Financing Programs** – Where applicable, impact fees, assessments, pro-rata charges or other fees should be used to fund capital projects which have a primary benefit to specific, identifiable property owners. Factors related to the issuance of debt will include the following: a.) legal constraints on debt capacity and financing alternatives, b.) essentiality of the proposed capital improvement and the economic cost of delay, c.) willingness and financial ability to pay for the capital improvement, d.) determine the ability to fund through a pay-as-you-go system, e.) assess current interest rate environment for borrowing and investment as well as other market conditions, e.) financial condition of the City, f.) the types, availability and stability of revenues to be pledged for repayment of the debt, g.) type of debt to be issued, and h.) the nature and asset life of the capital projects.

3. **Control** – All capital project expenditures must be appropriated in the capital budget. The Director of Finance or City Manager must certify the availability of resources before any right of way easement is negotiated or before any capital project contract is presented to the Council for approval.

4. **Reporting** – Periodic financial reports will be prepared to enable the Department Directors to manage their capital budgets and to enable the Finance Department to monitor and control the budget as authorized. Capital project status reports will be provided to Council.

B. **Operations Plan** – The plan will include estimated operating expenses, the cost of new programs being contemplated and staffing needs for the five year period.

C. **Revenues and Financing Plan** - The Finance Department will develop conservative, five year revenue forecasts based upon current and known future revenue streams. The Plan will illustrate the impact of the Capital and Operations Plan on the property tax rate, utility rates and other fees. Sensitivity analyses may be used in order to react to low-medium-high growth environments that would allow for more aggressive investment in infrastructure and conversely time to react to economic slowdown.

D. **Performance Measures** - Department Directors will develop program performance measures to evaluate the impact of new programs and growth on the departments. Existing programs will also be evaluated as a part of the five year planning process and annual budget process to determine whether certain programs should continue to be funded. ICMA Insights program participation will be utilized to establish, track, and compare performance measures.

**ANNUAL OPERATING BUDGET**

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The “operating budget” is the City’s annual financial operating plan. The annual budget includes all of the operating departments of the general fund, proprietary funds, debt service funds, special revenue funds, and capital improvement funds of the City.

A. **Planning** – The budget process will include City Council participation in the identification of major policy issues. The budget process will be a part of an overall strategic planning process for the City. The process will also allow for citizen input.

B. **Preparation** – The Charter (Section 8.02) requires “On or before the 15th day of August each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying message.” The budget shall be adopted not later than the last day of the last month of the fiscal year.

1. **Proposed Budget** – A proposed budget shall be prepared by the City Manager per the City Charter.
   a. In accordance with the Charter (Section 8.04), the budget shall provide a complete financial plan for the ensuing fiscal year, in a form as the City Manager or Council deems desirable, and the budget shall include goals and objectives, a capital budget, enterprise funds and appropriations.
   b. In accordance with the Charter (Section 8.05), the City will publish in a newspaper of general circulation in the City and on the City website a general summary of the budget, as well as the times and places that the budget is available for public inspection, no less than two weeks after the publication.
   c. A copy of the proposed budget will be filed with the City Secretary when it is submitted to the City Council, which must be at least 30 days prior to the vote.

2. **Adoption** – City Council will hold a public hearing, and subsequently adopt by Ordinance the final budget. The budget will be effective for the fiscal year beginning October 1st.
3. **Standards for Publication** - The City will utilize the criteria outlined in the Government Finance Officers Association (GFOA) Distinguished Budget Program for the presentation of the budget document. The budget document will be submitted annually to the GFOA for evaluation and consideration for the Distinguished Budget Presentation Award.

4. **Budget Calendar** – The timeline for budget adoption is guided by City Charter and state Truth in Taxation laws. The deadline for the chief appraiser to certify rolls to taxing units is July 25. After certification, City Council must discuss the tax rate, and if the maximum rate they will consider adopting will exceed the rollback rate or effective tax rate, they must take a record vote and schedule a public hearing. If required, Notice of Public Hearing on Tax Increase must be published at least 7 days before the first public hearing. If required, the second public hearing must be no earlier than 3 days after the first public hearing, and is also when the meeting to adopt tax rate will be scheduled and announced (must be 3-14 days from this date). Notice of Tax Revenue Increase must be published before the meeting to adopt tax rate (at least seven days, if available). The meeting to adopt tax rate must be held 3-14 days after the second public hearing, and the tax rate must be adopted before September 30.

C. **Revenue Estimates** – In order to maintain a stable level of services, the City shall use a conservative, objective and analytical approach when preparing revenue estimates. The process shall include the analysis of probable economic changes and their impacts on revenues, historical collection rates and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year, which could otherwise result in mid-year service reductions.

D. **Balanced Budget** – The goal of the City is to balance the operating budget with current revenues, whereby, current revenues match and fund on-going expenditures/expenses. Excess balances in the operating funds from previous years may be used for non-recurring expenditures/expenses or as capital funds.

E. **Reporting** – Summary financial reports will be presented to the Fiscal and Budgetary Committee and provided to City Council quarterly, at a minimum. These reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status.

F. **Control and Accountability** – Each Department Director, appointed by the City Manager, will be responsible for the administration of his/her departmental budget. This includes accomplishing the Goals and Objectives adopted as part of the budget and monitoring each department budget for compliance with spending limitations. Department Directors may request a transfer of funds within a department budget. All transfers of appropriation or budget amendments require either City Council or City Manager approval as outlined in Section V.C. Further expenditure control guidance is located in Section V of this policy.

G. **Budget Amendments** – The Charter (Section 8.07) provides a method to amend appropriations. The City Council may authorize:
   1. **Supplemental Appropriations** – If the City Manager certifies that revenues are available in excess of those estimated in the budget, an amendment ordinance may be prepared for City Council approval.
   2. **Emergency Appropriations** – To meet public emergency affecting life, health, property or the public peace, or to avoid a material cost or public expense, the City Council may adopt an emergency appropriation.
   3. **Reduction of Appropriations** – If at any time during the fiscal year it appears probable that expected revenues will be insufficient to finance expenditures for which appropriations have been authorized, the City Council may adopt an ordinance to reduce appropriations.

H. **Contingency Appropriations** – The budget may include contingency appropriations within designated operating department budgets. These funds are used to offset anticipated but amount unknown expenditures, unexpected maintenance or other unanticipated expenses that might occur during the year, including insurance deductibles, unexpected legal expenses and equipment repairs.

I. **Outside Agency Funding** – The City Council may fund a number of outside agencies and organizations that provide core services for the citizens of Hutto. The amount of funding received by each agency depends upon Council direction and the availability of funds. The City Council may fund up to 0.75% of the estimated General Fund revenues during the budget process.
1. **Funding Process** - All agencies shall have a standardized process for application, review, monitoring and reporting. All agencies are required to submit applications for funding to the City during the budget process. Applications will include the following:
   a. Information about the organization including organization’s purpose, charter, board of directors, etc.
   b. Copy of organization’s financial policies.
   c. Copy of prior year’s tax filing demonstrating non-profit status.
   d. Copy of prior year’s audit or financial review for organizations whose operating budget exceeds $100,000 annually.

2. Funding of non-profit agencies through public funds require enhanced guidelines for spending and operations which shall include:
   a. Funding will typically be used for specific programs, rather than for general operating costs, and demonstrates the program’s sustainability beyond a three-year funding period.
   b. The City shall have the ability to review financial reports to monitor how public funds are utilized by an organization.
   c. Other items may be addressed by the City Council as specified in each organization’s Outside Agency Funding Agreement.

3. The Fiscal and Budgetary Committee will review requests from other agencies and develop a recommendation to Council based upon available funding. Applications will be evaluated on the following criteria:
   a. Number of Hutto citizens served by the organization;
   b. Type of service provided and whether other organizations in the community provide the service;
   c. Availability of other funding sources for the organization;
   d. Demonstration of ability to adhere to the guidelines outlined by this policy;
   e. The City Council prefers to allocate funding based upon the following guideline:
      - Education – 10%
      - Quality of Life – 30%
      - Social Services – 60%
      - Public Health and Safety – The City Council may provide additional funding above the designated 0.75% to support governmental organizations that provide public health and safety services to the Hutto Community. Examples include membership in the Williamson County and Cities Health District and financial support for Williamson County Emergency Services District #3.

All funded agencies shall be required to submit quarterly reports with performance data unless otherwise specified.

J. **Periodic Program Reviews** – The City Manager and Department Directors will periodically review programs for efficiency and effectiveness. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards, or be subject to reduction or elimination.

K. **Budget Contingency Plan** – This policy is intended to establish general guidelines for managing revenue shortfalls resulting from factors such as local and economic downturns that affect the City’s revenue streams.

1. **Immediate Action** - Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:
   a. Freeze all new hire and vacant positions except those deemed to be a necessity.
   b. Review all planned capital expenditures.
   c. Delay all "non-essential" spending or equipment replacement purchases.

2. **Further Action** - If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. The City Manager may ask Department Directors for recommendations on reductions of service levels in order to
reduce expenditures to balance the budget. Any resulting service level reductions, including workforce reductions, will be addressed by the City Council.

REVENUE MANAGEMENT

A. **Optimum Characteristics** – The City will strive for the following optimum characteristics in its revenue system:

1. **Revenue Adequacy** – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

2. **Realistic and Conservative Estimates** - Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.

3. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. Where appropriate, the City will use the administrative processes of State, Federal or County collection agencies in order to reduce administrative costs.

4. **Diversification and Stability** – A diversified revenue system with a stable source of income shall be maintained. This will help avoid instabilities in two particular revenue sources due to factors such as fluctuations in the economy and variations in the weather.

B. **Other Considerations** – The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:

1. **Non-Recurring Revenues** – One-time or non-recurring revenues should not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and not for budget balancing purposes.

2. **Property Tax Revenues** – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based on the current appraisal supplied by the Williamson County Appraisal District. Reappraisal and reassessment shall be done a minimum of once every three years.

3. **Investment Income** – Earnings from investments will be distributed to the funds in accordance with the equity balance of the fund from which the monies were provided to be invested.

4. **User-Based Fees and Service Charges** – For services associated with a user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges no less than once every three years to ensure that fees provide adequate coverage for the cost of services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.

5. **Utility Fund Rates** – The City will review and adopt utility rates as needed to generate revenues required to fully cover operating expenses, meet the legal requirements of all applicable bond covenants and provide for an adequate level of working capital.

Additionally, enterprise activity rates will include transfers to and receive credits from other funds as follows:

6. **Administrative Cost Recovery** – Administrative costs should be charged to all funds for services of general overhead, such as administration, finance, customer billing, legal and other costs as appropriate. These charges will be determined through an indirect cost allocation following accepted practices and procedures.

7. **Revenue Monitoring** – Revenues as they are received will be regularly compared to budgeted revenues, variances will be investigated and any abnormalities will be included in the quarterly report to the City Council.

C. **Funding Alternatives**

1. **Grants** - The City shall seek to obtain grants which are consistent with the City’s current and future priorities and objectives. The City Council must authorize acceptance of any grant funding. Potential grants will be examined for any matching requirements and the source of those requirements identified. Grant applications will be reviewed by Finance to ascertain funding sources, outcomes and other
relevant information before the information is presented to the City Council. The City shall recover indirect costs to the maximum allowable by the funding source, and may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant. Grant-funded programs and associated positions will be terminated as directed by the City Council when grant funds are no longer available, unless alternate funding is identified.

2. **Leases** - The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.

3. **Impact Fees** - The City will impose impact fees as allowable under state law for both water and wastewater services. These fees will be calculated in accordance with statute and reviewed at least every five years. All fees collected will fund projects identified within the Fee study and as required by state laws.

**D. Liabilities and Receivables** - Procedures will be followed to maximize discounts and reduce penalties offered by creditors. Current liabilities will be paid within 30 days of receiving the invoice. Accounts Receivable procedures will target collection for a maximum of 30 days of service. Receivables aging past 120 days will be sent to a collection agency. The Director of Finance is authorized to write-off non-collectible accounts that are delinquent for more than 180 days, provided proper delinquency procedures have been followed, and include this information in the annual report to the City Council.

**EXPENDITURE POLICIES**

**A. Appropriations** – The point of budget control is at the department level budget for all funds. The Department Directors shall manage budgets to ensure that appropriations are not exceeded. Budgets are approved by the Council within a departmental or program budget category (personnel costs, supplies, maintenance, operations/maintenance and capital).

**B. Central Control** – No recognized or significant salary or capital budgetary savings in any Department shall be spent by the Department Head without prior authorization from the City Manager. This control will realize budget savings each year that will be available to be transferred by the City Manager, without further Council action.

**C. Budget Transfers** – The Charter (Section 8.06) provides that the City Manager may transfer balances within departments and programs. A Department Director may request a transfer between line items, or categories of items through the City Manager. Finance will make the adjustment upon approval from the City Manager and report the changes to City Council no later than the next scheduled City Council meeting.

**D. Purchasing** – All City purchases of goods or services will be made in accordance with the City’s current Purchasing Policy and with State law. In accordance with Texas Local Government Code, Subchapter B, Sections 252.021 and 252.043, the City shall make award to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality. Council may delegate authority to a designated representative in determining the appropriate method of purchase. State law requires any purchase of goods or materials over $50,000 be formally bid or procured through an approved cooperative. The City’s Purchasing Policy follows State Law by requiring multiple quotes for most purchases over $3,000. The City’s Purchasing Policy requires all contracts greater than $50,000 annually be approved by the City Council. The following shows a summary of approval requirements for purchases.

1. **Local Preference** - In accordance with Chapter 271.9051 of the Local Government Code, the City Council may choose to award a competitive bid of $100,000 or less to a bidder whose principal place of business is in the City limits, provided that this bid is within 5% of the lowest bid price received from the lowest bidder whose business is not within the City limits. The determination that the local bidder offers the City the best combination of contract price and additional local economic development opportunities will be made in writing.

2. **Interlocal Cooperation in Delivery of Services** – In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the cost of services, to share facilities and to develop joint programs to improve service to its citizens.

3. **Conflict of Interest** – The City will comply with all conflict of interest requirements as mandated by the Texas Government Code and Local Government Code.
E. **Prompt Payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.

**PAY PHILOSOPHY**

The City’s goal as an employer is to attract and retain quality employees who provide exemplary public service to our community in an effective and efficient manner.

A. **Adequate Staffing** – Staffing levels will be adequate for the operations and programs of the City to be conducted efficiently and effectively. In order to provide continuing services to a growing population, as well as add new services, staffing levels will be evaluated by the City Manager regularly to determine workloads. Workload allocation alternatives, such as contract labor and contracted services, will be explored before adding additional staff.

B. **Market Adjustments** – The City shall utilize salary survey data, as well as data from other benchmark cities, as a reference for making market-based adjustments. Market based adjustments are based upon the job duties and job descriptions of the position, not on performance of the employee within the position. City Council identified benchmark cities based on parameters such as population, proximately to Hutto, growth rate, and tax base. The cities selected are: Belton, Cedar Park, Cibolo, Georgetown, Kyle, Leander, Little Elm, Pflugerville, Round Rock, Schertz, Seguin and Taylor.

C. **Merit Adjustments** – The City utilizes a merit based pay and step pay plan as a part of the overall compensation system. Council may fund merit increases annually during the budget process to aid in retaining and rewarding quality employees for productivity and job performance. These merit based adjustments are recommended by the employee’s immediate supervisor and reviewed by both the Department Director and the City Manager. Employees may receive a merit increase upon approval of the City Manager based upon performance, or when other situations warrant this type of increase, such as a reclassification due to additional job duties.

**CAPITAL MAINTENANCE AND REPLACEMENT**

The City shall maintain a Capital Replacement Fund to provide financial resources to replace aging fleet and equipment. Only fleet and equipment included on the City’s Fixed Assets inventory will be included on the replacement schedule. Funding will be set aside each year through the annual budget process to fund the future replacement of fleet and equipment.

**ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

A. **Accounting** – The City is responsible for the recording and reporting of its financial affairs, both internally and externally. The Director of Finance is the City’s Chief Financial Officer and is responsible for establishing the structure for the City’s Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City’s financial position.

B. **Audit of Accounts** – In accordance with the Charter Section 8.14, an independent audit of the City accounts will be performed every year. The auditor is retained by and is accountable directly to the City Council.

C. **External Reporting** – Upon completion and acceptance of the annual audit by the City’s auditors, the City shall prepare a written Comprehensive Annual Financial Report (CAFR) which shall be presented to the City Council within 180 calendar days of the City’s fiscal year end. The CAFR shall be prepared in accordance with GAAP and shall be presented annually to the GFOA for evaluation and consideration for the Certificate of Achievement in Financial Reporting. If City staffing limitations preclude such timely reporting, the Director of Finance will inform the City Council of the delay and the reasons therefore.

**RISK AND ASSET MANAGEMENT**

A. **Risk Management** - The City will utilize programs to prevent and/or reduce the financial impact to the City due to claims and losses. Transfer of liability for claims through transfer to other entities through insurance and/or by contract will be utilized where appropriate. Prevention of loss through the safety program and the employee health program will be employed.

B. **Investments** – The City Council has formally approved a separate Investment Policy for the City of Hutto that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local
Government Code. This policy is reviewed annually by the City Council and applies to all financial assets held by the City.

C. **Cash Management** - The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City's depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.

X. **DEBT MANAGEMENT**

The City of Hutto recognizes the primary purpose of capital facilities is to support provision of services and mobility to its residents. Using debt financing to meet the capital needs of the community must be evaluated according to efficiency and equity. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Equity is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and “pay as you go” methods. The City realizes that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition.

The City will issue debt only for the purpose of acquiring or constructing capital assets, including equipment, for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

A. **Usage of Debt** - Long-term debt financing will be considered for non-continuous capital improvements of which future citizens will benefit. Alternatives for financing will be explored prior to debt issuance and include, but not limited to:

- Grants
- Use of Reserve Funds
- Use of Current Revenues
- Contributions from developers and others
- Leases
- Impact Fees

When the City utilizes long-term financing, it will ensure that the debt is soundly financed by conservatively projecting revenue sources that will be used to pay the debt. It will not finance the improvement over a period greater than the useful life of the improvement and it will determine that the cost benefit of the improvement, including interest costs, is positive to the community.

B. **Types of Debt** –

1. **General Obligation Bonds (GO's)** – General obligation bonds must be authorized by a vote of the citizens of Hutto. They are used only to fund capital assets of the general government and are not to be used to fund operating needs of the City. The full faith and credit of the City as well as the City’s ad valorem taxing authority back general obligation bonds. Conditions for issuance of general obligation debt include:
   - When the project will have a significant impact on the tax rate;
   - When the project may be discretionary or nonessential even though it is routine in nature; or
   - When the project falls outside the normal bounds of projects the City has typically done.

2. **Certificates of Obligation, Contract Obligations (CO's)** – Certificates of obligation or contract obligations may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:
   - When the proposed debt will have minimal impact on future effective property tax rates;
   - When the projects to be funded are within the normal bounds of city capital requirements, such as for roads, parks, various infrastructure and City facilities; and
   - When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue; or
• When the project or capital item is determined to be nondiscretionary or essential to the City. Certificates of obligation will be used with prudent care and judgment by the City Council. Every effort will be made to ensure public participation in decisions relating to debt financing.

3. **Self-supporting General Obligation Debt** – Refers to general obligation debt including CO's issued for a specific purpose and repaid through dedicated revenues other than ad valorem taxes. The annual debt requirements are not included in the property tax calculation. The Utility Fund issues this type of debt.

4. **Internal Borrowing between City funds** – The City can authorize use of existing long-term reserves as “loans” between funds. The borrowing fund will repay the loan at a rate consistent with current market conditions. The loan will be repaid within ten (10) years. The loan will be considered an investment of working capital reserves by the lending fund.

5. **Short-term Borrowing** - The City may authorize the issuance of Public Property Finance Contractual Obligations (PPFCOs) or Limited Tax Notes (Notes) which are short-term obligations for the acquisition of personal public property, such as equipment. PPFCOs and Notes are payable from either ad valorem taxes or another dedicated revenue stream. Each issuance will be assessed to ensure cost effectiveness and the repayment schedule will not exceed the useful life of the asset. Multiple equipment acquisitions can and should be grouped in a single PPFCO or Note issue in order to develop economies of scale. Notes are limited to a 7 year term.

6. **Revenue Bonds** – Revenue bonds may be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to no more than twenty (20) years.

C. **Method of Sale** – The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated sale. In such situations, the City will publicly present the reasons for the negotiated sale. The City will rely on the recommendation of the financial advisor and Director of Finance in the selection of the underwriter or direct purchaser.

D. **Disclosure** – Full disclosure of operating costs along with capital costs will be made to the bond rating agencies and other users of financial information. The City staff, with assistance of the financial advisor and bond counsel, will prepare the necessary materials for presentation to the rating agencies and will aid in the production of the Preliminary Official Statements. The City will take responsibility for the accuracy of all financial information released.

E. **Federal Requirements** – The City will maintain procedures to comply with arbitrage rebate and other Federal requirements.

F. **Debt Structuring** – The City will issue bonds with maturity not to exceed the useful life of the asset acquired. The structure should approximate overall level debt service and tax rate or revenue source stability unless operational matters dictate otherwise. Market factors, such as the effects of tax-exempt designations, the cost of early redemption options and the like, will be given consideration during the structuring of long term debt instruments.

G. **Debt Coverage Ratio** – Refers to the number of times the current combined debt service requirements or payments would be covered by the current operating revenues net of on-going operating expenses of the City’s Utility. The City will maintain a minimum debt service coverage ratio of 1.0 times for these utilities as a whole.

H. **Reimbursement Resolutions** – The City may utilize reimbursement resolutions for debt financings as a tool to manage its debt issues, due to arbitrage requirements and project timing. In so doing, the City uses its capital reserve "cash" to delay bond issues until such time when issuance is favorable and beneficial to the City.

XI. **FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS**
The City of Hutto will maintain budgeted minimum reserves in the ending working capital/fund balances to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency, allow stability of City operations should revenues fall short of budgeted projections and provide available resources to implement budgeted expenditures without regard to actual timing of cash flows into the City.

A. **OperatingReserves** – In accordance with the Charter Section 8.04, the City will maintain emergency reserves at a minimum of 25% of net budgeted operating expenditures. Net budgeted operating expenditure is defined as total budgeted expenditures less interfund transfers and charges, general debt service (tax supported), direct cost for purchased power and payments from third party grant monies.

1. **General Fund** – The unobligated fund balance in the General Fund should equal at least 25%.
2. **Utility Fund** – Working capital reserves in these funds should be 25%.

Reserve requirements will be calculated as part of the annual budget process and any additional required funds to be added to the reserve balances will be appropriated within the budget. Funds in excess of the minimum reserves may be expended for City purposes at the will of the City Council once it has been determined that use of the excess will not endanger reserve requirements in future years.

B. **Capital Project Funds** – Every effort will be made for all monies within the Capital Project Funds to be expended within thirty-six (36) months of receipt. The fund balance will be invested and income generated will offset increases in construction costs or other costs associated with the project. Capital project funds are intended to be expended totally, with any unexpected excess to be transferred to the Debt Service fund to service project-related debt service.

C. **Debt Service Funds for Ad Valorem Tax Obligations** – This fund holds receipts from ad valorem property taxes levied to pay debt service on outstanding ad valorem tax obligations. Due to the nature of the source of funds, monies held within this fund are stable. Balances are maintained in this fund to ensure that debt service payments may be made in a timely manner and to comply with ordinances authorizing such outstanding debt obligations.

D. **Investment of Reserve Funds** – The reserve funds will be invested in accordance with the City's investment policy. Existing non-cash investment would be exempt through retirement of the investment.

E. **Sales Tax Excess** – Due to the volatile nature of sales tax revenue, collections over and above the estimated sales tax revenue amount should be used to fund non-recurring expenses, such as (but not limited to) equipment purchases, capital improvement projects, or transfers to the capital replacement fund.
Hutto Economic Development Corporation. Voters approved the creation of the 4A Hutto Economic Development Board in May 1996. The Board makes recommendations to the Council on the use of a 1/2 cent 4A Sales Tax to support economic development. Board members are appointed by the Council. All corporate powers are under the authority of the Board of Directors. The Board shall consist of seven (7) persons, with terms of each director seat being for three (3) years.

Historic Preservation Commission. The Historic Preservation Commission makes recommendations to the Council in regard to designation of historic sites or districts within the City. Members are appointed by the Council. Five (5) members are appointed for staggered terms of two (2) years. A member of City staff, appointed by Council, shall serve as an ex-officio member and as secretary to the Commission and act as the Local Preservation Officer.

Keep Hutto Beautiful Commission. The Keep Hutto Beautiful Commission makes recommendations to the Council in regard to beautification of the City. It shall assist the City Council in establishing City-wide policies, decreasing the amount of loose refuse, enhancing and preserving the City's natural beauty, and encouraging the use of landscaping and improvement of deteriorating features. Members are appointed by the Council. The Commission shall consist of seven (7) or more members for two year terms.

Parks Advisory Board. The Parks Advisory Board makes recommendations to the Council in regard to park and recreational developments. Members are appointed by the Council. The Board shall consist of seven (7) members.

Library Advisory Board. The Library Advisory Board makes recommendations to the Council in regard to the City's Library operations.

Planning & Zoning Commission. The Planning and Zoning Commission makes recommendations to the Council in regard to zoning changes as well as the growth and development of the City. The Planning and Zoning Commission also annually makes recommendations to the City Council regarding the City's Five Year Capital Improvements Plan. Members are appointed by Council. Seven (7) members serve on the Commission.

Hutto Youth Advisory Commission. The Youth Advisory Commission makes recommendations to the Council in regard to youth related issues. The City Council annually appoints a mix of sixteen (16) members from the Hutto Middle, High School, and public at large.

Zoning Board of Adjustments. The Board hears and decides appeals in regards to complaints made towards a City Administrative Officer, Department or Board. The Board also acts on applications submitted for variance or special exception to City zoning regulations. Five (5) members are appointed by the Council.

Hutto Ethics Commission. The Hutto Ethics Commission was created in 2007 to render advice and opinions on potential conflicts of interest or violations at the request of a City official. The Commission consists of five (5) members appointed by the City Council to staggered terms of two (2) years, all of whom shall reside in the City. All vacancies filled for the unexpired term and all members shall hold office until successor is appointed by the Council.

Building and Standards Commission. The Hutto Building and Standards Commission was created in 2015 to hear appeals and render decisions upon rulings by the building official when requests for modification or a variation have been made and denied. The commission will also serve as the fire code board of appeals.
GLOSSARY

This document contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader, a budget glossary follows:

**ACCRUAL BASIS.** The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

**ACCRUED EXPENSES.** Expenses incurred but not due until a later date.

**AD VALOREM TAXES. (Current)** All property, real personal, mixed tangible, intangible, annexations, additions, and improvements to property located within the taxing units jurisdiction that are subject to taxation on January 1 of the current fiscal year. Following the final passage of the appropriations ordinance, the City Council sets the tax rate and levy for the current fiscal year beginning October 1 and continuing through the following September 30.

**AD VALOREM TAXES. (Delinquent)** All taxes are due on receipt of bill and are delinquent if not paid before February 1st of the fiscal year in which it is imposed.

**AD VALOREM TAXES. (Penalty and Interest)** A delinquent tax incurs a penalty of six (6%) percent of the amount of the tax for the first calendar month it is delinquent, plus one (1%) percent for each additional month of portion of the month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.

**APPROPRIATION.** A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

**ASSESSED VALUATION.** A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Williamson County Appraisal District.)

**ASSET.** Resources owned or held which have monetary value.

**AUDIT.** A comprehensive review of the manner in which the government’s resources were actually utilized. A certified public accountant issues an opinion over the presentation of financial statements, tests the controls over the safekeeping of assets and makes recommendations for improvements where necessary.

**BASE BUDGET.** The on-going expense for personnel, operating services and the replacement of supplies and equipment to maintain service levels. The base budget does not include new programs or projects, which are approved on an individual basis.

**BOND.** A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects (such as buildings, streets, and water and sewer improvements).

**BUDGET.** A financial plan of projected resources and proposed expenditures for a given period.

**BUDGET CALENDAR.** The schedule of key dates or milestones that the City follows in the preparation, adoption, and administration of the budget.

**BUDGET CATEGORY.** A group of expenses related by function. The City uses five budget categories including: Salaries and Benefits, Supplies and Materials, Repair and Maintenance, Other Services and Charges, and Capital Outlay.

**BUDGET CONTINGENCY PLAN.** The Fiscal and Budgetary Policy outlines operating procedures for managing revenue shortfalls resulting from factors such as local and economic downturns.

**BUDGETED FUNDS.** Funds that are planned for certain uses but have not been formally or legally authorized by the legislative body. The budget document that is submitted for Council approval is composed of budgeted funds.

**CAPITAL EXPENDITURES.** Outflows of spend-able resources for the acquisitions of long-term assets.

**CAPITAL IMPROVEMENTS PLAN.** A five year planning document that outlines the capital projects within the next five years and includes information regarding funding, project description and scheduling, and status. The City Council annually adopts a CIP as part of the budget process.

**CAPITAL OUTLAYS.** Expenditures that result in the acquisition of or addition to fixed assets.
CASH BASIS. A basis of accounting under which transactions are recognized only when cash changes “hands”.

CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN). The jurisdictional boundary of the City’s water and/or wastewater service area.

CERTIFICATES OF OBLIGATION. See definition of bond.

CHARRETTE. A facilitated planning retreat process that brings together multiple parties to create initial ideas and designs for projects.

CONTINGENCY. A budgetary appropriation reserve set aside for emergencies or unforeseen expenditures not budgeted.

CONTINGENCY RESERVES. A portion of the budgeted ending fund balance or working capital that is not available for appropriation. The intent of the reserves is to provide flexibility, should actual revenues fall short of budgeted revenues and to provide adequate resources to implement budgeted expenditures without regard to the actual cash flow of the fund.

COST ACCOUNTING. That method of accounting that provides for assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operations, or to complete a unit of work or a specific job.

CURRENT TAXES. Taxes that are levied and due within the current year.

DEBT SERVICES. Principal and interest obligations for bonds and other debt instruments according to a predetermined payment schedule.

DEFICIT. (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

DELINQUENT TAXES. Taxes that remain unpaid on and after the date on which a penalty for non-payment is assessed.

DEPARTMENT. An administrative segment of the City consisting of multiple divisions that is organized by function and service provided.

DEPRECIATION. The process of estimating and recording the lost usefulness, expired useful life or diminution of service from fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset’s lost usefulness is the depreciation, or the reserve cost, in order to replace the item at the end of its useful life.

DIVISION. A separately budgeted segment of a department.

EFFECTIVE TAX RATE. The effective tax rate is the tax rate required to produce the same amount of taxes for the current year as the previous year. The rate is calculated by subtracting taxes on property lost this year from the prior year’s taxes total. This number is divided by the current value of property taxed in the prior year. Multiplying this number by 100 will produce the effective tax rate.

ENCUMBRANCES. Commitments related to unperformed (executory) contracts for goods or services.

ENHANCEMENTS. Newly requested budgeted amounts that will result in a new or expanded level of service over the previous year.

ETJ. The Extra-Territorial Jurisdiction is the contiguous area just beyond the city limits where a city may apply its development standards and regulations. A city’s ETJ is determined by population.

ESD#3. Williamson County Emergency Services District #3 provide fire protection services to the Hutto area. The entity is independent of the City and levies a maximum ad valorem tax of $0.1 per $100 of property valuation. The organization is also referred to as “Hutto Fire and Rescue.” The City has an interlocal agreement with the organization for services provided to the Hutto citizens.

EXPENDITURE. This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expended when goods or services are received.

EXPENSES. Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.
FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Hutto has specified October 1 to September 30 as its fiscal year.

FIVE-YEAR DEPARTMENTAL STRATEGIC PLAN AND FISCAL FORECAST. A five year planning document that analyzes expected revenues and expenses based on forecasted revenues and expenditures as outlined by division. The document also contains the five year goals of each division and strategies for attainment of the goals.

FIXED ASSETS. Assets of a long-term character which are intended to continue to be held or used, such as land, building, and improvements other than buildings, machinery and equipment.

FRANCHISE FEE. This is a charge paid by businesses for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes, inspections fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements.

FULL-TIME EQUIVALENT. The numeric breakdown of city positions. A regular full-time employee (40 hours per week) equals one (1.0) full-time equivalent. Part-time positions are calculated as 0.5 full-time equivalents, and seasonal staff positions are considered 0.25 full-time equivalents.

FUND. An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.

FUND BALANCE. Fund balance is the excess of assets over liabilities and is therefore also known as surplus funds.

GENERAL FUND. The fund used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION BONDS. Bonds that finance a variety of public projects such as streets, building, and improvements. These bonds are backed by the full faith and credit of the issuing government.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP). Uniform minimum standards of and guidelines to financial accounting and reporting. These principles: govern the form and content of the basic financial statements of an entity; encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time; include not only broad guidelines of general application, but also detailed practices and procedures; and, provide a standard by which to measure financial presentations.

GOVERNMENTAL FUNDS. Funds, within a governmental accounting system, that support general tax supported governmental activities.

GRANTS. Contributions or gifts of cash or other assets from another government to be used or expended for a specific purpose, activity, or facility.

GROWTH GUIDANCE PLAN. The Growth Guidance Plan includes a statement of strategic priorities/policies adopted by the City Council that are intended to guide the growth and development of the City until 2030.

HOTEL/MOTEL TAX. Pursuant to State law, a tax is levied upon the cost of occupancy of any room or space furnished by any hotel/motel. The current rate of taxation is 13% (7% of which is paid to the City and budgeted for limited uses and 6% of which is collected by the State).

IMPACT FEES. Fees assessed to developers to help defray a portion of the costs that naturally result from increased development. By Texas law, these fees must be used for capital acquisition or debt service relating to capital projects.

INTERFUND TRANSFERS. Amounts transferred from one fund to another.

INVESTMENTS. Securities and real estate held for the generation of revenue in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

LEY. (Verb) To impose taxes, special assessments, or special charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or special charges imposed by a government.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

MODIFIED ACCRUAL BASIS. The accrual basis of accounting adapted to the governmental fund type spending measurement focus. Under this basis, revenues are recognized when they become both “measurable” and “available to finance expenditures within the current period”. Expenditures are recognized when the related fund liability is incurred.
except for: (1) inventories of materials and supplies which may be considered expenditures either when purchased or when used; (2) prepaid insurance and similar items which need not be reported; (3) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; (4) interest on special assessment indebtedness which may be recorded when due rather than accrued, if approximately offset by interest earning on special assessment levies; and (5) principal and interest on long-term debt which are generally recognized when due.

ORGANIZATIONAL DEVELOPMENT PLAN (ODP). In 2005, the City set the goal to establish a well-trained that feels appreciated and valued to improve the efficiency and effectiveness of the organization.

OPERATING BUDGET. A plan of current year expenditures and the proposed means of financial acquisition, spending, and service delivery activities of government are controlled.

OPERATING TRANSFERS. All interfund transfers other than residual equity transfers.

ORDINANCE. A formal legislative enactment by the governing board of a municipality. If an ordinance is not in conflict with any higher form of law, such as a state statute of constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter is less formal and has a lower legal “status”. Ordinarily, statutes or characters will specify or imply those legislative actions that must be by ordinance and those which may be by resolution. Revenue raising measures such as these required for imposition of taxes, special assessments and service charges, universally require ordinances.

PERFORMANCE MEASURES. Performance measures are specific quantitative and qualitative indicators that report on the progress of activities and goals. Measures include inputs (the resources required to complete objectives), outputs (the number of units produced), efficiency measures (the number of units produced per input), and outcome measures (the end result of the objective).

PROGRAM DESCRIPTION. A description of the nature of service delivery provided at a particular level of funding.

PROGRAM GOALS. Goals identify the end result the department/division desires to achieve with its activities, but goals are often ongoing and may not be achieved in one year.

PROPERTY TAX. Property taxes are levied on both real and personal property according to the property’s valuation and the tax rate.

PROPRIETARY FUND. Funds, within a governmental accounting system, that operate like business entities. These funds are characterized as either enterprise or internal service funds.

RESERVE. A portion of fund restricted for a specific purpose and is, therefore, not available or recommended for general appropriation.

RETAINED EARNINGS. An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

REVENUE BONDS. Bonds for which principal and interest are payable exclusively from earnings from an Enterprise Fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the Enterprise Fund’s property.

REVENUES. (1) Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Under NCGA Statement 1, general long-term debt proceeds and operating transfers in are classified as “other financing sources” rather than revenues. (2) Increases in proprietary fund type net total assets from other than expense refunds, capital contributions, and residual equity transfers. Under NCGA Statement 1, operating transfers in are classified separately from revenues.

SALES TAX. A general “sales tax” is levied on all persons and businesses selling merchandise in the City limits on a retail basis. The current sales tax rate for the City is 8.25% (with only 1.5% rebated to the City from the State).

SERVICE CHARGES. Service charges are allocated to all Enterprise Fund activities (e.g., water/sewer) for indirect management and administrative support provided by General Fund departments.

SURPLUS. The excess of the assets or resources of a fund over its liabilities or obligations.

TAXES. Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the public. This term does not include specific charges made against particular persons or property for current
or permanent benefits such as special assessments (neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges).

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ).** The Texas Commission on Environmental Quality monitors the City’s utility system for safety and compliance with state law.

**TEA 21.** The Transportation Equity Act 21 provided grant funding to the City for the Cottonwood Trail Phase II project.

**TOTAL REWARDS SYSTEM (TRS).** The City contracted with Management Connections in 2007 to conduct a compensation study and to develop an evaluation tool that ties compensation to performance. The study is expected to be completed in Fiscal Year 2008.

**TEXAS WATER DEVELOPMENT BOARD (TWDB).** The City of Hutto is seeking low-interest funding for the Brushy Creek Wastewater Interceptor capital project from the Texas Water Development Board’s Clean Water Program.

**UNENCUMBERED BALANCE.** The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

**WORKLOAD MEASURES.** Workload measures reflect major activities of the division/department in terms of quantity of work accomplished. Workload measures should be able to be tracked with a reasonable amount of time and effort.

**UNIFIED DEVELOPMENT CODE (UDC).** The Unified Development Code is a comprehensive document that outlines all development related codes and ordinances for the City.
### ACRONYMS & ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>APA</td>
<td>American Planning Association.</td>
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<tr>
<td>AP</td>
<td>Accounts Payable.</td>
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<tr>
<td>AR</td>
<td>Accounts Receivable.</td>
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<tr>
<td>AWWA</td>
<td>American Waterworks Association.</td>
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<tr>
<td>BRA</td>
<td>Brazos River Authority.</td>
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<tr>
<td>CAMPO</td>
<td>Capitol Area Metropolitan Planning Organization.</td>
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<td>CAPCOG</td>
<td>Capitol Area Council of Governments.</td>
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<tr>
<td>CCN</td>
<td>Certificate of Convenience and Necessity (water and wastewater).</td>
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<tr>
<td>CDBG</td>
<td>Community Development Block Grant.</td>
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<tr>
<td>CIP</td>
<td>Capital Improvements Plan.</td>
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<tr>
<td>CMO</td>
<td>City Manager’s Office Division.</td>
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<td>CO BOND</td>
<td>Certificates of Obligation Bond.</td>
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<tr>
<td>COLA</td>
<td>Cost of Living Adjustment.</td>
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<tr>
<td>CTLS</td>
<td>Central Texas Library System</td>
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<tr>
<td>CWSRF</td>
<td>Clean Water State Revolving Fund.</td>
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<tr>
<td>EECBG</td>
<td>Energy Efficiency &amp; Conservation Block Grant.</td>
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<tr>
<td>EIS</td>
<td>Executive Information Systems.</td>
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<tr>
<td>ESD#3</td>
<td>Emergency Services District Number 3.</td>
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<tr>
<td>ETR</td>
<td>The Effective Tax Rate.</td>
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<td>ETJ</td>
<td>The Extra-Territorial Jurisdiction.</td>
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<tr>
<td>EWCHEC</td>
<td>Eastern Williamson County Higher Education Center.</td>
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<tr>
<td>FTE</td>
<td>Full-time Equivalent.</td>
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<tr>
<td>FY</td>
<td>Fiscal Year.</td>
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<tr>
<td>GO BOND</td>
<td>General Obligation Bond.</td>
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<tr>
<td>GAAP</td>
<td>Generally Accepted Accounting Principles.</td>
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<td>GASB</td>
<td>Governmental Accounting Standards Board.</td>
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<td>GFOA</td>
<td>Government Finance Officers Association.</td>
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<td>GGP</td>
<td>Growth Guidance Plan.</td>
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<tr>
<td>GIS</td>
<td>Geographic Information System.</td>
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<tr>
<td>GPD</td>
<td>Gallons per day.</td>
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<tr>
<td>GPS</td>
<td>Global Positioning System.</td>
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<tr>
<td>HEDC</td>
<td>Hutto Economic Development Corporation.</td>
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<tr>
<td>HISD</td>
<td>Hutto Independent School District.</td>
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<tr>
<td>HOT</td>
<td>Heart of Texas Water Supply.</td>
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<td>HPC</td>
<td>Historic Preservation Commission.</td>
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<tr>
<td>HR</td>
<td>Human Resources.</td>
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<tr>
<td>I&amp;S</td>
<td>Interest and Sinking.</td>
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<tr>
<td>ICMA</td>
<td>International City Managers Association.</td>
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<td>IT</td>
<td>Information Technology.</td>
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<td>Jonah SUD</td>
<td>Jonah Service Utility District</td>
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<tr>
<td>KHB</td>
<td>Keep Hutto Beautiful Commission.</td>
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<tr>
<td>LCRA</td>
<td>Lower Colorado River Authority.</td>
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<tr>
<td>LS</td>
<td>Lift Station.</td>
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<tr>
<td>MGD</td>
<td>Million gallons per day.</td>
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<tr>
<td>MOU</td>
<td>Memorandum of Understanding.</td>
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<tr>
<td>O&amp;M</td>
<td>Operations and Maintenance.</td>
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<tr>
<td>ODP</td>
<td>Organizational Development Plan.</td>
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<tr>
<td>P&amp;Z</td>
<td>Planning and Zoning Commission.</td>
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<tr>
<td>PO</td>
<td>Purchase Order.</td>
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<tr>
<td>RFP</td>
<td>Request for Proposal.</td>
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<tr>
<td>RFQ</td>
<td>Request for Qualifications.</td>
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<tr>
<td>SCADA</td>
<td>Supervisory Control and Data Acquisition.</td>
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<tr>
<td>SECO</td>
<td>State Energy Conservation Office.</td>
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<tr>
<td>TCEQ</td>
<td>Texas Commission on Environmental Quality.</td>
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<tr>
<td>TEA 21</td>
<td>The Transportation Equity Act for the 21st Century.</td>
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<tr>
<td>TIF/TRZ</td>
<td>Tax Increment Financing or Tax Reinvestment Zone.</td>
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<tr>
<td>TLETS</td>
<td>Texas Law Enforcement Telecommunication System.</td>
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<tr>
<td>TML</td>
<td>Texas Municipal League.</td>
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<tr>
<td>TMLIRP</td>
<td>Texas Municipal League Intergovernmental Risk Pool.</td>
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<tr>
<td>TMRS</td>
<td>Texas Municipal Retirement System.</td>
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<tr>
<td>TRS</td>
<td>Total Rewards System.</td>
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<tr>
<td>TSLA</td>
<td>Texas State Library Association.</td>
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<tr>
<td>TWC</td>
<td>Texas Workforce Commission.</td>
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<tr>
<td>TWDB</td>
<td>Texas Water Development Board.</td>
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<tr>
<td>TXDOT</td>
<td>Texas Department of Transportation.</td>
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<tr>
<td>UB</td>
<td>Utility Billing.</td>
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<tr>
<td>UCR</td>
<td>Uniform Crime Report.</td>
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<tr>
<td>UDC</td>
<td>Unified Development Code.</td>
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<tr>
<td>WCCAC</td>
<td>Williamson County Children’s Advocacy Center.</td>
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<tr>
<td>WCCHD</td>
<td>Williamson County and Cities Health District.</td>
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<tr>
<td>WILCO</td>
<td>Williamson County.</td>
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<tr>
<td>WWTP</td>
<td>Wastewater Treatment Plant.</td>
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<tr>
<td>YAC</td>
<td>Youth Advisory Commission.</td>
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</table>
AGENDA ITEM NO.: 10B.  
AGENDA DATE: September 01, 2016

PRESENTED BY: Melanie Melancon, Finance Director

ITEM: Consideration and possible action on the first reading of an ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2016.

STRATEGIC GUIDE POLICY:

ITEM BACKGROUND:
On August 4, 2016, the City Council took a record vote on the proposed ad valorem rate. While this vote did not establish the tax rate, it did establish a ceiling for tax rate consideration. The Council set a tax ceiling at of $0.558500 per $100 valuation. The City Council will need to adopt a tax rate that corresponds with the 2016-17 Budget.

The impact of the tax rate was discussed as part of the budget presentations. The City Council hosted two public hearings on the proposed ad valorem rate in August.

The proposed rate is divided as follows to meet the debt service requirements of the City:

- Maintenance and Operations of the general government (General Fund), a rate of $0.______ on each $100 valuation of property;
- Debt service on bonds sold for the support of general government, a rate of $0.091107 on each $100 valuation of property.

The State requires certain language be used in the motion to adopt the tax rate. The motion to adopt the recommended tax rate is as follows:

“I move that the property tax rate be increased by the adoption of a tax rate of $0.______, which is effectively a ____ percent increase in the tax rate.”

Section 1 and 2 of the ordinance will be adjusted to reflect the rate adopted by the City Council.

BUDGETARY AND FINANCIAL SUMMARY:
The budget for the General Fund and Interest and Sinking Fund are funded in part based upon the above stated rates.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.

**CITY ATTORNEY REVIEW:**
Not applicable.

**STAFF RECOMMENDATION:**
Staff recommends the Council approve the first reading of the Ordinance.

**SUPPORTING MATERIAL:**
1. [Tax Rate Ordinance](#)
ORDINANCE NO. __________

AN ORDINANCE LEVYING AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF HUTTO FOR THE TAX YEAR 2016; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSE; AND, PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID; AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND REPEALING CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

That there is hereby levied and there shall be collected for the use and support of the Municipal Government of the City of Hutto, upon all property, real personal and mixed, within the corporate limits of said City subject to taxation a tax of $0.________ on each $100.00 valuation of property, said tax being levied and apportioned to the specific purpose herein set forth.

1. For the Maintenance and Operations of the general government (General Fund), a rate of $0.________ on each $100.00 valuation of property and

2. For debt service on bond sold for the support of general government, a rate of $0.091107 on each $100.00 valuation of property.

SECTION II.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE A RAISED BY _____% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 BY APPROXIMATELY $______.

SECTION III.

That the Taxes levied under this ordinance shall be due October 1, 2016, and if not paid on or before January 31, 2017, shall become delinquent.

SECTION IV.

All Taxes shall become a lien upon the property against which assessed, and the City Tax Assessor and Collector of the City of Hutto is hereby authorized and empowered to enforce the collection of such Taxes according to the Constitution and Laws of the State of Texas and ordinances of the City of Hutto and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property whether real or personal, for the payment of said taxes, penalty and interest, and the interest and penalty collected from such delinquent taxes shall be apportioned to the General Fund of the City of Hutto. All delinquent taxes shall bear interest from the date of delinquency at the rate as prescribed by State Law.

SECTION V. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

SECTION VI. Severability Clause
The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

SECTION VII.  Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

SECTION VIII.  Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION IX.

This ordinance shall take effect and be in force from and after its passage.

READ and APPROVED on first reading on this the 1st day of September, 2016, at a regular called meeting of the City Council of the City of Hutto, there being a quorum present, by a record vote:

AYES:  
NAYS:  

READ, APPROVED and ADOPTED on second reading this 15th day of September, 2016 at a regular meeting of the City Council of the City of Hutto, there being a quorum present, by a record vote and approved by the Mayor on the date set out above.

AYES:  
NAYS:  

CITY OF HUTTO, TEXAS

______________
Doug Gaul, Mayor

ATTEST:

__________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 10C. AGENDA DATE: September 01, 2016

PRESENTED BY: Melanie Melancon, Finance Director

ITEM: Consideration and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2016-17 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2016.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND:
House Bill 3195 was adopted by the Texas Legislature during the 2007 legislative session. It requires a separate vote of the governing body to ratify the property tax increase in addition to and separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law.

If the proposed tax rate of $0.______ is adopted, this budget will raise more total property taxes than last year's budget by $______ or ____%, and of that amount $______ is tax revenue to be raised from new property added to the tax roll this year.

BUDGETARY AND FINANCIAL SUMMARY:
The budget for the General Fund and Interest and Sinking Fund are funded in part by the ad valorem tax.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.

CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends the Council approve the first reading of the ordinance.

SUPPORTING MATERIAL:
1. Tax Ratification Ordinance
ORDINANCE NO. __________

AN ORDINANCE RATIFYING A PROPERTY TAX INCREASE FOR THE FISCAL YEAR 2017 FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF HUTTO; AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND REPEALING CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

That this budget will raise more total property taxes than last year’s budget by $________ or _____%, and of that amount $________ is tax revenue to be raised from new property added to the tax roll this year based on an ad valorem rate of $0.________ on each $100.00 valuation of property.

SECTION II.

That the 2016 taxable value on the 2016 certified appraisal roll totals $1,441,914,509 compared to $1,265,563,641 in 2015.

SECTION III.

That the proposed Fiscal Year 2017 Budget and tax levy shall be adopted in separate ordinances and will become effective October 1, 2016, and end September 30, 2017.

SECTION IV. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

SECTION V. Severability Clause

The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

SECTION VI. Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

SECTION VII. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VIII.

This ordinance shall take effect and be in force from and after its passage.
READ and APPROVED the first reading on the 1st day of September 2016, at a special called meeting of the City Council of the City of Hutto, there being a quorum present, by ___ “Ayes” and ___ “Nays”.

READ, APPROVED and ADOPTED on the second reading this 15th day of September 2016, at a regular meeting of the City Council of the City of Hutto, there being a quorum present, by ___ “Ayes” and ___ “Nays”, and approved by the Mayor on the date set out above.

CITY OF HUTTO, TEXAS

________________________
Doug Gaul, Mayor

ATTEST:

________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 10D. AGENDA DATE: September 01, 2016

PRESENTED BY: Melanie Melancon, Director of Finance

ITEM: Consideration and possible action on an ordinance authorizing the issuance of City of Hutto, Texas General Obligation Bonds, Series 2016; approving a paying agent/registrar agreement, an official statement, and other related documents; awarding the sale of the bonds and authorizing other matters relating to the bonds.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND: The General Obligation bonds will be backed by the City's property taxes, and are the final bond issuance for projects approved by voters in the 2009 Bond Election.

- Proposition 1 - Transportation Improvements $3,260,000: East Street rehabilitation, Creekside Fencing, and various street improvements identified in the pavement management study.

- Proposition 2 - Park Improvements $3,300,000: construction of Fritz Park improvements.

BUDGETARY AND FINANCIAL SUMMARY: The debt service for these projects will be supported by the City's ad valorem tax.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.

CITY ATTORNEY REVIEW: The City's Bond Attorney, McCall Parkhurst, and Horton LLP, prepared the bond ordinance.

STAFF RECOMMENDATION: Staff recommends approval of the ordinance authorizing the issuance of City of Hutto, Texas General Obligation Bonds, Series 2016. Only one reading of the ordinance is required per Section 1201.028 of the Texas Government Code.

SUPPORTING MATERIAL:
1. Ordinance - GO Bonds 2016
ORDINANCE NO. ____________

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF HUTTO, TEXAS GENERAL OBLIGATION BONDS, SERIES 2016; APPROVING A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND OTHER RELATED DOCUMENTS; AWARDBING THE SALE OF THE BONDS AND AUTHORIZING OTHER MATTERS RELATING TO THE BONDS

ADOPTED SEPTEMBER 1, 2016
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preamble</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Section 1</td>
<td>RECITALS, AMOUNT AND PURPOSE OF THE BONDS</td>
<td>2</td>
</tr>
<tr>
<td>Section 2</td>
<td>DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF BONDS</td>
<td>2</td>
</tr>
<tr>
<td>Section 3</td>
<td>INTEREST</td>
<td>3</td>
</tr>
<tr>
<td>Section 4</td>
<td>CHARACTERISTICS OF THE BONDS</td>
<td>3</td>
</tr>
<tr>
<td>Section 5</td>
<td>FORM OF BOND</td>
<td>7</td>
</tr>
<tr>
<td>Section 6</td>
<td>TAX LEVY</td>
<td>15</td>
</tr>
<tr>
<td>Section 7</td>
<td>DEFEASANCE OF BONDS</td>
<td>15</td>
</tr>
<tr>
<td>Section 8</td>
<td>DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS</td>
<td>17</td>
</tr>
<tr>
<td>Section 9</td>
<td>CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED</td>
<td>18</td>
</tr>
<tr>
<td>Section 10</td>
<td>COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS</td>
<td>18</td>
</tr>
<tr>
<td>Section 11</td>
<td>SALE OF BONDS</td>
<td>21</td>
</tr>
<tr>
<td>Section 12</td>
<td>DEFAULT AND REMEDIES</td>
<td>21</td>
</tr>
<tr>
<td>Section 13</td>
<td>APPROVAL OF OFFICIAL STATEMENT</td>
<td>22</td>
</tr>
<tr>
<td>Section 14</td>
<td>APPROVAL OF A PAYING AGENT/REGISTRAR AGREEMENT</td>
<td>22</td>
</tr>
<tr>
<td>Section 15</td>
<td>CONTINUING DISCLOSURE UNDERTAKING</td>
<td>22</td>
</tr>
<tr>
<td>Section 16</td>
<td>AMENDMENT OF ORDINANCE</td>
<td>26</td>
</tr>
<tr>
<td>Section 17</td>
<td>ADDITIONAL BOND INSURANCE</td>
<td>27</td>
</tr>
<tr>
<td>Section 18</td>
<td>PAYMENT OF ATTORNEY GENERAL FEE</td>
<td>27</td>
</tr>
</tbody>
</table>
ORDINANCE NO. ________________

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF HUTTO, TEXAS GENERAL OBLIGATION BONDS, SERIES 2016; APPROVING A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND OTHER RELATED DOCUMENTS; AWARDING THE SALE OF THE BONDS AND AUTHORIZING OTHER MATTERS RELATING TO THE BONDS

THE STATE OF TEXAS
COUNTY OF WILLIAMSON
CITY OF HUTTO

WHEREAS, at an election held within the City of Hutto, Texas (the "City") on November 3, 2009 the voters of the City authorized the City Council of the City to issue in one or more series the bonds set forth in the Propositions set forth below:

PROPOSITION NUMBER 1

"SHALL the City Council of the City of Hutto, Texas, be authorized to issue general obligation bonds of the City in the principal amount of $8,500,000 for permanent public improvements and public purposes, to wit: constructing and improving streets within the City, including sidewalks, streetscaping, traffic control and signalization devices, and curb and gutter improvements and drainage related thereto, and the acquisition of lands and rights-of-way therefor; such bonds to mature serially or otherwise over a period not to exceed FORTY (40) years from their date, to be issued and sold in one or more series at any price or prices and to bear interest at any rate or rates (fixed, floating, variable or otherwise) as shall be determined within the discretion of the City Council at the time of issuance or sale of the bonds; and whether ad valorem taxes shall be levied upon all taxable property in the City sufficient to pay the annual interest and provide a sinking fund to pay the bonds at maturity?"

PROPOSITION NUMBER 2

"SHALL the City Council of the City of Hutto, Texas, be authorized to issue general obligation bonds of the City in the principal amount of $3,300,000 for permanent public improvements and public purposes, to wit: constructing, improving, and equipping general park and recreation facilities, including Fritz Park, future parks; park facilities, and open space acquisition; such bonds to mature serially or otherwise over a period not to exceed FORTY (40) years from their date, to be issued and sold in one or more series at any price or prices and to bear interest at any rate or rates (fixed, floating, variable or otherwise) as shall be determined within the discretion of the City Council at the time of issuance or sale of the bonds; and whether ad valorem taxes shall be levied upon all taxable property
in the City sufficient to pay the annual interest and provide a sinking fund to pay the bonds at maturity?"

WHEREAS, the City Council has previously issued its General Obligation Bonds, Series 2010 in the aggregate principal amount of $2,850,000 and its General Obligation Bonds, Series 2012 in the aggregate principal amount of $2,390,000 from the November 3, 2009 Proposition Number 1 authorization and reserved the right to issue at a future date the remaining $3,260,000 of bonds authorized but unissued from Proposition Number 1; and

WHEREAS, the City Council deems it to be in the best interest of the City to issue the remaining $3,260,000 of the Proposition Number 1 authorization; and

WHEREAS, the City Council deems it to be in the best interest of the City to issue the entire $3,300,000 of the Proposition Number 2 authorization; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Texas Government Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this section. The Bond or Bonds of the City are hereby authorized to be issued pursuant to the November 3, 2009 election and Chapter 1331, Texas Government Code, as amended and delivered in the aggregate principal amount of $6,590,000, comprised of (i) $3,260,000 for the purposes set forth in the Proposition Number 1 authorization set forth above including the related costs of issuance and (ii) $3,300,000 for the purposes set forth in the Proposition Number 2 authorization set forth above including the related costs of issuance.

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF BONDS. Each bond issued pursuant to this Ordinance shall be designated: "CITY OF HUTTO, TEXAS GENERAL OBLIGATION BOND, SERIES 2016" and initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, dated the date of delivery of the Bonds, in the respective denominations and principal amounts hereinafter stated, numbered consecutively from R-1 upward (except the Initial Bond submitted to the Attorney General of the State of Texas which will be numbered T-1), payable to the respective initial registered owners thereof (as designated in Section 11 hereof), or to the registered assignee or assignees of the Bonds or any portion or portions thereof (in each case, the "Registered Owner"), and the Bonds shall mature and be payable serially on August 1 in each of the years and in the principal amounts, respectively, as set forth in the following schedule:
The term "Bonds" as used in this Ordinance shall mean and include collectively the bonds initially issued and delivered pursuant to this Ordinance and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

Section 3. INTEREST. The Bonds scheduled to mature during the years, respectively, set forth below shall bear interest from the dates specified in the FORM OF BOND set forth in this Ordinance to their respective dates of maturity at the following rates per annum:

<table>
<thead>
<tr>
<th>YEARS</th>
<th>AMOUNTS</th>
<th>YEARS</th>
<th>AMOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$</td>
<td>2028</td>
<td>$</td>
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<tr>
<td>2019</td>
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<td>2029</td>
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<td>2020</td>
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</tr>
<tr>
<td>2027</td>
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Interest shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in this Ordinance.

Section 4. CHARACTERISTICS OF THE BONDS. (a) Registration, Transfer, Conversion and Exchange; Authentication. The City shall keep or cause to be kept at BOKF, NA in Austin, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record
in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar shall make a copy of the Registration Books available in the State of Texas. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 4(c) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional orders, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds. Pursuant to Chapter 1206, Texas Government Code, as amended, and particularly Subchapter B thereof, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.
(c) **In General.** The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be transferred and assigned, (iii) may be converted and exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Bonds shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bonds initially issued and delivered pursuant to this Ordinance are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION BOND, in the form set forth in the FORM OF BOND.

(d) **Substitute Paying Agent/Registrar.** The City covenants with the Registered Owners of the Bonds that at all times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days written notice to the Paying Agent/Registrar, to be effective at such time which will not disrupt or delay payment on the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) **Book-Entry-Only System.** The Bonds issued in exchange for the Bonds initially issued as provided in Section 4(h) shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC") and except as provided in subsection (f) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of
securities transactions among DTC participants (the "DTC Participant") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any person, other than a Registered Owner, as shown on the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, but to the extent permitted by law, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal of and interest, with respect to such Bond, for the purposes of registering transfers with respect to such Bond, and for all other purposes of registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the City to make payments of principal, and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the City determines to discontinue the book-entry system through DTC or a successor or DTC determines to discontinue providing its services with respect to the Bond, the City shall either (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the Registered Owner transferring or exchanging Bond shall designate, in accordance with the provisions of this Ordinance.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations of the City to DTC.
(h) **DTC Blanket Letter of Representations.** The City confirms execution of a Blanket Issuer Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Bonds.

(i) **Cancellation of Initial Bond.** On the closing date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the purchaser of the Bonds or its designee set forth in Section 11 of this Ordinance, executed by manual or facsimile signature of the Mayor or Mayor Pro-tem and City Secretary, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such initial purchaser set forth in Section 11 of this Ordinance or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all the Bonds for such maturity.

**Section 5. FORM OF BOND.** The form of the Bond, including the form of Paying Agent/Registrar’s Authentication Certificate, the form of Assignment, the form of initial Bond and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance including any reproduction of an opinion of counsel and information regarding the issuance of any bond insurance policy.

**FORM OF BOND**

<table>
<thead>
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<th>NO. R-</th>
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<th>PRINCIPAL AMOUNT</th>
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<tr>
<td></td>
<td>STATE OF TEXAS</td>
<td>$__________</td>
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CITY OF HUTTO, TEXAS
GENERAL OBLIGATION BOND,
SERIES 2016

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<th>DATE OF BOND</th>
<th>MATURITY DATE</th>
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<td>September 1, 2016</td>
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</table>

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

**DOLLARS**

ON THE MATURITY DATE specified above, HUTTO, TEXAS (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from the initial date of delivery of the Bonds, on
February 1, 2017 and semiannually thereafter on each February 1 and August 1 to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above calculated on the basis of a 360-day year of twelve 30-day months; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at BOKF, NA, (the "Paying Agent/Registrar") at their office for payment in Austin, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the close of business on the last business day of the month next preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

DURING ANY PERIOD in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.
ANY ACCRUED INTEREST due at maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Bond that on or before each payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated September 1, 2016, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of $6,590,000, COMPRISSED OF (i) $3,260,000 FOR THE PURPOSES SET FORTH IN THE PROPOSITION NUMBER 1 AUTHORIZATION INCLUDING THE RELATED COSTS OF ISSUANCE AND (ii) $3,300,000 FOR THE PURPOSES SET FORTH IN THE PROPOSITION NUMBER 2 AUTHORIZATION INCLUDING THE RELATED COSTS OF ISSUANCE.

ON AUGUST 1, 2025, or on any date thereafter, the Bonds of this Series maturing on and after August 1, 2026 may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities to be redeemed shall be selected and designated by the City and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot the Bonds, or a portion thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000).

THE BONDS maturing on August 1, 20__, August 1, 20__ and August 1, 20__ (the "Term Bonds") are subject to mandatory sinking fund redemption by lot or other customary method prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

<table>
<thead>
<tr>
<th>Bonds Maturing August 1, 20__</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 1, 20__</td>
<td>$_______</td>
</tr>
<tr>
<td>August 1, 20__</td>
<td>$_______</td>
</tr>
<tr>
<td>August 1, 20__*</td>
<td>$_______*</td>
</tr>
</tbody>
</table>

*Final Maturity
THE PRINCIPAL AMOUNT of the Term Bonds required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City by the principal amount of any Term Bonds of the stated maturity which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the City, at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City with monies in the Interest and Sinking Fund at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.

NO LESS THAN 30 days prior to the date fixed for any such redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bonds. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bonds shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.
WITH RESPECT TO any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

ALL BONDS OF THIS SERIES are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of $5,000. As provided in the Ordinance, this Bond, or any unredeemed portion hereof, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of $5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of $5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange during the period commencing on the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.
IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law.

BY BECOMING the Registered Owner of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

_______________________________   ___________________________________
City Secretary         Mayor

[CITY SEAL]

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.
FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

________________________________________________________________________
________________________________________________________________________

Please insert Social Security or Taxpayer Identification Number of Transferee

________________________________________________________________________
________________________________________________________________________

(Please print or typewrite name and address, including zip code, of Transferee)

________________________________________________________________________

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

___________________________________________, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ___________________________

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, with-
FORM OF REGISTRATION CERTIFICATE OF
THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE INITIAL BOND ONLY:

COMPTROLLER'S REGISTRATION CERTIFICATE:  REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by
the Attorney General of the State of Texas, and that this Bond has been registered by the
Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this ____________________.

Comptroller of Public Accounts
of the State of Texas

[COMPTROLLER'S SEAL]

INSERTIONS FOR THE INITIAL BOND

The Initial Bond shall be in the form set forth in this Section, except that:

A. immediately under the name of the Bond, the headings "INTEREST RATE" and
"MATURITY DATE" shall both be completed with the words "As shown below" and
"CUSIP NO." shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"ON THE MATURITY DATE SPECIFIED BELOW, the City of Hutto, Texas (the
"City"), being a political subdivision, hereby promises to pay to the Registered Owner specified
above, or registered assigns (hereinafter called the "Registered Owner"), on August 1 in each of
the years, in the principal installments and bearing interest at the per annum rates set forth in the
following schedule:

<table>
<thead>
<tr>
<th>Years</th>
<th>Amounts</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Information from Sections 2 and 3 to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis
of a 360-day year of twelve 30-day months) from September 22, 2016 at the respective Interest
Rate per annum specified above. Interest is payable on February 1, 2017 and semiannually on
each February 1 and August 1 thereafter to the date of payment of the principal installment
specified above; except, that if this Bond is required to be authenticated and the date of its
authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The initial Bond shall be numbered "T-1."

Section 6. TAX LEVY. (a) Payment of the Bonds. A special Interest and Sinking Fund (the "Interest and Sinking Fund") is hereby created solely for the benefit of the Bonds, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Bonds. All ad valorem taxes levied and collected for and on account of the Bonds shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Bonds or interest thereon are outstanding and unpaid, the governing body of the City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on the Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of the Bonds as such principal matures (but never less than 2% of the original principal amount of the Bonds as a sinking fund each year); and the tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. The rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Bonds or interest thereon are outstanding and unpaid; and the tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

Section 7. DEFEASANCE OF BONDS (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall
have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities and thereafter the City will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bond, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the City also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of this Ordinance, the City may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.
As used herein, "Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

Section 8. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS. (a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Registered Owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Registered Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the Registered Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to
the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Subchapter B of Texas Government Code, Chapter 1206, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

Section 9. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. The Mayor of the City is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of the Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. In addition, if bond insurance or other credit enhancement is obtained, the Bonds may bear an appropriate legend.

Section 10. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS. (a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;
(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1 (b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period(beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.
(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds not expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the President to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Ordinance is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) Allocation Of, and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 3.01 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Code. The City recognizes that in Ordinance for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in Ordinance for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or
other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 11. SALE OF BONDS. The Bonds are hereby awarded and sold to the bidder whose bid produced the lowest true interest cost, pursuant to the taking of public bids therefor, on this date, and shall be delivered to ___________ (the initial APurchaser®) at a price of $______________ representing the par amount of the Bonds. It is hereby officially found, determined and declared that the terms of this sale are the most advantageous reasonably obtainable and are in the best interest of the City. The Bonds shall initially be registered in the name of _________________________.

Section 12. DEFAULT AND REMEDIES. (a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners of the Bonds under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then outstanding.
(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 13. APPROVAL OF OFFICIAL STATEMENT. The City hereby approves the form and content of the Preliminary Official Statement and Official Statement relating to the Bonds and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Bonds by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement dated August 25, 2016 prior to the date hereof is ratified and confirmed. The City Council of the City hereby finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" (as that term is defined in 17 CFR Section 240.15c-12) as of their respective dates.

Section 14. APPROVAL OF A PAYING AGENT/REGISTRAR AGREEMENT. The City hereby approves a Paying Agent/Registrar Agreement with an attached Blanket Letter of Representations. Each the Mayor, the Interim City Manager and the Director of Finance are hereby authorized to amend, complete or modify such agreement as necessary and are further authorized to execute such agreement.

Section 15. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports. The City shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the City ending in or after 2016, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 13 of this Ordinance, being information of the type described in Exhibit "B" hereto, including financial statements of the City if audited financial statements of the City are then available, and (2) if not
provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "B" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the official statement, and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) Event Notices. The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

A. Principal and interest payment delinquencies;
B. Non-payment related defaults, if material within the meaning of the federal securities laws;
C. Unscheduled draws on debt service reserves reflecting financial difficulties;
D. Unscheduled draws on credit enhancements reflecting financial difficulties;
E. Substitution of credit or liquidity providers, or their failure to perform;
F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds;
G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;
H. Bond calls, if material within the meaning of the federal securities laws and tender offers;

I. Defeasances;

J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;

K. Rating changes;

L. Bankruptcy, insolvency, receivership or similar event of the City;

M. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and

N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 7 of this Ordinance that causes the Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.
UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.
"SEC" means the United States Securities and Exchange Commission.

Section 16. AMENDMENT OF ORDINANCE. The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance to:
   (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders,
   (ii) grant additional rights or security for the benefit of the holders,
   (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders,
   (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect,
   (v) obtain insurance or ratings on the Bonds,
   (vi) obtain the approval of the Attorney General of the State of Texas, or
   (vii) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:
   (1) Make any change in the maturity of any of the outstanding Bonds;
   (2) Reduce the rate of interest borne by any of the outstanding Bonds;
   (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;
   (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
   (5) Change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published
notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of publication of such notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

Section 17. **ADDITIONAL BOND INSURANCE PROVISIONS.** The City hereby determines that it is financially desirable and advantageous to procure municipal bond insurance, for the benefit of the Bonds. Therefore, the Bonds shall be insured by _________________ (the "Bond Insurer"), pursuant to a municipal bond insurance policy in accordance with the insurance commitment letter. The Interim City Manager and the Direct of Finance are authorized to sign the insurance commitment letter and other related insurance documents.

Section 18. **PAYMENT OF ATTORNEY GENERAL FEE.** The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) $9,500, provided that such fee shall not be less than $750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Bonds.

Section 19. **NO RECOURSE AGAINST CITY OFFICIALS.** No recourse shall be had for the payment of principal of or interest on the Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.
**Section 20.  FURTHER ACTIONS.** The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in Ordinance to carry out the terms and provisions of this Ordinance, the Bonds, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement and the Official Statement. In addition, prior to the initial delivery of the Bonds, the Mayor, is hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in Ordinance to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement or (ii) obtain the approval of the Bonds by the Texas Attorney General's office.

In case any officer of the City whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

**Section 21.  INTERPRETATIONS.** All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the lien on and pledge to secure the payment of the Bonds.

**Section 22.  INCONSISTENT PROVISIONS.** All ordinances, Ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provisions of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

**Section 23.  INTERESTED PARTIES.** Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Bonds.

**Section 24.  SEVERABILITY.** The provisions of this Ordinance are severable; and in case any one or more of the provisions of this Ordinance or the application thereof to any person or circumstance should be held to be invalid, unconstitutional, or ineffective as to any person or circumstance, the remainder of this Ordinance nevertheless shall be valid, and the application of any such invalid provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

**Section 25.  REPEALER.** All Ordinances, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.
Section 26.  **EFFECTIVE DATE.**  This Ordinance shall become effect immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 27.  **PERFECTION.**  Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of ad valorem taxes granted by the City under Section 6 of this Ordinance, and such pledge is therefore valid, effective and perfected.  If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 6 and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in Ordinance to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.
IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, passed and approved on the first and final reading on the 1st day of September, 2016.

THE CITY OF HUTTO:

________________________________________
Doug Gaul, Mayor
City of Hutto, Texas

ATTEST:

________________________________________
Seth Gipson, City Secretary

APPROVED AS TO FORM:

________________________________________
Charlie Crossfield, City Attorney
EXHIBIT A

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 13 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

(1) Table 1 – Valuation and Debt Obligations;
(2) Table 2 – Valuation and Funded Debt History;
(3) Table 3 - Tax Rate Levy and Collection History;
(4) Table 4 – Tax Rate Distribution;
(5) Table 5 - Ten Largest Taxpayers;
(6) Table 8 - Debt Service Requirements;
(7) Table 13 - General Fund Comparative Statement of Revenues and Expenditures;
(8) Table 14 - Current Investments; and
(9) Appendix B

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in the paragraph above.
CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10E. AGENDA DATE: September 01, 2016

PRESENTED BY: Helen Ramirez, AICP, Director, Development Services

ITEM: Consideration of a public hearing and possible action on the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code, Chapter 4, Section 10.403: Bulk, setbacks and buffers.

STRATEGIC GUIDE POLICY: Growth Guidance

ITEM BACKGROUND: Section 10.403.6 of the City’s Unified Development Code requires bufferyards between differing zoning districts in order to mitigate the negative impacts of incongruous uses, such as noise, light, and odor. The bufferyard standards are designed to protect low intensity development from the undesirable implications of abutting higher intensity uses. While the intent of the bufferyard standards are important, staff has found that the existing standards are somewhat excessive, and are also extremely hard to meet. The proposed revisions significantly reduce the required bufferyard widths while still providing an adequate buffer area between incompatible zoning districts. By making the bufferyard standards less restrictive, staff hopes to encourage neighborhood commercial development in Hutto while still protecting homeowners from any undesirable impacts on their property.

Staff is proposing a comprehensive revision of the bufferyard standards found in Sec. 10.403.6 of the UDC. The current standards require bufferyards ranging in size from 10 ft. where a proposed multi-family development abuts an existing commercial or industrial development, to 150 ft. where a proposed commercial development abuts an existing single-family development. The proposed amendment would establish three types of bufferyards: low, medium, and high; and bufferyard widths would range from 10 feet to 30 feet depending on the proposed adjacency. In addition, the proposed standards allow for a 5 ft. reduction in the width of the required bufferyard in exchange for construction a 6-8 ft. tall masonry wall.

The reason for this proposed change is that several developers have expressed concern that the existing standards make it difficult to develop certain commercial sites, particularly smaller commercial lots that abut single-family residences to the rear. The existing bufferyard standards often require a larger bufferyard than can reasonably be fit on a site. The proposed changes to the standards are intended to address these difficulties and provide new standards that require bufferyards of an appropriate size relative to the adjacent use.
By amending the bufferyard standards, staff also hopes to encourage commercial and light industrial development in Hutto, while still ensuring high-quality development that protects the quality of life for residents and property owners.

Notice was published in the Taylor Daily Press. Notice has also been posted on the City of Hutto website.

**BUDGETARY AND FINANCIAL SUMMARY:**
Not applicable.

**RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:**
Planning and Zoning Commission unanimously recommended approval at the August 9th, 2016 meeting.

**CITY ATTORNEY REVIEW:**
The City Attorney has approved the process as to form.

**STAFF RECOMMENDATION:**
Staff recommends that the Council approve the first reading of the ordinance. The Council may dispense with the second reading of this ordinance.

**SUPPORTING MATERIAL:**
1. Notice - Unified Development Code Ordinance Amendment Section 10.403
2. Ordinance - Unified Development Code Ordinance Amendment Section 10.403
3. Current UDC Chapter 4 Site Design Standards
PUBLIC NOTICE
NOTICE OF A PUBLIC HEARING

NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS THAT THE HUTTO CITY COUNCIL WILL HOLD A PUBLIC HEARING REGARDING:

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE UNIFIED DEVELOPMENT CODE (UDC) CHAPTER 4, SECTION 10.403: BULK, SETBACKS AND BUFFERS, PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES.

A public hearing will be held on September 1, 2016 at 7:00 p.m.

Hutto City Hall
401 W. Front St., Hutto, Texas

For additional information the public may contact Development Services at 512-759-3479 or planning@huttotx.gov

Publication Date: August 14, 2016
ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE UNIFIED DEVELOPMENT CODE (UDC) CHAPTER 4, SECTION 10.403.6: BUFFERYARD, PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES.

WHEREAS, an amendment has been presented to the City Council of the City of Hutto, Texas to amend the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code (UDC), Chapter 4, Section 10.403.6: Bufferyard; and;

WHEREAS, on the 9th day of August, 2016, after proper notification, the Planning and Zoning Commission held a public hearing on the proposed amendment, and;

WHEREAS, the Planning and Zoning Commission recommended approval of the proposed amendments on the 9th day of August, 2016, and;

WHEREAS, on the 1st day of September, 2016, after proper notification, the City Council held a public hearing on the proposed amendment, and;

WHEREAS, the City Council determines that the amendments provided for herein promote the health, safety, morals and protects and preserves the general welfare of the community, and;

WHEREAS, each and every requirement set forth in Chapter 211, Sub-Chapter A., Texas Local Government Code, concerning public notices, hearings, and other procedural matters has been fully complied with.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

1. That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code Chapter 4, Section 10.403.6, entitled Bufferyard, is hereby amended as follows:

Section 10.403.6 is hereby deleted in its entirety and replaced with the following:

10.403.6 Bufferyard

10.403.6.1 Bufferyards between lots
Bufferyards are required between certain land uses to prevent or minimize potential nuisances such as noise or light, and to provide a transition between uses that may not be compatible with each other.

10.403.6.2 Bufferyard standards
• Bufferyards shall be landscaped in accordance with the tree and shrub standards found in Section 10.407.5.4.

• No site development shall be permitted within a required bufferyard. This includes, but not limited to, parking, drive aisles, alleys, accessory buildings, dumpsters, storage, or light fixtures. Passive recreation, including pedestrian trails and seating areas, may be permitted within required bufferyards, provided that the required depth of the bufferyard and all required plantings are provided.

• A non-residential use developed in a residential zoning district will be required to provide a low level bufferyard adjacent to residential development, as defined in Section 10.403.6.3(a).

• Detention or retention ponds may be permitted within up to 25% of the required bufferyard if it is determined by the City Engineer that there is no other feasible option for the detention of stormwater. If detention or retention is located within the required bufferyard, the requirements of this section shall be met in full within the remaining bufferyard area, and additional screening or aesthetic treatment of the pond may be required depending on the location and circumstances of the site.

• The Development Services Director may approve up to a 50% bufferyard reduction for properties abutting a drainage easement or other designated open space.

• Development within or adjacent to PUD or SmartCode districts shall be subject to the bufferyard requirements for the most appropriate zoning district based on the use of the property.

• Notwithstanding Section 10.403.6.3, Development Services staff may require a masonry wall within a required bufferyard in order to mitigate nuisances caused by light, noise, odor, or any other source.

10.403.6.3 Required bufferyards
The table below indicates the level of bufferyard required between each zoning district or land use. Letters “a” to “c” correspond to the type of bufferyard required and the specific situations in which the bufferyard is required. A box with “--” indicates that a bufferyard is not required between those development types.

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<thead>
<tr>
<th>Development providing bufferyard</th>
<th>Adjacent district</th>
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<tbody>
<tr>
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<td>REC</td>
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<td>SF-R</td>
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<tr>
<td>SF-1</td>
<td>a</td>
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<td>SF-2</td>
<td>a</td>
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<td>MH</td>
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<td>MF</td>
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<tr>
<td>B-1</td>
<td>b</td>
</tr>
<tr>
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<td>c</td>
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<tr>
<td>LI</td>
<td>c</td>
</tr>
<tr>
<td>I</td>
<td>c</td>
</tr>
</tbody>
</table>
a. A low level bufferyard (“a”) shall consist of the following:
   • A 10 ft. wide planting area; or a 5 ft. wide planting area plus a 6+ ft. tall masonry wall;
   • Two (2) native tall trees and one (1) native short tree per every fifty (50) linear feet of bufferyard.
   • For bufferyards where the optional 6+ ft. tall masonry wall is not provided, a continuous landscape hedge not less than 3 ft. in height is required.

b. A medium level bufferyard (“b”) shall consist of the following:
   • A 20 ft. wide planting area; or a 15 ft. wide planting area plus a 6+ ft. tall masonry wall;
   • Two (2) native tall trees and one (1) native short tree per every fifty (50) linear feet of bufferyard.
   • For bufferyards where the optional 6+ ft. tall masonry wall is not provided, a continuous landscape hedge not less than 3 ft. in height is required.

c. A high level bufferyard (“c”) shall consist of the following:
   • A 30 ft. wide planting area; or a 25 ft. wide planting area plus a 6+ ft. tall masonry wall;
   • Two (2) native tall trees and one (1) native short tree per every fifty (50) linear feet of bufferyard.
   • For bufferyards where the optional 6+ ft. tall masonry wall is not provided, a continuous landscape hedge not less than 3 ft. in height is required.

10.403.6.4 Bufferyards adjacent to development perimeter walls
Where a development perimeter wall is provided, a bufferyard consisting of the following shall be provided between the wall and the street:
   • A 10 ft. wide planting area;
   • Two (2) native tall trees and one (1) native short tree per every fifty (50) linear feet of bufferyard, and;
   • A continuous landscape hedge not less than 3 ft. in height.

2.

That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code Chapter 4, Section 10.403.4, entitled Building envelope, is hereby amended as follows:

10.403.4 Building envelope

10.403.4.2 Primary and accessory structures

(amendments to these portions of the existing table only)
<table>
<thead>
<tr>
<th>Zoning district</th>
<th>SF-R</th>
<th>SF-1</th>
<th>SF-1 zero lot line</th>
<th>SF-1 village</th>
<th>SF-2</th>
<th>MF</th>
<th>MH</th>
<th>B-1</th>
<th>B-2</th>
<th>LI/I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Side yard (min)</td>
<td>20 ft.</td>
<td>5 ft.</td>
<td>0 ft. one side, 12 ft. other</td>
<td>5 ft.</td>
<td>5 ft.; 0 ft. for common walls</td>
<td>15 ft.</td>
<td>25 ft.</td>
<td>MH site</td>
<td>0 ft. for common walls or 10 ft.; 50 ft. from * SF-R:20 ft., SF-1:20 ft., SF-2:10 ft.</td>
<td>0 ft. for common walls or 10 ft.; 50 ft. from * SF-R:30 ft., SF-1:30 ft., SF-2:20 ft.</td>
</tr>
<tr>
<td>Rear yard (min)</td>
<td>50 ft.</td>
<td>20 ft.</td>
<td>10 ft.</td>
<td>20 ft. (house and garage)</td>
<td>20 ft.</td>
<td>25 ft.</td>
<td>MH site</td>
<td>25 ft.; 50 ft. from * SF-R:20 ft., SF-1:20 ft., SF-2:10 ft. or building height</td>
<td>25 ft.; 50 ft. from * SF-R:30 ft., SF-1:30 ft., SF-2:20 ft. or building height</td>
<td>25 ft.; 100 ft. from * SF-R:30 ft., SF-1:30 ft., SF-2:30 ft., MF:30 ft., MH:30 ft.</td>
</tr>
</tbody>
</table>

- Accessory structures are prohibited between the front building line of the primary building and the public right-of-way.
- The cumulative gross floor area of all accessory structures on the site may be no more than 25% of the yard where they are located.
- Accessory structures must be placed at least 10 ft. or a distance equivalent to their height from primary structures on a site, whatever is lesser.
- Building permitting and setback standards do not apply to accessory structures no more than 200 sq. ft.

* **Bufferyard standards (Section 10.403.6) may affect setbacks.** Required bufferyards (Section 10.403.6) may result in larger required setbacks.

### SECTION II. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

### SECTION III. Severability Clause

The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

### SECTION IV. Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.
SECTION V. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VI. Effective Date

This ordinance shall take effect and be in force from and after its passage.

READ and APPROVED on first reading on this the 1st day of September, 2016 at a meeting of the Hutto, Texas City Council; there being a quorum present.

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for reading this ordinance on two separate days was dispensed with.

READ, PASSED and ADOPTED on first reading on this the 1st day of September, 2016, at a regular meeting of the City Council of Hutto, there being a quorum present.

CITY OF HUTTO, TEXAS

______________________________
Doug Gaul, Mayor

ATTEST:

_____________________________
Seth Gipson, City Secretary
Chapter 4 Site design standards

10.401 Intent

Site design standards establish design criteria and minimum standards for development in the city. The rules are intended to:

- Enhance and protect Hutto’s character, built environment, quality of life and community image through clearly articulated development design goals and policies, design guidelines and minimum design standards.
- Protect and promote Hutto’s long-term vitality through design standards that encourage and reward high quality development, while discouraging less attractive and less enduring alternatives.
- Minimize adverse impacts of vehicular circulation to existing neighborhoods and to the surrounding physical environment.
- Enhance and protect the security and health, safety and welfare of Hutto residents.

10.402 General standards

10.402.1 Utilities

10.402.1.1 Utility lines

All new utility lines must be placed underground. Transmission lines at least 345 kilovolts are exempted.

10.402.1.2 Utility boxes

- Utility boxes must be as small as possible.
- Utility boxes greater than 2 ft. tall cannot be placed in the clear vision area, or interfere with use of streets, alleys, sidewalks, and bicycle paths.
- Utility boxes in the front yard on a block must be painted a uniform earth tone color.

Utility location and screening requirements are found throughout this section.

10.403 Bulk, setbacks and buffers

10.403.1 Intent

Bulk, setback and buffer standards regulate the placement of buildings and other improvements on a parcel. Land use regulations traditionally regulated building placement so adequate light and air can be provided to building occupants, and to slow the spread of fires from building to building. However, building placement can be an important element in defining a community’s sense of place.

10.403.2 Applicability

This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No; see SmartCode</td>
<td>No</td>
</tr>
</tbody>
</table>
10.403.3 Lot dimensions and area

Required lot dimensions and area are:

<table>
<thead>
<tr>
<th>Zoning district</th>
<th>SF-R</th>
<th>SF-1</th>
<th>SF-1 zero lot line</th>
<th>SF-1 village</th>
<th>SF-2</th>
<th>MF</th>
<th>MH</th>
<th>B-1</th>
<th>B-2</th>
<th>LI/I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot area (min)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SF-1 R</td>
<td>87,120 sq. ft. (2 ac)</td>
<td>7,800 sq. ft.</td>
<td>5,500 sq. ft.</td>
<td>5,000 sq. ft.</td>
<td>4,500 sq. ft.</td>
<td>4,500 sq. ft.</td>
<td>20,000 sq. ft.</td>
<td>217,800 sq. ft. (5 ac)</td>
<td>43,560 sq. ft. (1 ac)</td>
<td>43,560 sq. ft. (1 ac)</td>
</tr>
<tr>
<td>Lot width at building line (min)</td>
<td>200 ft.</td>
<td>60 ft.</td>
<td>50 ft.</td>
<td>45 ft.</td>
<td>45 ft.</td>
<td>45 ft.</td>
<td>100 ft.</td>
<td>200 ft.</td>
<td>100 ft.</td>
<td>100 ft.</td>
</tr>
</tbody>
</table>

- Flag lots must have at least 50 ft. frontage along a public right-of-way.
- Width to depth ratio of lots for single household and two household dwelling developments shall be at least 1:3, as determined by the smallest rectangle enclosing the extreme limits of the lot.
- Within a townhouse development, internal lots for the purpose of individual ownership of dwellings with undivided interest in the common areas and facilities may be less than 4,500 square feet in area and have a lot width less than 45 feet.

Lot configuration standards, governing the arrangement of lots in a subdivision, are in Section 10.508.

10.403.4 Building envelope

10.403.4.1 General

If there is a conflict among the setback and landscape/bufferyard standards in this code when applied to a certain site, the more restrictive standards will apply.

10.403.4.2 Primary and accessory structures

Default bulk standards for primary and accessory structures are as follows:
### Chapter 4  Site design standards  §10.403  Bulk, setbacks and buffers

<table>
<thead>
<tr>
<th>Zoning district</th>
<th>SF-R</th>
<th>SF-1</th>
<th>SF-1 zero lot line</th>
<th>SF-1 village</th>
<th>SF-2</th>
<th>MF</th>
<th>MH</th>
<th>B-1</th>
<th>B-2</th>
<th>LI/I</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Side yard (min)</strong></td>
<td>20 ft.</td>
<td>5 ft.</td>
<td>0 ft. one side, 12 ft. other</td>
<td>5 ft.</td>
<td>5 ft.; 0 ft. for common walls</td>
<td>15 ft.</td>
<td>25 ft. MH site</td>
<td>0 ft. for common walls or 10 ft.; 50 ft. from SF-R, SF-1, SF-2</td>
<td>0 ft. for common walls or 10 ft.; 50 ft. from SF-R, SF-1, SF-2</td>
<td>0 ft. for common walls or 10 ft.; 100 ft. from SF-R, SF-1, SF-2, MH</td>
</tr>
<tr>
<td><strong>Rear yard (min)</strong></td>
<td>50 ft.</td>
<td>20 ft.</td>
<td>10 ft.</td>
<td>20 ft. (house and garage)</td>
<td>20 ft.</td>
<td>25 ft. MH site</td>
<td>25 ft.; 50 ft. from SF-R, SF-1, SF-2, or building height</td>
<td>25 ft.; 50 ft. from SF-R, SF-1, SF-2 or building height</td>
<td>25 ft.; 100 ft. from SF-R, SF-1, SF-2</td>
<td></td>
</tr>
<tr>
<td><strong>Side and rear yard for accessory building (min)</strong></td>
<td>20 ft.</td>
<td>5 ft.</td>
<td>5 ft.</td>
<td>5 ft.</td>
<td>5 ft.; 0 ft. for common walls</td>
<td>15 ft.</td>
<td>25 ft. MH site</td>
<td>Same as main building</td>
<td>Same as main building</td>
<td>Same as main building</td>
</tr>
<tr>
<td><strong>Spacing between buildings (min)</strong></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>20 ft.</td>
<td>15 ft.</td>
<td>0 ft. for common walls or 50% height of taller building, but at least 20 ft.</td>
<td>0 ft. for common walls or 50% height of taller building, but at least 20 ft.</td>
<td>0 ft. for common walls or 50% height of taller building, but at least 20 ft.</td>
</tr>
<tr>
<td><strong>Building height (max)</strong></td>
<td>45 ft. / 3 stories</td>
<td>35 ft. / 2.5 stories</td>
<td>35 ft. / 2.5 stories</td>
<td>35 ft. / 3 stories</td>
<td>35 ft. / 3 stories</td>
<td>3 stories</td>
<td>1 story</td>
<td>2 stories</td>
<td>2 stories along US 79 and FM 685</td>
<td>2 stories</td>
</tr>
<tr>
<td><strong>Building height, accessory (max)</strong></td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>1 story</td>
<td>15 ft.</td>
<td>15 ft.</td>
<td>15 ft.</td>
</tr>
</tbody>
</table>

- Accessory structures are prohibited between the front building line of the primary building and the public right-of-way.
- The cumulative gross floor area of all accessory structures on the site may be no more than 25% of the yard where they are located.
- Accessory structures must be placed at least 10 ft. or a distance equivalent to their height from primary structures on a site, whatever is lesser.
- Building permitting and setback standards do not apply to accessory structures no more than 200 sq. ft.
- Required bufferyards (Section 10.403.6) may result in larger required setbacks.
Illustrations of setbacks and yards for various lot and building configurations are included in Section 10.202.2.

10.403.4.3 Riparian setbacks

Minimum structural setbacks from riparian areas (edge of 100-year floodplain or delineated wetlands) are:
- Watercourses draining an area at least 0.5 square mile and having a defined bed and bank, designated 100 year flood plains, and Category 3 wetlands: 25 ft.
- Watercourses draining an area of 0.5-20 square miles, and Category 2 wetlands: 75 ft.
- Watercourses draining an area of greater than 20 square miles, and Category 1 wetlands: 125 ft.

10.403.4.4 Swimming pools and spas

Bulk standards for swimming pools and spas are:
- Edge of inground or above ground pool, or inground or freestanding spa: at least 10 ft. from primary structure, at least 10 ft. from side and rear lot line, must be placed in rear or side yard.
- Edge of concrete deck: at least 5 ft. from side and rear lot line, must be placed in rear yard or side yard.
- Edge of wood pool deck: same as for accessory structure in underlying zoning district.

General standards for pools are in Section 10.311.9.

10.403.5 Setback encroachments and exceptions

These uses and structures may encroach into a yard or required setback as follows.

<table>
<thead>
<tr>
<th>Type of structure or use</th>
<th>Residential uses</th>
<th>Non-residential uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air conditioning equipment</td>
<td>Any part of the side and rear yard</td>
<td>n/a</td>
</tr>
<tr>
<td>Arbors and trellises</td>
<td>Any yard, at least 5 ft. from neighboring PL</td>
<td>n/a</td>
</tr>
<tr>
<td>Awnings</td>
<td>no more than 3 ft. into front, side or rear setback; may hang over easements</td>
<td>no more than 6 ft. into front, side or rear setback; may hang over easements; may hang over public ROW with approval of City Council</td>
</tr>
<tr>
<td>Backflow prevention devices</td>
<td>Any part of the side and rear yard</td>
<td>Any yard on the site</td>
</tr>
<tr>
<td>Bay windows, chimneys, entry vestibules less than 8 ft. wide and less than 33% of the wall length, overhanging eaves</td>
<td>no more than 3 ft. into any setback</td>
<td></td>
</tr>
<tr>
<td>Newspaper vending boxes, pay telephones</td>
<td>n/a</td>
<td>Any yard on the site; property must be occupied by a principal building</td>
</tr>
<tr>
<td>Open deck greater than 5 ft. above grade</td>
<td>at least 5 ft. into rear setback, if area underneath is left unscreened/unenclosed</td>
<td>n/a</td>
</tr>
<tr>
<td>Open deck no more than 5 ft. above grade</td>
<td>Into rear setback, at least 10 ft. from PL</td>
<td>n/a</td>
</tr>
<tr>
<td>Ramps and other access devices required by the ADA</td>
<td>Any yard on the site</td>
<td>n/a</td>
</tr>
<tr>
<td>Retaining walls</td>
<td>Any yard on the site</td>
<td></td>
</tr>
<tr>
<td>Satellite dishes at least 1m in diameter</td>
<td>Aide and rear yard, at least 10 ft. from PL</td>
<td></td>
</tr>
</tbody>
</table>

Encroachments across property lines, into the public right-of-way, or into utility, drainage, access, conservation or riparian easements are prohibited.
### 10.403.6 Bufferyard

**10.403.6.1 Bufferyards between lots**

Bufferyards planted and/or screened in conformance to landscape and fencing standards in this chapter, are required between lots as follows.

<table>
<thead>
<tr>
<th>Proposed development</th>
<th><strong>SF-R, SF-1, SF-2, other 1-4 household residential</strong></th>
<th><strong>M,F, MH, other 5+ household residential</strong></th>
<th><strong>B-1, B-2, other commercial or institutional use</strong></th>
<th><strong>LI/I</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>SF-R, SF-1, SF-2</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Place of worship or assembly, civic use, school, amenity center, community center (all zoning districts)</td>
<td>25 ft.</td>
<td>10 ft.</td>
<td>10 ft.</td>
<td>10 ft.</td>
</tr>
<tr>
<td>MF, MH</td>
<td>25 ft.</td>
<td>10 ft.</td>
<td>10 ft.</td>
<td>10 ft.</td>
</tr>
<tr>
<td>B-1, B-2</td>
<td>150 ft.</td>
<td>125 ft.</td>
<td>10 ft.</td>
<td>10 ft.</td>
</tr>
<tr>
<td>LI</td>
<td>100 ft. + 6+ ft. tall masonry wall or 6+ ft. tall earthen berm (wall/berm and footage required)</td>
<td>50 ft. + 6+ ft. tall masonry wall or 6+ ft. tall earthen berm (wall/berm and footage required)</td>
<td>50 ft.</td>
<td>25 ft.</td>
</tr>
</tbody>
</table>

A 6ft+ tall masonry (brick, stone, decorative CMU, similar materials) wall or 6 ft. + tall earth berm may substitute for 100 ft. of bufferyard depth. Bufferyard depth must be landscaped per Section 10.407.

**10.403.6.2 Landscape buffer yards between parking lots and streets**

Landscape buffer yards at least 10 ft. from right-of-way, planted per landscaping standards in Section 10.407, are required between a parking lot and a street.

**10.403.6.3 Landscape buffer yards elsewhere**

Landscape buffer yards, planted per landscaping standards in Section 10.407, are required as follows:

- Development perimeter walls along a street between wall and sidewalk or right-of-way edge: at least 10 ft. from sidewalk or right-of-way.

### 10.403.7 Residential adjacency

**10.403.7.1 Loading area screening**

Off-street loading areas must be fully screened from view of residential districts. Wing walls, landscape screens, changes in building orientation, and/or other architectural elements must be used to buffer loading docks no more than 150 ft. from a residential district or area, lodging establishment, nursing home or assisted living facility.

**10.403.7.2 Vehicle intensive use screening**

Wing walls, landscape screens, changes in building orientation, and/or other architectural elements must be used to buffer drive-through aisles and mechanical commercial uses when they are no more than 150 ft. from a residential district or area, lodging establishment, nursing home or assisted living facility.
10.403.7.3 Vehicle service bays
Vehicle service bays and loading area garage doors must face away from residential districts, unless separated by a building or permanent architectural feature at least the height of the service bays. Walls separating service bays from a residential district must be masonry (stone, brick, decorative CMU, similar materials) with no openings.

10.403.7.4 Dumpster enclosures
Dumpster enclosures in nonresidential zoning districts must be at least 50 ft. from a residential zoning district.

10.404 Site design

10.404.1 Applicability
This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No; see SmartCode</td>
<td>No</td>
</tr>
</tbody>
</table>

10.404.2 Siting and orientation: one and two household dwellings and development

10.404.2.1 Applicability
These standards apply to all development in the SF-R, SF-1, and SF-2 districts.

10.404.2.2 Building orientation

One and two household dwellings must be oriented where the front façade is parallel to and facing the street as much as possible, and not another dwelling on an adjacent lot. On corner lots, houses may face the corner or either fronting street.
10.404.3  Siting and orientation: multiple household and manufactured home development and structures

10.404.3.1  Applicability
These standards apply to all development in the MF and MH districts.

10.404.3.2  Building orientation
Buildings must be oriented towards either the perimeter streets, or an internal drive or road network that recreates a traditional grid or traditional village, rather than orientation only to internal parking lots.

10.404.3.3  Common open space

10.404.3.3.1  Common open space required
The minimum amount of common open space (as a percentage of net land area) is 20%.

10.404.3.3.2  Common open space siting
Common open space must be amassed into meaningful, quality open spaces. Clustering of buildings is encouraged to minimize small, narrow, unassigned strips in front of and between buildings. Designated common open space may be in a natural, undisturbed state, landscaped for more formal courtyards or plazas, or developed for active or passive recreation.

Common open space land must be compact and contiguous to the maximum extent practicable, unless the land is used as a continuation of an existing greenway, trail, or other linear park, or unless specific topographic features require a different configuration.

Common open space must be reasonably accessible to all residents of the development:

10.404.3.3.3  Areas not considered as common open space
The following do not count towards common open space:

- Private lots, yards, balconies and patios dedicated for use by a specific unit.
- Public right-of-way or private streets and drives.
- Open parking areas and driveways for dwellings.
- Land covered by structures except ancillary structures associated with use of open space such as gazebos and picnic shelters.
- Designated outdoor storage areas.
- Land areas between buildings, and between building and parking lots or driveways, of greater than 40 ft.
- Required perimeter setbacks.
- Detention/retention facilities, including drainage swales, unless designed for use as accessible and useable year-round community amenities by the residents of the development (e.g., picnic areas, passive recreation areas, playgrounds, ponds for fishing and/or boating, etc.).
- Areas under high-tension power lines.
- Wetlands that are saturated for greater than 50% of the year.

10.404.3.4  Manufactured home parks
The following additional standards apply to manufactured home parks.

10.404.3.4.1  Manufactured home spaces
Manufactured home spaces must:

- Be at least 2,500 sq. ft.
- Abut an internal street that permits movement of manufactured homes to and from the space.
- Have a front yard of at least 25 ft. and side and rear yard of at least 15 ft.
- Be flat and stable, so the placed manufactured home does not heave, shift, tilt or settle unevenly.
10.404.3.4.2 Manufactured home park site development
A manufactured home park must:
- Occupy an at-least-100,000-sq.-ft.-site, and include at least 20 spaces.
- Have at least 5,000 sq. ft. for each space.
- Provide an amenity center.

10.404.4 Siting and orientation: non-residential sites and structures

10.404.4.1 Applicability
These standards apply to all development in the B-1, B-2 and LI districts, and non-residential sites and structures not subject to the SmartCode.

10.404.4.2 Orientation to streets
The primary façade and pedestrian entrance of a building must be oriented towards the public right-of-way when not facing an internal village street.

In shopping and commercial centers, and developments with multiple buildings, buildings must be oriented towards either the perimeter streets, or an internal drive or road network that recreates a village street, rather than orientation only to internal parking lots.

10.404.4.3 Orientation to walkways
One main building entrance must open directly onto a connecting walkway with pedestrian frontage.
Sides of a principal building facing a public street must have one or more customer entrances. When a principal building faces more than two public streets, this requirement will apply only to two sides.

10.404.4.4 Plazas
Commercial buildings must be placed in a way that creates plazas and pedestrian gathering areas that are large enough to buffer pedestrians from traffic and circulation areas.

10.404.4.5 Views
Commercial buildings must be oriented to promote views through and into each commercial development.

10.404.4.6 Clustering
Clustering of buildings in larger master planned and multiple building projects is strongly encouraged.
Chapter 4  Site design standards

§10.404  Site design

10.404.4.7 Building perimeter wall spacing from driving surfaces
Building walls must be placed at least 10 ft. from drive aisles and parking areas around the entire building perimeter. This buffer area may be breached for loading areas, drive-through windows and garage access.

10.404.4.8 Solar orientation
When building orientation to the east and west is unavoidable, landscaping, canopies, arcades, roof overhangs, or similar features must be used to shade facades and walls that face into the sun for a large portion of the morning or afternoon.

10.404.5 Sidewalks

10.404.5.1 Sidewalks required
Sidewalks in conformance to Section 10.510 and Section 10.511 must be provided along public or private street frontages. A continuous internal pedestrian walkway at least 5 ft. wide must be provided from the perimeter public sidewalk to the primary public entrance of a non-residential building or multiple household residential development.

10.404.5.2 Sidewalks required for use change
Sidewalks in conformance to Section 10.510 and Section 10.511 must be constructed along the public right-of-way adjacent to any lot that changes use. A Certificate of Occupancy for new construction will not be issued until the sidewalk is constructed and accepted by the city.

10.404.6 Internal pedestrian circulation

10.404.6.1 Applicability
The following standards apply to all development in the MF, MH, B-1, B-2, REC. LI, and I districts, and non-residential sites and structures not subject to the SmartCode.

10.404.6.2 Internal walkways
Internal walkways extending the full length of a building must be provided along all façades or walls featuring a customer entrance and along all façades abutting public parking areas. Internal walkways must be placed at least 6 ft. or more from the façade or wall along at least 30% of its length, to provide beds for foundation landscaping, outdoor seating and patios, and building articulation. Sidewalks are not required in service areas.

10.404.6.3 Pedestrian connectivity
Connecting walkways, at least 6 ft. wide for commercial development and at least 5 ft. for development in the MF and MH districts, must link sidewalks with building entries through parking areas, all points in the
Chapter 4  Site design standards

§10.404  Site design

development, and buildings on adjacent parcels. Circulation patterns must be as obvious and simple as possible. All likely pedestrian routes must be considered in the design phase of a development to prevent shortcuts through parking and landscape areas. An internal pedestrian walkway at least 6 ft. wide must be provided from the perimeter public sidewalk to the primary public entrance.

10.404.6.4  Conflict points
Internal pedestrian walkways must be distinguished from driving surfaces by textured pavement, to emphasize conflict points and enhance pedestrian safety.

10.404.6.5  Aggregation of plazas
Pedestrian areas and plazas shall be aggregated, and not distributed in low impact areas such as building peripheries, areas behind structures, or where they are barely visible.

10.404.6.6  Orientation of plazas
Pedestrian areas and plazas shall be oriented to views of activities, architectural landmarks or distinctive natural land forms wherever possible.

10.404.7  Signature elements
Primary vehicular entrances to businesses, office and industrial parks, shopping and commercial centers, and development in MF and MH districts, on sites at least 10 acres, must include one or more signature elements. A signature element may include:

- Public art, with a theme unrelated to the primary use(s) of the site.
- Water feature, such as a water fountain or waterfall.
- Clock or bell tower.

10.404.8  Public transit facilities

- Commercial and residential developments that could generate high volumes of transit use must include accommodation for current and future public transit facilities. Transit facilities must be provided in a way to make transit an attractive mode of travel for both employees and patrons.
- Transit routes, access points and shelter locations should be addressed along streets in and on the perimeter of nonresidential projects. Bus stop areas and bus shelters must be placed close to significant clusters of buildings.
- There must be an uninterrupted durable pedestrian path connecting transit stops and/or shelters with the nearest sidewalk or pedestrian path.
10.404.9  Service areas

10.404.9.1  Applicability
These standards apply to all development in the MF, MH, B-1, B-2 and LI districts, and non-residential sites and structures not subject to the SmartCode.

10.404.9.2  Orientation
- Service entrances, loading docks, waste disposal areas and similar uses must be oriented toward service roads and away from the public right-of-way and residential areas, unless adequately screened.
- Service areas cannot be placed where they will be readily visible from adjacent buildings or where they will harm important or identified view corridors.

10.404.9.3  Screening
Service entrances, loading docks, waste disposal areas and similar uses must be screened from public streets, pedestrian gathering areas and primary entrances with fencing, walls and/or landscaping, with design compatible with the architectural theme of the host building.

![Wing wall used to screen loading dock](image)

10.404.9.4  Coordination of service area locations
Service area location must be coordinated with adjacent developments wherever possible, so shared service drives can be used.

10.404.9.5  Access routes
- Service circulation in a development must be designed to provide safe movement for anticipated vehicles.
- Fire lanes and routes for service, emergency and utility access must be clearly marked.

10.404.9.6  Gas tank vent pipes
Tank vent pipes must be screened, placed in an inconspicuous location and painted a dark color, or integrated into the building architecture.

Mechanical and electrical equipment screening requirements are included in architectural design standards.
10.404.10 Water bodies and retention areas

10.404.10.1 Shape
Permanent wet retention ponds must be designed to appear natural by having edge alignment offsets that are at least 10 ft. and spaced no more than 100 ft. apart.

10.404.10.2 Project incorporation
Natural and manmade water bodies at least 20,000 sq. ft. placed next to a public right-of-way must be integrated into the overall design of a project in one of the following ways:

- Provide a walkway at least 8 ft. wide, with native tall trees on average 25 ft. centers, and shaded benches or picnic tables every 150 linear feet.
- Provide a public access pier with covered structure and seating, and appropriate pedestrian access.
- Provide a plaza or courtyard at least 200 sq. ft. with shaded benches and/or picnic tables next to the water body.

10.404.10.3 Slope
- Retention basins must be designed with at least 5:1 side slopes to 2 ft. below the normal water line.
- Fenced retention basins will only be approved in extreme situations, and will be placed to the side and/or rear of the parcel as far from the public right-of-way as possible.

10.404.10.4 Fencing
Metal decorative fences may be used to fence manmade water bodies and retention basins in conformance to fence design standards in Section 10.408.

10.404.11 Land disturbance
New development should respect and maintain the natural topography on a site through sensitive site organization and minimizing land disturbance. Layout of new development should follow and respect the natural topography of the site to the maximum extent possible. Overlot grading to create a large level lot or site is prohibited. Extensive grading or unusual site improvements (e.g. large retaining walls) to force a preconceived design onto a particular piece of property is strongly discouraged. Berms, channels, swales, and similar man-made changes to the landscape must be designed and graded to be an integral part of the natural landscape and to provide a smooth transition in changes of slope.

10.404.12 Defensible space
New development and related open space must be designed to facilitate principles of Crime Prevention Through Environmental Design (CPTED). CPTED strategies include natural territorial reinforcement, natural surveillance, natural access control, maintenance and activity support.
CPTED operates on 4 essential principles:

1. Natural Surveillance – People are less likely to commit a crime if they think someone will see them do it. Lighting, landscaping, and building transparency can play large roles in maximizing natural surveillance.

2. Natural Access Control – Aim to direct the flow of people to minimize the opportunity for crime. Rather than rely strictly on keeping intruders out with fences, etc., the design of walkways, signs, and building design play important roles in this.

3. Territorial Reinforcement - Clearly distinguishing public spaces from private spaces can enhance the public’s perceived proprietorship on a space. Physical design elements such as pavement treatment, landscaping, and signage can provide this reinforcement.

4. Maintenance – If one broken window or nuisance is allowed to exist, more will likely follow. Maintenance codes and private covenants can provide beneficial safeguards against such issues.

If you would like more information on CPTED, please feel free to discuss the topic with City staff.

### 10.405 Parking and access

#### 10.405.1 Intent

The on-site vehicular circulation and parking system is a critical factor in the safety and success of a development. The parking/access/circulation system should provide safe, efficient, convenient, and functional movement of multiple modes of transportation both on and off the site where pedestrian/bicycle/vehicle conflicts are minimized. However, site planning that considers only the convenience of drivers can result in a dysfunctional built environment centered entirely on the motor vehicle; garagescapes and large seas of parking, for example.

Parking standards are intended to ensure vehicles are accommodated in the built environment, but their presence does not dominate it.

#### 10.405.2 Applicability

This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No; see SmartCode</td>
<td>No</td>
</tr>
</tbody>
</table>

#### 10.405.3 General standards

10.405.3.1 Applicability

Parking, access and design standards apply to all uses, unless otherwise stated. Vehicle display and storage areas at vehicle dealers, vehicle repair businesses and vehicle storage facilities, and areas intended for the storage or movement of vehicles on industrial sites are not exempt.

10.405.3.2 Large vehicles and equipment

Outdoor storage or overnight parking of semi-trucks, semi-trailers, and other vehicles having a gross vehicle weight rating of at least 17,000 pounds is prohibited in residential and commercial districts. Exceptions are pickup trucks, personal recreational vehicles not being used for habitation, and vehicles associated with a business on a commercial site. Construction equipment may only be stored on lots in residential and commercial districts while construction is permitted.
Chapter 4  Site design standards  §10.405  Parking and access

10.405.4  Access

10.405.4.1  Shared access
- Shared and master planned access, rearage roads and/or access easements across parcels will be required where considered necessary by Development Services staff and/or city engineer, to minimize potential congestion, decrease accident potential and reduce the number of curb cuts and conflict points along a street.
- Commercial and individual development must be designed to provide for shared access with adjacent commercial and industrial parcels. Provisions must be made for connection of pedestrian and vehicle circulation systems with adjacent parcels.
- Property owners cannot block access to parking lot connections on adjacent parcels.

10.405.4.2  Curb cuts
- Curb cuts and ramps must be placed at convenient and safe locations. Curb cuts must be limited to the fewest necessary to provide workable access to the parking area.
- Curb cuts must be spaced at intervals of at least 250 ft., or at least 500 ft. along major arterials, unless this would prevent access to a separate property (not an outparcel) and a rearage road is not possible.
- When a parcel fronts on two different streets, or a street and a rearage road, the curb cut must be from the street with the lower functional classification.
- Curb cuts and ramps must avoid crossing or funneling traffic through loading areas, drive-through aisles and outdoor trash storage and collection areas.

10.405.4.3  Driveway throats
Driveway throats to parking areas serving <50,000 sq. ft. of commercial, industrial or civic GFA accessing non-arterial streets must be at least 20 ft. long.
- Driveway throats to parking areas serving at least 50,000 sq. ft. of commercial, industrial or civic GFA, and those accessing arterial streets, must be at least 40 ft. long.
- Driveway throat length is measured from the right-of-way line.

10.405.4.4  Entry orientation
Entrance drives should align with focal points in a development such as landmark towers or landscape features.
10.405.4.5 Emergency access
Site design elements must reasonably accommodate access standards of emergency vehicles and services.

10.405.4.6 Service functions
Service functions must be integrated into the circulation pattern in a way that minimizes interaction with customer vehicles and pedestrians.

10.405.4.7 Connectivity for multifamily residential and manufactured home development
Multifamily residential and manufactured home development must not be planned as “pods” isolated from surrounding development, but instead must be integrated into the larger grid of public streets and private access driveways. Multifamily and manufactured home development must have pedestrian and vehicular connections to adjacent residential development, and where practical, adjacent commercial development.

10.405.5 Circulation

10.405.5.1 Circulation routes
• Circulation and parking areas in a development must be designed to be safe, efficient, and attractive, considering use by all modes of transportation.
• Parking lots must provide well-defined circulation routes for vehicles, bicycles and pedestrians.
• Circulation routes must focus on main entries and exits, and identify secondary access points.
• Redundant circulation cannot reduce land available for landscaping or walkways.
• Vehicle circulation paths must be designed and sited to calm traffic without the need for vertical deflection devices such as speed bumps and humps. Horizontal-deflection and psychological traffic calming (traffic circles, corner neckdowns, chicanes, tapers, landscape medians, small turn radii, decorative paving) is encouraged.

10.405.5.2 Safety and conflict points
• Circulation areas must be designed so vehicles can proceed safely without posing a danger to pedestrians or other vehicles, and without interfering with parking areas. Standard traffic control devices and signs must be used to direct traffic where necessary.
• To the maximum extent practicable, pedestrians and vehicles must be separated through walkways or sidewalks. Where complete separation of pedestrians and vehicles is not possible, landscaping, bollards, decorative paving, lighting and other permanent methods must be used to delineate pedestrian areas and other conflict points.

10.405.6 Parking aisles

10.405.6.1 Aisle and curb cut dimensions
Access drive lanes and aisles must have the following widths (excluding added width from curb return areas) at the gutter line:
• Residential driveway: 8 ft. - 24 ft.
• Residential parking lot: 10 ft. - 14 ft. one way, 20 ft. - 24 ft. two way
• Nonresidential parking lot to 99 spaces: 10 ft. - 14 ft. one way, 20 ft. - 24 ft. two way
• Nonresidential parking lot 100 spaces or more: 10 ft. - 24 ft. one way, 24 ft. - 36 ft. two way

Parking area aisles must have these minimum widths:
• Angle 0° / parallel to aisle: at least 12 ft. one way, at least 20 ft. two way.
• Angle 30°: at least 11 ft. one way, at least 20 ft. two way.
• Angle 45°: at least 13 ft. one way, at least 21 ft. two way.
• Angle 60°: at least 18 ft. one way, at least 23 ft. two way.
• Angle 90°: at least 24 ft.
10.405.6.2 Aisle orientation

In large parking lots, parking aisles must be oriented perpendicular to buildings where possible in order to minimize the need for pedestrians to walk parallel to moving cars and across landscaped areas.
10.405.6.3 Mixture of angles and one-way and two-way aisles
Mixture of one-way and two-way parking aisles, or different degrees of angled parking in a parking area is prohibited, except when individual parking areas are separated by a landscape buffer at least 5 ft. wide, with limited access.

10.405.6.4 Dead end aisles
- Dead end aisles must be avoided wherever possible. Where a dead end aisle is unavoidable, adequate space for unimpeded turn-around must be provided.
- Dead end aisles may have no more than 20 parking spaces.

10.405.6.5 Head-in/head-out and parallel parking from the public right-of-way
Parking areas must be designed so vehicles can leave without backing or fronting out onto a public street, or having to reenter a public street to access another aisle on the same lot. Driveways for individual dwelling units are exempted.

10.405.7 Stacking/queuing areas
10.405.7.1 Drive-through aisles
Off-street stacking lanes for drive-through aisles must be provided as follows:
- Bank teller window, ATM: at least 60 ft. measured from teller, window or ATM.
- Restaurant drive-through: at least 40 ft. measured from order box, at least 60 ft. between order box and first payment or pick-up window.
- Car wash: at least 60 ft. measured from the wash bay entrance.
Chapter 4  Site design standards

§10.405  Parking and access

- Other uses with drive-through windows (pharmacy, dry cleaners, etc): at least 60 ft. measured from window.

Drive-through aisles must be physically separated from parking and circulation areas, and:
- Cannot interfere with the on-site parking and circulation for other vehicles on the site.
- Cannot interfere with on-site parking.
- Cannot result in traffic queuing into a drive aisle, adjacent property or street.

Drive-through aisles must be 10 ft. - 12 ft. wide.

Drive-through aisles, elements and windows cannot be on a street-facing side of the building.

10.405.7.2  Gas pumps
There must be at least 20 ft. space for one vehicle stacked behind the vehicle at the far end of a row of gas pumps, and room for other vehicles to bypass stacked vehicles at fueling areas.

10.405.8  Parking and loading space bulk standards

10.405.8.1  Parking space dimensions
Parking spaces must have the following dimensions:
- Standard parking space (perpendicular or angled to the aisle): 9 ft. x 18 ft.
- Standard parking space (parallel to the aisle): 7 ft. x 23 ft.
- Handicapped parking space: 9 ft. x 18 ft., plus a clear 5 ft. x 18 ft. loading area to the side. Two handicapped spaces may share one loading area.
- Motorcycle space: 4.5 ft. x 9 ft.
- Off-street loading space: 12 ft. x 25 ft.
- Bicycle space: a stationary object where a user can secure both wheels and the frame of the bicycle with a 6 ft. cable and lock. The stationary object may be a freestanding bicycle rack, a wall-mounted bracket; an enclosed bicycle locker; a three point bicycle rack; or a fenced, covered, locked or guarded bicycle storage area.

10.405.8.2  Parking space location
- Parking for non-residential uses on non-corner lots must have at least 70% of the parking spaces placed behind the front building line.
- Parking for non-residential projects on corner lots must have at least 50% of the parking spaces placed behind the front building line.
• Only one drive aisle is permitted between a public right-of-way and a structure no more than 50,000 sq. ft. that fronts it.

10.405.8.3 Tandem parking
Tandem parking spaces, where the only access to a parking space is from another parking space, are permitted only for individual residential units.

10.405.8.4 Single household and two household dwelling lot coverage
Parking and driveway areas may cover no more than 33% of the front yard of a single household detached, single household village, single household zero lot line or two household dwelling, or no more than 50% of the front yard at the end of a cul-de-sac.

10.405.9 Parking and loading space number standards
10.405.9.1 Required parking spaces
Uses should offer only the minimum amount of parking that is necessary to meet anticipated normal demand. The number of required off-street parking and truck loading spaces for a use is as follows.

<table>
<thead>
<tr>
<th>Residential use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dwelling unit: single household</td>
<td>2 per dwelling</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Dwelling unit: single household + accessory unit, at least 2 units</td>
<td>1.5 per dwelling</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Group homes</td>
<td>1 per employee + 1 per 4 residents (if residents may have cars)</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>
### Commercial use classification

<table>
<thead>
<tr>
<th>Commercial use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-tenant retail buildings (shopping centers); indoor recreation facility</td>
<td>1 per 400 sq. ft. GFA</td>
<td>1 per 200 sq. ft. GFA</td>
<td>1 per tenant; may be waived by Development Services staff</td>
</tr>
<tr>
<td>Restaurant, bar/tavern, adult oriented use (live entertainment), nightclub, club/lodge</td>
<td>1 per 150 sq. ft. GFA</td>
<td>1 per 75 sq. ft. GFA</td>
<td>1</td>
</tr>
<tr>
<td>Retail uses, including: adult oriented use (retail only); art studio, performing; art studio, visual; bank; bakery, retail; convenience store; funeral home; gas station; grocery store; instructional facility; large item sales and rental; personal and business service shop; print shop; retail store; vehicle minor repair.</td>
<td>1 per 400 sq. ft. GFA</td>
<td>1 per 200 sq. ft. GFA</td>
<td>1 per tenant; may be waived by Development Services staff</td>
</tr>
<tr>
<td>Office uses, including medical office, professional office, veterinary clinic</td>
<td>1 per 400 sq. ft. GFA</td>
<td>1 per 200 sq. ft. GFA</td>
<td>1 per building</td>
</tr>
<tr>
<td>Child day care facility, pet day care and boarding, elderly day care facility</td>
<td>1 per employee + 3</td>
<td>1 per employee + 6</td>
<td>n/a</td>
</tr>
<tr>
<td>Lodging establishment (all) (restaurants, bars, nightclubs and other accessory uses computed separately)</td>
<td>1.2 per guest room + 1 per 100 sq. ft. GFA meeting/banquet room</td>
<td>1.5 per guest room + 1 per 50 sq. ft. GFA meeting/banquet room</td>
<td>1 + 1 per 5000 sq. ft. GFA meeting room area</td>
</tr>
<tr>
<td>Entertainment facility: theater</td>
<td>1 per 4 seats</td>
<td>1 per 2 seats</td>
<td>1</td>
</tr>
<tr>
<td>Farm product sales, flea market, kennel, plant nursery, greenhouse</td>
<td>No requirements</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

### Industrial use classification

<table>
<thead>
<tr>
<th>Industrial use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light industrial use, trade use, vehicle major repair</td>
<td>1 per 1000 sq. ft. GFA</td>
<td>1 per 333.3 sq. ft. GFA</td>
<td>1 per 2500 sq. ft. GFA or 2 per user/tenant, whatever is more</td>
</tr>
<tr>
<td>Self-storage facility</td>
<td>5 at office</td>
<td>10 at office</td>
<td>n/a</td>
</tr>
<tr>
<td>Research laboratory</td>
<td>1 per 400 sq. ft. GFA</td>
<td>1 per 200 sq. ft. GFA</td>
<td>1 per building</td>
</tr>
<tr>
<td>Warehouse and distribution facility</td>
<td>1 per 2000 sq. ft. GFA</td>
<td>1 per 1000 sq. ft. GFA</td>
<td>1 per 5000 sq. ft. GFA</td>
</tr>
<tr>
<td>Vehicle storage facility</td>
<td>1 per 400 sq. ft. GFA office space + 1 per stored vehicle</td>
<td>1 per 200 sq. ft. GFA office space + 1 per stored vehicle</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Table: Parking and Access Requirements

<table>
<thead>
<tr>
<th>Institutional use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cemetery, park, amenity center</td>
<td>No requirements</td>
<td>No requirements</td>
<td>No requirements</td>
</tr>
<tr>
<td>Community facility</td>
<td>1 per 500 sq. ft. GFA</td>
<td>1 per 100 sq. ft. GFA</td>
<td>n/a</td>
</tr>
<tr>
<td>Golf course</td>
<td>1 per 400 sq. ft. GFA clubhouse and pro shop + 2.5 per hole + 1 per 3 driving range tees</td>
<td>1 per 200 sq. ft. GFA clubhouse and pro shop + 5 per hole + 1 per 1.5 driving range tees</td>
<td>1 per clubhouse</td>
</tr>
<tr>
<td>Hospital (excluding general medical office space)</td>
<td>0.5 per bed + 1 per 500 sq. ft. GFA inpatient treatment area + 1 per 400 sq. ft. GFA outpatient treatment area</td>
<td>0.75 per bed + 1 per 250 sq. ft. GFA inpatient treatment area + 1 per 200 sq. ft. GFA outpatient treatment area</td>
<td>1 per 20,000 sq. ft. GFA</td>
</tr>
<tr>
<td>Place of worship or assembly</td>
<td>1 per 5 seats in primary sanctuary or assembly area</td>
<td>1 per 3 seats in primary sanctuary or assembly area</td>
<td>Required for accessory uses (school, etc)</td>
</tr>
<tr>
<td>School: elementary, middle and high</td>
<td>1 per 10 seats in auditorium/cafatorium</td>
<td>1 per 3 seats in auditorium/cafatorium</td>
<td>1 per cafeteria + 1 per gymnasium + 1 per assembly hall + 1 bus per 2 classrooms</td>
</tr>
</tbody>
</table>

Table: Temporary Use Classification

<table>
<thead>
<tr>
<th>Temporary use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christmas tree lot, carnival, construction equipment field storage lot, vehicle sales-off site</td>
<td>No set minimum; parking plan requires approval by CD staff</td>
<td>No set maximum; parking plan requires approval by CD staff</td>
<td>No set minimum; parking plan requires approval by CD staff</td>
</tr>
<tr>
<td>Construction field office</td>
<td>3 per facility</td>
<td>6 per facility</td>
<td>n/a</td>
</tr>
<tr>
<td>Garage sale, lot sales office, model home</td>
<td>No requirements</td>
<td>No requirements</td>
<td>No requirements</td>
</tr>
</tbody>
</table>

Table: Accessory Use Classification

<table>
<thead>
<tr>
<th>Accessory use classification</th>
<th>Required spaces (minimum)</th>
<th>Maximum spaces</th>
<th>Required loading spaces (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural activity, antenna-radio hobbyist, antenna-non-residential use, boat house, CMRS facility (attached), dock, home occupation, satellite dish, swimming pool</td>
<td>No requirements</td>
<td>No requirements</td>
<td>No requirements</td>
</tr>
<tr>
<td>CMRS facility (freestanding), public utility substation</td>
<td>No requirements</td>
<td>No requirements</td>
<td>1 per site</td>
</tr>
<tr>
<td>Drive-through facility</td>
<td>Refer to queuing area standards</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

10.405.9.2 Variance to maximum parking requirements
A variance to exceed maximum parking requirements may be considered if the developer shows the permitted maximum number of spaces will not meet the normal day-to-day needs of a proposed use. Corporate standards or worst-case scenarios based on rare events are not grounds for a variance. The Zoning Board of Adjustment may place conditions on a variance, such as requiring porous or textured pavement or additional landscaping.

10.405.9.3 Handicapped designated parking spaces
Handicapped designated parking spaces must be placed on the shortest possible accessible route of travel to an accessible building entrance. The number of handicapped designated parking spaces required for nonresidential uses is:
### Chapter 4  Site design standards

#### §10.405 Parking and access

<table>
<thead>
<tr>
<th>Total spaces</th>
<th>&lt;25</th>
<th>36-50</th>
<th>51-75</th>
<th>76-100</th>
<th>101-150</th>
<th>151-200</th>
<th>201-300</th>
<th>301-400</th>
<th>401-500</th>
<th>501-1000</th>
<th>greater than 1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handicapped spaces</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>2%</td>
<td>20 + 1 per additional 100 total spaces</td>
</tr>
</tbody>
</table>

10.405.9.4 Motorcycle parking spaces
One or more motorcycle parking spaces must be provided for every 100 standard vehicle parking spaces provided for non-residential uses, when the parking lot has greater than 50 spaces.

10.405.9.5 Bicycle parking
One or more bicycle parking spaces must be provided for every 20 vehicle parking spaces required as a minimum for non-residential uses. Bicycle parking design must follow standards recommended by the Association of Professional and Bicycle Professionals.

10.405.9.6 Shared parking facilities
Where different non-residential uses create staggered parking demand periods, shared parking calculations among adjacent parcels may be used to justify reducing the amount of required parking.

10.405.9.7 On-street parking
Designated on-street parking spaces no more than 200 ft. from the main entrance of a building with a commercial use may be counted towards the required amount of parking spaces for a use in the B-1 and B-2 districts. On-street parking being counted towards the required amount of parking spaces for any use or business must not encroach into residential areas.

10.405.9.8 Building or use enlargement
- When a building or use is enlarged 25% or more, more parking and loading spaces must be provided based on the enlargement.

10.405.9.9 Space computation and fractions
Fractional results will be rounded up when computing the number of required parking and loading spaces.

### 10.405.10 Landscaping areas

Landscape planting standards are in Section 10.407.

10.405.10.1 Applicability
- These standards do not apply to single household detached, single household village, single household zero lot line, two household dwellings, or parks and greenspaces over 5 acres in area.
- Specific plant material standards are detailed in the landscaping standards in this chapter. Parking setback and bufferyard standards are detailed in the bulk standards section in this chapter.

10.405.10.2 Parking lot interior landscaping
Landscape areas must consist of at least 10% of the interior space of a parking lot. Landscaped islands must be evenly distributed to the maximum extent practicable.

10.405.10.3 Parking lot entrances
Landscape islands at least 10 ft. wide must be used to define parking lot entrances and the location and pattern of internal access drives, and provide pedestrian refuge areas and walkways.

10.405.10.4 Parking rows
- Landscape islands of at least 180 sq. ft. must be placed at both ends of a parking row.
• Parking rows cannot extend for greater than 10 spaces without an interrupting landscape island of at least 180 sq. ft.

10.405.10.5 Division of large parking lots
Large parking lots must be visually and functionally segmented into smaller lots with no more than 150 parking spaces, by landscape islands at least 15 ft. wide.

10.405.10.6 Connecting walkways
The landscape area following a connecting walkway must be at least 15 ft. wide.

10.405.10.7 Parking overflow to landscaped areas
Parking cannot overflow onto areas outside of the designated parking area that does not meet the minimum pavement standards for the use. Parking and vehicle display on pedestrian and landscaped areas is prohibited.

10.405.10.8 Street corners
A corner landscape area must be provided if parking or a drive aisle is between a building and the street corner. Parking spaces and drive aisles must be at least 30 ft. from the intersection point of property lines at the corner.

10.405.11 Development standards

10.405.11.1 Surface standards and paving materials

10.405.11.1.1 Permanent surfacing
  o Parking and loading areas must have a permanent surface of asphalt, concrete, brick, paver blocks or a solid surface of similar or better durability and performance characteristics.
 ! Porous pavement and concrete may be used for individual parking spaces and lightly used drive aisles. Porous pavement and concrete is discouraged for busy drive aisles, service drives and truck/freight loading areas. Porous pavement cannot be used for handicapped parking spaces.

10.405.11.1.2 Permanent surfacing exception: single and two household dwellings
  o Porous pavement may be used as a parking surface for single and two household dwellings.
  o Driveways may have a “Hollywood driveway” design, where the driving surface is broken up into paved tracks at least 2.5 ft. wide for the wheels, separated by a 3-ft. planted strip.
  o Parking on an unpaved surface is prohibited.
10.405.11.1.3 Permanent surfacing exception: temporary uses
Permanent parking surfaces are not required for temporary uses. A parking plan must be approved for temporary uses, subject to Development Services staff review.

10.405.11.2 Grading and drainage
Parking and loading areas must be graded and drained to dispose of all surface water, in conformance to the approved drainage plan for the site.

10.405.11.3 Markings
- Parking spaces, aisles, entryways, loading spaces and queue spaces surfaced in permanent materials must be marked to show their location.
- Handicapped parking spaces must be marked with the international symbol of accessibility on the space and on a sign at the head of the parking space.
- Motorcycle parking spaces must be marked with a sign at the head of the space, from 3 ft. and 5 ft. above the parking surface.
- Parking space markings for one, two and three household dwellings are not required.

10.405.11.4 Shopping cart return areas
Shopping cart return areas must be defined by landscaping and curbs.

10.406 Architectural design

10.406.1 Intent
Architecture is a major contributing factor to Hutto’s unique sense of place. Architectural design regulations are intended to promote quality architecture, and preserve the city’s sense of place.

10.406.2 Applicability
This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No; see SmartCode</td>
<td>No</td>
</tr>
</tbody>
</table>
10.406.3  Single household detached and two to four household residence design

10.406.3.1 Intent
The intent of this section is to enhance Hutto’s unique character by requiring interesting, high quality residential architectural design.

10.406.3.2 Façades
Façades must be articulated by using color, arrangement, or change in materials to emphasize the façade elements. Exterior wall planes may be varied in height, depth or direction. Design elements and detailing, including the presence of windows and window treatments (for walls that face the public right-of-way), trim detailing, and exterior wall materials, must be continued completely around the structure. Doors and windows must be detailed to add visual interest to the façade.
10.406.3.3 Garages

10.406.3.3.1 *Front-loading garages*
New housing development must avoid front elevations resulting in a streetscape dominated by the sight of garage doors. A front-loading garage, or the area including the garage door and 4 ft. around the garage door, whichever is wider, may occupy no more than 50% of the house linear frontage, and may protrude no more than 6 ft. from the longest front wall.
Slightly projecting front garage (no more than 6 ft. from façade)

Recessed front loading garage

Side loading garage

Side loading garage

Detached garage

Three car garage
Chapter 4  Site design standards

§10.406  Architectural design

10.406.3.4  Repetitive design
Development of ten or more single household detached, single household village, single household zero lot line, and two household dwellings must have five or more different elevations, or a number of elevations equal to at least 10% of the number of lots in the development phase, whichever is more. (Different trim levels on houses with a nearly identical floor plan are not considered different elevations.) Houses of the same elevation, including those with identical, similar or mirrored floor plans, cannot be placed on adjacent lots or directly across the street from each other.

Same elevation on non-adjacent lots

Diversity in elevations (even within the same architectural style), no duplicate elevations adjacent

10.406.3.5  Required elements
Single household detached/zero lot line/village and two to four household dwellings built after this code was adopted must include at least one of the following elements:

- Side, rear or alley loaded garage, or detached garage.
- Masonry (brick, stone) wainscot at least 4 ft. on all exterior walls, if the side and rear walls are not those materials.
- Functional front porch at least 100 sq. ft.
- One of the following green building certifications:

10.406.3.6  Mechanical equipment screening
- Rooftop mechanical equipment is prohibited.
- Ground mounted mechanical equipment (air conditioning units, utility boxes, etc.) must be hidden or screened with architecturally integral wing walls or living screening material that will grow to the same height as the equipment being screened, or placed where they are not visible from the public right-of-way.
- Solar panels are exempt from mechanical equipment screening standards.

10.406.4  Single household attached and multiple household residence design

10.406.4.1  Intent
These standards are intended to provide a distinctive, quality, consistent, architectural character and style in new multiple household residential development that avoids monotonous and featureless building
massing and design, and ensure building design and architectural compatibility in a multi-unit development.

10.406.4.2 Architectural style
- Distinct groups of buildings must share a common, identifiable, complementary design or style in a multiple household residential development. This includes non-residential structures in the development such as amenity centers, laundry and maintenance buildings, garages, carports, and dumpster enclosures.
- A multiple household residential structure must have a single definitive, consistent style. Mixing of various architectural styles on the same building is inappropriate.

10.406.4.3 Form and mass
- A single, large, dominant building mass should be avoided.
- Multiple household residential building designs should incorporate visually heavier and more massive elements at the building base, and lighter elements above the base.
- Changes in mass should be related to entrances, the integral structure and/or the interior space organization and activities, and not just for cosmetic effect.

10.406.4.4 Exterior walls

10.406.4.4.1 Pattern
Facades must be articulated with bays, insets, balconies, porches, or stoops related to entrances and windows.

10.406.4.4.2 Four sided design
All walls must include materials and design characteristics consistent with those on the front. Lesser quality materials or details for side or rear walls are prohibited.

10.406.4.4.3 Long walls and façades
- The maximum length of a multiple household residential building is 200 ft.
- Wall and roof planes must have offsets or setbacks with a differential in horizontal plane of at least 4 ft. every no more than 50 ft.
- Up to six townhouse units may be attached in a single row.

10.406.4.4.4 Building entries
- Building entries next to a public street, private drive or parking area must be pedestrian-scaled, providing an expression of human activity or use in relation to building size. Doors, windows, entranceways, and other features such as corners, setbacks, and offsets can be used to create pedestrian scale.
- Common balconies on perimeter walls providing access to two or more units are prohibited.

10.406.4.4.5 Garage doors
- Front-loading garages doors may comprise no more than 50% of the total length of the front façade of a multiple household residential building’s front façade. Every two single-bay garage doors or every double garage door must be offset by at least 4 ft. from the plane of an adjacent garage door.
- Garage doors must integrate into the overall design of the site with color, and texture.

10.406.4.4.6 Windows and transparency
- All walls and elevations on all floors of multiple household buildings must have windows, except when necessary to assure privacy for adjacent property owners.
- Windows should be located to maximize the possibility of occupant surveillance of entryways and common areas.
10.406.4.4.7 Building roofs
  - On buildings with pitched roofs, the minimum roof pitch is 6:12.
  - On buildings where flat roofs are the predominant roof type, parapet walls must vary in height and/or shape at least once every no more than 50 ft. along a wall.
  - On buildings where sloping roofs are the predominant roof type, each building must have a variety of roof forms.
  - Roof forms must be designed to correspond and denote building elements and functions such as entrances and arcades.

10.406.4.5 Materials and color

10.406.4.5.1 Building materials
  - Predominant building exterior materials must be high quality, and used in their natural context and color. Masonry, stone and/or brick must be used as dominant (at least 50% of exterior surface area) exterior materials. Wood, fiber-cement siding and stucco are examples of appropriate secondary exterior materials.
  - A waiver to building material standards may be considered for buildings designed in a modern or postmodern architectural style.
  - T-1-11 and other plywood-based siding materials are prohibited.
  - Prefabricated and pre-engineered buildings are prohibited.

10.406.4.5.2 Roof materials
  Roof materials must be high quality, durable and consistent with local architectural themes. Acceptable roof materials include concrete tile, high profile asphalt shingles, metal shingles and split seam metal.

10.406.4.5.3 Material or color changes
  Material or color changes must only occur at a change of plane or reveal line. Piecemeal embellishment and frequent material changes are prohibited.

10.406.4.6 Mechanical equipment screening
  - Rooftop mechanical equipment must be hidden or screened with architecturally integral elements at least as high as the equipment to be screened. Makeshift equipment screens, such as wooden or plastic fences, are prohibited.
  - Ground mounted mechanical equipment must be hidden or screened with architecturally integral wing walls and/or landscaping.
  - Mechanical equipment must be located where their acoustics will not be disruptive to residents.
  - Solar panels are exempt from mechanical equipment screening standards.

10.406.5 Manufactured housing design

10.406.5.1 Intent
  Manufactured home design that is aesthetically and spatially similar to site built houses will ensure their compatibility with the existing built environment, and meet the city’s goals of providing affordable housing.

10.406.5.2 Design standards
  Manufactured housing must meet the following minimum standards.
  - Minimum living area is 600 sq. ft. No outside horizontal dimension must be less than 14 ft., except extensions comprising no more than 50% of the total enclosed floor area.
  - Exterior siding material, excluding skirting, must be nonmetallic.
  - Houses must be skirted in 90 days of installation. Skirting must be metal, masonry, pressure-treated wood, or other non-degradable material that is compatible with the design and exterior materials of the primary structure.
Chapter 4 Site design standards

§10.406 Architectural design

- Houses must be tied down securely in conformance to applicable regulations before occupancy.
- Houses must be of adequate quality and safe design, as certified by a label stating the unit is constructed in conformance to the federal Manufactured home Construction and Safety Standards in effect on the date of manufacture, or other applicable standards required by state and federal law. Manufactured houses without certification, but meeting all other standards, may be accepted as safe and quality construction provided:
  - Electrical material, devices, appliances and equipment are in safe condition.
  - Mechanical systems including space and water heating are in safe condition.
  - Plumbing, gas piping, and wastewater systems are in safe condition.
- Houses must be in sound structural condition. Structures that show evidence of fire damage are not acceptable.
- Manufactured houses must be installed by a party licensed by the State of Texas in conformance to state law, or the frame must be supported by and tied to a foundation system capable of safely supporting loads imposed as determined by the character of the soil. Minimum acceptable foundation design must be a series of 8 in. grout-filled concrete block piers spaced no more than 8 ft. on center, and bearing on 1 ft. x 1 ft. solid concrete footings. A tie-down and anchoring system separate and apart from the foundation must be provided as recommended by the manufacturer, if different from the foundation ties.
- Axle and hitch assemblies must be removed on placement on the foundation.
- Electrical power supply must be from a meter installation on the building, or from a permanently installed meter.
- Garage and carport additions must cover a paved parking area, be connected to the street with a paved driveway, meet setback standards, and have roof and siding material compatible with the primary structure.
- Patio and porch covers are permitted if they cover an improved patio or porch deck, and meet setback standards.
- Living area additions must meet the minimum building setback standards, have roof and siding material that is compatible with the host structure, and meet setback standards.
- The house must be sited on level ground. All walls and floors must be level.

10.406.5.3 Design standards: outside the MH district

Manufactured housing outside of the MH district must meet these design criteria and those above, to ensure compatibility with site built houses.

- Manufactured housing must conform to all single household home design standards.
- Roof forms, design elements, exterior building materials and window shapes should attempt to reproduce the character of architectural styles common to site-built houses in the surrounding area.
- The house must be built on a permanent foundation that puts the floor no more than 12 in. above grade. The floor may be greater than 12 in. above grade if the house includes a porch (not a deck) at least 100 sq. ft., architecturally integrated in the house design. Exposed crawl spaces are prohibited. Skirts must be constructed of the same materials used to surface the house.
- Garages must be closely integrated with the building architecture. Attached garages are encouraged.
- Exterior building materials must be equal or better in quality to what would be found on a site-built house. Metal siding and vertical siding is prohibited.
- The smallest rectangle enclosing the building footprint, excluding covered patios, garages, carports, screened porches, and decks, must have a width-to-length or length-to-width ratio of 1:1 to 1:3.
- The main entry to the house must face the street. A gabled-end entry is required.
- At least 80% of the roof surface must have a pitch of at least 8:12. The roofline must have four planes or more, and have overhanging eaves of at least 18 in. The roof cannot be weighed down with objects not structurally integrated into the house.
- Exterior doors must be at least 80 in. high. Exterior doors must include plate hinges, panels and windows.
- Carefully sized and placed windows must create a strong street presence. Windows must be casement type; surface-applied windows are prohibited.
• Corner boards must be at least 6 in. wide.

10.406.6 Commercial, office, public, institutional, and mixed use building design

10.406.6.1 Intent
Building design must contribute to Hutto’s sense of place by using predominant materials, elements, features, color range and activity areas tailored specifically to the site and its context. Standard formula or prototype building designs must be modified if necessary to conform to Unified Development Code design standards. In shopping and commercial centers or multiple building developments, individual buildings must include predominant characteristics shared by all buildings in the development, so the development forms a cohesive place.

10.406.6.2 Architectural style
• Distinct groups of buildings on a site must share a common, identifiable, complementary design or style. This includes accessory structures such as freestanding canopies, accessory and maintenance buildings, and dumpster enclosures.
• A building must have a single definitive, consistent style. Mixing of various architectural styles on the same building is discouraged.

10.406.6.3 Form and mass
A single, large, dominant building mass must be avoided in new buildings and projects involving changes to the mass of existing buildings. Changes in mass should be related to entrances, tenant spaces, the integral structure and/or the interior space organization and activities, and not just for cosmetic effect. False fronts incorporating only changes in color and/or parapet treatment are prohibited.

10.406.6.4 Exterior walls

10.406.6.4.1 Base and top
Façades and walls must have a recognizable base with (but not limited to):
- thicker walls, ledges or sills;
- integrally textured materials such as stone or other masonry;
- integrally colored and patterned materials such as smooth-finished stone;
- lighter or darker colored materials, mullions or panels; or
- planters;

And a recognizable top with (but not limited to):
- cornice treatments, other than colored stripes or bands alone, with integrally textured materials such as stone or other masonry or differently colored materials;
- sloping roof with overhangs and brackets;
- stepped parapets.
10.406.6.4.2 **Four sided design**
All walls must include materials and design characteristics consistent with those on the front.
Four sided design

10.406.6.4.3  Long walls and façades; projections and recesses
Walls at least 100 ft. long must include wall plane projections or recesses having at least 3% depth of the façade length, and extending at least 20% of the façade length.

10.406.6.4.4  Exterior walls
Exterior walls cannot have a blank, uninterrupted length greater than 30 ft. without including two or more of these features: change in plane, change in texture or masonry pattern, windows, or other equivalent element(s) that subdivide the wall into human scale proportions. Side or rear walls may include false windows and door openings defined by frames, sills and lintels, or similarly proportioned modulations, only when actual doors and windows are not possible because of the building use.

10.406.6.4.5  Primary building entrances
Primary building entrances must be clearly defined and recessed or framed by a sheltering element such as an awning, arcade or portico to provide shelter from the sun and inclement weather.
10.406.6.4.6  Retail building entrances
Anchor stores, at least 25% of the stores in a shopping center; and freestanding, single-use buildings, must have a clearly defined, highly visible customer entrance with four or more of the following elements:
  o  Arcades
  o  Arches
  o  Canopies or porticos
  o  Details such as tile work and moldings integrated into the building structure and design
  o  Display windows
  o  Integral planters or wing walls that include landscaped areas and/or places for sitting
  o  Outdoor patios
  o  Overhangs
  o  Peaked roof forms
  o  Raised corniced parapets over the door
  o  Recesses and/or projections

An additional at least 25% of the stores in a shopping center must have two or more of the elements listed above.

Projections, arches, raised cornice parapet, integrated tile work and moulding

Outdoor patio, display windows

Peaked roof form, canopy, display windows, projections

Peaked roof form, projections, arcade, display window, arches
10.406.6.4.7 Awnings
Awnings may only be used in detached increments above individual windows, doors and entries.

10.406.6.4.8 Transparency in commercial buildings
- At ground level, buildings must have a high level of transparency. Façades and walls that face the street, pedestrian walkways, plazas and parking areas (excluding the building rear) must be transparent between 2 ft. and 7 ft. above the grade or walkway along at least 75% of its length.
- Side walls must be transparent between 2 ft. and 7 ft. above the grade or walkway along at least 25% of its length.
- Where the internal arrangement of a building makes it impossible to provide transparency along a portion of a wall, a combination of sculptural, mosaic, or bas-relief artwork and transparent window areas or displays may substitute for 50% of required transparent areas, except when fronting plaza areas.
10.406.6.4.9  Garage doors
  o Garage bay doors must be segmented, with windows covering at least 50% of the garage
    surface. Roll-up garage doors are prohibited. Garage doors must be recessed at least 2 ft.
    behind the building façade.
  o Vehicle service areas and bays must be screened or sited so visibility from the public right-of-
    way is as low as possible. Bay doors cannot face the street or be visible from residential zoning
    districts.
  o Garage bay doors must be integrated into the overall design of the site with color, texture, and
    windows.

10.406.6.5  Building roofs

10.406.6.5.1  Roof form design
  Roof forms must correspond to and denote building elements and functions such as entrances,
  arcades and porches. Roof forms should relate to adjacent buildings or developments.

10.406.6.5.2  Required features
  Sloping roofs must have one of the following features:
    o Overhanging eaves, extending at least 1.5 ft. past the supporting walls.
    o Sloping roofs that do not exceed the average height of the supporting walls, with an average
      slope of at least 1 ft. of vertical rise for every 3 ft. of horizontal run and no more than 1 ft. of
      vertical rise for every 1 ft. of horizontal run.

10.406.6.5.3  Roof lines
  The continuous plane of a roof line must be no more than 100 ft.
10.406.6.5.4 **Drive-through areas**
Drive through areas must be architecturally integrated into the host structure.

10.406.6.6 **Canopies**

10.406.6.6.1 **Architectural integration**
Canopies must include design elements found on the main building, including color, materials and roof pitch.

10.406.6.6.2 **Canopy support poles**
Canopy support poles must include decorative corbels consistent with the overall architectural theme of the site, or pole covers at least 18 in. wide with a similar surface material and architectural treatments as the dominant material on the main structure.

10.406.6.6.3 **Canopy fascias**
Canopy fascias must be the same color as the dominant color of the main building. Striping and banding on canopies is prohibited.
10.406.6.7 Materials and color

10.406.6.7.1 Building materials
- Predominant building exterior materials must be high quality, and used in their natural context and color. Masonry (stone, brick, decorative CMU and similar materials) must be used as dominant (at least 50% of exterior surface area) exterior materials. Fiber-cement siding and textured concrete/EIFS are examples of appropriate secondary exterior materials.
- Corrugated metal may be used to reinforce a vernacular design theme. Corrugated metal may have a cumulative surface area of no more than 25% of the area of all exterior walls for a building.
- Building-integrated photovoltaics (BIPV) may substitute for any amount of predominant and secondary exterior materials.
- Smooth-faced concrete block, painted masonry, and tilt-up and precast concrete panels are prohibited.
- T-1-11 and other plywood-based siding materials are prohibited.
- Prefabricated and pre-engineered metal buildings and panels are prohibited.

10.406.6.7.2 Roof materials
- Roof materials must be high quality, durable and consistent with local architectural themes. Acceptable roof materials include concrete tile, high profile asphalt shingles, metal shingles, split seam metal, photovoltaic roof tiles and shingles, and solar panels.
- Green roofs are permitted and strongly encouraged.

10.406.6.7.3 Building colors
- Building colors must be low reflecting, muted and neutral or earth toned. Roof colors should be muted and compatible with the dominant building color.
- High intensity colors, metallic colors, black or grey, fluorescent colors, single color schemes and groups of stripes are prohibited as the predominant building color or color scheme.
- High intensity colors, and black or grey, may be used on building trim and accents.

10.406.6.7.4 Material or color changes
Material or color changes must occur only at a change of plane or reveal line. Material or color changes at outside corners, piecemeal embellishment, and frequent material changes are prohibited.
10.406.6.8 Mechanical equipment screening

- Rooftop mechanical equipment must be hidden or screened with architecturally integral elements at least as high as the equipment to be screened. Makeshift equipment screens, such as wood or plastic fences, are prohibited.
- Ground mounted mechanical equipment must be hidden or screened with architecturally integral wing walls and/or landscaping.
- Solar panels are exempt from mechanical equipment screening standards.

10.406.6.9 Utility equipment screening

- Electrical meters, switch boxes, panels, conduit, and related utility equipment must be placed in the most inconspicuous location possible.
- Utility equipment must be painted or coated to match the color of the mounting surface.
- Utility equipment located in an area that may be frequently seen by the general public must be screened with a wing wall architecturally integrated into the host structure.
10.406.6.10  Co-branded uses
Co-branded uses such as restaurants and convenience stores must be well integrated into the host structure. Using disharmonious architectural elements, such as a different façade or roof pitch from the rest of the host structure, to emphasize the presence or corporate identity of a co-branded use, is prohibited.

10.406.7  Industrial building design

10.406.7.1  Intent
The public infrequently visits industrial sites. However, industrial areas are often quite visible to the city’s residents and visitors. Quality architectural design creates a professional environment that reflects positively on Hutto and its businesses. This section shall not apply to industrial structures over 200,000 sq. ft. in area.

10.406.7.2  Character and image
• In industrial parks, each building must include predominant characteristics shared by all buildings in the development, so the development forms a cohesive place.
• Distinct groups of buildings on a site must share a common, identifiable, complementary design or style. This includes accessory structures such as freestanding canopies, accessory and maintenance buildings, and dumpster enclosures.
10.406.7.3 Form and mass
A single, large, dominant building mass should be avoided in new buildings and, as much as possible, in projects involving changes to the mass of existing buildings. Changes in mass must be related to entrances, the integral structure and/or the organization of interior spaces and activities and not merely for cosmetic effect.

10.406.7.4 Exterior walls and façades

10.406.7.4.1 Pattern
Façades and walls must include a repeating pattern with an expression of architectural or structural bays through a change in plane, such as an offset, reveal, pilaster, projecting ribs, fenestration patterns, or piers; and any of the following elements:
  - color change
  - texture change
  - material module change

All elements must repeat at intervals of no more than 30 ft.

10.406.7.4.2 Four sided design
All façades and walls must include materials and design characteristics consistent with those on the front façade. Inferior or lesser quality materials for side or rear walls are prohibited.

10.406.7.4.3 Garage doors
Bay doors must be screened using wing walls, carefully placed berms on the site, or other effective screening and site planning techniques, or otherwise sited so visibility from the public right-of-way is minimized. Bay doors must be integrated into the overall design theme of the site with color, texture, and windows. Segmented garage bay doors with windows are preferred to roll-up garage doors.

10.406.7.4.4 Primary building entrances
Primary building entrances must be clearly defined and recessed or framed by a sheltering element such as an awning, arcade or portico to provide shelter from the sun and inclement weather.

10.406.7.5 Building roofs

10.406.7.5.1 Green roofs
Green roofs and solar panels are strongly encouraged.

10.406.7.6 Materials and color

10.406.7.6.1 Building materials
  - Durable, high quality building materials must be used. Brick, stone, split-face CMU, EIFS, detailed tilt-up concrete panels, and building-integrated photovoltaics (BIPV) are examples of appropriate building materials.
  - T-1-11 and other plywood-based siding materials are prohibited.
  - Prefabricated and pre-engineered metal buildings and panels are prohibited.

10.406.7.6.2 Building colors
  - Building colors must be low reflecting, muted and neutral or earth toned. Roof colors must be muted and compatible with the dominant building color.
  - High intensity colors, metallic colors, black or grey, fluorescent colors, single color schemes and groups of stripes are prohibited as the predominant building color or color scheme.
  - Brighter high-intensity colors, and black or grey, may be used on building trim and accents.
10.406.7.6.3  Material or color changes
Material or color changes must occur only at a change of plane or reveal line. Piecemeal embellishment and frequent material changes are prohibited.

10.406.7.7  Mechanical equipment screening
- Rooftop mechanical equipment must be hidden or screened with architecturally integral elements at least as high as the equipment to be screened. Makeshift equipment screens, such as wooden or plastic fences, are prohibited.
- Ground mounted mechanical equipment must be hidden or screened with architecturally integral wing walls and/or landscaping.
- Solar panels are exempt from mechanical equipment screening standards.

10.406.7.8  Utility equipment screening
- Electrical meters, switch boxes, panels, conduit, and related utility equipment must be placed in the most inconspicuous location possible.
- Utility equipment must be painted or coated to match the color of the mounting surface.
- Utility equipment located in an area that may be frequently seen by the general public must be screened with a wing wall architecturally integrated into the host structure.
Chapter 4  Site design standards

§10.407  Landscaping

10.407  Landscaping

10.407.1  Intent

Landscaping standards are established to:
- Improve the environment by:
  - Creating a tree canopy over built up areas of the city, and reducing the urban heat island effect.
  - Promoting the conservation of water.
  - Providing shade and climate control.
  - Providing air purification and controlling airborne particulates.
  - Providing wildlife habitat.
  - Providing erosion and stormwater runoff control.
  - Providing control of noxious weeds, invasive plants and exotic plants.
  - Encouraging native and/or adaptive plants.
  - Preserving existing trees and vegetation.
- Provide buffers between incompatible uses or site areas.
- Provide an attractive appearance in areas of public use or view.
- Improve natural and recreational areas.
- Screen service areas and structures.
- Reinforce a pedestrian friendly environment.
- Break up the mass of buildings and soften architectural materials.
- Enhance the quality and appearance of new or existing development in the city.

American Forests recommends the following tree canopy goals for metropolitan areas in the Southwest.
- Average tree cover counting all zones: 25%
- Suburban residential zone: 35%
- Urban residential zones: 18%
- Central business districts: 9%

10.407.2  Applicability

This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes; except when in conflict with any SmartCode standards. Otherwise see SmartCode Section 5.11, Section 6 Table 6.</td>
<td>No</td>
</tr>
</tbody>
</table>

10.407.3  General standards

10.407.3.1  Agricultural uses

Landscape standards do not apply to active agricultural uses.

10.407.3.2  Visibility

Shrubs growing to at least 3 ft. tall must be placed at least 10 ft. from curb cuts. This is to maintain clear driver sight distance at driveway-street intersections.
10.407.3.3 Utilities
Trees must be placed at least 10 ft. from streetlights and 5 ft. from wet utilities. Trees must be placed at least 4 ft. from gas lines. Conduit may be required to protect underground electric lines near trees.

10.407.3.4 Clear zone at intersections
Trees in tree lawns must be at least 15 ft. from the curb return corner at street intersections.

10.407.4 Required landscaping: single, two, three and four household dwellings

10.407.4.1 Tree number
Lots with single, two, three and four household dwellings must have at least the following number of trees:
- One native tall tree or two more native short trees for every 2500 sq. ft. of lot area.
- Tree lawn area: 1 native tall tree per 30 ft. - 40 ft. of linear street frontage, if utilities are not under the tree lawn.

Existing native tall and short trees conforming to Section 10.407.4.3 may be used to meet minimum tree planting requirements.

10.407.4.2 Shrub number
Lots with single, two, three and four household dwellings must have one or more native shrubs for every 1000 sq. ft. of lot area. All of the required shrubs must be placed in the front half of the lot. Lots at least 50,000 sq. ft. do not need more than 100 shrubs.

10.407.4.3 Tree and shrub size
Native tall and short trees must have a trunk of at least 2 in. caliper. Planted shrubs must have at least 1 gallon container or be at least 2 ft. tall, and grow to a height of at least 2 ft.

10.407.4.4 Ground cover
Ground cover must be planted on areas of developed parcels that are not part of an impervious surface, covered with porous paving, occupied by shrubbery or gardens, or under a tree drip line.

10.407.5 Required landscaping-non-residential and 5+ household residential development
10.407.5.1 Landscaping areas
Parcels with a non-residential use or 5+ household residential structures must be landscaped as follows. Additional plants may be required per bufferyard standards in Section 10.403.6, and mechanical equipment screening requirements.

<table>
<thead>
<tr>
<th>Area</th>
<th>Native tall trees (minimum)</th>
<th>Native short trees (minimum)</th>
<th>Native shrubs (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yards/landscape buffers along major arterials</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 5 ft. of linear buffer</td>
</tr>
<tr>
<td>Yards/landscape buffers along other streets, including internal private and village roads</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 5 ft. of linear buffer</td>
</tr>
<tr>
<td>Yards/landscape buffers at sides and rear of parcel</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 30 ft. of linear buffer</td>
<td>1 per 5 ft. of linear buffer</td>
</tr>
<tr>
<td>Building perimeter and wing walls</td>
<td>1 per 50 ft. of linear building perimeter and wing wall</td>
<td>1 per 50 ft. of linear façade and rear perimeter; 4 per 100 ft. of linear side building perimeter and wing wall</td>
<td>Required to cover 50% of a at least 5 ft. deep area along 50% of linear building and wing wall perimeter</td>
</tr>
<tr>
<td>Building perimeter landscaping must be located no more than 20 ft. from the building unless prevented by loading areas.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking lots: landscape areas at entry throats</td>
<td>1 per 30 ft. of linear landscape area on both sides of entry</td>
<td>1 per 30 ft. of linear landscape area on both sides of entry</td>
<td>1 per 2.5 ft. of linear buffer</td>
</tr>
<tr>
<td>Parking lots: landscape islands in rows and at row ends</td>
<td>1 per island if terminating or interrupting one row; 2 per island if terminating or interrupting two rows</td>
<td>Optional</td>
<td>2 per island if terminating one row; 4 per island if terminating or interrupting two rows</td>
</tr>
<tr>
<td>Parking lots: landscape islands/buffers that segment lots or separate rows</td>
<td>1 per 30 ft. of linear landscape area</td>
<td>1 per 30 ft. of linear landscape area</td>
<td>1 per 5 ft. of linear landscape area</td>
</tr>
<tr>
<td>Connecting internal walkways</td>
<td>2 per 50 ft. of linear walkway</td>
<td>2 per 50 ft. of linear walkway</td>
<td>1 per 5 ft. of linear walkway</td>
</tr>
<tr>
<td>Not applicable for sidewalks, building perimeter walkways, and walkways in landscape islands/buffers that segment lots or separate rows</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medians</td>
<td>1 per 30 ft. of linear median</td>
<td>1 per 30 ft. of linear median</td>
<td>Optional</td>
</tr>
<tr>
<td>Tree lawns</td>
<td>1 per 50 ft. of linear tree lawn, if utilities are not under the tree lawn.</td>
<td>Optional, if utilities are not under the tree lawn.</td>
<td>Optional</td>
</tr>
<tr>
<td>Other areas (retention and detention basins, open space, etc)</td>
<td>1 per 500 sq. ft.</td>
<td>1 per 500 sq. ft.</td>
<td>Optional</td>
</tr>
</tbody>
</table>

10.407.5.2 Tree and shrub size
Native tall trees must have a caliper of at least 2.5 in. Native short trees must have a caliper of at least 2 in. Planted shrubs must have minimum 2-gallon container or be at least 2 ft. tall.

10.407.5.3 Tree and shrub placement
Trees and shrubs may be clustered in groups, to present a natural environment and ease maintenance. All trees must be placed on the parcel being developed, unless otherwise permitted.
10.407.5.4  Ground cover
Ground cover must be planted on areas on a developed parcel that are not part of an impervious surface, covered with porous paving, occupied by shrubbery or gardens, or under a tree drip line.

10.407.6  Materials, maintenance and replacement

10.407.6.1  Plant materials
Plant choice must consider the Central Texas climate and site conditions.

Hutto is in USDA Plant Hardiness Zone 8b. Two different ecoregions, Post Oak Savannah and Blackland Prairie, converge in Hutto. The Edwards Plateau ecoregion is a very short distance to the west.

Plants included on the following lists were selected by one or more of the following criteria or factors: hardiness, resistance to disease, suitability relative to local climate and soil conditions, adaptability for transplantation, longevity, adaptability to various landscape conditions, resistance to drought, aesthetic qualities, shade provision, windbreak provision, and screening qualities.

10.407.6.2  Native tall trees
Native and adapted tall trees that can be planted or used to meet landscaping requirements include the following.

- American Beech (Fagus grandifolia)
- Anaqua (Ehretia anacua)
- Autumn Blaze Maple (Acer freemanii)
- Bald Cypress (Taxodium distichum var. distichum)
- Bigtooth Maple (Acer grandidentatum)
- Black Walnut (Juglans nigra)
- Blackjack Oak (Quercus marilandica)
- Bur Oak (Quercus macrocarpa)
- Carpathian English Walnut (Juglans regia ‘Carpathian’)
- Cedar Elm (female only) (Ulmus crassifolia)
- Chinquapin Oak (Quercus muehlenbergii)
- Durand Oak (Quercus sinuate)
- Escarpment Live Oak (Quercus fusiformis)
- Goldenrain tree (Koelreuteria paniculata)
- Holly Oak (Quercus ilex)
- Kentucky Coffee Tree (Gymnocladus dioica)
- Lacebark Elm (female only) (Ulmus parvifolia)
- Longleaf Pine (Pinus palustris)
- Magnolia (Magnolia grandiflora)
- Monterey Oak (Quercus polymorpha)
- Montezuma Cypress (Taxodium mucronatum)
- Northern Catalpa (Catalpa speciosa)
- Overcup Oak (Quercus lyrata)
- Pecan (Carya illinoiensis)
- Red Maple (female only) (Acer rubrum)
- Red Oak (Quercus lobatae)
- Sawtooth Oak (Quercus acutissima)
- Scarlet Oak (Quercus coccinea)
- Shumard Oak (Quercus shumardii)
- Southern Live Oak (Quercus virginiana)
Chapter 4 Site design standards

§10.407 Landscaping

- Southern Magnolia (Magnolia grandiflora)
- Sugar Maple (Acer saccharum)
- Sweetgum (Liquidambar styraciflua)
- Texas Ash (female only) (Fraxinus texensis)
- Texas Red Oak (Quercus texana)
- Western Soapberry (Sapindus drummondii)
- White Oak (Quercus alba)
- Winged Elm (female only) (Ulmus alata)
- Yellow Buckeye (Aesculus pavia var. flavescens)
- Yellow Poplar (Liriodendron tulipifera)
- Established deciduous and semi-deciduous (not coniferous or palm) canopy trees at least 30 ft. tall with a trunk of at least 4 in. caliper of other species, that are not on the nuisance tree list.

10.407.6.3 Native short trees
Native and adapted short trees that can be planted or used to meet landscaping requirements include the following.

- American Smoke Tree (Cotinus obovatus)
- Anacacho Orchid Tree (Bauhinia lunarioides)
- Big Tooth Maple (Acer grandidentatum)
- Blackhaw Viburnum (Viburnum prunifolium)
- Carolina Buckthorn (Frangula caroliniana)
- Cherry Laurel (Prunus caroliniana)
- Chitalpa (Chitalpa)
- Crape Myrtle (Lagerstroemia indica)
- Desert Willow (Chilopsis linearis)
- Downy Serviceberry (Amelanchier arborea)
- Eastern Redbud (Cercis canadensis)
- Eve’s Necklace (Styphnolobium affine)
- Evergreen Sumac (Rhus virens)
- Goldenball Lead Tree (Leucaena retusa)
- Kidneywood (Eysenhardtia texana)
- Lacey Oak (Quercus laceyi)
- Mexican Buckeye (Ungnadia speciosa)
- Mexican Plum (Prunus Mexicana)
- Mexican Poinciana (Caesalpinia mexicana)
- Mexican Redbud (Cercis canadensis var. Mexicana)
- Mountain Laurel (Calia secundiflora)
- Possumhaw Holly (Aquifoliaceae Ilex decidua)
- Red Buckeye (Aesculus pavia)
- Rough Leaf Dogwood (Cornaceae Cornus drummondii)
- Rusty Blackhaw Viburnum (Viburnum rufidulum)
- Saucer Magnolia (Magnolia x soulangiana)
- Smokeberry (Cotinus coggyria)
- Soapberry (Sapindus drummondii)
- Spicebush (Lauraceae Lindera benzoin)
- Sweetbay Magnolia (Magnolia virginiana)
- Texas Madrone (Arbutus xalapensis)
- Texas Mountain Laurel (Sophora secundiflora)
- Texas Persimmon (Diospyros texana)
- Texas Pistachio (Pistacia texana)
- Texas Redbud (Cercis canadensis var. texensis)
Western Soapberry (Sapindus drummondii)
Yaupon Holly (Ilex vomitoria)
Established deciduous and semi-deciduous trees 10 ft. - <30 ft. tall with a trunk of at least 3 in. caliper of other species, that are not on the nuisance tree list.

10.407.6.4 Native shrubs
Recommended native and adapted shrubs that can be planted or used to meet landscaping requirements include the following.

- Abelia (Abelia)
- Agarita (Mahonia trifoliolata)
- Agave (Agavaceae)
- American Beautyberry (Callicarpa Americana)
- American Hazelnut (Corylus americana)
- Azalea (any) (Azalea x kosteranum)
- Bamboo Muhly (Muhlenbergia dumosa)
- Barbados Cherry (Malpighia glabra)
- Beautybush (Kolkwitzia amabilis)
- Big Muhly (Muhlenbergia lindheimeri)
- Black Dalea (Dalea frutescens)
- Boxwood (Schaefferia)
- Burford Holly (Ilex cornuta 'Burfordii')
- Bush Germander (Teucrium fruticans)
- Butterfly Bush (Buddleja davidii, Buddleja marrubiifolia)
- Caelia (Camellia)
- Cenizo/Texas Sage (Eucophyllum frutescens)
- Coralberry (Symhoricarpos orbiculatus)
- Cotoneaster (Cotoneaste)
- Deer Muhly (Muhlenbergia rigens)
- Dwarf Chinese Holly (Ilex cornuta Rotunda)
- Elaeagnus (Elaeagnus pungens)
- Flame Acanthus (Anisacanthus quadrifidus)
- Flowering Senna (Senna corymbosa)
- Forsythia (Forsythia x intermedia)
- Fragrant Mimosa (Mimosa borealis)
- Fragrant Sumac (Rhus aromatica)
- Germander (Teucrium fruticans)
- Gray Dogwood (Cornus racemosa)
- Gulf Muhly (Muhlenbergia capillaris)
- Hydrangea (any) (Hydrangea)
- Inland Sea Oats (Chasmanthium latifolium)
- Japanese Barberry (Berberis thunbergii)
- Mexican Feather Grass (Nassella tenuissima)
- Mock Orange (Philadelphus coronarius)
- Mountain Sage (Salvia regal)
- Nandina (Nandina domestica compacta)
- Primrose Jasmine (Jasminum mesnyi)
- Rhododendron (any) (Rhododendron)
- Rose of Sharon (Hibiscus syriacus)
- Sage (Salvia)
- Sideoats Grama (Bouteloua curtipendula)
- Silky Dogwood (Cornus amomum)


Chapter 4 Site design standards

§10.407 Landscaping

- Skull Cap (Leguminosae Scutellaris)
- Sweet Mockorange (Philadelphus coronarius)
- Texas Dwarf Palmetto (Sabal minor)
- Texas Lantana (Lantana horrida)
- Texas Sage (Leucophyllum frutescens)
- Texas Sotol (Dasylirion texanum)
- Turk’s Cap (Malaviscus arboretus)
- Upright Rosemary (Rosmarinus officinalis)
- Viburnum (all) (Viburnum)
- Witch Hazel (Hamamelidaceae Hamamelis virginiana)
- Wooly Butterfly Bush (Buddleia marrubiifolia)
- Yellow Bells (Tecoma stans)
- Yucca (Yucca)

10.407.6.5 Nuisance plants

Nuisance plants include the following. Nuisance plants cannot be planted or used to meet the City’s landscaping requirements, and are not protected by tree preservation, replacement, protection and removal standards.

Trees

- American Sweetgum (Liquidambar styraciflua)
- Arizona Ash (Fraxinus velutina)
- Bois d’arc (Maclura pomifera)
- Boxelder Maple (Acer negundo)
- Bradford Pear (Pyrus calleryana bradfordii)
- Brazilian Pepper (Schinus terebinthifolius)
- Cedar (all) (Cedrus)
- Chinaberry (Melia azedarach)
- Chinese Parasol Tree (Firmiana simplex)
- Chinese Pistache (Pistacia chinensis)
- Chinese Tallow (Sapium sebiferum)
- Cottonwood (outside riparian areas) (Populus deltoides)
- Elephant Ear (Alocasia spp., Colocasia spp.)
- Eucalyptus (all) (Eucalyptus)
- Euonymus (all) (Euonymus)
- Hackberry (Celtis occidentalis)
- Honey Locust (Gleditsia triacanthos)
- Honeysuckle (all) (Lonicera)
- Japanese Zelkova (Zelkova serrata)
- Juniper (males) (Juniperus)
- Leland Cypress (Cupressocyparis leylandii)
- Lombardy Poplar (Populus nigra)
- Mesquite (Prosopis glandulosa)
- Mimosa, Silk Tree (Albizia julibrissin)
- Monkey Puzzle (Araucaria araucana)
- Mulberry (all) (Morus)
- Olive (Olea, Elenganus)
- Paulownia (Paulownia tomentosa)
- Red-Tipped Photinia (Photinia x fraseri)
- Silver Maple (Acer saccharinum)
- Sycamore (Platanus occidentalis)
§10.407 Landscaping

- **Tree of Heaven** *(Ailanthus altissima)*
- **Vitex** *(Vitex agnus-castus)*

**Shrubs**
- **Chinese Photinia** *(Photinia spp.)*
- **Common Privet** *(Ligustrum sinense, L. vulgare)*
- **Japanese Ligustrum** *(Ligustrum lucidum)*
- **Nandina (berrying varieties)** *(Nandina domestica)*
- **Photinia (all)** *(Photinia)*
- **Pyracantha, Firethorn** *(Pyracantha spp.)*
- **Russian Olive** *(Elaeagnus angustifolia)*
- **Wax Leaf Ligustrum** *(Ligustrum japonicum)*

**Vines**
- **Cat’s Claw Vine** *(Macfadyena unguis-cati)*
- **English Ivy** *(Hedera helix)*
- **Japanese Honeysuckle** *(Lonicera japonica)*
- **Kudzu** *(Pueraria lobata)*
- **Poison Ivy** *(Toxicodendron radicans)*
- **Vinca** *(Vinca major, V. Minor)*
- **Wisteria (non-native)** *(Wisteria sinensis, W. floribunda)*

**Other**
- **Eurasian Watermilfoil** *(Myriophyllum spicatum)*
- **Giant Cane** *(Arundo donax)*
- **Holly Fern** *(Cyrtomium falcatum)*
- **Hydrilla** *(Hydrilla verticillata)*
- **Johnson Grass** *(Sorghum halepense)*
- **Running Bamboo** *(Phyllostachys aurea)*
- **Water Hyacinth** *(Eichhornia crassipes)*

All plants listed in Texas Administrative Code Section 19.300 (Noxious and Invasive Plant List), and listed as Invasive and Noxious Weeds by the USDA Natural Resources Conservation Service, are also considered nuisance plants. Other plants may be prohibited at the discretion of Development Services staff on a case-by-case basis.

10.407.6.6 **Xeriscaping**

Xeriscaping is strongly encouraged for water conservation. Xeriscaping consists of areas planted with drought-tolerant plants, shrubs and groundcover.

10.407.6.7 **Turf and drainage**

St. Augustine, Centipede and Bermuda turf are prohibited in areas that drain directly to an adjacent lake, creek, or conservation easement, to prevent fertilizer runoff.

10.407.6.8 **Planting beds**

Shrub and ground cover planting beds must be separated from turf grass with edging, and must have open surface areas covered with mulch.

10.407.6.9 **Topsoil**

Topsoil removed during construction activity must be conserved for later use on areas requiring re-vegetation and landscaping, to the maximum extent practicable.
10.407.6.10  Plant quality
Landscape plants must be free of defects, and of normal health, height, leaf density and spread appropriate to the species, as defined by American Association of Nurserymen standards.

10.407.6.11  Installation
Landscaping must be installed using sound horticultural practices, in a way that encourages quick establishment and healthy growth. Landscaping in each phase must either be installed or the installation must be secured with a letter of credit, escrow or performance bond for 150% of landscaping value before a certificate of occupancy for any building in a phase is issued.

10.407.6.12  Maintenance
Trees and vegetation, irrigation systems, fences, walls and other landscape elements are considered elements of the project in the same way as parking, building materials and other site details. The applicant, landowner or successors must be jointly and severally responsible for regular maintenance of all landscaping elements in good condition. Landscaping must be maintained free from disease, pests, weeds and litter.

10.407.6.13  Replacement
Landscape elements that are removed or dead must be promptly replaced.

10.407.7  Irrigation

10.407.7.1  Automatic irrigation required
All plants on newly developed parcels, except those developed for single household and two household dwellings, must be irrigated, with these exceptions:
- Plants that do not require irrigation for establishment.
- Mature xeriscape areas, with established plants that do not require irrigation for survival.
- Trees established for two years or more.

10.407.7.2  Irrigation plan required
An irrigation plan must be included in the landscape plan for site plan review, if applicable.

10.407.8  Tree preservation and removal

10.407.8.1  Tree removal permits

10.407.8.1.1  Tree removal permit required
A clearing and tree removal permit is required for removal of trees with a DBH of at least 6 in. on an undeveloped or redevelopment site, or at least 2.5 in. on a developed non-residential site, regardless of health.

10.407.8.1.2  Permit fees
Permit fees are set by City Council. No fee is imposed for permits to remove nuisance trees, or diseased, dangerous or dead trees.

10.407.8.2  Tree preservation, removal and replacement: undeveloped and redevelopment sites

10.407.8.2.1  Nuisance trees
Nuisance trees may be removed from an undeveloped lot anytime. Replacement of nuisance trees is not required. No tree removal permit is needed for removing nuisance trees.
Chapter 4  Site design standards

§10.407  Landscaping

10.407.8.2.2  Diseased, dangerous and dead trees
Diseased, dangerous and dead trees of all species may be removed from an undeveloped lot anytime. Replacement of removed diseased, dangerous and dead trees is not required. No tree removal permit is needed for removing nuisance trees.

10.407.8.2.3  Healthy protected trees (native tall and small trees)
Healthy protected trees on a vacant parcel or redevelopment site may only be removed when the parcel is developed or redeveloped. A tree inventory and survey, showing the location, size, species and condition of existing protected trees on a lot, must be submitted and approved with a preliminary subdivision, site plan or building permit for a development, whichever comes first.

Site features must be designed to minimize disturbance to protected trees. Tree wells or cut areas may be used to preserve the original grade around the tree.

At least 50% of the total number of healthy protected trees must remain or be relocated on the site, with remaining trees being the largest and healthiest on the site. Gross DBH loss of protected trees to be removed must be replaced 1:1. Replacement trees must be planted either on the development site or elsewhere in the city, in areas approved by Development Services staff. Replacement trees must have a DBH of at least 2.5 in.

A protected tree may be designated for removal if it meets one of the following criteria.
  o It is in an existing or proposed easement or stormwater management system and cannot be saved.
  o It is placed where it will create a safety or health hazard, or a nuisance to existing or proposed structures or vehicle or pedestrian routes.
  o It is placed where it interferes with the installation, delivery, or maintenance of existing utility services to the site.

10.407.8.3  Tree preservation, removal and replacement: developed lots

10.407.8.3.1  Nuisance trees
Nuisance trees may be removed from a developed lot anytime. Replacement of nuisance trees is not required, unless the number of trees falls below the minimum required for the site. No tree removal permit is needed for removing nuisance trees.

10.407.8.3.2  Diseased, dangerous and dead trees
Diseased, dangerous and dead trees of all non-nuisance species may be removed from a developed lot anytime. The gross DBH loss of trees to be removed must be replaced 1:1 (1 in. replaced for every 1 in. lost) once replacement trees reach maturity. Replacement trees must be planted either on the development site or elsewhere in the city, in areas approved by Development Services staff. Replacement trees must have a DBH of at least 2.5 in. No tree removal permit is needed for removing diseased, dangerous or dead trees.

10.407.8.3.3  Healthy protected trees (native tall and small trees)
Healthy native tall and small trees with a DBH of 2.5 in. or more that cannot be considered diseased, dangerous or dead may be removed if the gross DBH loss is replaced 1:1 (1 in. replaced for every 1 in. lost).

10.407.8.4  Tree removal and replacement: signs
Signs are considered nonconforming uses that should eventually be removed; trees are living things that are far more difficult to replace. Healthy trees of all species and sizes, including species defined as nuisance trees, cannot be removed with the intent of increasing the visibility of an existing sign.
10.407.8.5 Tree replacement conditions

10.407.8.5.1 Replacement plant types
Replacement trees must be a combination of native tall and short trees that keeps or brings the site in conformance with minimum required landscaping standards.

10.407.8.5.2 Replacement trees
Replacement trees must be placed on site, or in areas approved by Development Services staff as a condition of the tree removal permit.

10.407.8.5.3 Landscape requirements
Existing and replacement trees may be used to meet landscape requirements. After tree removal and replacement, the number and placement of trees on a parcel must continue to conform to landscaping requirements.

10.407.8.5.4 Fee instead of replacement
A fee equal to replacement tree and planting costs may be paid a fund for tree planting on public property, instead of tree replacement. Fee equivalents cannot be used as a waiver from minimum planting requirements for a site.

10.407.8.5.5 Maintenance
Replacement trees must be maintained in good condition for one year after planting. In that year, the property owner must guarantee survival.

10.407.8.5.6 Unauthorized removal
The gross DBH loss of trees that are removed in violation of this section by the property owner, developer or any party acting on their behalf must be replaced 2:1 (2 in. replaced for every 1 in. lost) with native tall trees. For illegal vegetation clearance to increase the visibility of signs, replacement native tall trees must be planted in the cleared area, with 1 in. DBH for every 10 sq. ft. cleared.

10.407.9 Tree protection during construction

10.407.9.1 Tree protection zone
During construction, perimeter fencing must be erected around protected trees, at least 6 ft. from the trunk or one-half of the drip line, whichever is more. Large parcels with protected trees and separated from construction or land clearing areas, street rights-of-way and utility easements may be “ribboned off,” by placing post stakes at least 50 ft. apart and tying ribbon or rope from stake to stake along the perimeter. Storage or movement of equipment, material, debris or fill in the tree protection zone is prohibited.

10.407.9.2 Storage near trees
During construction, equipment cleaning or storage or disposal or waste material such as paints, oils, solvents, asphalt, concrete, motor oil or other material harmful to trees cannot be placed in the drip line of protected trees or group of trees.

10.407.9.3 Attachment to trees
Damaging attachments, wires, signs or permits cannot be fastened to protected trees.

10.407.9.4 Trenching
Trenches or footings must be at least 8 ft. from trunk bases. In the drip line of protected trees, no cut or fill may be at least 4 in. deep unless a qualified arborist or forester evaluates and approves the disturbance. When trenching for utilities, tunneling under large diameter roots is required to prevent root damage. The developer is responsible for coordination with utility companies when trenching near protected trees.
10.407.9.5 Root preservation
During grading, roots at least 1 in. in must be cut off cleanly with a handsaw about 12 in. behind the line of excavation. If roots at least 3 in. in diameter are encountered in the excavation zone, the root cannot be cut. The job will be stopped in this area, and the arborist must inspect the root. If the root is where a footing will be placed, an alternative footing that bridges the roots with pilings and grade beams must be used. Exposed roots must be protected with moist backfill soil.

10.407.9.6 Grades
Raising the grade around tree trunks is prohibited. This causes trunk rotting, and serious damage or death to the tree. Finished grades must slope away from trunks to avoid water concentrated at tree bases.

10.407.9.7 Low hanging limbs
Low hanging limbs of protected trees cannot be pruned before grading or equipment mobilization on the site. Perimeter fencing must be placed to avoid tearing limbs by heavy equipment. Limbs that must be removed will require authorization by Development Services staff.

10.408 Required site furniture
A parcel with a non-residential and a non-industrial use must have the following furniture. Furniture must be functional. All amenities shall be owned, operated and maintained by the private property owner.

- Sidewalks along a street or internal drive: (choose any 2 of the following) 1 bench, 1 trash can, 1 bike rack, or 1 masonry planter per 100 ft. linear sidewalk.
- Internal walkways: (choose any 2 of the following) 1 bench, 1 trash can, 1 bike rack, or 1 masonry planter per 100 ft. linear walkway.
- Plazas: 1 bench per 50 sq. ft. and 1 trash can per 100 sq. ft. plaza area.
- Colonnades, loggias: 1 bench and 1 trash can per 50 ft.
- Bus stops: 2 benches and 1 trash can per stop.

10.408 Fences and walls

10.408.1 Intent
Fence design requirements are intended to ensure that fences complement the built environment, contribute to the overall atmosphere of Hutto as a friendly, inviting city, while functioning effectively at their intended task, and:

- To protect people, property and animals.
- To delineate property boundaries with secure and attractive structures and plantings.
- To ensure and require adequate maintenance and the upgrading of fencing to current material standards as upgrading occurs.
- To support community design goals by establishing standards appropriate to various land uses.
- To avoid poorly-maintained “fence canyons” through the city.
- To provide relief from noise generated by traffic and externalities of commercial and industrial uses.

10.408.2 Applicability
This section applies in the following areas.
10.408.3 General standards

10.408.3.1 Placement

10.408.3.1.1 Public right-of-way
Fences and walls cannot be placed in the public right-of-way.

10.408.3.1.2 Tree preservation
Fences must be placed where they will not threaten significant vegetation.

10.408.3.2 Materials

10.408.3.2.1 Finished side out
Fences with an unfinished or rough side and a finished or smooth side must be placed so the finished or smooth side faces out.

10.408.3.2.2 Prohibited materials
Materials not originally intended for use in constructing a fence are prohibited as fencing and screening materials. Examples of prohibited materials include plywood, particleboard, corrugated metal sheets (not incorporated into a frame), railroad ties, tires, door panels, and other makeshift materials.

10.408.3.2.3 Barbed wire and electric fences
Electrically charged, barbed wire and razor wire fences are prohibited. Exceptions are fences used to enclose livestock on farms, serve a public or quasi-public institution for public safety or security purposes, and temporarily securing construction vehicles and materials on a construction site.

10.408.3.2.4 Columns
Columns, pilasters, piers, finials and posts may be no more than 6 in. taller than the fence it joins.

10.408.3.3 Maintenance

10.408.3.3.1 General maintenance
Fences and adjacent landscaping must be maintained by their owners in good structural condition and repair. This includes general maintenance, painting and staining, and the replacement of broken, warped or missing portions with materials or equal or better quality that are consistent in design. Fences, walls and hedges must be vertically aligned and maintained upright; and in good structural or living condition. Angled or non-vertical fence support posts are prohibited.

10.408.3.3.2 Development perimeter walls
Individual property owners cannot alter development perimeter walls that are owned or controlled by a property owner’s association.

10.408.3.4 Landscaping
Landscaping at a fence or wall may be required per landscape requirements in Section 10.407.
### 10.408.4 Permitted fences, walls and hedges

The following fence, wall and hedge types are *permitted* and optional.

<table>
<thead>
<tr>
<th>Permitted fence Area / purpose</th>
<th>Height</th>
<th>Linear transparency</th>
<th>Acceptable types/materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural use</td>
<td>no more than 5 ft.</td>
<td>at least 50% along at least 50% of height, excluding columns; at least 75% along entire height in clear vision area</td>
<td>Wire (smooth, high-tensile, woven, mesh, hog wire, cable rail) Chain link Pipe Ornamental (metal, plastic) Picket (wood, plastic) Ranch (wood, plastic) Masonry (stone, brick, similar materials) Shrubbery hedge</td>
</tr>
<tr>
<td>Residential front yard</td>
<td>no more than 3.5 ft. (42 in.)</td>
<td>at least 50% along at least 50% of height, excluding columns; at least 75% along entire height in clear vision area</td>
<td>Wood frame wire Ornamental (metal, plastic) Picket (wood, plastic) Ranch (wood, plastic) Masonry (stone, brick, similar materials) Shrubbery hedge</td>
</tr>
<tr>
<td>Residential side and rear yard</td>
<td>no more than 6.0 ft. (72&quot;)</td>
<td>at least 50% along at least 50% of height, excluding columns, when next to trails or parks; otherwise, may be solid</td>
<td>Wood frame wire Chain link (plastic coated; no slats. Ornamental (metal, plastic) Picket (wood, plastic) Ranch (wood, plastic) Privacy (wood, plastic) Masonry (stone, brick, similar materials) Shrubbery hedge</td>
</tr>
<tr>
<td>Tennis / basketball court</td>
<td>no more than 12 ft.</td>
<td>at least 75%</td>
<td>Ornamental (metal, plastic) Chain link (plastic coated only)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cannot substitute for other fence types when forming a boundary fence.</td>
</tr>
<tr>
<td>Perimeter security fencing (LI/I districts only)</td>
<td>no more than 8 ft.</td>
<td>at least 75%, excluding columns in front yard; may be solid behind the building line</td>
<td>Ornamental (metal) Masonry (stone, brick, split face CMU, similar materials)</td>
</tr>
<tr>
<td>Temporary perimeter security fencing (construction sites only)</td>
<td>no more than 8 ft.</td>
<td>Any</td>
<td>Wire (smooth, high-tensile, woven, mesh, hog wire, cable rail) Ornamental (metal, plastic) Picket, lattice (wood, plastic) Ranch (wood, plastic) Privacy (wood, plastic) Chain link</td>
</tr>
</tbody>
</table>

Masonry must be used adjacent to outdoor storage areas.

The fence must be removed when construction ends.
§10.408  Fences and walls

### Permitted fence Area / purpose

<table>
<thead>
<tr>
<th>Area / purpose</th>
<th>Height</th>
<th>Linear transparency</th>
<th>Acceptable types/materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park, open space</td>
<td>no more than 4 ft. 5 ft. for dog park</td>
<td>at least 75%, excluding columns</td>
<td>Wood frame wire Ornamental (metal, plastic) Picket, lattice (wood, plastic) Ranch (wood, plastic) Masonry (stone, brick, decorative CMU, similar materials) Shrubbery hedge Chain link (plastic coated, for dog parks and athletic fields only)</td>
</tr>
<tr>
<td>Outdoor storage area fences</td>
<td>no more than 6 ft.</td>
<td>at least 75%, excluding columns</td>
<td>Ornamental (metal)</td>
</tr>
<tr>
<td>Parking area: non-residential and 3+ household residential development</td>
<td>no more than 3.5 ft. (42 in.)</td>
<td>at least 50% along at least 50% of height, excluding columns; at least 75% along entire height in clear vision area</td>
<td>Wood frame wire Ornamental (metal, plastic) Picket, lattice (wood, plastic) Ranch (wood, plastic) Bollard and chain Masonry (stone, brick, decorative CMU, similar materials) Shrubbery hedge</td>
</tr>
<tr>
<td>Retention and detention pond or basin</td>
<td>no more than 6 ft.</td>
<td>at least 75%, excluding columns</td>
<td>Masonry (stone, brick, decorative CMU, similar materials) Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
</tbody>
</table>

Photos of various fence types can be seen in the definitions Section (Section 10.202.2).

### 10.408.5  Required fences, walls and hedges

The following fence, wall and hedge types are required.

<table>
<thead>
<tr>
<th>Required fence Area / purpose</th>
<th>Height</th>
<th>Linear transparency</th>
<th>Acceptable types/materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swimming pool</td>
<td>4 ft. - 6 ft.</td>
<td>at least 50%</td>
<td>Wood frame wire Ornamental (metal, plastic) Picket, lattice (wood, plastic) Chain link (but not at a public pool)</td>
</tr>
<tr>
<td>Outdoor storage area</td>
<td>6 ft. - 8 ft.; may be taller if it screens tall objects</td>
<td>no more than 25%; must be solid when next to or visible from residential district or area</td>
<td>Privacy (plastic) Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
<tr>
<td>Vehicle inventory area next to residential districts</td>
<td>6 ft. - 8 ft.</td>
<td>Must be solid</td>
<td>Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
<tr>
<td>Residential development RV storage area</td>
<td>8 ft. - 10 ft.</td>
<td>Must be solid; gate may have transparency</td>
<td>Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
</tbody>
</table>
### Chapter 4  Site design standards  

#### §10.409  Outdoor lighting

<table>
<thead>
<tr>
<th>Required fence Area / purpose</th>
<th>Height</th>
<th>Linear transparency</th>
<th>Acceptable types/materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dumpster and utility area</td>
<td>7 ft. - 8 ft.</td>
<td>Must be solid</td>
<td>Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
<tr>
<td>Loading area wing wall</td>
<td>Up to the building parapet; height determined in site plan review</td>
<td>Must be solid</td>
<td>Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
<tr>
<td>Utility substation or facility</td>
<td>6 ft. - 12 ft., or sufficient to conceal the substation.</td>
<td>Must be solid</td>
<td>Masonry (stone, brick, decorative CMU, similar materials)</td>
</tr>
<tr>
<td>Development perimeter wall</td>
<td>6 ft. min. 8 ft. max. 4 ft. max. when adjacent to open space</td>
<td>Any</td>
<td>Ornamental (metal) Masonry (stone, brick, decorative CMU, similar materials) Ornamental metal must be used in areas adjacent to common open space to preserve public views. Precast concrete walls (h-post and single panel) may only be used to replace existing stockade fence-based perimeter walls. Existing stockade fence-based perimeter walls may also be replaced by fences conforming with existing perimeter fencing. If replacement fencing material is wood, masonry columns with a cross-section of at least 18 in. x 18 in. at no more than 50 ft. intervals, and at turning and end points are required. Also required for wood replacement fencing are stained and sealed pickets a minimum of 6 in. wide, metal poles staked at least 4 ft. into the ground by concrete, and top caps that match fencing in material.</td>
</tr>
</tbody>
</table>

Fencing may also be required under bufferyard requirements in Section 10.403.6.

### 10.408.6  Gated communities

Gated communities are prohibited.
10.409 Outdoor lighting

Performance standards in Section 10.312.6 address excessive lighting, glare, and other negative externalities of site lighting.

10.409.1 Intent

Poorly designed exterior lighting can adversely affect abutting properties and contribute to light pollution. Regulating exterior lighting can control its negative effects, while still allowing property owners and businesses to meet functional security and safety needs.

10.409.2 Applicability

This section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes; only Section 10.409.3, Section 10.409.4, Section 10.409.5. Otherwise see SmartCode Section 6 Table 5.</td>
<td>No</td>
</tr>
</tbody>
</table>

10.409.3 General standards

10.409.3.1 Display levels and light pollution

- Lighting must be designed to minimize light pollution and spillage on adjacent properties.
- Illumination at the property line must be no more than 5 lux for non cut-off lights, and no more than 15 lux for cut-off lights. Streetlights are exempted.
- Illumination spillover onto adjacent residential zoned properties must be no more than 5 lux. Streetlights are excepted
- Streetlights in public right-of-way shall be solar-powered wherever possible.

10.409.3.2 Shielding

Outdoor lighting must be shielded, except that at athletic fields. Shielding is achieved when light rays are not emitted above the horizontal plane of a fixture. The cone of illumination must be at least 30° downward from the horizontal plane.

10.409.3.3 Illumination of background and foreground spaces

- Background spaces such as parking lots must be illuminated as unobtrusively as possible to meet the functional needs of circulation, security and safety.
- Foreground spaces, such as building entrances and plaza seating areas, must use proximate lighting that defines the space without glare.

10.409.3.4 Confusion with warning devices

Lighting devices that may be confused with warning, emergency or traffic signals are prohibited.

10.409.3.5 Lighting as advertising

Lighting cannot be used for advertising or attracting attention.

10.409.4 Permitted lighting

The following light sources are permitted:
Chapter 4  Site design standards  §10.409  Outdoor lighting

- Incandescent. Fluorescent. Warm white and natural lamps must be used to reduce detrimental effects.
- Metal halide. Light must be filtered with a glass, acrylic or translucent enclosure of the light source.
- High-pressure sodium. Must be color corrected.
- Light-emitting diode. Warm white and natural lamps must be used to reduce detrimental effects.
- Glass tubes filled with neon, argon, or krypton. Limited decorative lighting only.

Types of light sources must be consistent throughout a commercial center or master-planned development.

10.409.5  Prohibited lighting

The following light sources are prohibited:
- Laser source light.
- Strobe light.
- Flashing, blinking, or variably intense light, intentional or resulting from a defect. Exceptions are:
  - Traditional holiday lighting not used to draw attention to a sign.
  - Flashing or blinking lights required by law.
- Beacon or searchlight, including temporary display. Beacons are permitted on structures where the Federal Aviation Administration requires them.

10.409.6  Light poles

10.409.6.1  Height
Maximum light pole height is:
- Parking areas: 20 ft.
- Pedestrian areas and drive aisles: 16 ft.
- Sports fields: 60 ft.
- Temporary lighting at construction sites: 60 ft.
- Street-alley: 12 ft.
- Street-local and collector: 16 ft.
- Street-arterial: 24 ft.

10.409.6.2  Design
- Light poles should have a base, middle and top.
- Light pole design must be consistent with the style, character and period of architecture on the site.
- Cobra head light poles are prohibited in residential areas and pedestrian-oriented commercial streets. Decorative cobra head street light poles may only be used on arterial streets, and streets in vehicle-oriented commercial and industrial areas. Where used, cobra head street light poles must incorporate a supplemental non-cobra style light mounted at a 12 ft. - 14 ft. height to illuminate the sidewalk.
- Bare metal poles are prohibited.
Chapter 4 Site design standards

§ 10.409 Outdoor lighting

- Elevated form bases greater than 4 in. above grade are prohibited.
- Light poles must be placed in landscape areas wherever possible. Light poles must not obstruct sidewalks or bicycle paths.

10.409.7 Attached light fixtures

10.409.7.1 Sconces
- Sconces or gooseneck lighting fixtures may be used to illuminate areas near building walls. Sconces must direct light downward against the building wall and immediately adjacent areas.
- Light fixture design must be consistent with the style, character and period of the host structure.

An example of contemporary gooseneck lighting.

10.409.7.2 Wall packs
- Wall packs may only be used at the rear of industrial buildings to light unsafe areas. They cannot be used to draw attention to the building or provide general building or site lighting.
- Wall packs must be fully shielded to direct the light downward.
- Source output per wall pack must be no more than 1500 lumens.

10.409.7.3 Awnings
Awnings and canopy fascias cannot be internally illuminated.

10.409.8 Gas station canopies

10.409.8.1 Design
- Lighting fixtures, including lenses, must be completely recessed into to the canopy ceiling if it is flat, or no lower than 1 ft. above the lowest point of the canopy roof or fascia if it is sloped.
- Source output per fixture must be no more than 3750 lumens.
- Canopy fascias cannot be illuminated, except logo signs permitted by sign requirements in Section 10.410.

10.409.8.2 Number
- Canopies one pump deep may have up to two lighting fixtures per filling space.
- Canopies two pumps deep may have up to three lighting fixtures per two filling spaces.
- Canopies three pumps deep may have up to five lighting fixtures per three filling spaces.
10.409.9 Floodlights

- Floodlights may be used only to light sports fields, outdoor recreation areas and construction sites.
- Floodlights must be fully shielded or provided with sharp cut-off ability, to minimize uplight, spill-light and glare.

10.409.10 Accent lighting

- Bottom-mounted lights used to illuminate landscaping and water features, or provide visual accents, are permitted.
- Pole mounted accent lighting greater than 1 ft. tall is prohibited.
- Roof-mounted and rooftop accent lighting is prohibited.
- Banding of building plane changes (cornices, building corners, column edges, etc) with neon or other illumination is prohibited.

10.409.11 Signs

- Signs may be illuminated internally.
- Bottom mounted lights may illuminate a monument sign no more than 8 ft. tall. Lighting should not spill over the edge of the sign face.
- Exposed bulbs that outline a sign are prohibited.
- Blinking, chasing, or other changes in illumination intensity, color, or direction, intentional or not, are prohibited. This includes electronic message centers.

General sign requirements are in Section 10.410.

10.409.12 Alternative conformance

Development Services staff may consider an alternative lighting plan. Alternative lighting plans must clearly identify and discuss modifications, proposed alternatives, and how the alternative plan will meet the intent of this section better than a plan conforming to this section. Development Services staff will consider the proposed design protects natural areas from light intrusion, enhances neighborhood continuity and connectivity, and shows innovative and creative design.

10.410 Signs
10.410.1 Intent

Standards for use, placement, size and design of signs are intended to:

- Protect the public from signs that are poorly designed, constructed or maintained; and signs that are dangerously distracting to pedestrians and motorists by their message delivery and placement.
- Preserve and enhance property values; create a more attractive business climate, increase the quality of life for residents, and protect the unique character of the city’s built and natural environment, by curbing visual pollution resulting from excessive signs.
- Contribute to a built environment that will differentiate Hutto from adjacent municipalities, and reinforce the city’s identity and desired character.
- Protect residential areas adjoining non-residential areas from adverse visual impacts of nearby signs.
- Reduce clutter, confusion and visual pollution caused by sign oversaturation, and visual blight from poorly designed and maintained signs, and thus increase sign legibility and effectiveness.
- Protect public health, safety and welfare.

10.410.2 Applicability

This section applies in the following areas:

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes; only Section 10.410.4, Section 10.410.5, Section 10.410.6, Section 10.410.8, Section 10.410.9, Section 10.410.10. Otherwise see SmartCode Section 5.12</td>
<td>Yes</td>
</tr>
</tbody>
</table>

10.410.3 Permitted signs
### Chapter 4 Site design standards

#### §10.410 Signs

10.410.3.1 Agricultural uses

The following signs are permitted on lots with agricultural uses, and vacant parcels not subdivided or zoned for residential use.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Maximum area</th>
<th>Maximum height</th>
<th>Minimum setback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attached (wall) or freestanding (monument, pole), at farm stands, or retail operations selling products produced on site</td>
<td>1</td>
<td>32 sq. ft.</td>
<td>Freestanding: 6 ft. Attached: below roofline</td>
<td>Freestanding: 5 ft. from property lines</td>
</tr>
<tr>
<td>Freestanding (monument, pole), at farms, ranches, or similar operations</td>
<td>1 per driveway entrance</td>
<td>32 sq. ft.</td>
<td>6 ft.; 10 ft. to bottom if arched over driveway entrance</td>
<td>5 ft. from property lines</td>
</tr>
<tr>
<td>A-frame</td>
<td>1; display only during business hours</td>
<td>12 sq. ft.</td>
<td>4 ft.</td>
<td>As close to the building entrance as possible</td>
</tr>
<tr>
<td>Temporary: property with construction</td>
<td>1 per street frontage</td>
<td>32 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roofline</td>
<td>Freestanding: 5 ft. from property lines</td>
</tr>
<tr>
<td>Temporary: property for sale or rent</td>
<td>1 per street frontage</td>
<td>32 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roofline</td>
<td>Freestanding: 5 ft. from property lines</td>
</tr>
<tr>
<td>Temporary displays</td>
<td>Allowed only for agricultural uses, per Section 10.410.6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Chapter 4  Site design standards  §10.410 Signs

10.410.3.2 Residential uses
The following signs are permitted on lots with residential uses and no others.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Maximum area</th>
<th>Maximum height</th>
<th>Minimum setback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent: development identification</td>
<td>Freestanding (monument or integrated into entry feature)</td>
<td>2 per entrance into the development</td>
<td>32 sq. ft. per sign</td>
<td>6 ft.; may be taller if integrated into entry feature (fountain, etc)</td>
</tr>
<tr>
<td>Temporary: property with construction</td>
<td>Freestanding (pole) or attached (wall)</td>
<td>1 per street frontage</td>
<td>4 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached - below roodline</td>
</tr>
<tr>
<td>Temporary: property for sale or rent</td>
<td>Freestanding (pole) or attached (wall)</td>
<td>1 per street frontage</td>
<td>4 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roodline</td>
</tr>
<tr>
<td>Temporary: property with model home</td>
<td>Freestanding (pole)</td>
<td>1 per house</td>
<td>12 sq. ft. per sign</td>
<td>4 ft.</td>
</tr>
<tr>
<td>Temporary: new residential development</td>
<td>Freestanding (pole) or attached (wall)</td>
<td>1 per entrance into the development</td>
<td>32 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roodline</td>
</tr>
<tr>
<td>Temporary: new residential development</td>
<td>Freestanding (flag)</td>
<td>1 per 50 linear feet of project frontage; up to 6 for the development</td>
<td>15 sq. ft. per flag</td>
<td>20 ft.</td>
</tr>
<tr>
<td>Temporary: new residential development</td>
<td>Freestanding (pole)</td>
<td>1 per 50 linear feet of project frontage; up to 6 for the development</td>
<td>12 sq. ft. per sign</td>
<td>4 ft.</td>
</tr>
<tr>
<td>Temporary displays</td>
<td>Only for rental multiple household dwelling complexes, subject to Section 10.410.6.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10.410.3.3 Institutional and civic uses
The following signs are permitted on lots with institutional and civic uses, and no others.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Maximum area</th>
<th>Maximum height</th>
<th>Minimum setback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
<td>Freestanding (pole, monument)</td>
<td>1</td>
<td>32 sq. ft.</td>
<td>6 ft.</td>
</tr>
<tr>
<td>Attached</td>
<td>Freestanding (awning, canopy, projecting, wall, window)</td>
<td>2 per wall</td>
<td>Building total = 0.5 sq. ft. per façade frontage ft</td>
<td>Below roodline</td>
</tr>
<tr>
<td>Temporary: property with construction</td>
<td>Attached (wall) or freestanding (pole)</td>
<td>1 per street frontage</td>
<td>12 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roodline.</td>
</tr>
<tr>
<td>Temporary: property for sale or rent</td>
<td>Attached (wall) or freestanding (pole)</td>
<td>1 per street frontage</td>
<td>12 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roodline.</td>
</tr>
<tr>
<td>Temporary displays</td>
<td>Subject to Section 10.410.6.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10.410.3.4 Commercial, retail and industrial uses, and B-1, B-2, LI, I and REC districts
The following signs are permitted on lots with commercial, retail and industrial uses, and all uses in the B-1, B-2, LI, I and REC districts, and no others.

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Maximum area</th>
<th>Maximum height</th>
<th>Minimum setback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freestanding (monument): single use/building sites and outparcels</td>
<td>1, or 2 (1 per street frontage) if on corner lot with ≥1,000 ft. of linear frontage</td>
<td>32 sq. ft. per sign</td>
<td>6 ft.</td>
<td>5 ft. from property lines. 100 ft. from other freestanding signs on the site.</td>
</tr>
<tr>
<td>Freestanding (monument): multi-tenant building/retail center &lt;100,000 sq. ft. GFA</td>
<td>1 per street frontage</td>
<td>48 sq. ft. per sign</td>
<td>8 ft.</td>
<td>5 ft. from property lines. 100 ft. from other freestanding signs on the site.</td>
</tr>
<tr>
<td>Freestanding (monument): multi-tenant building/retail center ≥100,000 sq. ft. GFA</td>
<td>1 per street frontage or per 1000 ft. of linear frontage</td>
<td>64 sq. ft. per sign</td>
<td>12 ft.</td>
<td>5 ft. from property lines. 100 ft. from other freestanding signs on the site.</td>
</tr>
<tr>
<td>Attached (awning, canopy, projecting, wall and window): single use/building sites</td>
<td>Any, up to maximum permitted area for the wall</td>
<td>Front/façade: 1.0 sq. ft. per linear wall frontage ft. Side and rear walls: 0.50 sq. ft. per linear wall frontage ft.</td>
<td>Below roofline</td>
<td>n/a</td>
</tr>
<tr>
<td>Attached (awning, canopy, projecting, wall and window): multi-tenant building/shopping center sites</td>
<td>Any, up to maximum permitted area for the wall where the signage will be placed</td>
<td>Same permitted area as single use/building sites, allocated by tenant frontage for an individual façade or wall. May be further restricted by master sign plan</td>
<td>Below roofline</td>
<td>n/a</td>
</tr>
<tr>
<td>Attached (gas station canopy; instead of freestanding signs)</td>
<td>1 on each side</td>
<td>no more than 32 sq. ft. per sign</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Attached (sculptural)</td>
<td>1 per building or tenant space</td>
<td>no more than 32 sq. ft. (height at tallest point × width at widest point)</td>
<td>at least 50% of sculpture height below roofline or parapet wall</td>
<td>n/a</td>
</tr>
<tr>
<td>Temporary: property with construction Freestanding</td>
<td>2 per vehicle entrance</td>
<td>32 sq. ft. per sign</td>
<td>6 ft.</td>
<td>5 ft. from property lines</td>
</tr>
<tr>
<td>Temporary: A-frame</td>
<td>A-frame</td>
<td>1; display only during business hours</td>
<td>12 sq. ft.</td>
<td>ft.4</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------</td>
<td>--------------------------------------</td>
<td>------------</td>
<td>------</td>
</tr>
<tr>
<td>Temporary: property for sale or rent</td>
<td>Attached (wall) or freestanding (pole)</td>
<td>1 per street frontage</td>
<td>1 sq. ft. per acre per sign, 32 sq. ft. per sign minimum allocation, not to exceed 128 sq. ft. per sign</td>
<td>Freestanding: 6 ft. Attached: below roofline</td>
</tr>
</tbody>
</table>

**Temporary displays**
Subject to provisions of Section 10.410.6.

**10.410.4 Exempted signs**

These signs are permitted in all districts, unless noted.

- Address numbers and family name identification on residences.
- City-owned/operated signs.
- Off-site directional kiosk signs authorized by the City of Hutto.
- Directional sign: one freestanding sign per curb cut in commercial and industrial districts only. Signs may be no more than 4 ft. tall and no more than 6 sq. ft. in area.
- For sale, for rent and for lease signs on vehicles, boats, trailers and other personal property.
- Garage sale signs: up to three signs, each no more than 4 sq. ft., may be displayed only while the garage sale is in progress. Garage sale signs must be placed outside of the right-of-way and public property. Garage sale signs may be placed within City of Hutto right-of-way (not County or State right-of-way) if written permission from an adjacent property owner is attached to said sign. Said garage sale sign must be removed before 5:00 PM on the last day of the sale. This amendment supersedes Chapter 8, Article 8.05 of the City of Hutto Code of Ordinances.
- Hippopotamus statues no more than 3 ft. tall painted with the name, logo and/or trademark colors of the business or sponsor displaying them.

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**Hippopotamus statue**
Chapter 4 Site design standards

§10.410 Signs

- Historical markers, plaques, grave markers, cornerstones and commemorative tablets.

- Works of fine art that in no way identify or advertise a product or business.

- National, state, local and decorative non-commercial flags, each no more than 50 sq. ft. in area, flown for their intended purpose under generally accepted flag protocol, on a flagpole or building mounted staff no taller than the maximum permitted building height in the underlying zoning district, and not acting as a form of advertising.

- Open house signs: up to three signs may be used, displayed outside the public right-of-way and public property. Open house signs may be placed within City of Hutto right-of-way (not County or State right-of-way) if written permission from an adjacent property owner is attached to said sign. Said open house sign shall be displayed only while the open house is in progress or for 16 hours in a one-week period, whichever is shorter. The sign must be removed immediately after the open house. Signs may be no more than 4 sq. ft. in area, and no more than 4 ft. tall. This amendment supersedes Chapter 8, Article 8.05 of the City of Hutto Code of Ordinances.

- Public Information Signs, provided such signs are removed no more than 3 days after event.

- Public utility warning and underground utility identification signs.

- Religious symbols (cross, Star of David, star and crescent, etc.). Signs where the shape of a religious symbol is an integral part of the sign design are not exempted.

- Signs manufactured as a standard, integral part of a mass-produced product accessory to a commercial, public or semi-public use, including telephone booths, mail and newspaper boxes, vending machines, automated teller machines, gas pumps and vacuums.

- Signs, notices, placards, certificates and official papers authorized or required by statute, government agency or court.

- Signs for rest rooms, accepted credit cards, business organization membership (Chamber of Commerce, Better Business Bureau, etc.), meetings of civic groups, and business hours, displayed at a business.

- Signs identifying zones in parking lots, no more than 6 sq. ft. in area.

- Signs on concessions and rides at special events such as fairs and festivals.

- Signs painted on vehicles and trailers that are operating and registered, used in everyday business activities, parked in areas appropriate for their use as vehicles normally used during business hours, and not being used only for attracting business.

- Temporary decorations and displays that are clearly associated with a national, local, or religious holiday or celebration, provided there are no fire, traffic, or pedestrian hazards.

10.410.5 Prohibited signs

The following signs are prohibited in all districts, unless noted.

- Off-premise signs, except for directional kiosk signs authorized by the City of Hutto.

- Signs with changing light, color or motion effects, intentional or resulting from a defect. This prohibition includes, but is not limited to:
Chapter 4  Site design standards  §10.410  Signs

- Blinking, flashing, chasing, strobe and alternating color lights, integrated into a sign or not.
- Electronic message centers.
- Signs incorporating “eye catchers” and similar shiny devices designed to reflect light and create a glimmering or flashing effect.
- Signs with animated or rotating parts.
- Signs emitting flame, smoke, steam or other visual matter.

This prohibition does not apply to:
- Electronic changeable copy/message board/variable message signs whose message portion is enclosed with glass, plastic, or other durable material and who provide an auto-dimming feature based on natural ambient light conditions. Auto-dimming feature must not allow any changeable copy/message board to exceed a brightness of 7,000 NITs in daylight or 500 NITs for night use. Such signs also cannot be animated, messages must remain static for at least sixty seconds, and display no more than four colors any one time in a static pattern.
- Signs with flashing or chasing lights on concessions and rides at special events such as fairs and festivals.
- Holiday decorations and light strings displayed during December. Light strings cannot outline or highlight a sign.
- Rotating barber poles at a legitimate barber or beauty shop.
- Rudimentary time and temperature displays that are not potentially distracting to drivers.
- Warning signs and markers placed by, or authorized by and on behalf of government agencies.

- Signs placed in or over the public right-of-way or public property. The city may remove signs in the public right-of-way or on public property.

This prohibition does not apply to:
- Signs placed by government authorities.
- Banners placed on a light pole, utility pole, or over a street, as part of a special event of general civic interest.
- Kiosk and way-finding signs.
- Temporary garage sale and open house signs in compliance with Section 10.410.4 and this Code, and if no more than three (3) signs are located on any lot or abutting any lot.
- Temporary political campaign sign or literature may be placed on public property that serves as an early voting location or an election day voting location. Only signs and literature that refer to a candidate or issue that is on the ballot at a particular voting location may be placed at that voting location. A maximum of ten (10) signs per candidate or issue may be placed at each polling location.
- Temporary political sign or literature placed on public property being used as a polling location may not:
  - be placed within the public right-of-way;
  - have an effective area greater than three (3) sq. ft.;
  - be more than four (4) ft. high;
  - be illuminated or have any moving elements;
  - be within one-hundred (100) ft. of an outside door through which a voter may enter the public building;
  - be on driveways, parking areas, or medians within parking areas on the premises, with the exception of political campaign signs attached to vehicles lawfully parked at the premises;
  - be attached, placed or otherwise affixed in any area designated as a planting or landscaped area or to any tree, shrub, building, pole or other improvement;
  - be placed within ten (10) ft. of the public roadway adjacent to the premises;
  - be placed on the premises earlier than twenty-four (24) hours before the commencement of early voting if being placed at an early voting location or the commencement of election day voting if being placed at an election day voting location; and
Chapter 4  Site design standards

§10.410  Signs

remain on the premises more than twenty-four (24) hours after early voting has ended if placed at an early voting location or after election day voting has ended if being placed at an election day voting location.

- Signs placed on vehicles and trailers that are parked and used primarily as a sign.
- Signs and posters placed on trees, fences, light poles and utility poles, except parking lot zone signs on light poles.

- Banners, pennants, balloons, streamers, and other temporary signs, except on a temporary basis as permitted in Section 10.410.6.

- Attached signs placed on a roof or above a parapet wall of a building. This prohibition does not apply to sculptural signs.

- Attached domed, bullnose and bubble-style awning signs.

- Freestanding signs placed where they might obscure a clear view of traffic on intersecting streets, and traffic warning and control signals and signs.

- Signs that closely resemble or imitate official signs and traffic control devices.

- Signs blocking doors, windows, vents, stairs and ramps.

- Signs built and displayed without a sign permit, if a sign permit is required.

- Signs built from materials usually used for temporary signs (cloth, thin plastic, corrugated plastic, etc.) displayed as permanent signs, except for no more than 30 days or less in place of a damaged, removed or permitted but unbuilt sign

- Portable signs, including signs originally built as portable signs permanently mounted on a building or the ground.

- Snipe, spam, and bandit signs.

- Large objects such as motor vehicles, boats, aircraft, engine blocks, home appliances, heavy equipment, industrial machinery, and similar objects used as or included in signs.

- Signs not expressly permitted in this section or elsewhere in this code.

10.410.6  Temporary signs and displays

10.410.6.1  Temporary displays
Temporary displays may include these items, only as permitted in Section 10.410.3:

- Banners, no more than 32 sq. ft.
- Banners placed over the street to identify special events of general civic interest. The banners cannot be used for commercial advertising. Sponsor identification may be displayed on no more than 25% of the banner face area.
- Pennants, streamers, and small (no more than 12 in. diameter) balloons.
- Balloons and other inflatable objects no more than 12 ft. in height. Balloons and inflatable objects cannot be placed on top of a building. Inflatable objects cannot have flailing or animated elements.
- New development marketing flags.
A business may have up to six temporary displays in a calendar year, with a time of no more than 30 days for each display.

10.410.6.2 Construction sign display time
Temporary signs on property under construction must be removed in 48 hours after construction is complete.

10.410.6.3 Real estate sign display time
Temporary signs on property for sale or rent must be removed in 48 hours after the lease or sale of the identified property.

10.410.6.4 Temporary development sign display time
- Temporary signs at developments may be displayed for up to one year, or until the last house or unit in the development is sold, whichever is later.
- Temporary development signs at rental communities may be displayed for up to one year, or until 90% of units are occupied, whichever is later.

10.410.7 Substitution of noncommercial message
Noncommercial copy may be substituted for commercial copy on any permitted sign. If noncommercial copy is substituted, the resulting sign will continue to be treated as the original commercial sign under this code and will not be treated as an outdoor advertising display. Content of noncommercial copy on a sign otherwise permitted by this code may be changed without complying with provisions required for sign copy or design approval.

10.410.8 Sign design
Development Services
10.410.8.1 Color
Colors for sign frames and supports must match the primary finish and colors of buildings on the site.

10.410.8.2 Illumination
- Illumination must be shielded so there is no glare in the public right-of-way and adjacent properties, and directed so it does not point towards the sky.
- Illumination must be steady and even over the entire sign face. The full number of lighting elements must be kept in working condition.

10.410.8.3 Materials
- Internally lit channel letters and halo lit letters are preferred for attached signs. Domed, bullnose and bubble-style awning signs, and internally illuminated box signs, are prohibited as attached signs.
- The sign base of permanent freestanding signs must match the dominant masonry surface material of the main building on the site.

10.410.8.4 Attached sign placement
- Attached signs cannot overlap features such as cornices, eaves, window and door frames, columns and other decorative elements.
- Signs must be placed at least 3 ft. from the vertical edge of a wall and other attached signs.

10.410.8.5 Attached sign height
- Attached signs must be placed entirely below the lowest point of a building’s parapet wall, except signs on water towers and smokestacks.
- The lowest point of a projecting or awning sign must be at least 8 ft. above the sidewalk.

10.410.8.6 Window sign area
- Window signs may cover no more than 25% of a window area.
• Window signs are not considered in measuring the overall sign face area on a wall.

10.410.8.7 Freestanding sign placement
• Freestanding signs cannot be placed where they obscure important architectural features such as entrances, display windows or decorative elements when seen from the public right-of-way.
• Freestanding signs cannot be placed in or project over the public right-of-way, or create a visual obstruction in a vertical space between 3 ft. and 10 ft. above the curb in the clear vision area.

10.410.8.8 Freestanding sign landscaping
Landscaping must form a cluster at the base of freestanding signs, in an area at least 25% of the sign height around the footprint.

10.410.8.9 A-frame signs
A-frame signs must be secured firmly in place. Securing may include anchoring to the wall of the building or weighing down with sandbags. Sandbags cannot protrude from the sides of sign.

10.410.8.10 Sign Master Plans
Development Services staff may require a Sign Master Plan to be submitted and approved with a concept plan or site plan for a development. Sign type, color, scheme, size and illumination in the center must be coordinated and compatible with the architectural character on the site.

10.410.9 Sign permits

10.410.9.1 Sign permit required
Sign permits are required for the following sign types:
• New permanent signs, excluding window signs.
• New development signs.
• New real estate, construction and temporary development signs at least 12 sq. ft.
• Temporary displays.
• A-frame signs (permit duration one year; may be renewed)
• Expansion to the face area or height, or change in the dimensions of an existing sign
• Change in the location of an existing sign.
• Change in the logo, name or message displayed on an existing sign, except altering the copy on changeable copy faces.

10.410.9.2 Sign permit and specific use permit approval required
Specific use permit review and approval, and a sign permit, is required for a sculptural sign.

10.410.9.3 Sign permit not required
Sign permits are not required for the following sign types:
• Exempted signs.
• Window signs.

10.410.9.4 Revocation
Sign permits will be revoked if there is any violation of this code or misrepresentation of any information in the permit application.

10.410.9.5 Pending violations
Sign permits will not be issued for businesses or locations where existing signs violate this code, except to replace an illegal sign with a legal sign.

10.410.9.6 Expiration
Sign permits expire six months after permit issuance, if the signs are not built.
10.410.10 Sign maintenance

10.410.10.1 Building code conformance
Signs must be built and maintained in conformance to structural, electrical and safety standards of the most current International Building Code, as adopted by the City.

10.410.10.2 Condition
Signs must be kept clean and in good repair, visually and structurally. Braces, bolts, clips, fastenings and supporting frames must be securely affixed to the support structure or wall. Signs must be kept free of rust, rot, insect infestations, bird nests and other deterioration.

10.410.10.3 Blank signs
Sign faces that are unreadable, not maintained, or removed, leaving only the shell or support structure, must be replaced in 30 days or the sign must be removed. This is not an exception to the prohibition of nonconforming sign replacement.

10.410.10.4 Unsafe signs
Signs that are unsecured, unsafe or in danger of falling; or damaged, destroyed, taken down or removed for any purpose other than copy change, must be removed or repaired to conform to this code.

10.410.10.5 Removal
- When sign removal is required, the entire sign and supporting structure must be removed.
- Signs painted directly on an exposed masonry wall must be removed by a process that strips the entire sign from the wall, not by painting over the sign. Signs declared historic by the Historic Preservation Commission are exempt.

10.410.11 Nonconforming and abandoned signs

10.410.11.1 Nonconforming signs
Provisions for nonconforming and abandoned signs are in Section 10.206.5.

10.410.11.2 Abandoned signs
Signs are considered abandoned if they:
- Advertise or identify an object, person, institution, business, product, service, event or location that no longer exists or is no longer relevant; or

Abandoned signs must be removed by the sign owner, property owner or the city at the owner’s expense. Abandoned signs cannot be reused. Signs declared historic by the Historic Preservation Commission are exempt.

10.411 Use specific design standards

10.411.1 Intent
Certain uses may include design qualities that would have an adverse impact on Hutto’s character and sense of place. Design of these uses will shape much of the character and attractiveness of Hutto’s streetscapes, so it is important they contribute to and integrate well with the city’s built environment. These special design standards, and other standards in this chapter, apply to the following uses to ensure they will be compatible with Hutto’s built environment.
This Section applies in the following areas.

<table>
<thead>
<tr>
<th>City of Hutto conventional zoned areas</th>
<th>City of Hutto SmartCode transect zones</th>
<th>Hutto extraterritorial jurisdiction (ETJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>No, except for signage standards</td>
</tr>
</tbody>
</table>

10.411.3 Large item sales and rental (Class 1, 2 and 3)

Performance standards in Section 10.312.9 regulate outdoor storage, and the placement of inventory and vehicles for sale on the site.

10.411.3.1 Architecture
- Dealership building architectural design must conform to architectural design standards for commercial uses in Section 10.406.6.
- Separate structures (service building, car wash, used car sales building, etc.) on the site must share architectural detail and design elements to provide a cohesive project site.
- Vehicle service areas and bays must be screened or sited so they are not visible from the street.
- Garage doors cannot face the street.
- Garage doors must be integrated into the overall design theme of the site with color, texture, and windows.

10.411.3.2 Parking, circulation and stacking
- Vehicle display parking and inventory areas are not exempt from site planning standards.
- Large expanses of concrete or asphalt must be avoided. Unrelieved pavement in vehicle display areas and other areas often visited by customers must be limited by using landscaping, contrasting colors and banding or pathways of alternate paver material.
- Vehicle/pedestrian conflict points must be clearly defined with textured and colored pavement or brick pavers.
- Service areas must provide adequate stacking space that does not impede vehicle circulation through the site or result in vehicles stacking into the street.

10.411.3.3 Landscaping
- Landscaping must conform to landscaping standards in Section 10.407. Vehicle display parking and inventory areas are not exempt from landscaping standards.
- Inventory cannot be stored, parked or displayed in landscape areas.

10.411.3.4 Fencing and screening
Vehicles display parking, inventory areas and other parking and outdoor storage areas must comply with fencing and screening standards in Section 10.408.

10.411.3.5 Outdoor lighting
- Lighting must conform to lighting standards in Section 10.409.

10.411.4 Self-storage facilities

10.411.4.1 Architectural theme
- Building design must conform to architectural design standards for commercial uses in Section 10.406.6. Design of facilities placed near or integrated into a shopping or office center must be consistent with the dominant theme or design of surrounding buildings.
- Colors with a high intensity are prohibited on buildings.
- Prefabricated and pre-engineered metal buildings are prohibited.
10.411.4.2 General architectural standards
- Buildings must include design elements such as columns, ribs or pilasters, piers, quoins, and fenestration patterns to prevent a utilitarian, industrial, warehouse-like appearance.
- Buildings at least 30 ft. long must include a change in wall plane, recess or reveal every 20 ft. or less.
- Maximum length of a building on the site perimeter is 60 ft.
- Unit doors must be screened or sited so they are not visible from the street or residential properties.
- Unit doors must be integrated into the overall design theme of the site through color and texture.

10.411.4.3 Roof design
- Buildings must include a roof pitch of at least 30°, with roofs incorporating a high quality surface such as architectural shingles, split seam metal or clay tile. Flat roofs are prohibited.
- Roofs must include four or more planes, and have overhanging eaves extending at least 1.5 ft. past the building wall.

10.411.4.4 Parking, circulation and stacking
- Drive aisles must be at least 24 ft. wide. Drive aisles and unit access points must be surfaced in impervious or permeable pavement.
- Units and drive aisles must be sited so a vehicle parked at a unit cannot trap another vehicle and prevent it from leaving the facility.
- Parking spaces cannot be located in the street yard.

10.411.4.5 Landscaping
- Landscaping must conform to landscaping standards in Section 10.407.
- Landscaping and berming must screen storage buildings from the public right-of-way and adjacent residential zoning districts.
- Landscaping outside a perimeter fence must conform to landscape standards in this code. Inside a perimeter fence, at least 10% of the surface area must be a groomed permeable surface (grass, xeriscape ground cover, turf block), with at least 50% of that surface next to the perimeter fence.
- One or more native tall trees for every ten units must be provided inside the perimeter fence, with trees placed inside the perimeter fence and at the ends of buildings runs. Shrubbery forming a dense cluster is required at the base of building walls at least 10 ft. long without doors.

10.411.4.6 Fencing and screening
- Fencing must conform to fence and wall standards in Section 10.408.
- Perimeter fencing, security fencing, and entry gates must be constructed of materials that are compatible with the design and materials used throughout the site. Acceptable fencing types include masonry (brick, stone, decorative CMU), decorative metal and wrought iron, with regular recesses and centers to break up long stretches.

10.411.4.7 Outdoor lighting
- Lighting must conform to lighting standards in Section 10.409.
- Building mounted sconces must be used instead of freestanding light poles wherever possible.
- Pole mounted lights must be off between 9:00 PM and 6:00 AM at self-storage facilities next to residential zones and lodging uses.

10.411.4.8 Signs
Signs must conform to sign standards in Section 10.410. Attached signs are permitted only on the main office, and are prohibited on storage unit buildings.
AGENDA ITEM NO.: 10F. AGENDA DATE: September 01, 2016

PRESENTED BY: Helen Ramirez, AICP, Director,
Development Services

ITEM: Consideration of a public hearing and possible action on the first reading of an ordinance amending the SmartCode, Articles 1, 2, 3, 4, 5, 6, and 7.

STRATEGIC GUIDE POLICY: Growth Guidance

ITEM BACKGROUND:
Staff is proposing a number of relatively minor amendments to the SmartCode. The vast majority of these proposed changes are intended to provide increased flexibility for developers, property owners, and staff by making some of the language in the code less restrictive. For example, several changes include replacing the word “shall” with “should” or “may,” which will allow staff and developers the opportunity to determine if a particular provision is necessary for a particular project. Other proposed amendments include changes to the minimums and maximums established throughout the code in order to make those provisions less restrictive. For example, staff is proposing to reduce the minimum pavement width for a rear alley from 24 ft. to 20 ft. in order to require developers to provide less paving. Staff is also proposing to change the maximum density in the T2 zone from 1 unit per 20 acres to 1 unit per 5 acres and proposing a reduction in height minimums in certain transects from two to one story, by warrant. Several of the amendments include removing sections that are confusing and unnecessary. The remaining changes are intended to correct errors or otherwise clean up some of the loose ends that have been identified by staff over time.

Furthermore, the majority of the proposed amendments are designed to encourage the feasibility of New Community Plans on greenfield sites by providing leeway within the language of the code that will provide flexibility for the development community to meet the intent of the SmartCode. SmartCode development will provide a diverse range of housing options for Hutto residents and more opportunities for commercial development so as to create a compact, mixed-use, pedestrian oriented development in areas outside of Old Town Hutto. By amending these SmartCode standards, staff hopes to provide additional flexibility for developers and staff while still ensuring high-quality development in Hutto.

These amendments were identified with the help of a City consultant. Staff is working on other amendments to the SmartCode but wanted to address these issues immediately.
Notice was published in the Taylor Daily Press. Notice has also been posted on the City of Hutto website.

**BUDGETARY AND FINANCIAL SUMMARY:**
Not applicable.

**RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:**
The Planning and Zoning Commission recommended approval on August 9, 2016. The motion passed unanimously.

**CITY ATTORNEY REVIEW:**
The City Attorney has approved the process as to form.

**STAFF RECOMMENDATION:**
Staff recommends that the Council approve the first reading of the ordinance. The Council may dispense with the second reading of this ordinance.

**SUPPORTING MATERIAL:**
1. Notice - SmartCode Ordinance Amendment
2. Ordinance - SmartCode Ordinance Amendment
PUBLIC NOTICE
NOTICE OF A PUBLIC HEARING

NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS THAT THE HUTTO CITY COUNCIL WILL HOLD A PUBLIC HEARING REGARDING:

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE SMARTCODE ARTICLES 1, 2, 3, 4, 5, 6 AND 7, PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES.

A public hearing will be held on September 1, 2016 at 7:00 p.m.
Hutto City Hall
401 W. Front St., Hutto, Texas

For additional information the public may contact Development Services at 512-759-3479 or planning@huttotx.gov

Publication Date: August 14, 2016
ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE SMARTCODE, ARTICLES 1, 2, 3, 4, 5 AND 6, PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES.

WHEREAS, an amendment has been presented to the City Council of the City of Hutto, Texas to amend the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Articles 1, 2, 3, 4, 5 and 6; and;

WHEREAS, on the 9th day of August, 2016, after proper notification, the Planning and Zoning Commission held a public hearing on the proposed amendment, and;

WHEREAS, the Planning and Zoning Commission recommended approval of the proposed amendments on the 9th day of August, 2016, and;

WHEREAS, on the 1st day of September, 2016, after proper notification, the City Council held a public hearing on the proposed amendment, and;

WHEREAS, the City Council determines that the amendments provided for herein promote the health, safety, morals and protects and preserves the general welfare of the community, and;

WHEREAS, each and every requirement set forth in Chapter 211, Sub-Chapter A., Texas Local Government Code, concerning public notices, hearings, and other procedural matters has been fully complied with.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

1. That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Article 1, entitled General To All Plans, is hereby amended as follows:

1.3 INTENT
1.3.2 THE COMMUNITY
   i. That a range of Open Space including Parks, Squares, and playgrounds pocket parks should be distributed within neighborhoods and downtowns.

1.4 PROCESS
1.4.1 Hutto hereby creates a Development Review Committee (DRC) comprised of City Planners, City Engineer, Public Works Director, Development Services Director, Planning Manager, Parks Director, Police Representative and Building Inspector. The DRC shall administratively review and process applications and plans for proposed projects for compliance with the provisions of this Code. Development Services staff will consider applications and plans for proposed projects that do not strictly
adhere to the provisions of this Code, provided that they meet the Intent section above.

1.5 WARRANTS AND VARIANCES
1.5.1 For purposes of a SmartCode District only, there shall be two types of deviation from the requirements of this Code: Warrants and Variances. Whether a deviation requires a Warrant or Variance shall be determined by the Development Services Department. The Development Services Department shall establish administrative guidelines for making this determination. These administrative guidelines shall be approved by the City Council.

1.5.5 [RESERVED]

The following standards and requirements shall not be available for Warrants:

a. The maximum dimensions of traffic lanes.
b. The required provision of Rear Alleys and Rear Lanes.
c. The minimum Base Residential Densities.
d. The permission to build Accessory Buildings.

1.6 INCENTIVES
1.6.1 Applications that are not subject to the mandatory provisions of this Code shall be eligible to utilize the following incentives by Right:

c. The City shall require a traffic impact analysis. At the discretion of the City Engineer, and as permitted by law, the City may waive the traffic impact analysis. The City may also elect to conduct a traffic impact analysis. In either of the abovementioned scenarios, the developer shall be responsible for all improvements, or the proportionate share of any necessary improvements, to accommodate the specific development.

d. Applications All new construction developed under this Code shall receive 50% off the cost of building permit fees. This incentive shall not apply to development application fees or impact fees.

2. That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Article 3, entitled New Community Scale Plan, is hereby amended as follows:

3.3 COMMUNITY UNIT TYPES
3.3.2 TRADITIONAL NEIGHBORHOOD DEVELOPMENT (TND)
a. A Traditional Neighborhood Development (TND) shall should be structured by one Standard or Linear Pedestrian Shed and shall should be no fewer than 80 acres and no more than 160 acres.

b. Larger sites should should be designed and developed as multiple Communities, each subject to the individual Transect Zone requirements for its type as allocated on Table 14. The simultaneous planning of adjacent parcels is encouraged.

3.3.3 REGIONAL CENTER DEVELOPMENT (RCD)
a. A Regional Center Development (RCD) shall should be structured by one long Pedestrian Shed or Linear Pedestrian Shed and shall should consist of no fewer than 80 acres and no more than 640 acres.

3.3.5 OTHER
a. Alternative Transect allocations that do not meet the percentages identified in Table 14 may be considered reviewed and approved by the Planning and Zoning Commission for approval City Council, provided that the application meets the Intent section of this Code.

3.5 CIVIC ZONES
3.5.3 CIVIC SPACE (CS) SPECIFIC TO ZONES T3-T5
d. Within 1000-feet of every Lot in Residential use, a Civic Space designed and equipped as a playground pocket park shall be provided. A playground pocket park shall conform to Table 13e, and should include a variety of amenities as described in Article 6, Table 13.
e. Each Civic Space shall have a minimum of 50% of its perimeter Enfronting a Thoroughfare, except for playgrounds pocket parks.

3.5.4 CIVIC BUILDING (CB) SPECIFIC TO ZONES T3-T5
a. The owner shall covenant to construct a Meeting Hall or a Third Place in proximity to the Main Civic Space of each Pedestrian Shed. Its corresponding Public Frontage shall be equipped with a shelter and bench for a transit stop. For projects larger than 250 acres, one Civic Building Lot at least three (3) acres in size shall be reserved near the center of the development. Development Services may grant an exception to this requirement if there is an existing Civic Building within one quarter mile of the Main Civic Space.
b. [RESERVED]
   One Civic Building Lot shall be reserved for an elementary school. It’s area shall be a minimum of three (3) acres. The school site may be within any Transect Zone. The school may be a public, charter or private school. If the site is not accepted or developed by a school within five years, it may be assigned another Civic use.

3.7 THOROUGHFARE STANDARDS
3.7.1 GENERAL
g. Each Lot shall Enfront a vehicular Thoroughfare or Civic Space, except that 20% of the Lots within each Transect Zone may Enfront a Passage or Shared Use Path.

3.8 DENSITY CALCULATIONS
3.8.3 [RESERVED]
Within the percentage range shown on Table 14 for Other Functions, the housing units specified on Table 14 shall be exchanged at the following rates:
a. For Lodging: 2 bedrooms for each unit of Net Site Area Density.
b. For Office or Retail: 1000-square feet for each unit of Net Site Area Density.
e. The number of units exchanged shall be subject to approval by Warrant.

3.

That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Article 4, entitled Infill Scale Plan, is hereby amended as follows:

4.4 CIVIC ZONES
4.4.1 [RESERVED]
GENERAL
a. Infill Plans should designate Civic Space (CS) and Civic Building Zones (CB).
b. A Civic Zone may be permitted by Warrant if it does not occupy more than 20% of a Pedestrian Shed, otherwise it is subject to the creation of a Special District. See Section 4.5.
c. Parking provisions for Civic Zones shall be determined by Warrant.

4.4.2 [RESERVED]

CIVIC SPACE ZONES (CS)
a. Civic Spaces shall be generally designed as described in Table 13, their type determined by the surrounding or adjacent Transect Zone in a process of public consultation subject to the approval of the City Council.

4.4.3 [RESERVED]

CIVIC BUILDING ZONES (CB)
a. Civic Buildings shall be permitted by Variance in any Transect Zone or by Warrant on Civic Zones reserved in the Infill Regulating Plan.
b. Civic Buildings shall not be subject to the Requirements of Building Scale Plans. The particulars of their design shall be determined by Warrant.

4.7 SPECIAL REQUIREMENTS

4.7.2 The Old Town Regulating Plan designates the following Special Requirements:
b. Designations for Required and Recommended Commercial Frontage requiring or advising that a building provide a Shopfront at Sidewalk level along the entire length of its Private Frontage. The glazing requirements for Shopfronts shall be established by the Old Town Architectural Design Standards in Appendix A B of the Heart of Hutto Old Town Master Plan. An Awning overlapping the Sidewalk as generally illustrated in Table 7 and specified under the Building Scale Plans provisions shall be provided along Required Commercial Frontages. The first floor shall be confined to Office, Retail or Lodging use through the depth of the Second Layer. (Table 17d.)
c. Designations for Required and Recommended Terminated Vista locations, requiring that the building be designed as a feature building as described in the Old Town Architectural Design Standards in Appendix A B of the Heart of Hutto Old Town Master Plan.

4.

That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Article 5, entitled Building Scale Plan, is hereby amended as follows:

5.3 SPECIAL REQUIREMENTS

5.3.2 The Old Town Regulating Plan designates the following Special Requirements:
b. Designations for Required and Recommended Commercial Frontage requiring or advising that a building provide a Shopfront at Sidewalk level along the entire length of its Private Frontage. The glazing requirements for Shopfronts shall be established by the Old Town Architectural Design Standards in Appendix A B of the Heart of Hutto Old Town Master Plan. An Awning overlapping the Sidewalk as generally illustrated in Table 7 and specified under the Building Scale Plans provisions shall be provided along Required Commercial Frontages. The first floor shall be confined to Office, Retail or Lodging use through the depth of the Second Layer. (Table 17d.)
c. Designations for Required and Recommended Terminated Vista locations, requiring that the building be designed as a feature building as described in the Old Town Architectural Design Standards in Appendix A of the Heart of Hutto Old Town Master Plan.

5.8 BUILDING FUNCTION
5.8.1 GENERAL TO ZONES T2, T3, T4, T5
a. Buildings in each Transect Zone shall conform to the Functions on Table 10, Table 12 and Table 14. Functions that do not conform shall require approval by Warrant or Variance as specified on Table 12.

5.8.5 SPECIFIC TO ZONES OT-3, OT-4R AND OT-4T
b. [RESERVED]
The building area available for a Home Occupation Office use on each Lot is restricted to the first Story of the Principal or Accessory Building.

5.9 PARKING AND DENSITY CALCULATIONS
5.9.2 SPECIFIC TO ZONES T4, T5
g. Liner Buildings less than 30-feet deep and no more than two Stories shall may be exempt from parking requirements.

5.10 PARKING LOCATION STANDARDS
5.10.7 SPECIFIC TO ZONES OT-3, OT-4R, OT-4T, OT-5H, OT-5C AND SPECIAL DISTRICT SD-A
c. All Driveway approaches, both Commercial and Residential, must be concrete. Parking areas for Commercial businesses shall be paved with asphalt or concrete and shall be marked in accordance with UDC Sec. 10.405.11.3. Residential Driveways may be paved, with exception of the Driveway approach, with an alternative surface, such as decomposed granite or gravel.

5.13 ARCHITECTURAL STANDARDS
5.13.2 SPECIFIC TO ZONES OT-3, OT-4R, OT-4T, OT-5H, OT-5C AND SPECIAL DISTRICT SD-A
a. All new development and redevelopment shall meet the standards established in Appendix A of the Heart of Hutto Old Town Master Plan Old Town Architectural Design Standards.

b. Any new and reconstructed buildings that do not comply with this appendix shall only be approved if a Warrant is granted by the HPC after a recommendation from the DRC. In reviewing the Warrant application the HPC shall grant the Warrant based on the extent to which standards in the Appendix B of the Heart of Hutto Old Town Master Plan can be feasibly met and the extent to which the proposed changes meet the Intent of the Old Town Master Plan.

5.

That the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, Article 6, entitled Standards and Tables, is hereby amended as follows:

TABLE 4C. THOROUGHFARE ASSEMBLIES
Add to all Table 4C pages: Street sections in this Table are intended as a guideline. Exact adherence to specific street sections is not mandatory.
THOROUGHFARE TYPE:
RL-30-12: Deleted in its entirety.
RA-24-24: Type name change to: RA-20-16; Pavement Width change to: 16'; Right-of-Way Width change to: 20' (graphic to be amended with new widths)

TABLE 8. BUILDING CONFIGURATION
T4 graphic to be amended to show: 1 Story *minimum height by Warrant
T5 graphic to be amended to show: 1 Story *minimum height by Warrant
OT-5C graphic to be amended to show: 1 Story *minimum height by Warrant

TABLE 12A. SPECIFIC FUNCTION & USE
b. LODGING: Bed & Breakfast (up to 5 rooms): Allowed in OT-3 By Warrant

TABLE 13. CIVIC SPACE
Add to Table 13 page: This Table is intended as a guideline. Exact adherence to Civic Space design guidelines is not mandatory.
e. Playground Pocket Park: An Open Space designed and equipped for the recreation of children. A Playground Pocket Park should may be fenced and may include an open shelter. Playgrounds Pocket Parks shall be interspersed within Residential areas and may be placed within a Block. Playgrounds Pocket Parks may be included within Parks and Greens. There shall be no minimum or maximum size, but should be at least 5000-square feet and not more than 20000-square feet. Pocket Parks should include a variety of amenities, such as fountains, dog parks, playground equipment, outdoor seating areas, community gardens and skate parks.

TABLE 14. SMARTCODE SUMMARY
b. BASE RESIDENTIAL DENSITY: By Right in T2: 1 unit/20 ac. 1 unit/5 ac.
e. CIVIC SPACES: Playground Pocket Park
k. BUILDING CONFIGURATION: Principal Building in T4: 3 Stories max. 2 1 min. **by Warrant
k. BUILDING CONFIGURATION: Principal Building in T5: 3 Stories max.* 2 1 min. **by Warrant

TABLE 14A. SMARTCODE OLD TOWN SUMMARY
e. CIVIC SPACES: Playground Pocket Park
k. BUILDING CONFIGURATION: Principal Building in OT-5C: 5 Stories max.**, 2 1 min.* **by Warrant

TABLE 15B. FORM-BASED CODE GRAPHICS – T4
k. BUILDING CONFIGURATION: Principal Building: 3 Stories max., 2 min., 1 by Warrant
(Building Configuration graphic to be amended to show 1 Story allowed by Warrant)

TABLE 15C. FORM-BASED CODE GRAPHICS – T5
k. BUILDING CONFIGURATION: Principal Building: 3 Stories max.*, 2 1 min.*** by Warrant
(Building Configuration graphic to be amended to show 1 Story allowed by Warrant)

TABLE 15I. FORM-BASED CODE GRAPHICS – SD-A
k. BUILDING CONFIGURATION: Principal Building: 2 Stories max., 2 min.
SECTION II. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

SECTION III. Severability Clause

The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

SECTION IV. Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

SECTION V. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VI. Effective Date

This ordinance shall take effect and be in force from and after its passage.

READ and APPROVED on first reading on this the 1st day of September, 2016 at a meeting of the Hutto, Texas City Council; there being a quorum present.

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for reading this ordinance on two separate days was dispensed with.

READ, PASSED and ADOPTED on first reading on this the 1st day of September, 2016, at a regular meeting of the City Council of Hutto, there being a quorum present.

CITY OF HUTTO, TEXAS

______________________________
Doug Gaul, Mayor

ATTEST:

_____________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 10G. AGENDA DATE: September 01, 2016

PRESENTED BY: Amy McGlothlin, Human Resources Director

ITEM: Consideration and possible action on the second and final reading of an ordinance amending Chapter 2: Administration and Personnel; Article 2.03: Personnel; Section 2.03.002: Employee Policies and Procedures of the City of Hutto 2014 Code of Ordinances.

STRATEGIC GUIDE POLICY: Organizational Development

ITEM BACKGROUND:
Periodically, it is necessary to amend the Employee Policies and Procedures Handbook to reflect changes in policy to ensure the fair and equitable treatment of employees as well as to ensure the overall operational efficiency of the organization. Staff recommends the changes to the City of Hutto Employee Policies and Procedures Handbook as attached in Exhibit A. Major changes include:

- The proposed tobacco surcharge policy was removed
- Attendance and Work Hours
- Cell Phone Use in the Workplace
- Core Values
- Family and Medical Leave Act
- Holidays
- Injury Leave (On the Job)
- Payroll
- Sick Leave
- Travel

Additional changes were made for housekeeping purposes.

The Council may dispense with the second reading of this ordinance.

BUDGETARY AND FINANCIAL SUMMARY:
Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.
CITY ATTORNEY REVIEW:
Catherine Fryer, legal counsel for the City on employment matters, has reviewed the changes.

STAFF RECOMMENDATION:
Staff recommends the Council approve the Ordinance.

SUPPORTING MATERIAL:
1. Employee Handbook Ordinance
2. Employee Handbook revisions
ORDINANCE NO.

AN ORDINANCE AMENDING CHAPTER 2: ADMINISTRATION AND PERSONNEL; ARTICLE 2.03; PERSONNEL; SECTION 2.03.002: EMPLOYEE POLICIES AND PROCEDURES OF THE CITY OF HUTTO 2014 CODE OF ORDINANCES; TO AMEND AND UPDATE THE EMPLOYEE POLICIES AND PROCEDURES HANDBOOK; PROVIDING FOR A SEVERABILITY CLAUSE AND REPEALING CLAUSE.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

SECTION I.

Pursuant Section 13.04 Personnel Policy of the Hutto City Charter the administration of human resources of the city shall be governed by written rules and regulations to be known as “Personnel Policies.” The City Manager or his/her designee shall prepare such polices and recommend their adoption to the City Council. Such policies shall become effective when approved by the City Council.

SECTION II.

That the City Manager or his/her designee shall have power to recommend additions to, modifications of, or deletions from such policies to the City Council in the same manner used for adoption of the original policies. All policies adopted shall have the force and effect of law.

SECTION III.

A red-line copy of changes and additions to the Employee Policies and Procedures Handbook dated September 18, 2014 is attached as Exhibit “A.”

SECTION III. Publication Clause

The City Secretary of the City of Hutto is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

SECTION IV. Severability Clause

The City Council of the City of Hutto hereby declares that if any part of this Ordinance is held to be unconstitutional or invalid for any reason, the remainder of this Ordinance shall continue in full force and effect.
The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

SECTION V. Repealing Clause

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

SECTION VI. Effective Date

This ordinance shall become effective on the date of its adoption by the Hutto City Council and shall become effective upon the final reading of the ordinance from which this section derives. Any other personnel policies adopted by the city council are no longer effective after the date of the final reading of the ordinance from which this section derives.

SECTION VII. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

READ and APPROVED the first reading of the ordinance on the 18th day of August, 2016 at a meeting of the Hutto City Council.

READ, APPROVED, and ADOPTED this 18th day of August, 2016.

CITY OF HUTTO, TEXAS

__________________________
Doug Gaul, Mayor

ATTEST:

__________________________
Seth Gipson, City Secretary
ATTENDANCE AND WORK HOURS

A. Regular Work Hours – Non-exempt employees of the City normally work 40 hours in a seven-day work week. Exempt employees may be required to work in excess of 40 hours in certain weeks and are required to work a minimum of 80 hours in a two week pay period. The work week begins at 12:00 a.m. on Monday and ends at 11:59 p.m. the following Sunday. The regular workday normally begins at 8:00 a.m. and ends at 5:00 p.m. although employees in some departments may have different work hours. (For example, most non-exempt police officers work a 12-hour shift.) In times of disaster or emergency, work hours shall be determined by the City Manager.

B. Adjustment to Work Hours - In order to assure the continuity of City services, it may be necessary for Department Directors to establish other operating hours for their departments. Work hours and work shifts must be arranged to provide continuous service to the public. Employees are expected to cooperate when asked to work overtime or a different schedule. Acceptance of work with the City includes the employee’s acknowledgement that changing shifts or work schedules may be required and includes that he/she will be available to do such work. If an employee works a schedule that is different than the standard eight-hour work day (excluding police officers in the Patrol Division who work shifts), that schedule must be submitted in writing to the Department Director for consideration. Upon Department Director consideration, the request is forwarded to the City Manager for approval on a case-by-case basis focusing on providing enhanced service to the customers. A copy of the approved schedule must be forwarded to the Human Resources Division to be placed in the employee’s personnel file.

C. Meal Periods - Full-time employees (excluding most non-exempt police officers) are normally provided a one-hour unpaid meal break near the middle of the work day. Meal periods may be staggered by the Department Director in order to minimize departmental interruption. Supervisors will provide employees with the starting and ending times for their specific meal periods. Employees will be relieved from work responsibilities during unpaid meal breaks. Employees may not extend meal breaks beyond their assigned period.

D. Breaks - Employees who work a minimum of eight hours per day may, depending on individual departmental work schedules and at the discretion of their supervisor, take up to two fifteen minute paid breaks each day, one during the first part of the work day and the other during the latter part of the work day. Part-time employees who work a minimum of four hours per day may, depending on individual departmental work schedules and at the discretion of their supervisor, take one fifteen minute paid break each day.

E. Attendance

1. Attendance Records - Employees are expected to be at their workstations and ready to work at their scheduled start time. All employees are required to record the actual number of hours worked each day. All hours worked must be recorded. Absences from work as well as times that the employee arrives late to work or leaves early must be reflected on their timesheet. Supervisors are responsible for reviewing employee timesheets and approving them as being accurate.
2. **Attendance and Punctuality** - To maintain a safe and productive work environment, the City expects employees to be reliable and punctual in reporting to work. Absenteeism and tardiness are disruptive and place a burden on the City and on coworkers. Either may lead to disciplinary action, up to and including termination of employment. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, the employee must notify his/her supervisor (or designee) as soon as possible in advance of the anticipated tardiness or absence in accordance with Departmental procedures. The employee must disclose to his/her supervisor the reason for the absence or tardiness and the date and time of his/her anticipated arrival. For absences of a day or more the employee must notify his/her supervisor (or designee) on each day of his/her absence unless the supervisor expressly waives this requirement. The requirement of the employee to notify his/her supervisor (or designee) may only be waived in a situation deemed to be a medical emergency or in a situation where the employee is physically unable to give such notification. The supervisor is required to submit documentation of such a waiver to the Human Resources Division to be included in the employee’s personnel file.

In most instances, an employee who fails to properly notify his/her supervisor in advance of an absence or tardy will be subject to disciplinary action up to and including termination of employment. An employee who fails to notify the City of an absence of five days or more will have voluntarily resigned his/her employment.

F. **Absent From Work in excess of 180 Days** – Any employee who is absent from work on a leave of absence for a period of 180 calendar days, regardless of the reason, and is unable to return to work after 180 calendar days within a 12-month period will be terminated. See the Unpaid Leave of Absence Policy. This policy will be administered consistently with the City’s obligations under the Americans with Disabilities Act and USERRA.

Also see the section entitled Separations, paragraph (C) (2).
CELL PHONE USE IN THE WORKPLACE

The City recognizes that many employees have cell phones that they bring to work. Cell phones may belong to the employee or be provided for the employee’s use by the City. The use of cell phones, including those with a camera, at work must not interfere with job duties or performance. Employees must not allow cell phone use to become disruptive or interfere with their own or a coworker’s ability to do their jobs. Employees who use cell phones to violate City policy, including the City’s Sexual and Other Unlawful Harassment Policy, will be subject to disciplinary action, up to and including termination.

Employees with City-issued cell phones are allowed to use City cell phones for personal phone calls but must reimburse the City for all personal use. Minimal personal use of a City-issued cell phone is allowed under this policy as long as such use is not excessive and does not impede job performance or the performance of City business. International long-distance phone calls are not allowed.

Use of personal cell phones while operating City vehicles or equipment is prohibited.
CORE VALUES

The City of Hutto, Texas embraces these core values:

Fairness — Consistent just treatment while allowing for due consideration of unique circumstances.

Role Modeling/Mentoring — Provide leadership that develops individuals who understand the decision-making processes which inspire achievement and growth.

Open Communication — The authority and responsibility of individual employees to identify issues and propose actions up, down and parallel within the organizational structure.

Service Minded — Commitment to long term success through a willingness to sacrifice for the public good through achievement of organizational goals.

Trust — Trust must be valued, earned and demonstrated at all levels of the organization every day.

Adaptable

Creative

Integrity

Service

Team Player
FAMILY AND MEDICAL LEAVE ACT

The City provides leave to eligible employees in accordance with the Family and Medical Leave Act (FMLA). Under the FMLA, eligible employees may take up to 12 weeks of unpaid leave each calendar year for specified family and medical reasons. Eligible employees may take up to 26 weeks of leave to care for a covered servicemember with a serious injury or illness during a single 12-month period which begins on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date.

All governmental entities are covered by FMLA, regardless of the number of employees. However, an employee is eligible to take FMLA leave only if employed by an employer that has 50 or more employees within a 75 mile radius. The City of Hutto employed 50 employees on March 20, 2006 so as of this date, City of Hutto employees may take FMLA leave if they meet all eligibility requirements as set out herein.

A. FMLA Leave Runs Concurrently With Other Types of Leave - If an employee has any available accrued sick leave, it must be used concurrently with any available FMLA leave, provided the employee’s absence is covered by the City’s sick leave policy. Accrued sick leave taken for the purposes of FMLA for the employee or employee’s immediate family will follow the guidelines set out in the sick leave policy. If the absence is not covered by the City’s Sick Leave Policy or if an employee exhausts accrued sick leave, an employee on FMLA leave will be required to exhaust any accrued vacation leave concurrently with the FMLA leave. Disability leave also runs concurrently with FMLA leave, but if the employee is receiving short or long term disability benefits while on leave, the employee will not be required to exhaust accrued sick and/or vacation leave at the same time. FMLA leave will also run concurrently with any time off from work covered by workers’ compensation when the on-the-job injury qualifies as FMLA leave. Whenever an employee is substituting paid leave for FMLA leave, the employee must comply with the City’s existing notice and procedural requirement for the type of paid leave being used. Employees are not allowed to work from home or to perform work for any other employer while on FMLA leave. Any employee on FMLA leave will have access to their City email and computer accounts disabled. Access will be restored after the employee returns to work at the conclusion of FMLA leave.

B. Employee Eligibility - To be eligible for FMLA leave, an employee must have worked for the City:

- For at least 12 months, and
- For at least 1,250 hours during the 12 months preceding the start of the leave.

An employee’s 12 months of service with the City need not be consecutive months. However, the City will not recognize employment that preceded a 7-year break in service except in limited circumstances required by the FMLA.

The protections afforded by the Uniformed Services Employment and Reemployment Rights Act (USERRA) extend to all military members (covered active duty and reserve), and all periods of

Effective Date: October 1, 2015
absence from work due to or necessitated by USERRA covered service is counted in determining an employee’s eligibility for FMLA leave.

C. Leave Entitlement - Eligible employees may take FMLA leave for one or more of the following reasons:

- for the birth or placement of a child for adoption or foster care;
- to care for the employee’s spouse, son, daughter, or parent with a serious health condition;
- when the employee is unable to perform the functions of his/her position because of his/her own serious health condition;
- because of any qualifying exigency arising out of the fact that the employee’s spouse, son, daughter, or parent is a military member on covered active duty (or has been notified of an impending call or order to covered active duty). Covered active duty requires deployment to a foreign country; or
- to care for a covered servicemember with a serious injury or illness if the employee is the spouse, son, daughter, parent, or next of kin of the servicemember.

To determine eligibility for leave for most qualifying events, the 12-month period used by the City is the calendar year starting in January. Leave to care for a covered servicemember with a serious injury or illness is determined by a 12-month period that begins on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date.

D. Employee’s Notice Requirements - In order for the City to accommodate an employee’s workload during his/her absence, an employee seeking to take FMLA leave must provide both his/her Department Director and the Human Resources Division with at least 30 days advance notice when the leave is foreseeable for an expected birth, placement for adoption or foster care, planned medical treatment for a serious health condition of the employee or of a family member of the employee, or the planned medical treatment for a serious injury or illness of a covered servicemember. If 30 days notice is not practicable (for example, because of a medical emergency), then notice must be given as soon as practicable. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, notice should be provided the same day or the next business day. If requested to do so, the employee must provide an explanation of why 30 days notice of foreseeable leave could not be given. If the leave is not foreseeable, an employee is expected to provide both his/her Department Director and the Human Resources Division with as much advance notice as possible. In the event of medical leave for planned medical treatment for the employee or for the employee’s spouse, child or parent, the employee is required to make a reasonable effort to schedule the treatment so as not to disrupt unduly the City’s operations.

Absent unusual circumstances, employees must comply with the City’s normal notice and procedural requirements for requesting leave. In requesting leave, the employee must provide sufficient information for the City to reasonably determine whether the FMLA applies to the leave request.
All supervisors must immediately notify both their Department Director and the Human Resources Division if they have reason to believe an employee’s absence is due to an FMLA-covered reason. (Note: Under the FMLA, an employee requesting paid or unpaid leave for an absence covered by the FMLA is not required to expressly mention FMLA. If the employee states a reason that qualifies for FMLA leave, the employee will likely have met the FMLA’s notice requirements.)

**E. Medical Certification and Other Required Documentation** - An employee must provide the City with a medical certification supporting the need for FMLA leave due to a serious health condition affecting the employee or the employee’s spouse, son, daughter, or parent or due to a qualifying exigency or to care for a covered servicemember with a serious injury or illness. The medical certification form must be filled out in all material respects and must be complete and sufficient to allow the City to make a determination of the need for leave. In addition, the certification must set forth the beginning and expected ending dates of the leave. In the case of intermittent leave, the certification must also provide the dates and duration of the treatments necessitating the intermittent leave. In some cases, the City may require a second or third medical certification (at the City’s expense) and periodic recertification of the serious health condition. Forms are available from the Human Resources Division.

An employee must also provide periodic reports during FMLA leave as to his/her status and intent to return to work, and will be required to submit a “fitness-for-duty” certification before the employee can return to work when the absence was due to the employee’s own serious health condition. A fitness for duty certification must certify that the employee is able to resume work and must specifically address the employee’s ability to perform the essential functions of the employee’s job. A list of the essential functions of the employee’s job will be provided by the City. Restoration to employment may be delayed until the required fitness-for-duty certification is submitted. If an employee fails to provide any required certification within 15 days, the City may deny leave until the certification is provided. If an employee elects to take FMLA leave in order to care for a family member, the employee may be required to provide reasonable documentation confirming a family relationship.

When leave is taken to care for a covered servicemember with a serious injury or illness, a special medical certification form must be completed by the servicemember’s health care provider. The City will provide the appropriate form. A servicemember’s health care provider may be a United States Department of Defense (“DOD”) health care provider, a United States Department of Veterans Affairs (“VA”) health care provider, a DOD TRICARE network authorized private health care provider, a DOD non-network TRICARE authorized private health care provider, or a health care provider not affiliated with the DOD, VA, or TRICARE. Second and third opinions regarding a covered servicemember’s serious injury or illness and recertifications may be required for certifications that are completed by health care providers who are not affiliated with DOD, VA, or TRICARE. An employee may be required to provide confirmation of covered family relationship to the seriously injured or ill servicemember. Invitational travel orders (ITOs) or Invitational Travel Authorizations (ITAs) will be accepted in lieu of medical certification.

**Effective Date: October 1, 2015**
F. Intermittent Leave - An eligible employee may take FMLA leave on an intermittent or reduced schedule basis only in those situations required by the FMLA or otherwise approved by the Department Director. When intermittent leave is needed, the employee must try to schedule the leave so as not to unduly disrupt the Department’s operations. The City may temporarily transfer the employee to an alternative position (with equivalent pay and benefits) in order to better accommodate an employee’s intermittent or reduced leave schedule.

Employees may not be required to take more FMLA leave than necessary to address the circumstances that cause the need for FMLA leave. FMLA leave, as with all other types of paid leave, may be taken in quarter-hour increments.

G. Leave for a Qualifying Exigency – When the need for leave because of a qualifying exigency arises out of the covered active duty or call to covered active duty status of a military member, the employee requesting leave must provide a copy of the military member’s covered active duty orders or other documentation issued by the military which indicates that the military member is on covered active duty or a contingency operation, and the dates of the military member’s covered active duty service. An employee requesting leave for a qualified exigency will be required to provide a certification on DOL Form WH-384 which will be provided by the City. This certification must be complete and sufficient to enable the City to determine the need for leave.

A “qualifying exigency” includes:

- **Short-notice deployment.** To address any issue that arises from the fact that a military member is notified of an impending call or order to covered active duty in support of a contingency operation seven or less calendar days prior to the date of deployment. Leave taken for this purpose can be used for a period of seven calendar days beginning on the date a military member is notified of an impending call or order to covered active duty in support of a contingency operation;

- **Military events and related activities.** To attend any official ceremony, program, or event sponsored by the military that is related to the covered active duty or call to covered active duty status of a military member and to attend family support or assistance programs and informational briefings sponsored or promoted by the military, military service organizations, or the American Red Cross that are related to the covered active duty or call to covered active duty status of a military member;

- **Childcare and school activities.** To arrange for alternative childcare, provide childcare, enroll in or transfer child(ren) to a new school or day care facility, or to attend meetings with school or daycare staff as authorized by the FMLA;

- **Parental care:** Eligible employees may take leave to care for a military member’s parent who is incapable of self-care when the care is necessitated by the member’s covered active duty. Such care may include arranging for alternative care, providing care on an immediate need basis, admitting or transferring the parent to a care facility, or attending meetings with staff at a care facility;
• **Financial and legal arrangements.** To make or update financial or legal arrangements to address the military member’s absence while on covered active duty or call to covered active duty status;

• **Counseling.** To attend counseling provided by someone other than a health care provider for oneself, for the military member, or for the biological, adopted, or foster child, a stepchild, or a legal ward of the military member, or a child for whom the military member stands in loco parentis, who is either under 18 or 18 or older and incapable of self-care because of a mental or physical disability at the time that FMLA leave is to commence, provided that the need for counseling arises from the covered active duty or call to covered active duty status of a military member;

• **Rest and recuperation.** To spend time with a covered military member who is on short-term, temporary, rest and recuperation leave during the period of deployment. Eligible employees may take up to 15 calendar days of leave for each instance of rest and recuperation. A copy of the military member’s Rest and Recuperation leave orders, or other documentation issued by the military setting forth the dates of the military member’s leave is required certification for a qualifying exigency;

• **Post-deployment activities.** To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of 90 days following the termination of the military member’s covered active duty status; and to address issues that arise from the death of a military member while on covered active duty status;

• **Additional activities.** To address other events which arise out of the military member’s covered active duty or call to covered active duty status provided that the City and employee agree that such leave shall qualify as an exigency and agree to both the timing and duration of such leave.

A “military member” is the employee’s spouse, son, daughter, or parent on covered active duty or call to covered active duty status.

**H. Leave to Care for a Servicemember with a Serious Injury or Illness** – An eligible employee is entitled to 26 workweeks of leave to care for a covered servicemember with a serious injury or illness during a single 12-month period which begins on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date. If an eligible employee does not take all 26 workweeks during the 12-month period, the remaining part of the 26 weeks is forfeited. An eligible employee is entitled to a combined total of 26 workweeks of leave for any FMLA-qualifying reason during the “single 12-month period” described in this section provided that the employee is entitled to no more than 12 weeks of leave for one or more of the following qualifying events: because of the birth of a son or daughter of the employee and in order to care for such son or daughter; because of the placement of a son or daughter with the employee for adoption or foster care; in order to care for the spouse, son, daughter, or parent with a serious health condition; because of the employee’s own serious health condition; or because of a qualifying exigency.
A husband and wife who are both employed by the City and who are both eligible for FMLA leave are limited to a combined total of 26 workweeks of leave during the “single 12-month period” described in this section if the leave is taken for birth of the employee’s son or daughter or to care for the child after birth, for placement of a son or daughter with the employee for adoption or foster care or to care for the child after placement, to care for the employee’s parent with a serious health condition, or to care for a covered servicemember with a serious injury or illness.

The “serious injury or illness” of a covered servicemember is an injury or illness incurred in the line of duty on covered active duty that may render the servicemember medically unfit to perform the duties of his or her office, grade, rank or rating. This also includes injuries or illnesses that existed before the beginning of the member’s active duty and were aggravated by service in the line of duty on active duty in the Armed Forces.

A “serious injury or illness” for a covered veteran (see definition in subsequent paragraph) means an injury or illness that was incurred or aggravated by the member in the line of duty on active duty in the Armed Forces and manifested itself before or after the member became a veteran, and is:

- A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the servicemember unable to perform the duties of the servicemember’s office, grade, rank, or rating; OR
- A physical or mental condition for which the covered veteran has received a Veterans Affairs Service Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; OR
- A physical or mental condition that substantially impairs the veteran’s ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment; OR
- An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

A “covered servicemember” is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient therapy, or is otherwise on the temporary disability retired list, for a serious injury or illness. “Covered servicemember” also includes covered veterans who are undergoing medical treatment, recuperation, or therapy for a serious injury or illness. A “covered veteran” is an individual who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran. The City may require the employee giving notice of the need for leave to provide reasonable documentation or statement of family relationship.
I. Benefits During FMLA Leave - During any period of FMLA leave, the City will continue to pay its portion, if any, of any group health insurance coverage for the employee on the same terms as if the employee had continued to work. Where applicable, the employee must timely pay his or her share of health insurance premiums while on FMLA leave. The City may recover premiums it paid to maintain health coverage for an employee who fails to return to work from FMLA leave, unless the employee is unable to return due to a serious health condition or something else beyond the employee’s control. Medical certification is required under such circumstances.

The employee’s use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of the employee’s leave, and seniority will not be affected. However, benefit accruals, such as vacation and sick leave, will be suspended during any unpaid leave.

J. TMRS - Employee contributions to TMRS may be made on a voluntary basis through a special arrangement with the City while an employee is in a leave without pay status. It is the employee’s responsibility to initiate such an arrangement by timely contacting the City’s Human Resources Division and completing the necessary paperwork.

K. Job Restoration After FMLA Leave - Upon return from FMLA leave, an employee will be restored to his/her original job or to an equivalent job with equivalent pay, benefits, and other terms and conditions.

L. Leave Due To Birth/Adoption - FMLA leave for birth or placement for adoption or foster care must conclude within 12 months of the birth or placement. In addition, if an employee and the employee’s spouse are both employed by the City, both are jointly entitled to a combined total of 12 work weeks of family leave for the birth or placement of a child for adoption or foster care, or to care for a parent (but not a parent-in-law) who has a serious health condition.

M. FLSA Considerations. Salaried executive, administrative, professional and other employees of the City who meet the Fair Labor Standards Act (FLSA) criteria for exemption from overtime do not lose their FLSA-exempt status by using any unpaid FMLA leave.

N. Other Employment. Under no circumstances may an employee on FMLA leave, sick leave, disability leave, or workers’ compensation leave engage in outside employment as defined in the Outside Employment Policy.

O. Other Provisions. The FMLA does not affect any federal or state law prohibiting discrimination. This policy is intended to explain benefits available to eligible employees under the FMLA. It is not intended to create any rights to leave beyond those created by the FMLA. If additional information is needed on the FMLA, please contact the Human Resources Division. When an employee gives notice of the need for FMLA leave, the employee will be given additional information as to his or her rights and responsibilities under the FMLA. Employees on FMLA leave are required to check-in to the Human Resources Division on a weekly basis to
keep the City informed of an employee’s situation unless the employee is medically unable to call-in.

**P. Definition of Serious Health Condition.** For purposes of this policy, incapacity refers to the inability to work, attend school or perform other regular daily activities due to a serious health condition, treatment therefore, or recovery therefrom. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves:

1. **Inpatient care,** which is an overnight stay in a hospital, hospice, or residential medical-care facility and includes any period of incapacity or any subsequent treatment in connection with such inpatient care; or

2. **Continuing treatment by a health care provider,** which includes any one or more of the following:

   (A) **Incapacity and treatment,** which is a period of incapacity of more than three consecutive, full calendar days and any subsequent treatment or period of incapacity relating to the same condition that also involves:

      (i). Treatment two or more times, within 30 days of the first day of incapacity, unless extenuating circumstances exist, by a health care provider, by a nurse under direct supervision of a health care provider, or by a provider of health care services (e.g., physical therapist) under orders of, or on referral by, a health care provider; or

      (ii). Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider. A regimen of continuing treatment includes, for example, a course of prescription medication (e.g., an antibiotic) or therapy requiring special equipment to resolve or alleviate the health condition (e.g., oxygen); Or

   (B) Any period of **incapacity due to pregnancy** or for prenatal care. For example, an employee who is pregnant may be unable to report to work because of severe morning sickness.

   (C) Any period of incapacity or treatment for such incapacity due to a **chronic serious health condition.** A chronic serious health condition is one which:

      (i) Requires periodic visits (at least twice per year) for treatment by a health care provider, or by a nurse under direct supervision of a health care provider;

      (ii) Continues over an extended period of time (including recurring episodes of a single underlying condition); and
(iii) May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.).

(D) A period of incapacity which is **permanent or long-term due to a condition for which treatment may not be effective**. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider. Examples include Alzheimer’s, a severe stroke, or the terminal stages of a disease.

(E) Any period of absence to receive **multiple treatments** (including any period of recovery there from) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive full calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.), severe arthritis (physical therapy), kidney disease (dialysis).

(F) Substance abuse may be a serious health condition if the conditions of this section are met. However, FMLA leave may only be taken for treatment for substance abuse by a health care provider or by a provider of health care services on referral by a health care provider. On the other hand, absence because of the employee’s use of the substance, rather than for treatment, does not qualify for FMLA leave.

(G) Absences attributable to incapacity for pregnancy or prenatal care are for chronic conditions even though the employee or the covered family member does not receive treatment from a health care provider during the absence, and even if the absence does not last more than three consecutive, full calendar days. For example, an employee with asthma may be unable to report for work due to the onset of an asthma attack or because the employee’s health care provider has advised the employee to stay home when the pollen count exceeds a certain level. An employee who is pregnant may not be able to report to work because of severe morning sickness.

Q. **Examples of Situations that are NOT Serious Health Conditions.**

1. Conditions for which cosmetic treatments are administered (such as most treatments for acne or plastic surgery) are not “serious health conditions” unless inpatient hospital care is required or unless complications develop.

2. Ordinarily, unless complications arise, the common cold, the flu, ear aches, upset stomach, minor ulcers, headaches other than migraine, routine dental or orthodontia problems, periodontal disease, etc., are examples of conditions that do not meet the definition of a serious health condition and do not qualify for FMLA leave.

3. A regimen of continuing treatment that includes the taking of over-the-counter medications such as aspirin, antihistamines, or salves; or bed-rest, drinking fluids,
exercise, and other similar activities that can be initiated without a visit to a health care provider, is not, by itself, sufficient to constitute a regimen of continuing treatment for purposes of FMLA leave.

4. “Treatment” does not include routine physical examinations, eye examinations, or dental examinations.

5. Restorative dental or plastic surgery after an injury or removal of a cancerous growth would be considered a serious health condition if all other conditions of this policy are met.

R. Notice -- In addition to this policy, please read the following notice of Employee Rights and Responsibilities Under the Family and Medical leave Act:
EMPLOYEE RIGHTS AND RESPONSIBILITIES
UNDER THE FAMILY AND MEDICAL LEAVE ACT
THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

Basic Leave Entitlements
FMLA requires Eligible employees who work for a covered employer to provide can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons:

• For incapacity due to pregnancy, prenatal medical care or childbirth;
• To care for the employee's child after birth, or placement for adoption or foster care;
• To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
• For a serious health condition that makes the employee unable to perform the employee's job;
• The birth of a child or placement of a child for adoption or foster care;
• To bond with a child (leave must be taken within 1 year of the child's birth or placement);
• To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
• For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
• For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the servicemember with a serious injury or illness.

An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.

Military Family Leave Entitlements
Eligible employees whose spouse, son, daughter or parent on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintroduction briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserve, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*, or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

*The FMLA definitions of “serious injury or illness” for current servicemembers and veterans are distinct from the FMLA definition of “serious health condition”

Benefits and Protections
During FMLA leave, the employer must maintain the employee's health coverage under “group health plan” on the same terms as if the employee had continued to work. While employees are on FMLA leave, employers must continue health insurance coverage as if the employees were not on leave.

Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it their original or equivalent positions with equivalent pay, benefits, and other employment terms and conditions.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave. An employer may not interfere with an individual’s FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

Eligibility Requirements
Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months*, and if at least 50 employees are employed by the employer within 75 miles.

An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

• Have worked for the employer for at least 12 months;

Effective Date: October 1, 2015
- Have at least 1,250 hours of service in the last 12 months before taking leave;* and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee’s worksite.

*Special “hours of service” eligibility requirements apply to airline flight crew employees.

**Definition of Serious Health Condition**
A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

**Use of Leave**
An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer’s operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

**Substitution of Paid Leave for Unpaid Leave**
Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer’s normal paid leave policies.

**Employee Responsibilities**
Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer’s normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

**Requesting Leave**
Generally, employees must give 30-days’ advance notice of the need for FMLA leave. If it is not possible to give 30-days’ notice, an employee must notify the employer as soon as possible and, generally, follow the employer’s usual procedures.

Employees do not have to share a medical diagnosis, but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection. Sufficient information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was previously taken or certified.

Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.

**Employer Responsibilities**
Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees’ rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee’s leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Once an employer becomes aware that an employee’s need for leave is for a reason that may qualify under the FMLA, the employer must notify the employee if he or she is eligible for FMLA leave and, if eligible, must also provide a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the employer must provide a reason for ineligibility.
Employers must notify its employees if leave will be designated as FMLA leave, and if so, how much leave will be designated as FMLA leave.

**Unlawful Acts by Employers**

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

**Enforcement**

Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer.

The FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA-covered employers to post the text of this notice. Regulations 29 C.F.R. §825.300(a) may require additional disclosures.

For additional information or to file a complaint: 1-866-4-USWAGE (1-866-487-9243) TTY: 1-877-889-5627

[www.dol.gov WHD](http://www.dol.gov/whd)

U.S. Department of Labor | Wage and Hour Division
**HOLIDAYS**

The City provides paid holidays to regular part-time and regular full-time employees. Every other employee is extended the official holiday, but without pay. The following official holidays will be observed:

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
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<tbody>
<tr>
<td>New Year’s Day</td>
<td>January 1</td>
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<tr>
<td>Martin Luther King Day</td>
<td>Third Monday in January</td>
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<tr>
<td>Presidents Day</td>
<td>Third Monday in February</td>
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<tr>
<td>Good Friday</td>
<td>Friday before Easter</td>
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<tr>
<td>Memorial Day</td>
<td>Last Monday in May</td>
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<td>Independence Day</td>
<td>July 4</td>
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<td>Labor Day</td>
<td>First Monday in September</td>
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<td>Veteran’s Day</td>
<td>November 11</td>
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<tr>
<td>Thanksgiving Day</td>
<td>Fourth Thursday in November</td>
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<td>Thanksgiving Friday</td>
<td>Fourth Friday in November</td>
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<tr>
<td>Christmas Eve Day</td>
<td>December 24</td>
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<tr>
<td>Christmas Day</td>
<td>December 25</td>
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**Holidays** - A holiday is a period of 8 hours, paid at the employee’s regular rate in the case of a regular full-time employee. For a regular part-time employee, a holiday is a period of 4 hours, paid at the employee’s regular rate.

**Scheduling of Holiday** - Holidays occurring on Saturday normally will be observed on the preceding Friday and holidays occurring on Sunday will normally be observed on the following Monday.

**Eligibility for Holiday Pay** - Regular full-time employees are eligible for holiday pay.

**Regular Part-time Employees** - Regular part-time employees who work 20 hours or more per week are eligible to receive holiday pay in the amount of 4 hours.

**Temporary and Seasonal Employees** - Temporary and seasonal employees will be paid their regular hourly rates for a holiday only if required to work on a holiday. No holiday pay is authorized for seasonal or temporary employees who do not work on a holiday.

**Employees required to work on a Holiday** – Regular full-time non-exempt employees required to work on a holiday will be paid 8 hours for the holiday at their regular rate of pay in addition to the hours worked.

**Sworn Personnel and Banking Holidays** – Non-exempt, sworn personnel in the Police Department may opt either for holiday pay or for the time equivalent to the holiday to be added to their accrued holiday bank. Any sworn personnel who work on a City holiday and take vacation leave in the same pay period will have their vacation leave offset by the number of hours worked on the holiday. Banked holiday time shall expire on September 30th of each year. Employees shall be permitted by the employee’s supervisor to use such time within a
reasonable period after making the request, provided the banked holiday time does not unduly disrupt the operations of the city. Any unused banked holiday time will be paid out to the employee on September 30th of each year.

**Employees Scheduled “Off Duty” on a Holiday** - When a holiday and an employee’s regularly scheduled day off occur on the same day, regular full-time employees will be paid 8 hours for the holiday at their regular rate of pay and regular part-time employees will be paid 4 hours at their regular rate of pay.

**Ineligibility for Holiday Pay** - Employees on unpaid leave are not eligible for holiday pay. Likewise, non-exempt employees who are absent without authorized leave on the day immediately preceding or following a scheduled holiday will not be paid for the holiday.

**Holiday Occurring During Vacation Leave** - A holiday that falls within an employee’s vacation period will be counted as holiday in lieu of a day of vacation.

**Separating Employees** - Except in extraordinary situations, separating employees will not be allowed to use a holiday as their final day of employment. Exceptions must be scheduled and authorized in advance by the Department Director.

**Paid Leave Status** - An employee on a paid leave status will normally be paid holiday pay in lieu of the leave status pay they would ordinarily receive at the time of the holiday.

**Other Religious Holidays** - To be supportive and respectful of diversity in the workplace, employees may request to substitute a designated holiday and opt to observe alternate holidays for religious purposes.

**Holiday Pay During Workers’ Compensation Leave** - An employee on worker’s compensation leave will not receive holiday pay. However, an employee on injury leave will receive holiday pay.
INJURY LEAVE (ON THE JOB)

An employee injured in the line of duty shall receive workers’ compensation or injury leave benefits under the terms and conditions prescribed in the applicable programs and as required by law.

**A. Procedures** - Injury leave will run concurrently with FMLA leave (see the section entitled Family and Medical Leave). An employee must report any job-related injury, however minor, to his/her supervisor as soon as possible, but no later than 24 hours (see the section entitled Accident Reporting). Time lost because of a substantiated and documented work related injury sustained during the course of employment shall not be charged against the employee’s sick leave. During such absence, sick leave and vacation shall continue to accumulate.

The Human Resources Department shall contact the employee’s physician to determine whether the injury will allow an employee to perform modified work or other duties.

**B. Programs**

1. **Workers’ Compensation** - Workers’ Compensation Law provides that an employee who suffers a disability that results in lost duty days due to an injury while in the course of their employment is entitled to “Income Benefits.” These income benefits are calculated at a rate of at least 70% of the employee’s weekly income prior to the injury. The worker must be disabled for at least seven (7) days to be eligible for income benefits.

2. **City Injury Leave Benefit** - This benefit provides employees injured on the job the added security of receiving no reduction or interruption in salary for 13 weeks. Injury leave granted to an employee will be put in writing and forwarded to the Human Resource Division for proper payroll processing and placement in the employee’s confidential medical file. Injury leave benefits will begin from the time an employee begins to lose time due to an on-the-job injury and will continue for 91 calendar days (13 weeks). Injury leave benefits will stop when an employee has received a full medical release from their doctor. An employee on injury leave will continue to collect full salary payment from the City. An employee on injury leave may be required to undergo regular examinations by a physician of the City’s choice. The employee may be assigned to light duty. An employee on injury leave is required to turn over to the city all checks paid to him/her for income benefits from Workers’ Compensation. The City will monitor payments made to the employee by the workers’ compensation insurance carrier to insure that all disbursed salary related checks have been turned over to the City.

Any failure by the employee to turn over the checks paid to him/her for workers’ compensation income benefits while receiving the City injury leave benefit will result in the City withholding any injury leave pay due the employee and the employee will, by such action, forfeit any and all further injury leave pay or benefits.
OUTSIDE AND SELF-EMPLOYMENT

City employees may engage in outside or self-employment provided they receive prior written approval from the City Manager (or designee) on the City’s Outside and Self-Employment Form. Department Directors must also receive written approval from the City Manager prior to engaging in outside or self-employment.

Employees may not accept outside or self-employment that conflicts with the effective performance of the employee while on duty with the City, or conflict in any way with the best interests of the City. Other outside activities, such as volunteer activities, that might similarly distract from an employee’s ability to perform his or her job with the City are also prohibited.

An employee will not be covered by the City’s workers’ compensation insurance while working for another employer or while self-employed unless the employee is required to perform official City employment activities while engaged in such outside or self-employment.

Approval for outside or self-employment as set out in this policy does not authorize an employee on FMLA leave, sick leave, disability leave, workers’ compensation leave, or an unpaid approved leave of absence, whether paid or unpaid, to engage in any outside or self-employment. Under no circumstances may an employee on FMLA leave, sick leave, disability leave, workers’ compensation leave, or an unpaid approved leave of absence, whether paid or unpaid, engage in outside or self-employment.

For purposes of this policy, outside or self-employment includes a job, activity or enterprise (including self-employment) which constitutes a form of employment or business outside the responsibilities of employment with the City. This policy is not intended to cover volunteer work with a non-profit organization such as United Way, Girl Scouts, American Heart Association, faith based activities or similar activities where compensation is neither expected nor paid in the ordinary course of operations.
PAYROLL

A. Payroll Deductions - The following deductions are authorized for payroll deductions:

- Social Security and Medicare contributions;

- Federal income tax withholding;

- Contributions to the Texas Municipal Retirement System;

- Contributions to the United Way;

- Contributions to the established deferred compensation (457) plan;

- Contributions to the established defined contribution 401(a) plan;

- Presently authorized medical insurance premiums;

- Presently authorized “other insurance” premiums;

- Hutto Police Officer Association (HPOA) membership dues;

- Tobacco surcharge for employees enrolled in the City’s medical plan who use tobacco products.

- Wage garnishments

No other payroll deduction privileges are authorized at this time and no future payroll deduction privilege will be granted without the approval of the City Manager, except as otherwise provided by law.

B. Payroll Errors - Errors regarding payroll, including vacation and sick usage, must be reported to Finance in writing within 60 days after pay day. Corrections will be made effective the next regular pay date following report of error(s). If the error is not reported to Finance within the 60-day period, no correction will be made. The Finance Department reserves the right to make any necessary correction to payroll at any time to ensure accurate accounting records.
C. **Direct Deposit Required** - Employees are required to complete and deliver to the Finance Department the City’s direct deposit form in the financial software system so that payroll can be credited to the employee’s bank account to facilitate an efficient and accurate payroll process. Seasonal employees may be required to complete and turn in to Human Resources or the Finance Department a paper direct deposit form. Any changes to an employee’s direct deposit will be processed the next payroll after Finance has received the updated form.
SEPARATIONS

The City designates all employee separations as one of the following types:

A. Resignation - An employee who intends to resign is requested to notify his/her supervisor and/or the Human Resources Division in writing at least 2 weeks prior to the last day of work. Employees who fail to give a two-week notice are typically not eligible for rehire. The supervisor is responsible for immediately notifying the Human Resources Division.

B. Retirement - An employee who intends to retire must notify his/her immediate supervisor, Department Director and the Human Resources Division in writing, 30 days prior to the date of retirement. This 30 day requirement is necessary to ensure that the required paperwork is timely submitted to Texas Municipal Retirement System (TMRS). The City shall offer employees retiring with the City the option to purchase continued health benefits coverage, as outlined in Texas Local Government Code §§ 175.001 et seq., as amended.

C. Dismissal/Termination – City employees are at-will employees. Employment may be terminated by the employee or by the City for any reason or for no reason. At its discretion, the City may terminate an employee’s employment as a result of unsatisfactory performance or conduct and/or violation of City policies or procedures. City employees who are terminated or who resign in lieu of termination due to unsatisfactory performance or conduct and/or violation of City policies or procedures, are not eligible for rehire without approval of the City Manager.

Dismissal may also occur for the following:

1. Job Abandonment - If an employee fails to properly notify the City of his/her absence from work or if an employee is absent without authorization and/or notification for three or more consecutive days, the City will consider the employee to have abandoned his/her employment, and he/she will be terminated.

2. Long-Term Absence - Any employee who is unable to return to full time work after an absence of six months 180 calendar days in 12-month period will be terminated from employment with the City. Brief appearances at work during an overall absence of six months 180 calendar days will not prevent the City from terminating an employee if determined to be in the City’s best interest. Likewise, any employee who reports to work but is unable to perform the duties of his or her actual position after a period of 180 calendar days will be terminated. The City may elect to end the employee’s employment before the expiration of six months 180 calendar days if it is unlikely that the employee will be able to return to full-time active duty at the end of six months 180 calendar days or if the employee advises the City that he or she will be unable to return to full-time active duty at the end of six months 180 calendar days. An employee who has a paid leave balance remaining at the end of six months 180 calendar days will be terminated and paid for accrued leave balances. This policy will be administered consistently with the City’s obligations under the Americans with Disabilities Act.
3. **Reductions-in-Force/Reorganization** - An employee may be separated from City service when it is deemed necessary by reason of shortage of funds or work, the abolition of the position, or other material change in the duties of the organization, or for other reasons which are outside the employee’s control and which do not reflect discredit upon the service of the employee.

**D. Death** - If a City employee dies, his/her estate will be paid all earned pay and payable benefits.
SICK LEAVE

Sick leave is paid time away from work due to an employee’s bona fide illness or injury that prevents him/her from working, for visits to the doctor or dentist, or to care for certain family members who are ill or injured. Employees who are unable to work due to illness or injury or other situations covered by this policy must immediately notify the appropriate supervisor in accordance with the procedures adopted by their Department.

A. Eligibility - All full-time employees begin accruing paid sick leave on the date of hire. Part-time, temporary and seasonal employees do not accrue sick leave. An employee who is released for and offered light duty by the City, but who elects not to accept such assignment, will not be eligible for paid sick leave benefits unless otherwise required by law.

B. Accrual Rate - Sick leave for employees shall be computed on the basis of 96 hours annually which is 3.69 hours per pay period. Sick leave accrues only during pay periods in which the employee works or is otherwise on an approved paid leave status for 80 hours.

C. Maximum Accrual. The maximum sick leave time which may be accumulated by any employee shall be 1,040 hours.

D. Authorized Use of Sick Leave.

1. For the employee - Accrued sick leave may be used for absences due to the employee’s bona fide personal illness, accident, or injury that prevents him/her from working, or birth of a child (if the employee physically gave birth; otherwise use of sick leave for child birth falls under the section below).

2. For the employee’s immediate family - Sick leave may also be used for absences when the employee is needed to care for a member of his or her immediate family who is ill or injured. For purposes of this policy, “immediate family” is defined as the employee’s parent, current spouse, and children/stepchildren. In the event of a life-threatening illness or injury of the employee’s family member who does not meet the definition of “immediate family,” the Department Director (and in the case of Department Directors, the City Manager) may allow the employee to use accrued sick leave. Sick leave may also be used by employees for their own and /or their immediate family’s scheduled doctor and dentist appointments.

E. Unauthorized Use of Sick Leave - Sick leave may not be used after vacation leave and/or compensatory time has been exhausted when the leave taken does not qualify as sick leave. In such circumstance, the employee is required to take unpaid leave.

E F. Minimum Increments - Sick leave must be taken in minimum increments of one hour. If less than one hour is required, the time should be made up within the same work week instead of using sick leave.

F G. Failure to Report Absence/Abuse of Sick Leave – Supervisors are required to monitor the use of sick leave. It is anticipated that employees using paid City sick time for their
own illness/injury or that of a family member will use their sick leave time to recuperate or care for their family member. Trips to the doctor or hospital stays/visits, which take the employee away from the home, are acceptable, but other personal pursuits during paid sick leave will be considered an abuse of this policy. Abuse of sick leave, including use of sick leave for anything other than an illness, injury, or doctor/dentist appointment as provided for in this policy, may result in immediate disciplinary action, up to and including termination of employment, and may also render the employee ineligible for paid sick leave benefits. Similarly, employees who fail to timely report an absence or tardiness due to illness, injury, or doctor/dentist appointment may be disqualified from using sick leave for their absence. Requesting to use sick leave when the requested time off is not actually needed for a bona fide personal illness, accident, injury, or medical or dental appointment is an abuse of sick leave.

**GH. Other Employment During Sick Leave** - Employees on sick leave, whether paid or unpaid, may not work a second job, including self-employment or participate in volunteer work, during the period of leave, even if they have written authorization from the City Manager to work a second job. See Outside Employment Policy for additional guidance.

**HI. Use of Other Leave** - If approved by the Department Director (and in the case of Department Directors, by the City Manager), employees may use accrued vacation leave or leave of absence without pay if an employee has no accrued sick leave time. Official holidays observed by the City while an employee is on approved paid sick leave will be treated as a paid holiday, rather than a day of sick leave, if the employee is eligible for the paid holiday. Under certain circumstances and with the approval of the Department Director/supervisor, the employee may flex his/her work schedule to attend to medical or dental appointments. This is acceptable provided that work time is accurately recorded on the time sheet. For non-exempt employees, flexing the work schedule must be accounted for within the same work week. For exempt employees, flexing the work schedule must be accounted for within the same work cycle or pay period. Under no circumstances (1) can flexing the work schedule extend beyond the affected work week for non-exempt employees or pay period for exempt employees and (2) the total of a non-exempt employee’s sick leave time plus hours worked cannot exceed forty (40) hours within the same work week.

**HJ. Documentation** - An employee must present satisfactory proof of illness/injury that prevents him/her from working whenever the employee uses sick leave for 3 or more consecutive work days, and at any other time if requested by the City. An employee may also be required to present satisfactory proof of family relationship and/or satisfactory proof of a family member’s illness, injury, and/or doctor/dentist appointment if the employee wishes to use accrued sick leave to care for a family member. If the employee fails to present such proof in a timely manner, use of sick leave will be disallowed and no other paid leave may be used for the absence. Whenever an employee has been away from work for more than five (5) days due to a physical or mental condition, the employee is required to provide the Human Resources Division with a doctor’s statement that he or she is fit to return to duty without restrictions or listing any restrictions. Abuse of sick leave may result in discipline up to and including termination of employment.
JK. **Family and Medical Leave Act Leave** - Any absence that qualifies for both Family and Medical Leave Act leave and sick leave will follow the guidelines set out in this policy and will typically be counted as both and run concurrently.

KL. **Payment For Unused Sick Leave** - No employee shall be entitled to payment in lieu of using sick leave time.

LM. **Disability and Accumulated Sick Leave** – The City of Hutto does not provide paid disability leave but makes disability insurance benefits available to its employees. The City of Hutto prohibits an employee from receiving both sick leave and disability benefits simultaneously. Payment of disability benefits is done in accordance with the terms of the disability policy. It will be at the employee’s discretion whether or not to utilize accumulated sick leave or receive disability funds in the amount of 60% of their salary if the employee is eligible for disability benefits.

MN. **Sick Leave Pool** -- The City of Hutto Sick Leave Pool provides a benefit to eligible employees who have exhausted accrued vacation and sick leave by virtue of a Catastrophic Injury or Illness of their own or that of an Immediate Family Member. The Sick Leave Pool will be administered by the Human Resources Department of the City.

1. **Eligibility for Participation in the Sick Leave Pool.**
   A. All full-time regular employees who have been employed by the City for six months or longer are eligible to participate in the Sick Leave Pool. Only employees contributing at least eight (8) hours during the Open Enrollment period (as defined below) are eligible to make withdrawals from the Sick Leave Pool.
   B. Employees who are out on leave due to a work-related injury and who are receiving workers’ compensation benefits and those who are on disability leave for any reason and receiving disability benefits may not withdraw leave from the Sick Leave Pool if the combination of sick leave and benefits (workers’ compensation or disability) exceeds the employee’s pre-injury or pre-illness compensation.

2. **Contributions to the Sick Leave Pool.**
   A. Contributions to the Sick Leave Pool may be made only during the Open Enrollment Period(s).
   B. Eligible employees desiring to donate time to the Sick Leave Pool must complete a Sick Leave Pool Donation form, which will be provided by Human Resources. The Open Enrollment Periods will be held during the first two weeks of February and August each year. **However, the inaugural Open Enrollment period will be October 5, 2015 to October 16, 2015.**
   C. All donations to the Sick Leave Pool must be in increments of eight (8) hours and may not exceed forty (40) hours per fixed 12 month period. Example, if an employee donates forty (40) hours in February, the employee would not be eligible to make another donation until February of the following year. **An employee must have a balance of at least forty (40) hours of sick leave after donating to the Sick Leave Pool.**
D. After a Sick Leave Pool Donation form is received by Human Resources, the number of hours donated will be credited to the Sick Leave Pool and deducted from the accrual of sick leave of the employee making the contribution.

E. When an employee is retiring from the City or voluntarily terminating his or her employment with the City, the employee may contribute up to ten hours of accrued sick leave to the Sick Leave Pool.

F. Contributions to the Sick Leave Pool may not be earmarked for the benefit of a particular employee.

3. Withdrawals from the Sick Leave Pool.
   A. An employee may obtain leave from the Sick Leave Pool if the employee or an employee’s Immediate Family Member has experienced a Catastrophic Injury or Illness resulting in the exhaustion of all of the employee’s accrued vacation and sick leave.
   B. An employee requesting leave from the Sick Leave Pool must complete a Sick Leave Pool Withdrawal Request form, which may be obtained from Human Resources. If an employee is unable to complete a Sick Leave Pool Withdrawal Request form due to the employee’s own catastrophic injury or illness, the employee’s Department Director may submit the request form to Human Resources on behalf of the employee. In the event the employee has not previously provided the City with a Medical Certification supporting the Catastrophic Injury or Illness underlying the need for the leave, such a Medical Certification must be submitted with the Withdrawal Form. All medical information obtained pursuant to this Policy will be maintained as confidential information by the City to the extent allowed by law.
   C. A determination that an employee or an employee’s Immediate Family Member has a Catastrophic Injury or Illness under the Sick Leave Policy does not mean that the employee or the employee’s Immediate Family Member has a “serious health condition” under the FMLA or a “disability” under the ADA. The Human Resources Division will make the decision regarding approval or denial of a request by any employee to make withdrawals from the Sick Leave Pool. If an employee’s request to make withdrawals from the Sick Leave Pool is denied by Human Resources, the employee may make an appeal to the City Manager. The appeal must be made in writing to the City Manager within five (5) business days after the denial decision is made by Human Resources. The City Manager will have up to five (5) business days to approve or deny the employee’s appeal. The City Manager’s decision is final and will be communicated in writing to the employee and Human Resources.
   D. An employee is limited to one withdrawal request per fixed 12 month period and may not withdraw an amount of sick leave that exceeds the lesser of sixty (60) work days or one-third (1/3) of the total amount of time in the Sick Leave Pool or until the employee is eligible for Long Term Disability benefits. Per the Long Term Disability policy, a 90 calendar day elimination period must first pass before benefits become effective. Example, if an employee makes a withdrawal request from the Sick Leave Pool in February, the employee would not be eligible to make another withdrawal until February of the following year (eligibility for participation in the Sick Leave Pool will apply).
   E. Employees who have contributed leave to the Sick Leave Pool may not withdraw donated time unless they become eligible to withdraw leave from the Sick Leave Pool pursuant to this Policy and are approved to withdraw time.
F. Employees do not accrue any form of paid leave while using leave from the Sick Leave Pool. An employee who is out on leave from the Sick Leave Pool will be treated in all other respects as an employee who is out on regular sick leave.

G. Requests for withdrawal of leave time from the Sick Leave Pool should be submitted as soon as the need for such leave is realized by the employee. Requests for withdrawal of leave are handled by Human Resources on a first come, first serve basis with all decisions being made within ten (10) working days of receipt of the written request.

H. If an employee returns to work in a full duty capacity without having used all of the leave time obtained from the Sick Leave Pool, all unused leave time must be returned to the Sick Leave Pool. However, if an employee returns to work on a reduced schedule or with limitations, the employee may continue to make already approved withdrawals from the Sick Leave Pool for tests, treatment, therapy, or illness so long as the withdrawals are for the same medical reason for which access to the Sick Leave pool was granted. The City may require a doctor’s statement to verify the reason for the need for leave.

I. The estate of a deceased employee is not entitled to payment for unused time withdrawn by the employee from the Sick Leave Pool.

J. Leave time to which the employee is entitled (ADA and FMLA) is not extended by the availability of paid leave from the Sick Leave Pool.

4. Definitions.

A. "Catastrophic Injury or Illness” is a serious health condition that affects the employee or the employee’s Immediate Family Member which is unanticipated, non-job related, not self-inflicted, requires the services of a licensed medical doctor for a prolonged period of time, and forces the employee to exhaust all accrued leave. A catastrophic Injury or Illness must be an illness or accident that requires confinement in a hospital for at least one full 24-hour period. Cancer will be considered to be a Catastrophic Injury or Illness even if no hospital confinement is required. The uncomplicated delivery of a child at the conclusion of a pregnancy, unforeseeable medical care rendered as a result of something other than injury or disease, and elective surgery are not considered to be a Catastrophic Injury or Illness.

B. "Immediate Family Member” means parent, child, or spouse of the employee and includes step-parents and step-children as well as foster children certified by the Texas Department of Child Protective and Regulatory Services.
TRAVEL

The City shall pay actual necessary transportation and living expenses for an employee or City official traveling on City business. It is the City’s policy to pay for, or reimburse, all reasonable and necessary expenses incurred by an employee when the employee travels on City-related business in accordance with this policy. Travel reimbursement and per diem will be made in accordance with the current travel and relocation policy of the United States General Services Administration (GSA).

A. Transportation - The most efficient and economical mode of travel must be used. Air travel arrangements are to be made by each department. Air travel must be booked at the most discounted fare basis whenever possible. When authorized, an employee using a personal vehicle on City business shall be paid an amount per mile, equivalent to the current rate paid by the State to its employees, or shall be paid the equivalent of a coach airline fare, whichever results in the lower cost to the City. Reimbursement for mileage will be determined based on the distance from the employee’s home or office, whichever is closer to the travel destination. Employees shall submit a map demonstrating travel distance in order to receive reimbursement for mileage.

In instances of approved private vehicle use, reimbursement will also be made for mileage tolls and parking fees. Receipts are required for toll and parking fees, as well as for taxi cabs, limos, and other modes of transportation. The City will pay for rental vehicles upon written approval of the City Manager (or designee).

When employees travel on the same dates with the same itinerary, they must coordinate travel. When four or fewer employees travel on the same itinerary, only one may be reimbursed for mileage. When more than four employees travel on the same itinerary, only one out of every four may be reimbursed for mileage, unless authorized in writing by the City Manager.

B. Travel Approval and Cash Advances – All travel and cash advances must be approved in advance by the employee’s Department Director (or designee), unless otherwise stated in this policy. Requests for travel advances should be submitted in writing to the Finance Department at least 10 calendar days prior to departure.

C. Lodging - Lodging is allowed only for multi-day events where the travel status would exceed 12 hours.

Expenses for lodging are to be at the single room rate, unless an employee is approved in advance for double occupancy. Extra charges for room service will not be paid by the City. An itemized hotel receipt must be provided including an itemization for any room service charges to be paid/reimbursed by the City.

D. Meal Allowance - Expenses for meals shall either be reimbursed at actual cost as supported by receipts or by per diem allowance. If an employee is requesting to be reimbursed for actual costs, a detailed receipt (a credit card receipt listing the total amount due is not considered a detailed receipt) must accompany the request for reimbursement. In lieu of
itemized receipts for meals, a base per diem allowance is authorized. Employees may reference www.gsa.gov/perdiem to determine per diem rates based on the area of travel. If your seminar or training event includes the provision for a meal, the appropriate deduction will be made from your per diem or allowable reimbursement.

Meals may be reimbursed using the actual expense method if meals are procured at a prearranged place where a meeting, conference or training session is held or if approved by the City Manager.

Meal and lodging per diem will only be paid to employees whose travel status exceeds 12 hours in a given day. Only ¾ of meal per diem will be paid on the first and last day of travel.

E. Non-Allowable Expenses - Expenses or charges for the following will normally not be reimbursed and must be paid for by the employee:

1. In-hotel pay television and movies;
2. Dry cleaning and laundry;
3. Health club and spas;
4. Expenses of a spouse or any person not on City business;
5. Alcoholic beverages;
6. Personal long distance telephone calls;
7. Excess baggage charge for personal belongings; and
8. Other items of a personal nature.

F. Request for Reimbursement and Return of Unexpended Funds - Upon return to the City, the employee may submit a reimbursement for parking and other authorized charges. A detailed receipt must accompany the request for reimbursement. Any receipts for charges applied to the city procurement card must be detailed and submitted to Finance.

Any advance funds received by an employee for travel purposes must be immediately reimbursed to the City if the trip is cancelled for any reason. The employee is also required to reimburse any allowance received for a meal which was provided by the seminar or training event. If a City P-Card is used to pay for meals, the employee shall reimburse any amount charged in excess of the allowable amount for that meal.

G. Travel to Training - The current mileage reimbursement will be paid to employees who must use their personal vehicles to travel to a training destination further than their designated work location or other City locations and/or facilities unless the employee receives a vehicle allowance. Reimbursement will be made only for the difference in miles from the normal work location to the further training location.

H. Expenses Not Covered in Policy - The City Manager’s approval must be obtained prior to any expenditure of funds for items or changes which are not specifically addressed in the travel policy.
I. Compliance - Abuse of this policy, including falsifying expense reports or submitting false claims, will result in disciplinary action, up to and including termination of employment.

J. Vehicle Allowance – At the discretion of the City Manager, certain employees may be eligible to receive a monthly vehicle allowance in lieu of receiving actual mileage reimbursement. The monthly vehicle allowance is intended to cover expenses of driving a vehicle on City business in the Hutto/Austin area. For travel outside of the Hutto area (50 mile radius from City Municipal Building to destination and 50 mile radius from destination to City Municipal Building), mileage will be reimbursed at the rate paid to state employees.

K. Mileage Reimbursement – An employee (excluding any employee who receives a vehicle allowance) may request mileage reimbursement when the employee uses their personal vehicle for City business that is related to the performance of their regular job duties.
   - Mileage will only be reimbursed for the actual miles driven by the employee in their personal vehicle.
   - Travel from home to work and from work to home is not eligible for reimbursement.
   - Mileage will be reimbursed based upon the Business Standard Mileage Rates established by the I.R.S.
   - Mileage reimbursement must be submitted to the Finance Department within 60 days after the first qualifying reimbursement event occurs. Any mileage reimbursement submitted to the Finance Department after 60 days will be denied.
   - Employees should use a City vehicle when possible.

KL. FLSA “Hours Worked”—For purposes of computing the total number of hours worked by an employee during a single work week:
   - Time spent commuting to and from work are not “hours worked.”
   - Any time spent traveling during the employee’s normal work day is “hours worked.”
   - When an employee is requested to travel from his or her normal workplace during a single business day, all of the time spent in travel and work on that day is counted as “hours worked” except for the lunch hour (unless work is actually performed at that time) and time spent in commuting to and from the normal workplace if the employee is required to begin and/or end the day trip at the normal workplace.
   - When an employee makes an overnight trip for the City, time spent traveling to and from the airport or other means of public transportation as well as time spent as a passenger in traveling on an airplane, train, boat, bus, or automobile will not count as “hours worked” unless the time spent is during the employee’s normal work day.
   - If an overnight trip requires the employee to travel on a Saturday or Sunday, hours spent in travel during what would be the employee’s normal working hours will be considered “hours worked.” For example, if an employee normally works from 8:00 a.m. to 5:00 p.m. Monday through Friday and is required to travel during those hours on a Saturday or Sunday in order to go to or return from an
overnight trip for the City, travel time during those hours will be counted as “hours worked” on the Saturday or Sunday.

- If an employee requests to be able to drive a personal vehicle instead of taking public transportation when requested to travel away from home, the City will count as “hours worked” the same amount of time that would have been counted as “hours worked” if the employee had taken the public transportation.

- If an employee makes an overnight trip to a destination for which there is no public transportation available, time spent driving to and from the destination that is outside of the employee’s normal work day will be counted as “hours worked.” Time spent traveling as a passenger in a personal automobile is not counted as “hours worked” unless the hours are within the normal work day.
UNPAID EXTENDED LEAVE OF ABSENCE

In extraordinary circumstances, the City may grant employees an **unpaid extended** leave of absence (LOA). All requests for LOA must be authorized by the City Manager. The employee may seek extensions of leave, up to a maximum of **six months** 180 calendar days away from work. A LOA may not exceed 180 calendar days in a single 12-month period that begins on the first day of the LOA. A return to work for a period of 90 calendar days or less will not result in the commencement of a new 12-month period. This policy will be administered consistently with the City’s obligations under the Americans with Disabilities Act all applicable state and federal laws including, without limitation, the Americans with Disabilities Act and Uniformed Services Employment and Reemployment Act. A LOA will not be authorized unless there is a reasonable expectation that the employee will return to employment with the City at the end of the approved leave period.

A. **Use of All Other Available Leave** – All accrued leave, approved sick leave pool withdrawals, compensatory time, and FMLA leave (if applicable) must be exhausted and runs concurrently with an authorized LOA leave of Absence. The **six-month** 180 calendar day maximum absence includes all paid and unpaid days of leave.

B. **Criteria** - Factors considered by the City in granting a LOA include the reason for the leave; departmental work requirements; the employee’s length of service, work performance and disciplinary history.

C. **Reasons for LOA** - A LOA may be considered in the following circumstances:

1. Recovery from extended illness, injury or temporary disability. 
2. Extended care for immediate family members. 
3. Educational purposes when successful completion will contribute to the work of the City. 
4. Public service assignment. 
5. Personnel exchange programs which emphasize intergovernmental relations. 

D. **Documentation** - Requests for LOA without pay must be made in writing to the employee’s Department Director as far in advance as possible prior to the requested leave date. Requests for an extension of leave must also be in writing and submitted to the Department Director, who will forward the request to the City Manager’s office and the Human Resources Division. The need for a medical LOA must be supported by documentation acceptable to the City, including but not limited to a doctor’s explanation of why the employee cannot perform his/her duties, when he/she is expected to return to work, and periodic updates regarding the employee’s ability or inability to return to work. The Department Director and/or City Manager may require that the employee on leave periodically contact a designated supervisor to report on his/her condition or status. Before returning to work from a medical LOA, the employee may be required to submit a letter from his or her doctor stating that the employee is able to resume his or her normal job duties. The City may also impose additional return to work requirements as set out in the City’s Health/Fitness policy.
E. Other Employment During Leave - Under no circumstances may an employee on an authorized LOA without pay work another job, whether for pay, as a volunteer or as self-employment, unless expressly authorized in writing by the Department Director and the Human Resources Division.

F. Reinstatement - Employees returning from a LOA will be reinstated to their same position if the position is available. If the employee’s previous position is not available, the City will use its best efforts to place the employee in a position of similar pay and status. If the same job or one of similar pay and status is not available, reinstatement may, at the City’s discretion, be deferred until a position is available. If reinstatement to an employee’s previous position is required by law, the City will comply with the law. An employee who fails to return to work at the conclusion of an approved LOA will be considered to have voluntarily resigned his or her employment with the City.

G. Benefits/Premium Payments - All LOA’s are unpaid except for any period in which accrued, paid leave or approved sick leave pool withdrawals is used during the LOA. Vacation, sick leave, holiday pay, and other benefits do not accrue during the unpaid portion of a LOA. Any benefit continuation during a LOA must be approved in advance by the Human Resources Division and the City Manager.

Any insurance premiums, or partial premiums, normally paid on behalf of the employee by the City will not be paid by the City beginning the first day of the month following the starting date of an unpaid LOA. For purposes of this policy, an employee receiving short-term disability or long-term disability benefits will not be counted as being on an unpaid LOA. Employees who have group health or any other kind of insurance through the City continue to be responsible for paying their portion of the premiums while on a LOA. An employee’s failure to pay either his or her or the City’s portion of insurance premiums during a LOA may result in cancellation of coverage.

H. Revocation - The City Manager may revoke an authorized leave without pay LOA at any time. Failure to return to work after the expiration of an authorized LOA or failure to provide required medical status reports, physician’s statements, or to contact the City per the required schedule, will likely result in revocation of the LOA and/or disciplinary action up to and including dismissal.
AGENDA ITEM NO.: 11A.  
AGENDA DATE: September 01, 2016

PRESENTED BY: Helen Ramirez, AICP, Director, Development Services

ITEM: Consideration and possible action on a resolution concerning an Interlocal Agreement with Hutto I.S.D. for cost sharing related to the construction of a sidewalk.

STRATEGIC GUIDE POLICY: Growth Guidance

ITEM BACKGROUND: The City and the Texas Department of Transportation (TxDOT) have entered into an Advanced Funding Agreement wherein TxDOT has agreed to grant $871,200 to the City for the design and construction of a sidewalk at the location described in Exhibit. A contract bid in the amount of $1,511,340 for the project has been submitted by the low bidder, Chasco Constructors.

The City and Hutto I.S.D. desire to cooperate in cost sharing for the funding of a portion of the project. The City shall administer the design, bid and management of the project and shall be responsible for all funding in excess of Hutto I.S.D’s contribution of $125,000 toward the project.

BUDGETARY AND FINANCIAL SUMMARY: The City shall administer the design, bid and management of the project and shall be responsible for all funding in excess of Hutto I.S.D’s contribution of $125,000 toward the project.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.
CITY ATTORNEY REVIEW:
City Attorney reviewed the Interlocal Agreement as to form.

STAFF RECOMMENDATION:
Staff recommends approval of the Interlocal Agreement.

SUPPORTING MATERIAL:
1. Resolution authorizing Interlocal Agreement with the HISD for Sidewalks
2. HISD Interlocal Agreement for Sidewalks
RESOLUTION NO.

A RESOLUTION OF THE CITY OF HUTTO, TEXAS AUTHORIZING AN INTERLOCAL AGREEMENT WITH HUTTO I.S.D. FOR COST SHARING RELATED TO THE CONSTRUCTION OF A SIDEWALK; IN THE CITY OF HUTTO, WILLIAMSON COUNTY, TEXAS.

WHEREAS, V.C.T.A., Government Code, Chapter 791, the Texas Interlocal Cooperation Act, provides that any one or more public agencies may contract with each other for the performance of governmental functions or services for the promotion and protection of the health and welfare of the inhabitants of this State and the mutual benefit of the parties, and;

WHEREAS, the City and the Texas Department of Transportation (TxDOT) have entered into an Advanced Funding Agreement wherein TxDOT has agreed to grant $871,200 to the City for the design and construction of a sidewalk at the location described in Exhibit “A”. A contract bid in the amount of $1,511,340 for the project has been submitted by the low bidder, Chasco Constructors, and;

WHEREAS, the City and Hutto I.S.D. desire to cooperate in cost sharing for the funding of a portion of the project. The City shall administer the design, bid and management of the project and shall be responsible for all funding in excess of Hutto I.S.D’s contribution of $212,312.00 toward the project, and;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS:

That the Hutto City Council hereby approves the resolution authorizing an Interlocal Agreement with Hutto I.S.D. for cost sharing related to the construction of a sidewalk as described in Exhibit “A”, a copy of same being attached hereto as and incorporated herein for all purposes.

CONSIDERED and RESOLVED on this the 1st day of the month September, 2016.

THE CITY OF HUTTO, TEXAS

________________________________________
Doug Gaul, Mayor

ATTEST:

________________________________________
Seth Gipson, City Secretary
EXHIBIT A - HISD SIDEWALK CONTRIBUTION
INTERLOCAL AGREEMENT BETWEEN
CITY OF HUTTO AND HUTTO INDEPENDENT SCHOOL DISTRICT
FOR COST SHARING RELATED TO THE CONSTRUCTION OF A SIDEWALK

THE STATE OF TEXAS §
KNOW ALL BY THESE PRESENTS:
COUNTY OF WILLIAMSON §

This Interlocal Agreement (the “Agreement”) is made and entered into by and between the CITY OF HUTTO (the “City”) and HUTTO INDEPENDENT SCHOOL DISTRICT (the “HISD”), both of which may be referred to in this Agreement as a Party or the Parties.

WITNESSETH:

WHEREAS, the Texas Interlocal Cooperation Act, V.T.C.A., Government Code, Chapter 791, Section 791.011(a) and Section 791.011(c)(2) provides that any one or more local governments may contract with each other for the performance of governmental functions and services that each party to the contract is authorized to perform individually; and

WHEREAS, the CITY and the Texas Department of Transportation (“TxDOT”) have entered into an Advanced Funding Agreement wherein TxDOT has agreed to grant $871,200 (the “TxDOT Grant”) to the CITY for the design and construction of a sidewalk at the location described in Exhibit “A”, attached hereto and incorporated herein (the “Project”); and

WHEREAS, a contract bid in the amount of $1,511,340 for the Project has been submitted by the low bidder, Chasco Constructors; and

WHEREAS, the CITY and HISD desire to cooperate in cost sharing for the funding of a portion of the Project; and

WHEREAS, the CITY has agreed to construct and administer the design, bid and management the Project;

WHEREAS, HISD has agreed to contribute funding towards the Project, with a total contribution not to exceed $125,000; and

WHEREAS, the CITY has agreed to be responsible for all funding to the Project in excess of HISD’s contribution and the TxDOT Grant.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

SECTION 1
DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings set forth:
1. “Construction” shall mean the provision of all materials, equipment, labor, surveying, testing, and inspection necessary to construct the Project according to the plans and specifications approved by the CITY.

2. “Design” shall mean engineering services, surveying services, geotechnical services, environmental services, and any other professional or technical services required to produce bidding documents, plans, and specifications for the Project.

3. “Project” shall mean the design and construction of a ten (10) foot wide sidewalk along FM 1660, between Limmer Loop and Cockrill Street, as depicted on Exhibit “A”, attached hereto and incorporated herein.

4. “Project Completion” shall mean the time when Construction is complete and accepted by the City.

5. “Total Project Costs” shall mean those costs associated with the design and construction of the Project, which are estimated to equal ONE MILLION FIVE HUNDRED ELEVEN THOUSAND THREE HUNDRED AND FORTY DOLLARS ($1,511,340).

SECTION 2
PURPOSE

The general purpose of this Agreement is for the CITY and the HISD to participate and cooperate in cost sharing for the Project.

SECTION 3
EFFECTIVE DATE; TERM OF AGREEMENT

This Agreement shall be deemed to be effective on the date of the last party’s execution. The term of this Agreement shall be for two (2) years from date of final execution. In the event that the CITY has not awarded a construction contract for the Project within two (2) years from date of final execution of this Agreement, then this Agreement shall be declared terminated and the CITY shall have the obligation to return to HISD all funds tendered to it under this Agreement, save and except any funds the CITY has spent on Project-related activities. This Agreement may be extended by mutual agreement for issues pertaining to force majeure, state permitting, or other external issues not the fault of the CITY.

SECTION 4
TERMS AND CONDITIONS

HISD Obligations. The HISD commits to funding an amount not to exceed ONE HUNDRED AND TWENTY FIVE THOUSAND DOLLARS ($125,000) for the Project (“HISD’s Contribution”). HISD’s Contribution shall be remitted to the CITY in two payments as follows: (1) 50% ($62,500) within ten (10) days after the Notice to Proceed has been issued, and (2) 50% ($62,500) within ten (10) days of Project Completion.

City Obligations. The CITY agrees to serve as Project Manager for the Project, and further agrees to administer all aspects of design and construction for the Project, including but not limited to retaining professional engineering services to prepare construction plans, complying with the Texas Competitive Bidding Act, and managing the construction and inspection of the Project.
The CITY shall be solely responsible for the Total Project Costs that exceed HISD obligation.

The Parties further expressly acknowledge that it shall be the CITY’S sole responsibility, and not the liability of HISD, to pay out the Total Project Costs.

All professional services for the Project, including but not limited to the Engineering Consultant, shall be procured in accordance with all applicable state laws.

The CITY agrees that the HISD or its duly authorized representatives shall have the right to examine all records of the CITY which are directly pertinent to the services to be performed under this Agreement.

SECTION 5
MISCELLANEOUS PROVISIONS

Execution. This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and will constitute one and the same instrument.

Governing Law. This Agreement will be governed by the Constitution and laws of the State of Texas, and all obligations of the Parties shall be performable in Williamson County, Texas, and exclusive jurisdiction and venue for any action arising hereunder shall lie in Williamson County, Texas.

No Joint Venture. The Parties expressly acknowledge that the Project is not a joint venture between the HISD and the CITY.

Successors and Assigns. The assignment of this Agreement by either Party is prohibited without the prior written consent of the other Party.

Headings. The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

Partial Invalidity. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be in contradiction of any laws of the State of Texas or of the United States, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected. The remainder of the Agreement shall remain in full force and effect.

Waiver. Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

Amendments. This Agreement may be amended or modified only by written agreement duly authorized and executed by the duly authorized representatives of the Parties.

Cooperation. Each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.
Representations. Unless otherwise expressly provided, the representations, warranties, covenants, indemnities, and other agreements will be deemed to be material and continuing, will not be merged, and will survive the termination or expiration of this Agreement.

Exhibits. All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.

Entire Agreement. This Agreement, including any attached exhibits, constitutes the entire agreement between the Parties with respect to the subject matter, and supersedes all their oral and written negotiations, agreements and understandings of every kind. The Parties understand, agree and declare that no promise, warranty, statement or representation of any kind whatsoever which is not expressly stated in this Agreement has been made by any Party hereto or its officers, employees or other agents to induce execution of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this document to be signed, sealed and attested in duplicate by their duly authorized officers, as of the Effective Date.

CITY OF HUTTO

By: ________________________________
    Doug Gaul, Mayor

Date: ______________________________

FOR CITY, ATTEST:

By: ________________________________
    Seth Gipson, City Secretary

HUTTO INDEPENDENT SCHOOL DISTRICT

By: ________________________________
    Douglas Killian, Superintendent

Date: ______________________________
CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 11B. AGENDA DATE: September 01, 2016

PRESENTED BY: Lt. Dwain Jones, Commander of Support Services

ITEM: Consideration and possible action on a resolution concerning the termination of the red light camera contract with American Traffic Solutions.

STRATEGIC GUIDE POLICY: Public Safety

ITEM BACKGROUND:
The City of Hutto and American Traffic Solutions (ATS) signed a five-year agreement on January 22, 2007, for the implementation and operation of three (3) Red Light Enforcement cameras operated within the city limits of Hutto.

In order to better serve the public safety needs of the citizens of Hutto, and to better align city resources in support of current public safety objectives, the Hutto Police Department recommends that the City of Hutto exercise its option stated in Section 4 and not renew the agreement.

BUDGETARY AND FINANCIAL SUMMARY:
As per the contract with American Traffic Solutions (ATS), the City pays $3,750 per approach each month to ATS for the cost of the equipment, administration, and maintenance of the system. Half of remaining funds are transferred to the state in accordance with Chapter 7 of the Texas Transportation Code. Per the Proposed FY17 Budget, expenses are expected to decrease after November 2016 with the expiration of the ATS contract. Any remaining funds will be transferred to General Fund to offset costs for Police Department equipment purchases related to traffic enforcement.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.
CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Not applicable.

SUPPORTING MATERIAL:
1. Resolution
3. American Traffic Solutions (ATS) Amendment No. 1 to Master Agreement
RESOLUTION NO.

A RESOLUTION TERMINATING THE CONTRACT WITH AMERICAN TRAFFIC SOLUTIONS FOR THE OPERATION, MAINTENANCE, AND ENFORCEMENT OF RED LIGHT TRAFFIC CAMERAS IN HUTTO.

WHEREAS, the City entered into an agreement with American Traffic Solutions (ATS) in 2007 after conducting a formal request for proposals; and

WHEREAS, Resolution R-13-07-11-12B1 granted a five year extension with American Traffic Solutions for the operation, maintenance, and enforcement of red light cameras in Hutto; and

WHEREAS, in order to better serve the public safety needs of the citizens of Hutto, and to better align city resources in support of current public safety objectives, the City of Hutto wishes to exercise its option to terminate the agreement.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS,

that the City Council hereby directs staff to notify American Traffic Solutions that we will be terminating the contract for the operation, maintenance, and enforcement of red light traffic cameras in Hutto, Texas effective November 15, 2016.

RESOLVED this the 1st day September, 2016.

CITY OF HUTTO, TEXAS

__________________________
Doug Gaul, Mayor

ATTEST:

__________________________
Seth Gipson, City Secretary
PROFESSIONAL SERVICES AGREEMENT
"AGREEMENT"

This Agreement (this "Agreement") is made as of this 24th day of January, 2007 by and between American Traffic Solutions, Inc. with offices at 14861 N. Scottsdale Road, Suite 109, Scottsdale, Arizona 85254 ("ATS"), and The City of Hutto, 401 West Front Street, Hutto, Texas 78634 (the "Customer").

WITNESSETH:

WHEREAS, ATS has the exclusive knowledge, possession and ownership of certain equipment, licenses, and processes, referred to collectively as the "Axis System" (herein "Axis"), and

WHEREAS, Customer desires to use the Axis System to monitor and enforce red light violations, and may, in the future desire to monitor and enforce traffic speed or other traffic movements and to issue citations for traffic violations.

NOW THEREFORE, the parties agree:

1. DEFINITIONS:
   As used in this Agreement, the following words and terms shall, unless the context otherwise requires, have the respective meanings provided below:

   "Citation" means a citation issued by a competent state or municipal law enforcement agent or agency or by a court of competent jurisdiction relating to a violation documented or evidenced by Axis.

   "Person" or "persons" means any individual, partnership, joint venture, corporation, trust, unincorporated association, governmental authority or political subdivision thereof or any other form of entity.

   "Camera System" means a photo-traffic monitoring device consisting of one (1) rear camera, strobe, and traffic monitoring device capable of accurately detecting a traffic infraction on up to four lanes controlled by up to two (2) signal phases and which records such data with one or more images of such vehicle. "Camera System" shall also, where the sense requires, include any enclosure or cabinet and related appurtenances in which the Axis is stationed.

   "Approach" is defined as one direction of travel of one or more lane on a road or a traffic intersection up to 4 lanes controlled by up to two (2) signal phases.

   "Violation" means failure to obey an applicable traffic law or regulations, including, without limitation, failure to obey a traffic signal, operating a motor vehicle in excess of the posted speed limit, and operating a motor vehicle without displaying a valid license plate.

   "Operational Time" means the actual time that a Camera System is monitoring traffic.

   "VIMS Analysis" is a statistical assessment of violations rates at suspected problem intersections and approaches to determine the need for a red light system.

2. ATS AGREES TO PROVIDE:
   The scope of work identified in Exhibit "A, Section 1"

3. CUSTOMER AGREES TO PROVIDE:
   The scope of work identified in Exhibit "A, Section 2."

4. TERM AND TERMINATION:
   a. This contract shall be effective on the signature date above.

   b. The term of this Agreement shall be for five (5) years beginning on the date of first issued and payable notice of a violation (the "Start Date") and may be extended for one additional five (5) year period, at the city's option.
c. The Contractor's services may be terminated:
   
i) By mutual written consent of the parties;
   
ii) For cause, by either party where the other party fails in any material way to perform its obligations under this Agreement. Termination under this subsection is subject to the condition that the terminating party notifies the other party of its intent to terminate, stating with reasonable specificity the grounds therefor, and the other party fails to cure the default within forty-five (45) days after receiving notice.
   
iii) For convenience as result of adverse state legislation, according to the terms and conditions agreed.
   
d. Upon termination of this Agreement, the parties shall take the following actions, and shall have the following obligations, which survive termination during the wind-down period: The Customer shall cease using the Aaxis™ System, shall return or allow ATS to recover all provided equipment within a reasonable time not to exceed 60 days, and shall not generate further images to be processed. Unless directed by the Customer not to do so, ATS shall continue to process all images taken by the Customer before termination and provide all services associated with processing in accordance with this Agreement, and shall be entitled to all Fees specified in the Agreement as if the Agreement were still in effect.

5. ASSIGNMENT:

Neither party may assign all or any portion of this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed; provided, however, the Customer hereby acknowledges and agrees that the execution (as outlined in Schedule 6), delivery and performance of ATS's rights pursuant to this Agreement shall require a significant investment by ATS, and that, in order to finance such investment, ATS may be required to enter into certain agreements or arrangements ("Financing Transactions") with equipment lessors, banks, financial institutions or other similar persons or entities (each, a "Financial Institution" and collectively; "Financial Institutions"). The Customer hereby agrees that ATS shall have the right to assign, pledge, hypothecate or otherwise transfer ("Transfer") its rights, or any of them, under this Agreement to any Financial Institution in connection with any Financing Transaction between ATS and any such Financial Institution subject to the Customer's prior written approval, which approval shall not be unreasonably withheld or delayed. The Customer further acknowledges and agrees that in the event that ATS provides written notice to the Customer that it intends to Transfer all or any of ATS's rights pursuant to this Agreement, and in the event that the Customer fails to provide such approval or fails to object to such Transfer within forty-five (45) business days after its receipt of such notice from ATS, ATS shall be free to effect said Transfer.

6. FEES AND PAYMENT:

Customer shall pay for all equipment, services and maintenance based on the fee schedule indicated in Exhibit A, Schedule 1, ("Fees").

The Customer shall pay all fees due ATS based upon invoices from the proceeding month within 30 days of submission. Late payments are subject to interest calculated at 1.5% per month on open balances.

Each anniversary date of the term, the City of Hutto will negotiate the unit prices, or the unit prices will increase by the CPI, according to the average of the U.S. Department of Labor, Consumer Price Indices for the City.

7. INTERSECTION AND VIOLATION RATE ANALYSIS:

Prior to implementing the Aaxis System, ATS may conduct an analysis of each Approach being considered for a Camera System. If ATS deems necessary, ATS will use the Aaxis™ VIMS (Violation Incident Monitoring System) or other tool or means to complete the analysis over a 4 to 24 hour period. The Customer will be provided a report on violations recorded at each monitored approach, including the time of day and lanes on which the violations occurred. For any Approach recommended by the Customer, ATS may install a Camera System. However, ATS may elect not to install a Camera System where traffic
violation data does not support installation of the Aaxis System.

8. COMMUNICATION OF INFORMATION:
ATS agrees that all information obtained by ATS through operation of the Aaxis System shall be made available to the Customer at any time during ATS's normal working hours, excluding trade secrets and other confidential or proprietary information not reasonably necessary for the prosecution of citations or the fulfillment of Customer's obligation under this Agreement.

9. CONFIDENTIAL INFORMATION:
No information given by ATS to Customer will be of a confidential nature, unless specifically designated in writing as proprietary and confidential by ATS. Provided, however, nothing in this paragraph shall be construed contrary to the terms and provisions of any "Open Records Act" or similar laws, insofar as they may be applicable. ATS shall not use any information acquired by this program with respect to any violations or the Customer's law enforcement activities for any purpose other than the program.

10. OWNERSHIP OF SYSTEM:
It is understood by the Customer that the System being installed by ATS is, and shall remain, the sole property of ATS, unless separately procured from ATS through a lease or purchase transaction. The System is being provided to Customer only under the terms and for the term of this Agreement.

11. INDEMNIFICATION AND INSURANCE:
ATS shall at all times comply with all federal, state and local laws, ordinances and regulations and shall comply with the maintenance procedures and manufacturer recommendations for operation of the Aaxis™ equipment which affect this Agreement, and shall indemnify and save harmless the Customer against any claims arising from the violation of any such laws, ordinances and regulations or any claims arising from the violations of the maintenance procedures and manufacturer recommendations for operation of the equipment as a result of the negligence of willful misconduct of ATS, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of Customer.

ATS shall maintain the following minimum scope and limits of insurance:

(a) Commercial General Liability Insurance including coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, and contractual liability with a combined single limit of $1,000,000 per occurrence. Such insurance shall include the Customer, its officers, directors, employees, and elected officials as additional insured's for liability arising from ATS's operation.

(b) Workers Compensation as required by applicable state law, and Employers' Liability insurance with limits of not less than $500,000 each accident; ATS shall at all times maintain worker's compensation insurance coverage in the amounts required by law, but shall not be required to provide such coverage for any actual or statutory employee of Customer.

(c) Comprehensive Business Automobile Liability Insurance for all owned, non-owned and hired automobiles and other vehicles used by ATS with a minimum $1,000,000 per occurrence combined single limit bodily injury and property damage.

The Customer and its officers and employees, shall be named as additional insured on the comprehensive general liability policies provided by ATS under this Agreement. ATS shall require any subcontractors doing work under this Agreement to provide and maintain the same insurance, which insurance shall also name the Customer and its officers, employees, and authorized volunteers as additional insureds.

Certificates showing ATS is carrying the above described insurance, and evincing the additional insured status specified above, shall be furnished to the Customer within thirty calendar days after the date on which this Agreement is made. Such certificates shall show that the Customer shall be notified of all cancellations of such insurance policies. ATS shall forthwith obtain substitute insurance in the event of a cancellation.

Inasmuch as the Customer is a body politic and corporate, the laws from which Customer derives its powers, insofar as the law regulates the objects for which, or manner in which, or the concerns under which, the Customer may enter into this Agreement, shall be controlling and shall be incorporated by reference into
this Agreement. The Customer shall be responsible for vehicle insurance coverage on any vehicles driven by Customer employees. Coverage will include liability and collision damage.

12. **STATE LAW TO APPLY:**
This Agreement shall be construed under and in accordance with the laws of the State of Texas and venue shall be in Williamson County, Texas.

13. **LEGAL CONSTRUCTION:**
In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as of such invalid, illegal, or unenforceable provision had not been contained herein.

14. **PRIOR AGREEMENT SUSPENDED:**
This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understanding, written or oral, between the parties respecting the written subject matter.

15. **AMENDMENT:**
No amendments, modifications, or alterations of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date of this Agreement and duly executed by the parties.

16. **NO AGENCY:**
ATS is an independent contractor providing services to the Customer and the employees, agents and servants of ATS shall in no event be considered to be the employees, agents, or servants of the Customer. This contract is not intended to create an agency relationship between ATS and the Customer.

17. **FORCE MAJEURE:**
Neither party will be liable to the other or be deemed to be in breach of this agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or governmental authorities approval delays which are not caused by any act or omission by ATS. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

18. **TAXES:**
In the event that any excise, sales or other taxes are due relating to this service contract, the Customer will be responsible for the payment of such taxes.

19. **NOTICES:**
Any notices or demand which under the terms of this Agreement or under any statute must or may be given or made by ATS or Customer shall be in writing and shall be given or made by personal service, telegram, first class mail, FedEx, or by certified or registered mail to the parties at the following address:

______________________________
______________________________
Attn: ________________________

American Traffic Solutions, Inc.
14861 N. Scottsdale Rd, Suite 109
Scottsdale, AZ 85254
Attn: Chief Operating Officer

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date on Page 1.

______________________________
Adam E. Tuton, Executive Vice President

______________________________________________
Confidential Information
Photo Enforcement Services Agreement
Exhibit A
ATS SCOPE OF WORK

1 AMERICAN TRAFFIC SOLUTIONS (ATS) SCOPE OF WORK

1.2 ATS IMPLEMENTATION

1.2.13 ATS agrees to provide a turnkey solution for Camera Systems to the Customer wherein all reasonably necessary elements required to implement and operate the solution are the responsibility of ATS, except for those items identified in Section 2 titled “Customer Scope of Work”. ATS and the Customer understand and agree that new or previously unforeseen requirements may, from time to time, be identified and that the parties shall negotiate in good faith to assign to the proper party the responsibility and cost for such items. In general, if work is to be performed by the Customer, unless otherwise specified, the Customer shall not charge ATS for the cost. All other n-scope work, external to the Customer, is the responsibility of ATS.

1.2.14 ATS agrees to make every effort to adhere to the Project Time Line outlined in Schedule 4.

1.2.15 ATS will assist the Customer with video evaluation of candidate sites using the Aaxis VIMS system.

1.2.16 ATS will install Camera Systems at a number of intersection or grade crossing approaches to be agreed upon between ATS and the Customer after completion of site analyses to be entered into Schedule 5. In addition to the initial locations, the parties may agree from time to time, by additional Work Order(s), to add to the quantities and locations where Camera Systems are installed and maintained.

1.2.17 ATS will operate each Camera System on a 24-hour basis, barring downtime for maintenance and normal servicing activities.

1.2.18 ATS’ in-house marketing department will assist the Customer with public information and outreach campaign strategies. In addition, depending upon the agreed-upon strategy, ATS may pay for agreed upon extra scope expenditures for public relations consultant, advertising, or media relations provided that such extra scope expenditures will be reimbursed to ATS from collected revenues.

1.2.19 ATS agrees to provide a secure web site (www.violationinfo.com) accessible to citation recipients (defendants) by means of a Notice # and a PIN, which will allow violation image and video viewing.

1.2.20 The Customer and ATS will complete the Project Business Process Work Flow design within 30 calendar days of contract signature; the parties to this agreement will use the drafts included on Schedules 2 and 3 as the basis for the final workflow design.

1.2.21 ATS shall provide technician site visits to each Camera System once per month to perform preventive maintenance checks consisting of camera enclosure lens cleaning; camera, strobe and controller enclosure cleaning; inspection of exposed wires; and general system inspection and maintenance.

1.2.22 ATS shall repair a non-functional Camera System within 72 business hours of determination of a malfunction.

1.2.23 ATS shall repair the Aaxis VPS system within 1 business day from the time of the outage. Outages of Customer internet connections or infrastructure are excluded from this service level.
1.2.24 For any city using ATS lockbox or epayment services, ATS will establish a demand deposit account bearing the title, "American Traffic Solutions, Inc. as agent for Customer" at U.S. Bank. All funds collected on behalf of the Customer will be deposited in this account and transferred by wire the first business day of each week to the Customer's primary deposit bank. The Customer will identify the account to receive funds wired from U.S. Bank. Customer shall sign a W-9 and blocked account agreement, to be completed by the Customer, to ensure the Customer's financial interest in said U.S. Bank account is preserved.

1.3 ATS OPERATIONS

1.3.13 ATS shall provide the Customer with an optional one-time warning period up to 30 days in length at the outset of the program.

1.3.14 As the party responsible for initial contact with the red light violator, ATS shall provide the Customer with an automated web-based citation processing system (Axis™ VPS) including image processing, 1st notice color printing and mailing of at Citation or Notice of Violation per chargeable event. Each citation shall be delivered by First Class mail to the registered owner within the statutory period. Mailings to owners responding to first notices identifying drivers in affidavits of non-liability or by rental car companies are also included according to each pricing option.

1.3.15 Subsequent notices (such as second or pre-collection letters) may be delivered by First Class or other mail means for additional compensation to ATS as agreed by the parties in Schedule 1.

1.3.16 ATS shall apply an electronic signature to the citation when authorized to do so by an approving law enforcement officer.

1.3.17 ATS shall obtain in-state vehicle registration information necessary to issue citations assuming that it is named as the Customer's agent and the State provides the registration data at no cost.

1.3.18 ATS shall seek records from out-of-state vehicle registration databases and apply records found to Axis to issue citations for the Customer according to each pricing option.

1.3.19 ATS shall provide an on-line court processing module, which will enable the court review cases, related images, correspondence and other related information required to adjudicate the disputed citation. The system will also enable the Court staff to account for collected revenue. ATS may agree to cover these up front costs and recover the costs from collected revenue.

1.3.20 The Axis™ VPS system, which provides the Customer with ability to run and print a reports, shall include the following:

- Issuance Rate Report
- Location Performance Summary Report
- Location Performance Detail Report
- Violation Reject Report
- Document Aging Report

1.3.21 If required by the court or prosecutor, ATS shall provide the Customer with, or train a local expert witness able to testify in Court on matters relating to the accuracy, technical operations, and effectiveness of the Axis™ System until judicial notice is taken.

1.3.22 In those instances where damage to a Camera System or sensors is caused by negligence on the part of the Customer or its authorized agent(s), ATS will provide an estimate of the cost of repair. Upon authorization to proceed with the repairs or replacement, ATS shall replace or repair any damaged equipment and invoice for the
pre-approved repair cost. ATS shall bear the cost to replace or repair equipment damaged in all other circumstances.

1.3.23 ATS shall provide a help line to help the Customer resolve any problems encountered regarding its Red Light Camera System and/or citation processing. The help line shall function during normal business hours.

2 CUSTOMER SCOPE OF WORK

2.2 GENERAL IMPLEMENTATION REQUIREMENTS

2.2.13 Within 7 business days of contract execution, the Customer shall provide ATS with the name and contact information for a project manager with authority to coordinate Customer responsibilities under the Agreement.

2.2.14 Within 7 business days of contract execution, the Customer shall provide ATS with the name and contact information for a Municipal Court manager responsible for oversight of all Court-related program requirements.

2.2.15 The Customer shall make every effort to adhere to the Project Time Line outlined in Schedule 4.

2.2.16 The Customer shall, on a form provided by ATS, provide verification to the State Department of Motor Vehicles, National Law enforcement Telecommunications System, or appropriate authority indicating that ATS is acting as an Agent of the Customer for the purposes of accessing vehicle ownership data pursuant to the list of permissible uses delineated in the Drivers Privacy Protection Act 18 U.S.C. § 2721, Section (b) (1) and as may otherwise be provided or required by any provision of applicable state law.

2.2.17 The Customer and ATS shall complete the Project Business Process Work Flow design within 30 calendar days of contract signature, using the drafts included on Schedules 2 and 3 as the basis for the final workflow design.

2.2.18 The City shall diligently prosecute all contested Notices of Violation before the hearing officer and any appeal to City's municipal court. ATS shall diligently prosecute the collection of all fines, contested or uncontested. ATS shall establish a demand deposit account bearing the title "American Traffic Solutions, Inc. as agent for the City" at a U.S. Bank. All funds collected on behalf of the City will be deposited in this account and transferred by the wire the first business day of each week to the City's primary deposit bank. The City will identify the account to receive funds wired from U.S. Bank. A W-9 and blocked account agreement, to be completed by the City, is provided to ensure the City's financial interest in said U.S. Bank account is preserved.

2.3 STREETS AND TRAFFIC DEPARTMENT OPERATIONS

2.3.13 The Customer shall execute a right of way agreement or amendment to allow installation of red light cameras on state roads with Texas Department of Transportation within 30 days of contract execution.

2.3.14 If the Customer chooses to move a Camera System to a new approach after initial installation, it shall pay the costs to relocate the System.

2.3.15 Customer will design, fabricate, install and maintain red light camera warning signs. If Customer cannot provide such signage, ATS will do so and charge the costs to the client.

2.3.16 The Customer will provide assistance in obtaining permission from the Texas Department of Transportation for access to traffic signal phase connections according to approved design.
2.3.17 Customer will assist in obtaining permission from the Texas Department of Transportation for ATS in accessing power from existing power sources at no cost and shall allow or facilitate access to traffic signal phase connections to a pull box, pole base, or controller cabinet nearest to each Camera System within the Customer’s jurisdiction. The costs of any additional conduit or power infrastructure needed to support installation of the Camera shall be funded by ATS and ATS and shall recover such added costs out of collected revenue in addition to its normal fees.

2.3.18 The Customer shall not require ATS to provide installation drawings stamped by a licensed civil engineer. However, ATS work product and drawings shall be overseen and approved by and ATS PE and such deliverable shall conform to applicable engineering norms and reflect the details of installation work to be completed.

2.3.19 The Customer shall approve or reject ATS submitted plans within 7 business days of receipt and shall limit iterations to a total of one revision beyond the initially submitted plans. Total plan approval duration shall not exceed 10 business days.

2.3.20 The Customer shall not charge ATS or its subcontractor for building, constructions, street use and/or pole attachment permits.

2.4 POLICE DEPARTMENT OPERATIONS

2.4.13 The Police Department shall process each potential violation in accordance with State Laws and/or City Ordinances within 3 business days of its appearance in the Police Review Queue, using Axis™ to determine which violations will be issued as Citations or Notices of Violation.

2.4.14 Police Department workstation computer monitors for citation review and approval should provide a resolution of 1280 x 1024.

2.4.15 For optimal data throughput, Police Department workstations should be connected to a high-speed internet connection with bandwidth of T-1 or greater.

2.4.16 Police Department shall provide signatures of all authorized police users who will review events and approve citations on forms provided by ATS.

2.5 COURT OPERATIONS

2.5.13 Court shall provide a judge or hearing officer and court facilities to schedule and hear disputed citations.

2.5.14 Court shall provide the specific text required to be placed on the Citation notice to be issued by ATS within 30 calendar days of contract signature.

2.5.15 The Court shall approve the Citation form within 15 days receipt from ATS.

2.5.16 Municipal Court shall handle inbound and outbound phone calls and correspondence from defendants who have questions about disputes, and other issues relating to citation adjudication. Court may refer citizens with questions regarding ATS or Axis technology and processes to websites and/or toll-free telephone numbers provided by ATS for that purpose.

2.5.17 Within 10 days after expiration of a second notice, Municipal court shall pursue delinquent collections of unpaid notices with an existing contractor or ATS.

2.5.18 Any potential one time, direct costs to ATS (including ATS' costs) to develop an interface between the Court system will be initially paid by ATS and will be reimbursed to ATS from collected revenues from the program once available.

2.6 INFORMATION TECHNOLOGY DEPARTMENT OPERATIONS
2.6.13 In the event that remote access to the ATS Axxis VPS System is blocked by Customer network security infrastructure, the Customer's Department of Information Technology shall coordinate with ATS to facilitate appropriate communications while maintaining required security measures.

2.6.14 If Customer-owned telecommunications lines or WiFi networks are present at or near the site, and if feasible to share such existing bandwidth, ATS shall be allowed to use such infrastructure for data transmission. ATS shall work with the City's IT department to ensure City security protocols are maintained.
Schedule 1

Service Fee Schedule
Schedule 2 and 3
Workflow Diagrams

[to be added after consultation with Police and Court]
Schedule 4

Project Timeline

[TBD]
Schedule 5
Initial Camera Locations
AMENDMENT NUMBER ONE
TO
MASTER AGREEMENT

This Amendment Number One (the “Amendment”) is made and entered into this ___ day of June, 2011 (the “Effective Date”) by and between American Traffic Solutions, Inc. having a place of business at 7681 E Gray Road, Scottsdale, AZ (“ATS”), and the City of Hutto having a place of business at 401 West Front Street, Hutto, TX 78634 (the “City” and together with “ATS”, the “Parties” and each singularly, a “Party”).

WHEREAS, the City and American Traffic Solutions, Inc. entered into a Master Agreement dated March 24, 2008 for red light camera enforcement services (the “Agreement”);

WHEREAS, ATS and the City now wish to amend the Agreement to add a certain provision to the Agreement;

NOW, THEREFORE, for valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Attachment 5 to Schedule 1 of the Agreement, “PRICING” is hereby amended by adding after the last paragraph of Attachment 5 the following:

   City agrees to use ATS Collections Services and to compensate ATS for said Collection Services as indicated below:

   | Pre-Collection Letter and Skip Tracing Services | 10% of recovered revenue in addition to ATS normal fee |
   | Delinquent Collections Services (includes pre-collection letter, skip tracing services, vehicle registration holds, and collection services) | 23% of recovered revenue in addition to normal fee |

2. All terms not herein defined shall have the same meaning and use as set forth in the Agreement.

3. All other terms, conditions and provisions of the Agreement, not in conflict with this Amendment, shall remain in full force and effect.

4. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed one and the same Amendment.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representative as of the day and year first above written.

AMERICAN TRAFFIC SOLUTIONS, INC.
By: [Signature]
Printed Name: Adam E Tuton
Title: EVP & President Public Safety

THE CITY OF HUTO, TEXAS
By: [Signature]
Printed Name: Edward Broussard
Title: City Manager
RESOLUTION NO. R-13-07-11-12B1

A RESOLUTION GRANTING A FIVE YEAR EXTENSION WITH AMERICAN TRAFFIC SOLUTIONS FOR THE OPERATION, MAINTENANCE, AND ENFORCEMENT OF RED LIGHT TRAFFIC CAMERAS IN HUTTO

WHEREAS, the City entered into an agreement with American Traffic Solutions (ATS) in 2007 after conducting a formal request for proposals; and

WHEREAS, American Traffic Solutions is recognized as a leader in traffic camera enforcement and safety and; and

WHEREAS, traffic safety cameras are shown to be effective in reducing vehicular accidents;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS,

that the City Council hereby extends the agreement with American Traffic Solutions through November 2018 for the operation, maintenance, and enforcement of red light traffic cameras.

RESOLVED this the 11th day July, 2013.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor

ATTEST:

Christine Martinez, City Secretary
SECOND AMENDMENT
TO PROFESSIONAL SERVICES AGREEMENT

This Second Amendment ("Second Amendment") is dated effective this 11th day of
July, 2013 and is entered into between American Traffic Solutions, Inc. ("ATS"), a corporation
duly registered under the laws of the State of Kansas with its principal place of business at 1330 West
Southern Avenue, Tempe, Arizona 85282 and the City of Hutto ("City"), a municipal corporation of the State
of Texas.

RECITALS

WHEREAS, on January 22, 2007, the City and ATS entered into a Professional Services Agreement
for the City’s use of the Axsis™ System to enforce traffic violations (the “Agreement”); and

WHEREAS, on June 6, 2011, the City and ATS amended the Agreement (the “First Amendment”);

and

WHEREAS, section 15 of the Agreement requires any amendments, modifications, or alterations of
the Agreement to be in writing and duly executed by the parties; and

WHEREAS, the initial term of the Agreement will expire on November 15, 2013; and

WHEREAS, the City and ATS mutually desire to extend the term of the Agreement.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and promises contained in this Second
Amendment, the City and ATS do hereby agree as set forth below:

1. The above recitals are true and correct and are incorporated herein.

2. Pursuant to Section 4(b) of the Agreement, the City hereby exercises its option to extend the term of
this Agreement by five (5) years, to expire on November 15, 2018; provided, however, that the City may opt to
terminate the Agreement on November 15, 2015, or any subsequent November 15th thereafter, by providing
sixty (60) days' written notice to ATS of its intent to terminate.

3. In the event that City opts to terminate the Agreement early (pursuant to Paragraph 2 above) and any
new Camera Systems have been installed by ATS following the execution date of this Second Amendment,
City will reimburse ATS its unamortized costs for those Camera Systems based on a price of $120,000 per
Camera System amortized over sixty (60) months on a straight-line basis. The amortization schedule for said
costs shall be reduced by 1/60th for each month each Camera System is installed: Said another way, for
every month a camera is installed, $2,000 will be subtracted from the total $120,000 early termination fee for
each Camera System. Example: City signs this Amendment in November of year 1 and installs one (1)
Camera System that same month. City terminates the Agreement without cause in September of year 5.
Fifty-eight (58) of the sixty (60) months having been depreciated, the City would pay ATS $4,000 ($2,000 x 2)
for the early termination fee.

4. Except as expressly amended or modified by the terms of this Second Amendment, all terms of the
Agreement as amended by the First Amendment shall remain in full force and effect. In the event of a conflict
between the terms of this Second Amendment and the Agreement or the First Amendment, the terms of this
Second Amendment shall prevail and control.

R-13-07-11-1281
5. The provisions of the Agreement, as amended by the First and Second Amendments, including the recitals, comprise all of the terms, conditions, agreements, and representations of the parties with respect to the subject matter hereof.

6. This Second Amendment may be executed in one or more counterparts, each of which shall constitutes an original, but all of which taken together shall constitute one and the same instrument.

7. Each party represents and warrants that the representative signing this Second Amendment on its behalf has all right and authority to bind and commit that party to the terms and conditions of this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment.

CITY OF HUTTO, TEXAS
By: [Signature] 7-11-13
Mayor or City Manager Date

ATTEST:
By: [Signature] 7-11-13
City Clerk City Secretary Date

AMERICAN TRAFFIC SOLUTIONS, INC.
By: [Signature] 9/12/13
Adam E. Tuton Date
Executive Vice President, President – State and Local Government Solutions

APPROVED AS TO FORM
By:
City Attorney Date
October 28, 2015

SENT VIA FIRST CLASS MAIL

City of Hutto
Attn: Karen Daly, City Manager
401 W. Front St.
Hutto, TX 78634

Re: Notice of Change of Address

Ladies and Gentlemen:


Effective November 2, 2015, please address all correspondence and notices to:

1150 N. Alma School Road
Mesa, Arizona 85201
Attn: Legal Department

Please do not hesitate to contact me if you have any questions.

Sincerely,

American Traffic Solutions, Inc.

Kristen A. Young
Deputy General Counsel
AGENDA ITEM NO.: 12A.  AGENDA DATE: September 01, 2016

PRESENTED BY: Doug Gaul, Mayor

ITEM: Work session concerning updates to the 2035 Strategic Guide.

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND:
On June 17-18, 2016, the City Council convened for a planning retreat facilitated by Mayor Doug Gaul. The retreat concentrated on reaffirming and updating the 2035 Strategic Guide for the City and the Council’s priorities for the upcoming year. The policies were discussed and reaffirmed and some goals were modified while others were deleted. The Strategic Guide for 2035 has incorporated all of those changes and is proposed for Council consideration.

BUDGETARY AND FINANCIAL SUMMARY:
Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
Not applicable.

CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends the City Council approve the resolution adopting the updated 2035 Strategic Guide.

SUPPORTING MATERIAL:
VISION

To passionately serve the public through innovation, sustainability, and diversity for the enrichment of current and future generations.

MISSION

Maintain an effective organization that supports and meets the needs of the community.

VALUES

We believe in...

- Protecting our neighborhoods.
- Being good stewards of natural resources.
- Enhancing community’s appearance.
- Embracing diversity.
- Creating a special quality of life for our citizens.
- Providing a positive experience for our visitors.
- Encouraging economic development.
- Respecting the heritage of our community.
- Treating everyone fairly and with respect.
2016 CITY COUNCIL

Mayor Doug Gaul
Michael J. Smith, Mayor Pro Tem
Anne Cano, Place One
Tom Hines, Place Two
Nate Killough, Place Three
Lucio Valdez, Place Five
Bettina Jordan, Place Six
COUNCIL RELATIONS POLICY

The Council Relations Policy, including the Leadership Expectations Framework, reflects the expectations of the Hutto City Council in defining the behaviors, manners, and courtesies that are suitable for various occasions. It is also designed to make public meetings and the process of governance run more smoothly.

LEADERSHIP EXPECTATIONS FRAMEWORK

Council to Council Expectations
- Respect each other when giving and receiving honest and constructive feedback.
- Be professional and show proper decorum on and off the Dais.
- Have scheduled opportunities to discuss significant policies, issues and projects.
- Establish and follow a social media and public communication policy.
- Develop clear council critical communications standards.

Council Expectations of the City Manager
- Provide daily updates of matters of importance.
- Open and Honest Communication.
- The Council desires preparation of change before it happens in order to educate and inform the public.
- Be visible in involvement at City events and organizations.
- Provide the council with sufficient information and advice to help the Council chart the best direction for the City and the Council.

City Manager Expectations of the Council
- Provide a clear direction through the Strategic Guide.
- Give the City Manager the opportunity to answer Council’s questions and concerns.
- Support the staff through respectful dialogue and questions.
- Represent the Council to residents, customers and the world.
ECONOMIC DEVELOPMENT POLICY

It is the desire of the Hutto City Council to develop business diversity consistent with the Comprehensive Plan to maintain an economic base that is sustainable and adaptable.

Strategic Goals:

- Recruit, retain, and expand desired businesses that will continue to enhance the quality of life and attract high-skilled, high-waged jobs for Hutto
- Encourage business development that promotes quality of place.
- Invest to revitalize under-utilized areas for business opportunities.
- Define a competitive framework for attracting economic development, with appropriate incentive policies.
- Develop long term funding options with WCESD #3 that doesn’t impact Economic Development Corporation funding.
- Evaluate investment of public funds in the Extraterritorial Jurisdiction.
- Enhance Economic Development Corporation and City Council relationship.
- Develop a framework and roadmap for the future of the Economic Development Corporation.
- Review and update building codes and ordinances that will promote business growth.
- Target retail development and growth within the city.
- Streamline the development process and create a “one stop shop” for development.
- Evaluate investment options of public funds in the Extraterritorial Jurisdiction.
LEADERSHIP
POLICY

It is the desire of the City Council to provide honest, ethical, and effective guidance in the development and structure of leadership for the City.

Strategic Goals:

➢ Focus on Council leadership and development through ongoing continuing education opportunities
➢ Cultivate, maintain, and promote relationships with critical partners delivering services within the community.
➢ Align the Comprehensive Plan, the Strategic Guide, Comprehensive Improvement Plan, Master Plans and Council priorities.
➢ Cultivate, maintain, and promote relationships internally.
➢ Cultivate, maintain, and promote relationships externally.
➢ Review and update city charter to meet state laws and city needs.
➢ Pre-election orientation for prospective candidates.
➢ Identify and maintain a qualified group of community leaders.
➢ Review and update council committee structure and usage
PUBLIC SAFETY POLICY

It is the desire of the Hutto City Council to ensure the safety and well-being of the residents, businesses and visitors in the City.

Strategic Goals:

- Maintain a well-trained, highly effective police force.
- Ensure that citizens have access to quality and sufficient Fire and EMS services.
- Develop and implement a plan with WCESD#3 that meets the fire and EMS needs of the community.
- Maintain strong relationships between the Police Department and the community.
- Recruit, maintain, and retain a highly effective police force.
- Improve communication between Police Department and Council.
- Maintain strong relationships with other public safety organizations.
- Ensure Emergency Management Coordinator is properly trained.
INFRASTRUCTURE POLICY

It is the desire of the Hutto City Council to provide and maintain a quality infrastructure system to meet the vision as set out in the Comprehensive Plan.

Strategic Goals:

- Proactively expand infrastructure system to optimize cost saving opportunities and funding partnerships.
- Continue to develop high quality standards in conjunction with regional partners.
- Design and select materials to minimize on-going maintenance and replacement costs.
- Invest in technology to assess and monitor infrastructure conditions.
- Execute and fund the Comprehensive and master plans.
GROWTH GUIDANCE POLICY

It is the desire of the Hutto City Council to achieve the orderly growth and development of the City by maintaining and following the Comprehensive Plan which promotes beneficial and appropriate land uses and supporting infrastructure.

Strategic Goals:

- Maintain a Comprehensive Plan specifically designed to meet Hutto’s current and future needs.
- Engage the community in developing and maintaining the Comprehensive Plan.
- Review, evaluate and update Development Codes to meet City needs.
- Review and amend future land use map.
- Identify, evaluate, and remove barriers to growth.
- Increase involvement of the Planning and Zoning Commission.
- Integrate City of Hutto master plans, strategic guide, and comprehensive plan so that they are complimentary.
EDUCATION
POLICY

It is the desire of the Hutto City Council to develop a cooperative relationship with the Hutto Independent School District, East Williamson County Higher Education Center, and other education entities to enhance the quality of education.

Strategic Goals:

- Proactively support educational needs for the community.
- Increase awareness of educational programs.
- Nurture and sustain strategic educational partnerships.
- Pursue cooperative agreements with educational entities.
FISCAL AND BUDGETARY POLICY

It is the desire of the Hutto City Council to achieve and maintain a long-term, stable, and positive financial condition and provide guidelines for the day-to-day planning and operations of the City’s financial affairs.

Strategic Goals:

- Provide responsible fiscal stewardship.
- Make the City economically competitive to draw and sustain businesses through competitive rates, taxes, and user fees.
- Provide funding for infrastructure to sustain growth.
- Stabilize and control program costs.
- Maintain reserves to recognized standards.
- Improve bond rating.
- Continue to recognize and fund all long-term liabilities.
- Pursue a bond election by May 2017
- Explore non-traditional funding mechanisms.
ORGANIZATION DEVELOPMENT POLICY

It is the desire of the Hutto City Council to maintain a qualified staff that will continue to move the City in a positive, progressive, and productive direction.

**Strategic Goals:**

- Hire City Manager.
- Provide continuing education opportunities for all employees.
- Provide competitive compensation packages.
- Create and maintain a positive and inspired workforce through recruitment, environment, development, and retention.
- Develop career development plans for employees.
SERVICE DELIVERY POLICY

It is the desire of the Hutto City Council to deliver programs and services in a manner that best reflects the makeup of the community and the needs of the citizens.

Strategic Goals:

➢ Ensure quality city-wide customer service in all departments.
➢ Create a new website that is relevant and up to date
➢ Provide a “one stop shop” for development process.
➢ Provide on-going and consistent citizen communication.
➢ Embrace the use of technology to enhance or reduce the cost of service delivery.
➢ Coordinate with HOAs to improve the quality of neighborhood communication and supports.
➢ Ensure the City’s permit process is consistent.
LEGISLATIVE AGENDA
POLICY

It is the desire of the Hutto City Council to actively pursue legislative agenda(s) related to our city, county, region, state, and federal levels for the benefit of our community.

**Strategic Goals:**

- Nurture and sustain strategic partnerships with county, state and neighboring local government officials/staff to address common issues.
- Review/amend legislative agenda at least annually to decide which issues need to be addressed.
- Advocate for Hutto’s legislative agenda.
QUALITY OF LIFE POLICY

It is the desire of the Hutto City Council to create a city that engages citizens by providing programs and services beyond their basic needs.

Strategic Goals:

- Solid waste recycling available to 100% of residents and businesses.
- Continue efforts supporting City-wide tree planting and care program.
- Support the preservation of green space.
- Maintain an environment that encompasses a safe, friendly, and an entertaining atmosphere for all ages.
- Support and encourage beautification efforts within the City.
- Create and maintain a system of parks, trails, and recreation programs.
- Explore a robust cultural arts and historical preservation program.
MOBILITY POLICY

It is the desire of the Hutto City Council to ensure the safe mobility of citizens through various modes of transportation.

Strategic Goals:

- Adopt a Transportation Master Plan.
- Develop, maintain, and follow the Transportation Master Plan.
- Maintain and follow the Pedestrian Mobility Master Plan.
- Pedestrian access crossing and access along Highway 79.
- Opportunity for sidewalk partnership with ISD.
- Integrate the Thoroughfare Master Plan with regional partners.
- Work in conjunction with regional transportation entities to plan for public transportation.
CITY OF HUTTO AWARDS & RECOGNITION 2015-16

Gold Level – Recertified Scenic City

National Night Out Award 2015

Named Second Best City to Live in Texas 2016 by Best Places Now

Named Second Safest City in Texas 2016 by Wide Open Country

Named Seventh Safest City in Texas by Safewise

Named Seventh Safest City in Texas 2016 by Credit Donkey

Named Seventh Fastest Growing Small City in America by Zippia

Named Fourth Safest and Peaceful Place to Live in Texas by Onlyinyourstate

Upgraded from a Bronze to a Gold Level Scenic City by Scenic City Advisory Committee

2015 Achievement of Library Excellence Award from the Texas Municipal Library Directors Association
2016 CITY STAFF

Micah Grau, Interim City Manager
Randy Barker, General Services Director
Charlie Crossfield, City Attorney
Helen Ramirez, Development Services Director
Melanie Hudson, Finance Director
Seth Gipson, City Secretary
Amy McGlothlin, Human Resources Director
Earl Morrison, Chief of Police
Scot Stroomsness, Director of Public Works