CALL SESSION TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATION:

5A.  Proclamation declaring May 2016, as National Bike Month in Hutto, Texas.

PRESENTATIONS:

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

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

PUBLIC COMMENT

7A. Remarks from visitors. (Three-minute time limit)
8. **CONSENT AGENDA ITEMS:**

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

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

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

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

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

**REGULAR AGENDA ITEMS**

9. **ORDINANCE:**

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

10. **RESOLUTIONS:**

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

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

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

11. **EXECUTIVE SESSION:**

11A. Executive Session as authorized by §551.074, Texas Government Code, related to the discussion, deliberation, and/or negotiations regarding the annual performance evaluation of the City Manager.
11B. Executive Session as authorized by §551.074, Texas Government Code, Personnel Matters, regarding appointments to the Planning and Zoning Commission, Hutto Economic Development Corporation Board of Directors, and the Zoning Board of Adjustment.

12. **ACTION RELATIVE TO EXECUTIVE SESSION:**

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

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

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 the April 21, 2016 Hutto City Council meeting was posted on the City Hall bulletin board of the City of Hutto on Friday, the 15th day of April 2016, at 1:15pm.

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@hutto.tx.gov for assistance.
Official Proclamation

Whereas, the bicycle is an economical, healthy, convenient, and environmentally sound form of transportation and an excellent tool for recreation and commuting throughout Hutto; and,

Whereas, throughout the month of May, the residents of Hutto and visitors will experience the joys of bicycling through educational programs, commuting events, charity and social events, or by simply getting out and going for a ride; and,

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

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

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

“NATIONAL BIKE MONTH”

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

Proclaimed this 21st day of April, 2016.

CITY OF HUTTO, TEXAS

Debbie Holland, Mayor
AGENDA ITEM NO.: 6A.          AGENDA DATE: April 21, 2016

PRESENTED BY: Mike Hemker, Parks & Recreation Director

ITEM: Recognition of Emma Vollentine's Gold Award achievement from the Girls Scouts of the United States of America for her work on creating the City of Hutto Dog Park

STRATEGIC GUIDE POLICY: Quality of Life

ITEM BACKGROUND:
Emma Vollentine is one of a team of individuals who recognized a need in the Hutto community for a dog park. Ms. Vollentine’s focus was to ensure the design phase would include an agility area for people to work on their own training with their pets at this facility. Her role and guidance during the design discussions created concept plans which the planning committee came to a decision all could agree upon.

In order to earn the Gold Award from the Girls Scouts, the project included seven steps. These steps are: 1. Identify an issue. Use your values and skills to choose a community issue that you care about. 2. Investigate it thoroughly. Use your sleuthing skills to learn everything you can about the issue you've identified. 3. Get help and build your team. Form a team to support your efforts and help you Take Action. 4. Create a plan. Identify the root cause of an issue, and then create a plan to tackle it. 5. Present your plan and gather feedback. Submit your Project Proposal Form to your Girl Scout council for approval. 6. Take action. Lead your team and carry out your plan. 7. Educate and inspire. Tell your story and share your results.

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

BUDGETARY AND FINANCIAL SUMMARY:
Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
The Parks Advisory Board congratulates Emma Vollentine on her achievement.

CITY ATTORNEY REVIEW:
Not applicable.

**STAFF RECOMMENDATION:**
Staff congratulates Emma Vollentine on her achievement.

**SUPPORTING MATERIAL:**
1. Recommendation Letter
February 2, 2016

Girl Scouts Gold Award Committee

Dear Gold Award Committee Chairperson and Committee Members,

In 2014 our department was approached by Emma Vollentine about her desire to bring a dog park to the citizens of Hutto. She described her desire and passion for the project and her goal to earn the highest level of achievement for a Girl Scout. To date, Ms. Vollentine is the first and only Girl Scout to approach our department about such a goal. Her timing was also nearly perfect as we had a variety of interests in making this happen from Emma, other citizen volunteers and a significant commitment from a local business to provide the land to make this specialty park a reality.

As this was not a project that the City of Hutto had as a priority nor did it have any funding. After understanding our starting point, the group began regular meetings and project planning. The group has worked through its processes as well as await action from the City of Hutto to approve an updated Parks, Recreation, Open Space and Trails Master Plan which sites the need for a community dog park. Emma has remained diligent, patient and professional during the process and her input with the planning committee has been key to success.

More importantly Ms. Vollentine remained an active participant taking the volunteer lead on the design portion of the project. She has compiled input from the group and created concept designs. She has researched estimated costs for amenities and been partnered with different representatives from an architect firm. She has worked with our landscape architect to focus on the park’s need to have dog agility equipment play a significant role in the design.

Projects such as this are not usually done in a few months; they take time. The local 501©3 Friends of the Hutto Dog Park is busy collecting donations and has raised over $70,000 for the project. The agreement between the City of Hutto and the land owner, Starmark Behavioral Center (local dog training facility) has been signed this past December. The City has committed to seek additional funding for the project once the design is complete through the overall Parks, Recreation, Open Space and Trails Master Plan.
The light at the end of the tunnel can be seen due to Emma Vollentine’s dedication. She has followed and completed the steps outlined in the Gold Award. From “Identifying an Issue” through “Educating and Inspiring” Emma has been diligent on completing her steps. I have witnessed this first hand through regular committee meetings as well as small planning sessions with architects. Members of our Parks Advisory Board also sing her praises on the growth she has displayed during public meetings from her first presentation of the idea during a public meeting through the design process in our group settings. She handles herself with an excellent confidence and a high level of professionalism while leading the group through exercises.

If there are any questions about the work she has completed to meet her requirements, please contact me. My email is Mike.Hemker@HuttoTX.gov and I can be reached directly at 512-759-4004.

Ms. Vollentine sets a wonderful example for young women. The work she has already completed is having an impact on the community and will for years after the site is constructed. The Girl Scouts of America should be proud of her accomplishments because I know the City of Hutto is certainly proud.

Sincerely,

[Signature]

Mike Hemker, CPRP, CPSM
Director
City of Hutto Parks & Recreation
AGENDA ITEM NO.: 6B.   AGENDA DATE: April 21, 2016

PRESENTED BY: Earl Morrison, Chief of Police

ITEM: Recognition of the Texas Telecommunicator Team of the Year award.

STRATEGIC GUIDE POLICY: Public Safety

ITEM BACKGROUND:
The Williamson County Commissioners Court proclaimed April 10-16, 2016 as National Public Safety Telecommunicators Week.

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

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

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

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: April 21, 2016

PRESENTED BY: Helen Ramirez, Development Services Director

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

STRATEGIC GUIDE POLICY: Infrastructure

ITEM BACKGROUND:
The infrastructure improvements for the Riverwalk Phase 1 Section 3 subdivision have been constructed and are ready to be accepted by the City Council. A final inspection was conducted by the City's Construction Inspector of all streets, sidewalk, wastewater and drainage improvements. The water service for this subdivision is owned and operated by Manville WSC. The City has received written confirmation from Manville WSC that they have inspected and accepted the water for operations and maintenance. 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, wastewater and drainage improvements is $1,841,608.10. The value of water improvements is not included as it is owned, operated and maintained by Manville WSC. 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 Council approve the resolution.

SUPPORTING MATERIAL:
1. Riverwalk P1 - S3 - Acceptance Resolution
1. Riverwalk P1-S3 - Acceptance Resolution
2. Riverwalk P1-S3 Construction Summary
3. Riverwalk P1-S3 Site Map
RESOLUTION NO.  ________________

WHEREAS, the infrastructure improvements for the Riverwalk Phase 1, Section 3 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 wastewater, streets, sidewalks and drainage improvements; and

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

WHEREAS, CC Carlton Contractors 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 Riverwalk Phase 1, Section 3 residential 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 27th day of March, 2016.

CITY OF HUTTO, TEXAS

_____________________________
Debbie Holland, Mayor

ATTEST:

_____________________________
Seth Gipson, City Secretary
## Construction Contract Summary

Riverwalk Subdivision  
Phase 1 Section 3

**Final Cost and Quantities**  
CC Carlton Construction  

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<th>Original Contract</th>
<th>Amount</th>
<th>CO#1</th>
<th>CO#3</th>
<th>CO#4R</th>
<th>CO#5</th>
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<td>Streets</td>
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<td>Drainage / Detention</td>
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<td>Revegetation (ESC Permanent controls)</td>
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<td><em>Water (Marville)</em></td>
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<td><em>Mobilization</em></td>
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<td><em>ESC (Temp controls)</em></td>
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*Note: Marville Water Improvements, Mobilization, Temporary ESC Controls, Dry Utilities, Lot Improvements, Trench Safety, Testing and P&P Bonds are excluded from Construction Summary total and Maintenance Bond amount.*
ITEM BACKGROUND:
Recent Public Utility Commission of Texas ("Commission") proceedings related to approval of conversion of Oncor into a Real Estate Investment Trust ("REIT") resulted in the Commissioners’ desire to share $200 million to $250 million in annual federal income tax ("FIT") savings with Oncor ratepayers. Since the proceeding involving a change of ownership and control of Oncor was not a rate case, the Commission had no jurisdiction to order a reduction in rates. The new owners of Oncor indicated an intent to file a rate case in mid-2017 to become effective in 2018. Believing that a two year wait to factor FIT savings into rates was too long to wait, the Steering Committee of Cities Served by Oncor decided to initiate a rate case against Oncor.

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

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

BUDGETARY AND FINANCIAL SUMMARY:
The expense for this rate case is typically reimbursed by the utility as part of the settlement. This case has the potential of providing savings to Hutto residents.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
The Fiscal and Budgetary Committee reviewed the resolution and is recommending approval.
The resolution has been provided by the Steering Committee’s legal counsel.

**STAFF RECOMMENDATION:**
It is recommended that the resolution be approved.

**SUPPORTING MATERIAL:**
1. Rate Initiation Resolution
RESOLUTION NO. _________________

DIRECTING ONCOR ELECTRIC DELIVERY COMPANY, LLC TO FILE CERTAIN INFORMATION WITH THE CITY OF HUTTO; SETTING A PROCEDURAL SCHEDULE FOR THE GATHERING AND REVIEW OF NECESSARY INFORMATION IN CONNECTION THEREWITH; SETTING DATES FOR THE FILING OF THE CITY'S ANALYSIS OF THE COMPANY'S FILING AND THE COMPANY'S REBUTTAL TO SUCH ANALYSIS; RATIFYING THE HIRING OF LEGAL COUNSEL AND CONSULTANTS; RESERVING THE RIGHT TO REQUIRE THE REIMBURSEMENT OF THE CITY OF HUTTO'S RATE CASE EXPENSES; SETTING A PUBLIC HEARING FOR THE PURPOSES OF DETERMINING IF THE EXISTING RATES OF ONCOR ELECTRIC DELIVERY COMPANY ARE UNREASONABLE OR IN ANY WAY IN VIOLATION OF ANY PROVISION OF LAW AND THE DETERMINATION BY THE CITY OF HUTTO OF JUST AND REASONABLE RATES TO BE CHARGED BY ONCOR ELECTRIC DELIVERY COMPANY, LLC.; NOTING COMPLIANCE WITH OPEN MEETINGS LAW; PROVIDING NOTICE OF PASSAGE

WHEREAS, the City of Hutto is a regulatory authority under the Public Utility Regulatory Act (“PURA”) and has original jurisdiction over the rates of Oncor Electric Delivery Company, LLC (“Oncor”) to determine if such rates are just and reasonable; and

WHEREAS, Sections 33.021, 36.003 and 36.151 of PURA empower a regulatory authority, on its own motion or on a complaint by any affected person, to determine whether the existing rates of any public utility for any service are unreasonable or in any way in violation of any provision of law, and upon such determination, to determine the just and reasonable rates; and

WHEREAS, the City of Hutto has reason to believe that Oncor is over-earning and its rates are excessive; and

WHEREAS, the City of Hutto is a member of the Steering Committee of Cities Served By Oncor; and

WHEREAS, the Executive Committee of the Steering Committee of Cities Served by Oncor has recommended that cities pass a resolution that requires Oncor to show cause why its transmission and distribution rates should not be reduced; and

WHEREAS, the City of Hutto, and the City Council of the City of Hutto desires, on its own motion, to exercise its authority under Sections 33.021, 36.003 and 36.151 of PURA; and

WHEREAS, a procedural schedule should be established for the filing of certain information by Oncor, procedures to be followed to obtain and review information from Oncor, the filing of an analysis of such information by the City, the filing of rebuttal information from
Oncor, and a public hearing at which time the City shall make a determination whether the existing rates of Oncor are unreasonable or are in any way in violation of any provision of law, and if such rates should be revised, and just and reasonable rates determined for Oncor.

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

SECTION 1. This resolution constitutes notice of the City’s intent to proceed with an inquiry into the transmission and distribution rates charged by Oncor. On or before September 1, 2016, Oncor shall file with the City of Hutto information that demonstrates good cause for showing that Oncor’s transmission and distribution rates should not be reduced. Specifically, Oncor shall file with the City of Hutto information for the test year beginning January 1, 2015 and ending December 31, 2015, regarding Oncor’s cost of service elements, including, but not limited to, the elements detailed by the Public Utility Commission as necessary for the filing of a Statement of Intent to Change Rates. The test year may be updated for more current data and shall be adjusted for known and measurable changes.

SECTION 2. City’s designated representatives shall have the right to obtain additional information from Oncor through the filing of requests for information, which shall be responded to within fifteen (15) days from the receipt of such request for information.

SECTION 3. City’s designated representatives shall file their analysis of Oncor’s filing and information on or before October 13, 2016.

SECTION 4. Oncor shall file any rebuttal to the analysis of City’s representatives on or before November 10, 2016. With its rebuttal, Oncor may present whatever additional information it desires to defend its current rates.

SECTION 5. A public hearing shall be conducted by the City Council for the City of Hutto during a regular council meeting scheduled between November 15 and December 15. At such hearing a representative of Oncor and a representative of the City of Hutto’s consultants will each be allowed to address the City Council and summarize previously filed reports for no more than 15 minutes. Based upon such hearing, a determination of the reasonableness of the existing rates of Oncor shall be made by the City Council and, if necessary, just and reasonable rates shall be determined to be thereafter observed and enforced for all services of Oncor within the City of Hutto, Texas.

SECTION 6. The City Council may, from time to time, amend this procedural schedule and enter additional orders as may be necessary in the public interest and to enforce the provisions hereof.

SECTION 7. Subject to the right to terminate employment at any time, the City of Hutto hereby ratifies the Steering Committee’s selection of Geoffrey Gay with the law firm of Lloyd, Gosselink, Rochelle & Townsend as legal counsel to assist the City of Hutto in its ratemaking and to prosecute any appeals to the Texas Public Utility Commission or court. The Executive
Committee of the Steering Committee of Cities Served by Oncor shall retain appropriate consultants to prepare a report and make rate recommendations.

SECTION 8. Fees and expenses of attorneys and consultants assisting the City in the Steering Committee’s review of the reasonableness of Oncor’s rates will be processed through the Steering Committee but the City reserves the right to seek reimbursement from Oncor pursuant to the PURA Section 33.023.

SECTION 9. That it is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required by law, and that public notice of the time, place, and purpose of said meeting was given all as required by Section 551.041, Texas Government Code.

SECTION 10. That a copy of this Resolution shall be sent to E. Allen Nye, Jr., Senior Vice President, General Counsel and Secretary, Oncor Electric Delivery Company LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202, and to Geoffrey Gay, General Counsel to the Steering Committee of Cities Served by Oncor, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

AND IT IS SO ORDERED.
The above and foregoing resolution was passed and approved on this the 21st day of April, 2016, by the following vote:

Ayes:
Nays:
Abstentions:

At regular meeting April 21, 2016.

______________________________________________
Debbie Holland, Mayor

ATTEST:

Seth Gipson, City Clerk

APPROVED:

Charlie, Crossfield, City Attorney
CITY OF HUTTO  
CITY COUNCIL AGENDA  

AGENDA ITEM NO.: 8C.   AGENDA DATE: April 21, 2016  

PRESENTED BY: Micah Grau, Assistant City Manager  

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

STRATEGIC GUIDE POLICY: Service Delivery  

ITEM BACKGROUND: The City’s franchise agreement with Atmos Energy Corporation expired at the end of 2015. Since then, staff has been working with Atmos to negotiate a new franchise agreement. A franchise agreement is the governing document that outlines the City’s arrangement with Atmos for use of the public utility and right-of-way to deliver gas to services in Hutto. The franchise fee payment remains at 5% of gross revenues and would expire in November 2040.  

BUDGETARY AND FINANCIAL SUMMARY: The franchise payment would remain at 5% of gross revenues. The City annually collects around $40,000 for the franchise.  

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.  

CITY ATTORNEY REVIEW: The City Attorney has reviewed the franchise. Alfred Herrera of Herrera & Boyle PLLC also reviewed the document. Mr. Herrera is the legal advisor for Atmos Texas Municipalities, an organization to which the City belongs. They provide specialized review of utilities and franchises.  

STAFF RECOMMENDATION: Staff recommends approval of the ordinance.  

SUPPORTING MATERIAL:  
1. Atmos Energy Corporation Franchise Ordinance
ORDINANCE NO: _____________

AN ORDINANCE GRANTING TO ATMOS ENERGY CORPORATION, A TEXAS AND VIRGINIA CORPORATION, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO CONSTRUCT, MAINTAIN, AND OPERATE PIPELINES AND EQUIPMENT IN THE CITY OF HUTTO, WILLIAMS COUNTY, TEXAS, FOR THE TRANSPORTATION, DELIVERY, SALE, AND DISTRIBUTION OF GAS IN, OUT OF, AND THROUGH SAID CITY FOR ALL PURPOSES; PROVIDING FOR THE PAYMENT OF A FEE OR CHARGE FOR THE USE OF THE PUBLIC RIGHTS-OF-WAYS; AND PROVIDING THAT SUCH FEE SHALL BE IN LIEU OF OTHER FEES AND CHARGES, EXCEPTING AD VALOREM TAXES; AND REPEALING ALL PREVIOUS GAS FRANCHISE ORDINANCES.

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

SECTION 1. GRANT OF AUTHORITY: The City of Hutto, Texas, hereinafter called “City,” hereby grants to Atmos Energy Corporation, Mid-Tex Division, hereinafter called "Atmos Energy," its successors and assigns, consent to use and occupy the present and future streets, alleys, highways, public utility easements, public ways and other public places as authorized (“Public Rights-of-Way”), for the purpose of laying, maintaining, constructing, protecting, operating, and replacing therein and thereon pipelines and all other appurtenant equipment (the “System”) to deliver, transport, and distribute gas in, out of, and through City for persons, firms, and corporations, including all the general public, and to sell gas to persons, firms, and corporations, including all the general public, within the City corporate limits, as such limits may be amended from time to time during the term of this franchise, said consent being granted for a term ending December 31, 2040.

SECTION 2. CONSTRUCTION, MAINTENANCE, OPERATION & RELOCATION OF ATMOS ENERGY FACILITIES:

A. Atmos Energy shall lay, maintain, construct, operate, and replace its pipes, mains, laterals, and other equipment to minimize interference with traffic, place or cause to be placed appropriate barriers to mark excavations or obstructions, and restore to approximate original condition all Public Rights-of-Way that it may disturb. In determining the location of the facilities of the City and other users of Public Right-of-Way within City, City shall minimize interference with then existing facilities of Atmos Energy and shall require other users of Public Rights-of-Way to minimize interference with existing facilities of Atmos Energy. In the event of a conflict between the location of the proposed facilities of Atmos Energy and the location of the existing facilities of City or other users of Public Rights-of-Way within Public Rights-of-Way that cannot otherwise be resolved, City or an authorized agent of City shall resolve the conflict and determine the location of the respective facilities within the Public Rights-of-Way.
Atmos Energy or contractors working on behalf of Atmos Energy shall not be required to pay for street cutting, street excavation or other special permits related to excavations in Public Rights-of-Way in connection with Atmos Energy’s operations in Public Rights-of-Way. City shall provide Atmos Energy with its annual capital improvements plan as well as any updates or changes as soon as the plan, update, or change becomes available. City shall notify Atmos Energy as soon as reasonably possible of any projects that will affect Atmos Energy’s facilities located in the Public Rights-of-Way. When required by City to remove or relocate its mains, laterals, and/or other facilities lying within Public Rights-of-Way, Atmos Energy shall do so as soon as practically possible with respect to the scope of the project. Except in an emergency, in no event shall Atmos Energy be required to remove or relocate its facilities in less than thirty (30) days from the time notice is given to Atmos Energy by City.

B. If City, in constructing its sewers, drainage, water lines, streets, or utilities, should request that Atmos Energy remove or relocate its mains, laterals, and other facilities lying within Public Rights-of-Way, Atmos Energy shall do so at its own expense for facilities that are in conflict, unless such work is for the primary purpose of beautification or to accommodate a private developer. Facilities are deemed to be in conflict to the extent that the proposed City facilities are determined by Atmos Energy to be inconsistent with gas distribution industry standard safe operating practices for existing facilities. Atmos Energy shall not be required to relocate facilities to a depth of greater than four (4) feet unless prior agreement is obtained from Atmos Energy.

When Atmos Energy is required by City to remove or relocate its mains, laterals, and other facilities lying within Public Rights-of-Way to accommodate a request by City, and costs of utility removals or relocations are eligible under federal, state, county, local or other programs for reimbursement of costs and expenses incurred by Atmos Energy as a result of such removal or relocation, and such reimbursement is required to be handled through City, Atmos Energy costs and expenses shall be included in any application by City for reimbursement if Atmos Energy submits its cost and expense documentation to City prior to the filing of the application. City shall provide reasonable written notice to Atmos Energy of the deadline for Atmos Energy to submit documentation of the costs and expenses of such relocation to City. In the event that the City does not provide sufficient written notice to Atmos Energy as set forth in this paragraph, the City shall be responsible for fifty percent (50%) of the cost of the removal or relocation of Atmos Energy’s facilities.

If Atmos Energy is required by City to remove or relocate its mains, laterals, or other facilities lying within Public Rights-of-Way for any reason other than the construction or reconstruction of sewers, drainage, water lines,
streets or utilities by City, Atmos Energy shall be entitled to reimbursement from City or others of the cost and expense of such removal or relocation.

C. When Atmos Energy is required to remove or relocate its mains, laterals or other facilities to accommodate construction by City without reimbursement from City, Atmos Energy shall have the right to seek recovery of reasonable relocation costs as provided for in applicable state and/or federal law. Nothing herein shall be construed to prohibit, alter, or modify in any way the right of Atmos Energy to seek or recover a surcharge from customers for the cost of relocation pursuant to applicable state and/or federal law. City shall not oppose recovery of relocation costs when Company is required by City to perform relocation. City shall not require that Company document request for reimbursement as a pre-condition to recovery of such relocation costs.

D. If City abandons any Public Rights-of-Way in which Atmos Energy has facilities, such abandonment shall be conditioned on Atmos Energy’s right to maintain its use of the former Public Right-of-Way and on the obligation of the party to whom the Public Right-of-Way is abandoned to reimburse Atmos Energy for all removal or relocation expenses if Atmos Energy agrees to the removal or relocation of its facilities following abandonment of the Public Right-of-Way. If the party to whom the Public Right-of-Way is abandoned requests Atmos Energy to remove or relocate its facilities and Atmos Energy agrees to such removal or relocation, such removal or relocation shall be done within a reasonable time at the expense of the party requesting the removal or relocation. If relocation cannot practically be made to another Public Right-of-Way, the expense of any right-of-way acquisition shall be considered a relocation expense to be reimbursed by the party requesting the relocation.

SECTION 3. INDEMNITY & INSURANCE: In the event of injury to any person or damage to any property by reason of Atmos Energy’s construction, operation, maintenance, or replacement of Atmos Energy’s pipeline system within Public Rights-of-Way, Atmos Energy shall indemnify and keep harmless City from any and all liability in connection therewith, except to the extent such injury or damage is attributable to the fault of the City, including, without limitation, the City’s negligent or intentional acts or omissions. Atmos Energy’s insurance of its obligations and risks undertaken pursuant to this franchise may be in the form of self-insurance to the extent permitted by applicable law, under an Atmos Energy plan of self-insurance maintained in accordance with sound accounting and risk-management practices.

SECTION 4. NON-EXCLUSIVE FRANCHISE: The rights, privileges, and franchises granted by this ordinance are not to be considered exclusive, and City hereby expressly reserves the right to grant, at any time, like privileges, rights, and franchises as it may see fit to any other person or corporation for the purpose of transporting, delivering, distributing, or selling gas to and for City and the inhabitants thereof. Furthermore, the City reserves the right to grant any person or corporation the right to use the City’s Right-of-Way.
SECTION 5. PAYMENTS TO CITY:

A. Atmos Energy, its successors and assigns, agrees to pay and City agrees to accept, on or before the 25th day of November, 2016 and on or before the same day of each succeeding year during the term of this franchise the last payment being made on the 25th day of November, 2040, a sum of money which shall be equivalent to five percent (5%) of the Gross Revenues, as defined in 5.B below, received by Atmos Energy during the preceding calendar year.

B. "Gross Revenues" shall mean:

(1) all revenues received by Atmos Energy from the sale of gas to all classes of customers (excluding gas sold to another gas utility in the City for resale to its customers within City) within the City;

(2) all revenues received by Atmos Energy from the transportation of gas through the System of Atmos Energy within the City to customers located within the City (excluding any gas transported to another gas utility in City for resale to its customers within City);

(3) the value of gas transported by Atmos Energy for Transport Customers through the System of Atmos Energy within the City ("Third Party Sales") (excluding the value of any gas transported to another gas utility in City for resale to its customers within City), with the value of such gas to be established by utilizing Atmos Energy’s monthly Weighted Average Cost of Gas charged to industrial customers in the Mid-Tex division, as reasonably near the time as the transportation service is performed; and

(4) “Gross Revenues” shall also include fees collected pursuant to this agreement and the following “miscellaneous charges”: charges to connect, disconnect, or reconnect gas and charges to handle returned checks from consumers within the City.

(5) “Gross Revenues” shall not include:

(a) revenues billed but not ultimately collected or received by Atmos Energy;
(b) contributions in aid of construction;
(c) the revenue of any affiliate or subsidiary of Atmos Energy;
(d) sales tax paid to the City;
(e) interest or investment income earned by Atmos Energy; and
(f) monies received from the lease or sale of real or personal property, provided, however, that this
exclusion does not apply to the lease of facilities within the City's right of way.

C. The initial payment for the rights and privileges herein provided shall be for the privilege period January 1 through December 31, 2016, and each succeeding payment shall be for the privilege period of the calendar year in which the payment is made.

It is also expressly agreed that the aforesaid payments shall be in lieu of any and all other and additional occupation taxes, easement, franchise taxes or charges (whether levied as an ad valorem, special, or other character of tax or charge), municipal license, permit, and inspection fees, bonds, street taxes, and street or alley rentals or charges, and all other and additional municipal taxes, charges, levies, fees, and rentals of whatsoever kind and character that City may now impose or hereafter levy and collect from Atmos Energy or Atmos Energy’s agents, excepting only the usual general or special ad valorem taxes that City is authorized to levy and impose upon real and personal property. If the City does not have the legal power to agree that the payment of the foregoing sums of money shall be in lieu of taxes, licenses, fees, street or alley rentals or charges, easement or franchise taxes or charges aforesaid, then City agrees that it will apply so much of said sums of money paid as may be necessary to satisfy Atmos Energy’s obligations, if any, to pay any such taxes, licenses, charges, fees, rentals, easement or franchise taxes or charges aforesaid.

D. Effect of Other Municipal Franchise Ordinance Fees Accepted and Paid by Atmos Energy

If Atmos Energy should at any time after the effective date of this Ordinance agree to a new municipal franchise ordinance, or renew an existing municipal franchise ordinance, with another municipality in Atmos Energy’s Mid-Tex Division, which municipal franchise ordinance determines the franchise fee owed to that municipality for the use of its public rights-of-way in a manner that, if applied to the City, would result in a franchise fee greater than the amount otherwise due City under this Ordinance, then the franchise fee to be paid by Atmos Energy to City pursuant to this Ordinance may, at the election of the City, be increased so that the amount due and to be paid is equal to the amount that would be due and payable to City were the franchise fee provisions of that other franchise ordinance applied to City. The City acknowledges that the exercise of this right is conditioned upon the City’s acceptance of all terms and conditions of the other municipal franchise in toto. The City may request waiver of certain terms and Company may grant, in its sole reasonable discretion, such waiver.

E. Atmos Energy Franchise Fee Recovery Tariff

(1) Atmos Energy may file with the City a tariff or tariff amendment(s) to provide for the
recovery of the franchise fees under this agreement.

(2) City agrees that (i) as regulatory authority, it will adopt and approve the ordinance, rates or tariff which provide for 100% recovery of such franchise fees as part of Atmos Energy’s rates; (ii) if the City intervenes in any regulatory proceeding before a federal or state agency in which the recovery of Atmos Energy’s franchise fees is an issue, the City will take an affirmative position supporting 100% recovery of such franchise fees by Atmos Energy and; (iii) in the event of an appeal of any such regulatory proceeding in which the City has intervened, the City will take an affirmative position in any such appeals in support of the 100% recovery of such franchise fees by Atmos Energy.

(3) City agrees that it will take no action, nor cause any other person or entity to take any action, to prohibit the recovery of such franchise fees by Atmos Energy.

F. Lease of Facilities Within City’s Rights-of-Way. Subject to the City’s approval, which shall not be unreasonably withheld, Atmos Energy shall have the right to lease, license or otherwise grant to a party other than Atmos Energy the use of its facilities within the City’s public rights-of-way provided: (i) Atmos Energy first notifies the City of the name of the lessee, licensee or user; the type of service(s) intended to be provided through the facilities; and the name and telephone number of a contact person associated with such lessee, licensee or user and (ii) Atmos Energy makes the franchise fee payment due on the revenues from such lease pursuant to Section 5 of this Ordinance. This authority to Lease Facilities within City’s Rights-of-Way shall not affect any such lessee, licensee or user’s obligation, if any, to pay franchise fees.

SECTION 6. ACCEPTANCE OF FRANCHISE: In order to accept this franchise, Atmos Energy must file with the City Secretary its written acceptance of this franchise ordinance within sixty (60) days after its final passage and approval by City. If such written acceptance of this franchise ordinance is not filed by Atmos Energy, the franchise ordinance shall be rendered null and void.

When this franchise ordinance becomes effective, all previous ordinances of City granting franchises for gas delivery purposes that were held by Atmos Energy shall be automatically canceled and annulled, and shall be of no further force and effect.

SECTION 7. PARAGRAPH HEADINGS. CONSTRUCTION: The paragraph headings contained in this ordinance are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several
paragraphs hereof. Both parties have participated in the preparation of this ordinance and this ordinance shall not be construed either more or less strongly against or for either party.

SECTION 8. EFFECTIVE DATE: If Atmos Energy accepts this ordinance, it becomes effective as of January 1, 2016.

PASSED AND APPROVED on this the _____ day of ____________________, 2016.

ATTEST:

________________________________________  ______________________________
Seth Gipson, City Secretary                    Debbie Holland, Mayor
                                                City of Hutto, Texas
STATE OF TEXAS  §
COUNTY OF WILLIAMS  §
CITY OF HUTTO  §

I, Seth Gipson, City Secretary of the City of Hutto, Williams County, Texas, do hereby certify that the above and foregoing is a true and correct copy of an ordinance passed by the City Council of the City of Hutto, Texas, at a ________________ session, held on the _____ day of ________________, 2016, as it appears of record in the Minutes in Book _____________, page _______.

WITNESS MY HAND AND SEAL OF SAID CITY, this the ___ day of ________________, 2016.

________________________________
Seth Gipson, City Secretary
City of Hutto, Texas
AGENDA ITEM NO.: 8D.  
AGENDA DATE: April 21, 2016

PRESENTED BY: Seth Gipson, City Secretary

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

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND:
The City Council meeting minutes for the April 7, 2016 City Council Regular 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 April 7, 2016 City Council Regular Meeting.

SUPPORTING MATERIAL:
1. Draft - April 7, 2016 City Council Meeting Minutes
CALL SESSION TO ORDER

Mayor Holland called the session to order at 7:00 p.m.

ROLL CALL

Members of the City Council that were present were Mayor Debbie Holland, Mayor Pro-tem Michael J. Smith, Councilmember Anne Cano, Councilmember Tom Hines, Councilmember Ronnie Quintanilla-Perez, Councilmember Lucio Valdez, and Councilmember Max V. Yeste.

Members of staff that were present were Karen Daly, City Manager, Charlie Crossfield, City Attorney, Randy Barker, General Services, Mike Hemker, Park and Recreation Director, Helen Ramirez, Development Services Director, Nate Spraggins, Patrol Lieutenant, and Seth Gipson, City Secretary.

INVOCATION

The invocation was given by Councilmember Anne Cano.

PLEDGE OF ALLEGIANCE

Mayor Holland led the Pledge of Allegiance.

PROCLAMATIONS

5A. Proclamation recognizing the local AmeriCorps Volunteers in Hutto as part of the National Service Recognition Day.

Mayor Debbie Holland read and presented the following proclamation to Alex Patlan, a member of Advise Texas with the Nation College Advising Group.

Official Proclamation

Whereas, service to others is a hallmark of the American character, and central to how we meet our challenges; and,

Whereas, AmeriCorps and Senior Corps address the pressing challenges facing our cities and nation, from educating students for jobs and supporting veterans and military
families to preserving the environment and helping communities recover from natural disasters; and,

Whereas, national service expands economic opportunity by creating more sustainable, resilient communities and providing education, career skills, and leadership abilities for those who serve; and,

Whereas, national service participants serve in more than 70,000 locations across the country, bolstering the civic, neighborhood, and faith-based organizations that are so vital to our economic and social well-being; and,

Whereas, national service, represents a unique public-private partnership where participants increase the impact of the organizations and communities they serve with, both through their direct service, community investment, leveraging non-federal resources and by recruiting and managing millions of additional volunteers; and,

Whereas, the Corporation for National and Community Service shares a priority with local elected officials nationwide to engage citizens, improve lives, and strengthen communities; and is joining with the National League of Cities, the US Conference of Mayors, the National Association of Counties and elected officials across the country to recognize the impact of service on the Mayors Day of Recognition for National Service.

Now Therefore, I, DEBBIE HOLLAND, MAYOR OF THE CITY OF HUTTO, hereby recognize and applaud the local AmeriCorps Volunteers in Hutto for their dedicated service and contributions to our community and I encourage residents to recognize the positive impact of National Service in our city and thank those who serve; and to find ways to give back to their community.

Proclaimed this 7th day of April 2016.

5B. Proclamation declaring April 9, 2016, as "Hutto's Big Event."

Mayor Debbie Holland read and presented the following proclamation to Lacey Dingman, Recreation Manager, Randy Barker, General Services Director, Mike Hemker, Parks and Recreation Director, and members of Leadership Hutto Class and Big Event Planning Committee. Lacey Dingman spoke briefly on the program and the events that were planned for the upcoming event.

Official Proclamation

Whereas, Keep Texas Beautiful is working with communities, counties and volunteer groups statewide to conduct litter prevention, recycling, beautification, community improvement and waste minimization activities as part of Keep America Beautiful Great American Clean-up; and,

Whereas, Keep Hutto Beautiful and the Hutto Parks & Recreation Department, strive to empower individuals to take greater responsibility for enhancing their community environment while participating in the “Don’t Mess With Texas Trash-Off” by keeping litter out of our local parks and neighborhoods; and,
Whereas, the BIG EVENT Committee lead by Leadership Hutto, the City of Hutto Employee Volunteer Team, and the Parks & Recreation Department join together in providing the “Junk Round-Up” as another way of helping Hutto citizens start at their own homes to create a cleaner community; and,

Whereas, community and school service groups are organized and ready to mobilize to remove litter and debris along Hutto streets, parks, school sites and waterways with support of local businesses who provide generous contributions for beautification projects; and,

Whereas, Keep Hutto Beautiful wishes to support the nation’s largest organized cleanup, beautification, and community involvement program, built on the foundation of civic pride and individual responsibility.

Now, Therefore, I, DEBBIE HOLLAND, MAYOR OF THE CITY OF HUTTO, do hereby proclaim Saturday, April 9, 2016, as:

“HUTTO’S BIG EVENT”

in Hutto, as we celebrate by cleaning up our city through the combined Trash Off and Junk Round-up events, and I urge all businesses and citizens to participate through volunteerism and sponsorship of these programs in an effort to keep Hutto clean!

PUBLIC COMMENT

6A. Remarks from visitors

John McCabe – 111 Towen Way – spoke of his concern of the noise level produced by the cement plant located on FM 685. He urged the City Council and Staff to review the current noise ordinance.

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 acceptance of the streets, sidewalks and drainage improvements of Hutto Highlands Section 1, Phase B-2 subdivision.

7B. Consideration and possible action on the meeting minutes for the March 17, 2016 City Council Regular Meeting.
MOTION: Councilmember Tom Hines moved to approve items 7A-7B on the consent agenda as presented. Mayor Pro-tem Michael Smith seconded the motion. The motion carried with 7 ayes and 0 nays.

ORDINANCE

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

Karen Daly, City Manager, gave the staff presentation. The City's franchise agreement with Atmos Energy Corporation expired at the end of 2015. Since then, staff has been working with Atmos to negotiate a new franchise agreement. A franchise agreement is the governing document that outlines the City's arrangement with Atmos for use of the public utility and right-of-way to deliver gas to services in Hutto. The franchise fee payment remains at 5% of gross revenues and would expire in November 2040.

Randy Hartford, an Atmos Energy Representative, was also available for questions.

MOTION: Councilmember Tom Hines moved to approve the first reading of the ordinance adopting a new franchise agreement with Atmos Energy Corporation. Councilmember Anne Cano seconded the motion. The motion carried with 7 ayes and 0 nays.

EXECUTIVE SESSION

9A. Executive Session as authorized by §551.074, Texas Government Code, related to the discussion, deliberation, and/or negotiations regarding the annual performance evaluation of the City Manager.

The Hutto City Council recessed into the City Hall Conference Room for executive session at 7:18pm.

The Hutto City Council reconvened into regular session in the City Hall Council Chambers at 7:57pm.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:58pm.

CITY OF HUTTO, TEXAS

______________________________
Debbie Holland, Mayor

ATTEST:

______________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 9A.  AGENDA DATE: April 21, 2016

PRESENTED BY: Melanie Hudson, Finance Director

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

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND: This represents the second amendment of the FY16 Budget. The amendment is detailed in the Exhibit A Fund Summaries. The main purpose of the amendment is to adjust starting fund balance to audited amounts. Also included are merit pay distributions, grant revenue and expense allocation, and other miscellaneous adjustments.

BUDGETARY AND FINANCIAL SUMMARY: Please see Exhibit A for the financial summary.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Major budget changes were reviewed by the Fiscal and Budgetary Committee.

CITY ATTORNEY REVIEW: Not applicable.

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

SUPPORTING MATERIAL: 1. FY16 BA #2 Ordinance 2. Exhibit A FY16 BA #2
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE FISCAL YEAR 2015-16 BUDGET TO ADJUST BEGINNING FUND BALANCES TO AUDITED AMOUNTS, MERIT DISTRIBUTIONS, AND OTHER MISCELLANEOUS ADJUSTMENTS.

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

SECTION 1: That the appropriations for the fiscal year beginning October 1, 2015, and ending September 30, 2016, for the support of the general government of the City of Hutto, Texas, be amended for said term in accordance with the change in expenditures shown in the attached Exhibit A.

SECTION 2: That the amendment, as shown in words and figures in Exhibit A, is hereby approved in all aspects and adopted as an amendment to the City budget for the fiscal year October 1, 2015, and ending September 30, 2016.

SECTION 3: 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 and the City Charter.

SECTION 4: It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any phrase, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this ordinance of any such invalid phrase, clause, sentence, paragraph or section. If a court of competent jurisdiction to be invalid shall adjudge any provision of this Ordinance, the invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 5: All ordinances or parts of ordinances and sections of the City Code of Ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6: This ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Tex. Loc. Gov't. Code and the City Charter.

SECTION 7: It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapt. 551, Tex. Gov't. Code.

READ and APPROVED on first reading on this the 21st day of April 2016, at a regular meeting of the City Council of the City of Hutto, there being a quorum present.
READ, APPROVED and ADOPTED on second and final reading this 5th day of May 2016, at a regular meeting of the City Council of the City of Hutto, there being a quorum present.

THE CITY OF HUTTO, TEXAS

Debbie Holland, MAYOR

ATTEST:

SEAL

Seth Gipson, CITY SECRETARY
### GENERAL FUND

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**TOTAL REVENUES**

10,174,788 7,533,010 10,188,288 (21,500) 74.06%

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**Total City Administration**

1,948,103 946,771 1,856,896 61,406 48.49%

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**Total Finance**

551,161 287,690 551,161 - 52.20%

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<td>Planning</td>
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<td>205,091</td>
<td>436,946</td>
<td>-</td>
<td>46.94%</td>
</tr>
<tr>
<td>Inspections &amp; Code Enforcement</td>
<td>434,627</td>
<td>149,600</td>
<td>434,627</td>
<td>-</td>
<td>34.42%</td>
</tr>
<tr>
<td>Engineering</td>
<td>277,100</td>
<td>120,791</td>
<td>319,693</td>
<td>(42,593)</td>
<td>43.59%</td>
</tr>
</tbody>
</table>

**Total Development Services**

1,148,673 473,481 1,191,364 (42,593) 41.39%

<table>
<thead>
<tr>
<th>Public Works</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>235,818</td>
<td>104,363</td>
<td>235,818</td>
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<td>44.26%</td>
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<tr>
<td>Animal Control</td>
<td>142,539</td>
<td>97,890</td>
<td>142,539</td>
<td>-</td>
<td>68.68%</td>
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<tr>
<td>Streets &amp; Drainage</td>
<td>807,616</td>
<td>516,275</td>
<td>835,112</td>
<td>(27,496)</td>
<td>63.93%</td>
</tr>
</tbody>
</table>

**Total Public Works**

1,185,973 718,529 1,213,469 (27,496) 50.69%

<table>
<thead>
<tr>
<th>Public Safety</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>799,973</td>
<td>326,844</td>
<td>799,973</td>
<td>-</td>
<td>40.86%</td>
</tr>
<tr>
<td>Patrol</td>
<td>2,103,495</td>
<td>1,189,873</td>
<td>2,110,495</td>
<td>(7,000)</td>
<td>50.15%</td>
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<tr>
<td>Investigations</td>
<td>373,351</td>
<td>143,594</td>
<td>373,351</td>
<td>-</td>
<td>40.86%</td>
</tr>
<tr>
<td>School Resource Officer</td>
<td>174,328</td>
<td>70,355</td>
<td>174,328</td>
<td>-</td>
<td>40.86%</td>
</tr>
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</table>

**Total Public Safety**

3,451,147 1,730,663 3,458,147 (7,000) 50.15%

<table>
<thead>
<tr>
<th>Parks</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>269,463</td>
<td>138,433</td>
<td>269,463</td>
<td>-</td>
<td>51.37%</td>
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<tr>
<td>Recreation</td>
<td>248,715</td>
<td>61,569</td>
<td>248,715</td>
<td>-</td>
<td>24.75%</td>
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<tr>
<td>Maintenance</td>
<td>398,233</td>
<td>168,244</td>
<td>398,233</td>
<td>-</td>
<td>46.77%</td>
</tr>
</tbody>
</table>

**Total Parks**

919,411 386,246 919,411 - 42.15%

<table>
<thead>
<tr>
<th>General Services</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>188,298</td>
<td>85,161</td>
<td>188,298</td>
<td>-</td>
<td>45.23%</td>
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<tr>
<td>Information Technology</td>
<td>699,167</td>
<td>425,067</td>
<td>677,851</td>
<td>21,315</td>
<td>56.08%</td>
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<tr>
<td>Municipal Court</td>
<td>186,004</td>
<td>78,435</td>
<td>186,004</td>
<td>-</td>
<td>42.17%</td>
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<tr>
<td>Library</td>
<td>252,880</td>
<td>133,360</td>
<td>254,880</td>
<td>(2,000)</td>
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<tr>
<td>Facility Maintenance</td>
<td>27,052</td>
<td>15,016</td>
<td>27,052</td>
<td>-</td>
<td>45.23%</td>
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</table>

**Total General Services**

1,353,401 737,038 1,355,400 (2,000) 54.86%

<table>
<thead>
<tr>
<th>Non-Departmental</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>460,012</td>
<td>299,465</td>
<td>441,762</td>
<td>18,250</td>
<td>65.10%</td>
</tr>
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</table>

**TOTAL EXPENDITURES**

11,015,081 5,379,883 11,014,312 567 50.66%

<table>
<thead>
<tr>
<th>OTHER FINANCING SOURCES</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer In</td>
<td>370,240</td>
<td>-</td>
<td>370,240</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Transfer Out</td>
<td>70,000</td>
<td>-</td>
<td>88,000</td>
<td>18,000</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

**Total Other Financing Sources**

300,240 - 282,240 18,000 0.00%

**NET CHANGE IN FUND BALANCE**

(540,053) (543,994) (4,067) 0.00%

**Beginning Fund Balance**

3,218,131 3,590,125 371,994

**Audited beginning fund balance**

**Contingency Reserves**

2,678,084 2,757,878 79,794

**UNRESERVED ENDING FUND BALANCE**

- 288,363 288,130
## GENERAL DEBT SERVICE FUND

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>1,157,375</td>
<td>1,149,272</td>
<td>1,157,375</td>
<td>-</td>
<td>99.30%</td>
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<tr>
<td>Interest</td>
<td>1,000</td>
<td>942</td>
<td>1,000</td>
<td>-</td>
<td>94.23%</td>
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<tr>
<td>Rental Income</td>
<td>34,557</td>
<td>8,639</td>
<td>34,557</td>
<td>-</td>
<td>25.00%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>1,192,932</td>
<td>1,158,854</td>
<td>1,192,932</td>
<td>-</td>
<td>97.14%</td>
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<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Reduction</td>
<td>622,900</td>
<td>-</td>
<td>622,900</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>Interest</td>
<td>593,267</td>
<td>278,597</td>
<td>593,267</td>
<td>-</td>
<td>46.96%</td>
</tr>
<tr>
<td>Paying Agent Fees</td>
<td>1,750</td>
<td>506</td>
<td>1,750</td>
<td>-</td>
<td>28.91%</td>
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<tr>
<td>Total - Debt Service</td>
<td>1,217,917</td>
<td>279,103</td>
<td>1,217,917</td>
<td>-</td>
<td>76%</td>
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<td><strong>OTHER FINANCING SOURCES</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Other Financing Sources</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(24,985)</td>
<td>(24,985)</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>Beginning Fund Balance</td>
<td>126,478</td>
<td>83,925</td>
<td>(42,553)</td>
<td>Audited beginning fund balance</td>
<td></td>
</tr>
<tr>
<td>ENDING FUND BALANCE</td>
<td>101,493</td>
<td>58,940</td>
<td>(42,553)</td>
<td></td>
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</table>
### Capital Replacement Funds

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of Assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Interest and Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YMCA Building Repair &amp; Main</td>
<td>2,465</td>
<td>2,465</td>
<td>20,000</td>
<td>(17,535)</td>
<td>100.00%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>2,465</td>
<td>2,465</td>
<td>20,000</td>
<td>(17,535)</td>
<td>100.00%</td>
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<tr>
<td><strong>Other Financing Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Other Financing Sources</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Net Change in Fund Balance</strong></td>
<td>97,535</td>
<td>(2,465)</td>
<td>80,000</td>
<td>17,535</td>
<td>-2.53%</td>
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<td>Beginning Fund Balance</td>
<td>570,000</td>
<td>570,000</td>
<td>0</td>
<td>0</td>
<td>Audited beginning fund balance</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>667,535</td>
<td>650,000</td>
<td>(17,535)</td>
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</tr>
</tbody>
</table>
# CITY OF HUTTO
## 2015-16 BUDGET
### AMENDMENT #2

## COURT FEE FUNDS

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Court Technology Fees</td>
<td>7,000</td>
<td>3,136</td>
<td>7,000</td>
<td>-</td>
<td>44.80%</td>
</tr>
<tr>
<td>Court Security Fees</td>
<td>5,100</td>
<td>2,352</td>
<td>5,100</td>
<td>-</td>
<td>46.12%</td>
</tr>
<tr>
<td>Court Training Fees</td>
<td>500</td>
<td>258</td>
<td>500</td>
<td>-</td>
<td>51.50%</td>
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<td><strong>Total Revenues</strong></td>
<td>12,600</td>
<td>5,746</td>
<td>12,600</td>
<td>-</td>
<td>45.60%</td>
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<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Court Technology</td>
<td>7,024</td>
<td>600</td>
<td>7,024</td>
<td>-</td>
<td>8.54%</td>
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<tr>
<td>Court Security</td>
<td>28,652</td>
<td>125</td>
<td>28,652</td>
<td>-</td>
<td>0.44%</td>
</tr>
<tr>
<td>Court Training</td>
<td>1,939</td>
<td>-</td>
<td>1,939</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>37,615</td>
<td>725</td>
<td>37,615</td>
<td>-</td>
<td>1.93%</td>
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<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(25,015)</td>
<td>(25,015)</td>
<td>-</td>
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<tr>
<td>Beginning Fund Balance</td>
<td>30,550</td>
<td>30,550</td>
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<td>Audited beginning fund balance</td>
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<tr>
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<td>5,540</td>
<td>-</td>
<td>5,540</td>
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## CITY OF HUTTO
### 2015-16 BUDGET
#### AMENDMENT #2

### HOTEL TAX FUND

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel Occupancy Tax</td>
<td>180,000</td>
<td>96,255</td>
<td>180,000</td>
<td>-</td>
<td>53.48%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>180,000</td>
<td>96,255</td>
<td>180,000</td>
<td>-</td>
<td>53.48%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Museum Curation</td>
<td>-</td>
<td>-</td>
<td>10,000</td>
<td>(10,000)</td>
<td>N/A</td>
</tr>
<tr>
<td>Contributions to Civic Programs</td>
<td>124,050</td>
<td>38,697</td>
<td>114,050</td>
<td>10,000</td>
<td>31.19%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>124,050</td>
<td>38,697</td>
<td>124,050</td>
<td>-</td>
<td>31.19%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(78,240)</td>
<td>-</td>
<td>(78,240)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total Other Financing Sources</td>
<td>(78,240)</td>
<td>-</td>
<td>(78,240)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(22,290)</td>
<td>(22,290)</td>
<td>-</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>31,718</td>
<td>56,718</td>
<td>25,000</td>
<td>Audited beginning fund balance</td>
<td></td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>9,428</td>
<td>34,428</td>
<td>25,000</td>
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</tbody>
</table>
## CITY OF HUTTO
### 2015-16 BUDGET
#### AMENDMENT #2

### RED LIGHT CAMERAS FUND

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>difference</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Red Light Camera Tickets</td>
<td>180,000</td>
<td>48,625</td>
<td>180,000</td>
<td>-</td>
<td>27.01%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>180,000</td>
<td>48,625</td>
<td>180,000</td>
<td>-</td>
<td>27.01%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to ATS</td>
<td>175,000</td>
<td>175,000</td>
<td>175,000</td>
<td>-</td>
<td>100.00%</td>
</tr>
<tr>
<td>Remittance to State</td>
<td>11,940</td>
<td>-</td>
<td>11,940</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Other Supplies &amp; Materials</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>186,940</td>
<td>175,000</td>
<td>186,940</td>
<td>-</td>
<td>93.61%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Total Other Financing Sources (Uses)</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(6,940)</td>
<td>(6,940)</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
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<tr>
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<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>63,910</td>
<td>-</td>
<td>63,908</td>
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</table>
## CITY OF HUTTO
### 2015-16 BUDGET
#### AMENDMENT #2

### PEG FUND

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>% BUDGET</th>
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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>29,131</td>
<td>16,072</td>
<td>29,131</td>
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<td>55.17%</td>
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<td>Total Revenues</td>
<td>29,131</td>
<td>16,072</td>
<td>29,131</td>
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<td>55.17%</td>
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<td><strong>EXPENDITURES</strong></td>
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<tr>
<td>Technology Equipment and Supplies</td>
<td>24,287</td>
<td>245</td>
<td>24,287</td>
<td>-</td>
<td>1.01%</td>
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<tr>
<td>Professional Services</td>
<td>24,190</td>
<td>-</td>
<td>24,190</td>
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<td>0.00%</td>
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<tr>
<td>Communication Services</td>
<td>-</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>Total Expenses</td>
<td>48,477</td>
<td>245</td>
<td>48,477</td>
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<td>0.51%</td>
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<tr>
<td>Transfers In</td>
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<tr>
<td>Transfers Out</td>
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<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00%</td>
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<tr>
<td>Beginning Fund Balance</td>
<td>19,346</td>
<td>19,346</td>
<td>-</td>
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</tr>
<tr>
<td>ENDING FUND BALANCE</td>
<td>-</td>
<td>-</td>
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</table>
## Utility Fund

### Revenues

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Revenues</td>
<td>4,988,006</td>
<td>2,144,229</td>
<td>4,988,006</td>
<td>-</td>
<td>42.99%</td>
</tr>
<tr>
<td>Wastewater Revenues</td>
<td>3,348,861</td>
<td>1,678,387</td>
<td>3,348,861</td>
<td>-</td>
<td>50.12%</td>
</tr>
<tr>
<td>Connection Fees</td>
<td>216,154</td>
<td>148,436</td>
<td>216,154</td>
<td>-</td>
<td>68.67%</td>
</tr>
<tr>
<td>Other</td>
<td>528,740</td>
<td>145,327</td>
<td>528,740</td>
<td>-</td>
<td>27.49%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>9,081,761</td>
<td>4,116,379</td>
<td>9,081,761</td>
<td>-</td>
<td>45.33%</td>
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</table>

### Expenditures

**Public Works**

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Services</td>
<td>4,232,574</td>
<td>1,569,847</td>
<td>4,232,574</td>
<td>-</td>
<td>37.09%</td>
</tr>
<tr>
<td>Wastewater Services</td>
<td>1,426,876</td>
<td>781,130</td>
<td>1,426,876</td>
<td>-</td>
<td>54.79%</td>
</tr>
<tr>
<td><strong>Total Public Works</strong></td>
<td>5,659,450</td>
<td>2,351,677</td>
<td>5,659,450</td>
<td>-</td>
<td>41.55%</td>
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</tbody>
</table>

**General Services**

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility Billing</td>
<td>677,117</td>
<td>309,248</td>
<td>677,117</td>
<td>-</td>
<td>45.67%</td>
</tr>
<tr>
<td><strong>Total General Services</strong></td>
<td>677,117</td>
<td>309,248</td>
<td>677,117</td>
<td>-</td>
<td>45.67%</td>
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</table>

**Utility Fund CIP**

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hwy 79 WW Interceptor Rehab</td>
<td>9,313</td>
<td>9,313</td>
<td>9,313</td>
<td>-</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Total UF CIP</strong></td>
<td>9,313</td>
<td>9,313</td>
<td>9,313</td>
<td>-</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Non-Departmental**

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24,665</td>
<td>21,477</td>
<td>24,665</td>
<td>-</td>
<td>87.08%</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>6,370,545</td>
<td>2,691,715</td>
<td>6,370,545</td>
<td>-</td>
<td>42.25%</td>
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</tbody>
</table>

### Other Financing Sources

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer In (Impact Fees &amp; UF CIP)</td>
<td>900,000</td>
<td>-</td>
<td>900,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Transfer Out (3,272,766)</td>
<td>(3,272,766)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>(2,372,766)</td>
<td>-</td>
<td>(2,372,766)</td>
<td>-</td>
<td>0.00%</td>
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</tbody>
</table>

### Net Change in Working Capital

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>338,450</td>
<td>1,424,664</td>
<td>338,450</td>
<td>-</td>
<td>420.94%</td>
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</table>

### Beginning Working Capital

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,295,048</td>
<td>4,862,341</td>
<td>(432,707)</td>
<td>Audited beginning fund balance</td>
<td></td>
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</table>

### Contingency Reserves

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,904,538</td>
<td>1,911,164</td>
<td>6,626</td>
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<td></td>
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</tbody>
</table>

### Ending Available Working Capital

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>%Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,728,960</td>
<td>3,289,627</td>
<td>(439,333)</td>
<td></td>
<td></td>
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</table>
## CITY OF HUTTO
### 2015-16 BUDGET
#### AMENDMENT #2

### UTILITY DEBT SERVICE FUND

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and Other</td>
<td>500</td>
<td>1,145</td>
<td>500</td>
<td>-</td>
<td>229.00%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>500</td>
<td>1,145</td>
<td>500</td>
<td>-</td>
<td>229%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Reduction</td>
<td>1,237,100</td>
<td>-</td>
<td>1,237,100</td>
<td>-</td>
<td>0%</td>
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<tr>
<td>Interest</td>
<td>1,775,508</td>
<td>855,425</td>
<td>1,775,509</td>
<td>-</td>
<td>48%</td>
</tr>
<tr>
<td>Paying Agent Fees</td>
<td>5,000</td>
<td>1,069</td>
<td>5,000</td>
<td>-</td>
<td>21%</td>
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<tr>
<td>Total - Debt Service</td>
<td>3,017,608</td>
<td>856,494</td>
<td>3,017,609</td>
<td>-</td>
<td>70%</td>
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<td></td>
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<td></td>
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</tr>
<tr>
<td>Transfers In</td>
<td>2,840,915</td>
<td>-</td>
<td>2,840,915</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Other Financing Sources</td>
<td>2,840,915</td>
<td>-</td>
<td>2,840,915</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(176,193)</td>
<td>(176,194)</td>
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<tr>
<td>Beginning Fund Balance</td>
<td>423,905</td>
<td>396,793</td>
<td>(27,112)</td>
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<tr>
<td>ENDING FUND BALANCE</td>
<td>247,712</td>
<td>220,599</td>
<td>(27,112)</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>BUDGET</td>
<td>YTD/ENCUMBERED</td>
<td>AMENDED #2</td>
<td>DIFFERENCE</td>
<td>%BUDGET</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------</td>
<td>----------------</td>
<td>------------</td>
<td>------------</td>
<td>---------</td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Impact Fees</td>
<td>500,000</td>
<td>596,396</td>
<td>500,000</td>
<td>-</td>
<td>119.28%</td>
</tr>
<tr>
<td>Wastewater Impact Fees</td>
<td>400,000</td>
<td>386,504</td>
<td>400,000</td>
<td>-</td>
<td>96.63%</td>
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<td><strong>Total Revenues</strong></td>
<td>900,000</td>
<td>982,900</td>
<td>900,000</td>
<td>-</td>
<td>109.21%</td>
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<tr>
<td><strong>EXPENDITURES</strong></td>
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</tr>
<tr>
<td>Total Expenditures</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(900,000)</td>
<td>-</td>
<td>(900,000)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>(900,000)</td>
<td>-</td>
<td>(900,000)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
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<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
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</table>
# CITY OF HUTTO
2015-16 BUDGET
AMENDMENT #2

## UTILITY CIP FUND

### REVENUES

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Grant Revenue</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
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<tr>
<td>Bond Proceeds</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### EXPENDITURES

**Water Capital Outlay System**
- Front St. Waterline: $68,000

**Wastewater Capital Outlay System**
- Hutto South WWTP: $14,637,939, 14,302,299, 14,637,939, N/A, 97.71%
- Enclave Pump Force Main: $4,316,880, 2,682,645, 4,316,880, - , 62.14%
- Carmel Crossings Wastewater Interceptor: $181,851, 181,851, 181,851, - , 100.00%

**Other Services and Charges**
- Bond Issuance Costs: -

**Total - Capital Improvements**
- $19,204,670, 17,166,795, 19,204,670, - , 89.39%

### OTHER FINANCING SOURCES

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers In</td>
<td>181,851</td>
<td>-</td>
<td>181,851</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>181,851</td>
<td>-</td>
<td>181,851</td>
<td>-</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

### NET CHANGE IN FUND BALANCE
- $(19,022,819) / $(19,022,819)

<table>
<thead>
<tr>
<th></th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>19,120,110</td>
<td>19,120,110</td>
<td>-</td>
<td>Audited beginning fund balance</td>
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</table>

### ENDING FUND BALANCE
- $97,291

(1)
<table>
<thead>
<tr>
<th>CIP FUND</th>
<th>BUDGET</th>
<th>YTD/ENCUMBERED</th>
<th>AMENDED #2</th>
<th>DIFFERENCE</th>
<th>%BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Earned</td>
<td>-</td>
<td>71</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Bond Interest</td>
<td>3,000</td>
<td>463</td>
<td>3,000</td>
<td>-</td>
<td>15.42%</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Grant Revenue</td>
<td>1,002,000</td>
<td>-</td>
<td>1,002,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Parkland Fees</td>
<td>-</td>
<td>29,520</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>6,560,000</td>
<td>-</td>
<td>6,560,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>7,565,000</td>
<td>30,054</td>
<td>7,565,000</td>
<td>-</td>
<td>0.40%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Co-Op Planning &amp; Design</td>
<td>-</td>
<td>3,446</td>
<td>3,446</td>
<td>(3,446)</td>
<td>N/A</td>
</tr>
<tr>
<td>Gin Building Improvements</td>
<td>155,622</td>
<td>173,249</td>
<td>173,622</td>
<td>(18,000)</td>
<td>111.33%</td>
</tr>
<tr>
<td><strong>Public Works</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidewalk Program</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Fencing Arterials</td>
<td>241,678</td>
<td>-</td>
<td>241,678</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>FM 685</td>
<td>874,245</td>
<td>44,455</td>
<td>874,245</td>
<td>-</td>
<td>5.08%</td>
</tr>
<tr>
<td>PW Facility Improvements</td>
<td>157,000</td>
<td>-</td>
<td>157,000</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>East St Reconstruction</td>
<td>1,234,000</td>
<td>-</td>
<td>1,234,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Pavement Management</td>
<td>990,000</td>
<td>-</td>
<td>990,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Limmer Loop Improvements</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Railroad Quiet Zones</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Parks</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fritz Park Improvements</td>
<td>2,832,439</td>
<td>55,500</td>
<td>2,832,439</td>
<td>-</td>
<td>1.96%</td>
</tr>
<tr>
<td><strong>Engineering</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FM 1660 N Sidewalks</td>
<td>1,284,195</td>
<td>28,593</td>
<td>1,284,195</td>
<td>-</td>
<td>2.23%</td>
</tr>
<tr>
<td><strong>Other Services and Charges</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>250,000</td>
<td>-</td>
<td>250,000</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Animal Shelter Expansion</td>
<td>50,000</td>
<td>-</td>
<td>50,000</td>
<td>-</td>
<td>0.00%</td>
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<tr>
<td>Bond Issuance Costs</td>
<td>52,920</td>
<td>-</td>
<td>52,920</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Debt Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total - Capital Improvements</strong></td>
<td>8,322,099</td>
<td>305,243</td>
<td>8,343,545</td>
<td>(21,446)</td>
<td>3.67%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>18,000</td>
<td>(18,000)</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>-</td>
<td>-</td>
<td>18,000</td>
<td>(18,000)</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td>(757,099)</td>
<td>(760,545)</td>
<td>3,446</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>597,575</td>
<td>-</td>
<td>(597,575)</td>
<td></td>
<td>Audited beginning fund balance</td>
</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>(159,524)</td>
<td>(760,545)</td>
<td>(601,021)</td>
<td></td>
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</tr>
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</table>
## CITY OF HUTTO
### 2015-16 BUDGET
#### AMENDMENT #2

### SOLID WASTE

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>YTD/Encumbered</th>
<th>Amended #2</th>
<th>Difference</th>
<th>% Budget</th>
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<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
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<tr>
<td>Solid Waste Franchise</td>
<td>103,483</td>
<td>18,044</td>
<td>103,483</td>
<td>-</td>
<td>17.44%</td>
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<tr>
<td>Late Fees</td>
<td>27,861</td>
<td>-</td>
<td>27,861</td>
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<tr>
<td>Solid Waste User Fees</td>
<td>1,235,342</td>
<td>-</td>
<td>1,235,342</td>
<td>-</td>
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<tr>
<td>Recycling Cart Fee</td>
<td>62,631</td>
<td>-</td>
<td>62,631</td>
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</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>131,123</td>
<td>131,123</td>
<td>(131,123)</td>
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</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>1,429,317</td>
<td>149,167</td>
<td>1,560,440</td>
<td>(131,123)</td>
<td>10.44%</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste Management</td>
<td>1,230,341</td>
<td>394,188</td>
<td>1,230,341</td>
<td>-</td>
<td>32.04%</td>
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<tr>
<td>Bad Debt</td>
<td>7,500</td>
<td>-</td>
<td>7,500</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>27,000</td>
<td>-</td>
<td>-</td>
<td>27,000</td>
<td>0.00%</td>
</tr>
<tr>
<td>Capital Lease</td>
<td>44,497</td>
<td>44,497</td>
<td>175,620</td>
<td>(131,123)</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>1,309,338</td>
<td>438,685</td>
<td>1,413,461</td>
<td>(104,123)</td>
<td>33.50%</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(92,000)</td>
<td>-</td>
<td>(92,000)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total Other Financing Sources</strong></td>
<td>(92,000)</td>
<td>-</td>
<td>(92,000)</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>NET CHANGE IN FUND BALANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning Fund Balance</td>
<td>14,361</td>
<td>47,096</td>
<td>54,979</td>
<td>(27,000)</td>
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</tr>
<tr>
<td><strong>ENDING FUND BALANCE</strong></td>
<td>42,340</td>
<td>102,075</td>
<td>59,735</td>
<td></td>
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</table>
AGENDA ITEM NO.: 10A. AGENDA DATE: April 21, 2016

PRESENTED BY: Melanie Hudson, Director of Finance

ITEM: Consideration and possible action on a resolution amending the Fiscal and Budgetary Policy.

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND:
The City of Hutto adopted a Fiscal and Budgetary Policy in March 2007, which has been amended several times. Per the policy, the City must annually review the policy. This proposed amendments to the policy ensures alignment with the City’s Strategic Guide and reflects current practices.

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

The Fiscal and Budgetary Committee reviewed all proposed revisions, provided clarification and made recommendations as necessary. The final draft of the proposed amended policy is included with this resolution.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:
The proposed amended Fiscal and Budgetary Policy has been reviewed and approved by the Fiscal and Budgetary Committee.

CITY ATTORNEY REVIEW:
Not applicable.

STAFF RECOMMENDATION:
Staff recommends the Council approve the resolution to amend the Fiscal and Budgetary Policy.

SUPPORTING MATERIAL:
1. Resolution - Fiscal & Budgetary Policy Amendment
2. Exhibit A - Fiscal & Budgetary Policy
3. Exhibit A - Fiscal & Budgetary Policy (Redlined)
RESOLUTION NO. ________________

A RESOLUTION AMENDING THE CITY OF HUTTO FISCAL AND BUDGETARY POLICY

WHEREAS, the City of Hutto assumes a responsibility to its citizens to carefully account for public funds, to manage City finances wisely and to plan for the adequate funding of services desired by the public; and

WHEREAS, the City of Hutto developed a Fiscal and Budgetary Policy to enable the City to achieve and maintain a long term stable and positive financial condition and provide guidelines for the City’s financial affairs; and

WHEREAS, the Fiscal and Budgetary Policy spans all areas of financial planning, operating and capital budgeting, revenue management, expenditure control, asset management, accounting and financial reporting, and debt management; and

WHEREAS, the City Council wishes to amend the Fiscal and Budgetary Policy to reflect City philosophy and ensure alignment with the Strategic Guide.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS, that the Hutto City Council hereby approves the amendment of the Fiscal and Budgetary Policy as presented in Exhibit A.

CONSIDERED and RESOLVED on this the 21st day of the month of April, 2016.

THE CITY OF HUTTO, TEXAS

________________________________________
Debbie Holland, Mayor

ATTEST:

__________________________
Seth Gipson, City Secretary
I. 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.

II. 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.

**III. 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.

IV. 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 to 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.

V. **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.

VI. **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.

**VII. 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.

**VIII. 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.

**IX. 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. Operating Reserves – 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.
I. 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, and 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.

II. 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. Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives which equal or exceed the average life of the debt issue.

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 – Each Department Director will provide a plan for each division in the department for each of the upcoming five years. 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.

III. 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 with participation of all of the City’s Department Directors within the provision of 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 as files available for download via the Internet 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, the time and place for a public hearing on the budget.
   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 10 days prior to the vote.

2. Adoption – Upon finalization of the budget appropriations, the 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 (as indicated above) 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 ongoing 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. In general, the supplemental appropriations will be evaluated using the following criteria:
   - Is the request of such an emergency nature that it must be done immediately?
   - Why was the item not budgeted in the normal budget process?
   - Why can't a transfer be done within the Department to remedy the condition?

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 40% 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 $200,000 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. Funded agencies are encouraged to post meeting agendas at least 72 hours in advance in the spirit of transparency. At the Council's discretion, funded agencies may be asked to allow a Council Member or a Council appointed representative to be a member of its board of directors.
   c. The City shall have the ability to review financial reports to monitor how public funds are utilized by an organization.
IV. 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.

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*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 shall use the following guideline to allocate funding:

   - Education – 10%
   - Quality of Life – 30%
   - Social Services – 60%
   - Public Health and Safety – The City Council may provide additional funding above the designated 30-75% 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.
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 **three** 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.

V. **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.
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</table>

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.

VI. **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, proximally 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.

VII. **CAPITAL MAINTENANCE AND REPLACEMENT**

The City shall establish-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.

VIII. **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.

**IX. 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 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** –

Page 9 of 12
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 3 year term.

6. Revenue Bonds – Revenue bonds will 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 bidsale. 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. **Bond Reimbursement Resolutions** – The City may utilize bond reimbursements resolutions for debt** financing 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. **Operating Reserves** – 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 obligated 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. **General Debt Service Funds for Ad Valorem Tax Obligations** – Revenues within this fund are stable, based on property tax revenues. 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 to meet contingencies and to make certain that the next year’s fund to ensure that debt service payments may be met, made in a timely manner and to comply with ordinances authorizing such outstanding debt obligations. The fund balance should not fall below one month or 1/12th annual debt service requirements, in accordance with IRS guidelines.

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.

D.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.
AGENDA ITEM NO.: 10B.  
AGENDA DATE: April 21, 2016

PRESENTED BY: Helen Ramirez, Development Services Director

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

STRATEGIC GUIDE POLICY: Infrastructure

ITEM BACKGROUND:
The East Street Improvement project is a 2016 CIP project that will extend streetscaping, sidewalk, and underground storm water improvements north from Farley Street to Pecan Street. There will also be electricity run to several locations to allow for seasonal lightning and provided service to vendors during events. The right-of-way will be widened to accommodate angled parking on the east side of the street. A surface parking lot will also be constructed on property purchased by the City of Hutto. The project also includes an overlay on the southern block of East Street between HWY 79 and Farley. The design will be performed with the 2016-2020 CIP budget and the construction will be part of the upcoming 2017-2021 CIP budget. The project is expected to bid for construction at the beginning of next year.

A Request for Qualifications for design services was advertised in August 2015 and ten Statement of Qualifications (SOQ) were received. The SOQs were scored by an evaluation committee consisting of representatives from City Manager’s office, Engineering, and Planning. The SOQ rankings are included with this item. RPS Klotz Associates, Halff Associates Inc., and Freese and Nichols, Inc. were shortlisted for interviews that were held in February 2016. RPS Klotz Associates was ranked highest after the interviews. RPS Klotz Associates' references were contacted and all were satisfactory.

BUDGETARY AND FINANCIAL SUMMARY:
The proposal from RPS Klotz for design services is in the amount of $199,997.00. The City Council approved $200,000 in funds in the FY 2016 budget to be used towards design of the project.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: Not applicable.

CITY ATTORNEY REVIEW:
The agreement was provided by the City Attorney.

**STAFF RECOMMENDATION:**
Staff recommends approval.

**SUPPORTING MATERIAL:**
1. East Street - Resolution
2. East Street - Firm Ranking
3. East Street Engineering Agreement
RESOLUTION NO.

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AN ENGINEERING AGREEMENT FOR THE EAST STREET IMPROVEMENT PROJECT IN THE AMOUNT OF $199,997.00 WITH RPS KLOTZ ASSOCIATES AND GRANTING GENERAL AUTHORITY TO THE CITY MANAGER TO APPROVE CHANGE ORDERS ON THE CONTRACT INVOLVING A DECREASE OR AN INCREASE OF $50,000 OR LESS.

WHEREAS, the City of Hutto City Council approved the 2016-2020 Capital Improvements Plan, with one of the projects being the East Street Improvement Project, and;

WHEREAS, the project was advertised for Request for Qualifications in August 2016 and ten Statements of Qualifications were received in September 2016; and

WHEREAS, three firms were shortlisted and interviewed and RPS Klotz Associates was selected as the most qualified firm; and

WHEREAS, staff negotiated an Engineering Agreement with RPS Klotz Associates in the amount of $199,997 for the design of the East Street Improvements; and

WHEREAS, the City Council of the City of Hutto wishes to grant general authority to approve change orders on the contract involving a decrease or an increase of $50,000 or less to the City Manager in accordance with the Texas Local Government Code Section 252.048, and;

WHEREAS, all said change orders will be retained and made available by the City Secretary pursuant to the Texas Open Records Act.

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 and directing the City Manager to execute the attached engineering agreement for design of the East Street Improvement project with RPS Klotz Associates and granting general authority to the City Manager to approve change orders on the contract involving a decrease or increase of $50,000 or less.

CONSIDERED and RESOLVED on this the 21st day of the month of April, 2016.

THE CITY OF HUTTO, TEXAS

______________________________
Debbie Holland, Mayor

ATTEST:

______________________________
Seth Gipson, City Secretary
### SOQ Evaluation Ranking
**East Street Improvement Project**

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<td>Halff</td>
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### Interview Evaluation Ranking
**East Street Improvement Project**

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<td>Halff</td>
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<td>3</td>
<td>Freese and Nichols</td>
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CITY OF HUTTO
CONTRACT FOR ENGINEERING SERVICES

FIRM: RPS Klotz Associates
PROJECT: East Street Reconstruction

THE STATE OF TEXAS

COUNTY OF WILLIAMSON

THIS CONTRACT FOR ENGINEERING SERVICES ("Contract") is made and entered into on this the 12 day of April, 2016 by and between the CITY OF HUTTO, TEXAS, a Texas home-rule municipal corporation, (hereinafter referred to as "City"), and Engineer, and such Contract is for the purpose of contracting for professional engineering services.

RECITALS:

WHEREAS, V.T.C.A., Government Code §2254.002(2)(A)(vii) under Subchapter A entitled "Professional Services Procurement Act" provides for the procurement by municipalities of services of professional engineers; and

WHEREAS, City and Engineer desire to contract for such professional engineering services; and

WHEREAS, City and Engineer wish to document their agreement concerning the requirements and respective obligations of the parties;

NOW, THEREFORE, WITNESSETH:

That for and in consideration of the mutual promises contained herein and other good and valuable considerations, and the covenants and agreements hereinafter contained to be kept and performed by the respective parties hereto, it is agreed as follows:

CONTRACT DOCUMENTS

The Contract Documents consist of this Contract and any exhibits attached hereto (which exhibits are hereby incorporated into and made a part of this Contract) and all Supplemental Contracts (as defined herein in Article 13) which are subsequently issued. These form the entire contract, and all are as fully a part of this Contract as if attached to this Contract or repeated herein.

ARTICLE 1
CITY SERVICES

The City shall provide access to project files, including but not limited to; invoices, reports, and any other documentation needed to complete project data files per TxDOT requirements.
The City shall provide guidance and support for the following items:

A. Public Meetings as required
B. Project Alignment Coordination
C. City Utility Location and Identification
D. Adjacent Property Owner Coordination and Notification

**ARTICLE 2**

**ENGINEERING SERVICES**

Engineer shall perform Engineering Services as identified in Exhibit A entitled “Scope of Services”.

Engineer shall perform the Engineering Services in accordance with the Work Schedule as identified in Exhibit B entitled “Work Schedule.” Such Work Schedule shall contain a complete schedule so that the Engineering Services under this Contract may be accomplished within the specified time and at the specified cost. The Work Schedule shall provide specific work sequences and definite review times by City and Engineer of all Engineering Services. Should the review times or Engineering Services take longer than shown on the Work Schedule, through no fault of Engineer, Engineer may submit a timely written request for additional time, which shall be subject to the approval of the City Manager.

**ARTICLE 3**

**CONTRACT TERM**

(1) **Term.** The Engineer is expected to complete the Engineering Services described herein in accordance with the above described Work Schedule. If Engineer does not perform the Engineering Services in accordance with the Work Schedule, then City shall have the right to terminate this Contract as set forth below in Article 20. So long as the City elects not to terminate this Contract, it shall continue from day to day until such time as the Engineering Services are completed. Any Engineering Services performed or costs incurred after the date of termination shall not be eligible for reimbursement. Engineer shall notify City in writing as soon as possible if he/she/it determines, or reasonably anticipates, that the Engineering Services will not be completed in accordance with the Work Schedule.

(2) **Work Schedule.** Engineer acknowledges that the Work Schedule is of critical importance, and agrees to undertake all necessary efforts to expedite the performance of Engineering Services required herein so that construction of the project will be commenced and completed as scheduled. In this regard, and subject to adjustments in the Work Schedule as provided in Article 2 herein, Engineer shall proceed with sufficient qualified personnel and consultants necessary to fully and timely accomplish all Engineering Services required under this Contract in a professional manner.

(3) **Notice to Proceed.** After execution of this Contract, Engineer shall not proceed with Engineering Services until authorized in writing by City to proceed as provided in Article 7.
ARTICLE 4
COMPENSATION

City shall pay and Engineer agrees to accept the amount shown below as full compensation for the Engineering Services performed and to be performed under this Contract.

The amount payable under this Contract, without modification of the Contract as provided herein, is the sum of One Hundred Ninety Nine Thousand Nine Hundred Ninety Seven Dollars ($199,997) as shown in Exhibit C. The lump sum amount payable shall be revised equitably only by written Supplemental Contract in the event of a change in Engineering Services as authorized by City.

Engineer shall prepare and submit to City monthly progress reports in sufficient detail to support the progress of the Engineering Services and to support invoices requesting monthly payment. Any preferred format of City for such monthly progress reports shall be identified in Exhibit A. Satisfactory progress of Engineering Services shall be an absolute condition of payment.

The fee herein referenced may be adjusted for additional Engineering Services requested and performed only if approved by written Supplemental Contract.

ARTICLE 5
METHOD OF PAYMENT

Payments to Engineer shall be made while Engineering Services are in progress. Engineer shall prepare and submit to City, not more frequently than once per month, a progress report as referenced in Article 4 above. Such progress report shall state the percentage of completion of Engineering Services accomplished during that billing period and to date. Simultaneous with submission of such progress report, Engineer shall prepare and submit one (1) original and one (1) copy of a certified invoice in a form acceptable to City. This submittal shall also include a progress assessment report in a form acceptable to City.

Progress payments shall be made in proportion to the percentage of completion of Scope of Work identified in Exhibit C. Progress payments shall be made by City based upon Engineering Services actually provided and performed. Upon timely receipt and approval of each statement, City shall make a good faith effort to pay the amount which is due and payable within thirty (30) days. City reserves the right to withhold payment pending verification of satisfactory Engineering Services performed. Engineer has the responsibility to submit proof to City, adequate and sufficient in its determination, that tasks were completed.

The certified statements shall show the total amount earned to the date of submission and shall show the amount due and payable as of the date of the current statement. Final payment does not relieve Engineer of the responsibility of correcting any errors and/or omissions resulting from his/her/its negligence.
ARTICLE 6
PROMPT PAYMENT POLICY

In accordance with Chapter 2251, V.T.C.A., Texas Government Code, payment to Engineer will be made within thirty (30) days of the day on which the performance of services was complete, or within thirty (30) days of the day on which City receives a correct invoice for services, whichever is later. Engineer may charge a late fee (fee shall not be greater than that which is permitted by Texas law) for payments not made in accordance with this prompt payment policy; however, this policy does not apply in the event:

A. There is a bona fide dispute between City and Engineer concerning the supplies, materials, or equipment delivered or the services performed that causes the payment to be late; or

B. The terms of a federal contract, grant, regulation, or statute prevent City from making a timely payment with federal funds; or

C. There is a bona fide dispute between Engineer and a subcontractor or between a subcontractor and its supplier concerning supplies, materials, or equipment delivered or the Engineering Services performed which causes the payment to be late; or

D. The invoice is not mailed to City in strict accordance with instructions, if any, on the purchase order, or this Contract or other such contractual agreement.

City shall document to Engineer the issues related to disputed invoices within ten (10) calendar days of receipt of such invoice. Any non-disputed invoices shall be considered correct and payable per the terms of Chapter 2251, V.T.C.A., Texas Government Code.

ARTICLE 7
NOTICE TO PROCEED

The Engineer shall not proceed with any task listed on Exhibit A until the City has issued a written Notice to Proceed regarding such task. The City shall not be responsible for work performed or costs incurred by Engineer related to any task for which a Notice to Proceed has not been issued.

ARTICLE 8
PROJECT TEAM

City’s Designated Representative for purposes of this Contract is as follows:

Emily D. Truman, P.E.
City Engineer
210 US 79 East, Suite 103
Hutto, Texas 78634

City’s Designated Representative shall be authorized to act on City’s behalf with respect to this Contract. City or City’s Designated Representative shall render decisions in a timely manner pertaining
to documents submitted by Engineer in order to avoid unreasonable delay in the orderly and sequential progress of Engineering Services.

Engineer’s Designated Representative for purposes of this Contract is as follows:

Scott Dukette, PE  
Vice President  
RPS Klotz Associates  
4801 Southwest Parkway, Parkway 2, Suite 150  
Austin, Texas 78735

ARTICLE 9  
PROGRESS EVALUATION

Engineer shall, from time to time during the progress of the Engineering Services, confer with City at City’s election. Engineer shall prepare and present such information as may be pertinent and necessary, or as may be requested by City, in order for City to evaluate features of the Engineering Services. At the request of City or Engineer, conferences shall be provided at Engineer’s office, the offices of City, or at other locations designated by City. When requested by City, such conferences shall also include evaluation of the Engineering Services.

Should City determine that the progress in Engineering Services does not satisfy the Work Schedule, then City shall review the Work Schedule with Engineer to determine corrective action required.

Engineer shall promptly advise City in writing of events which have or may have a significant impact upon the progress of the Engineering Services, including but not limited to the following:

(1) Problems, delays, adverse conditions which may materially affect the ability to meet the objectives of the Work Schedule, or preclude the attainment of project Engineering Services units by established time periods; and such disclosure shall be accompanied by statement of actions taken or contemplated, and City assistance needed to resolve the situation, if any; and

(2) Favorable developments or events which enable meeting the Work Schedule goals sooner than anticipated.
ARTICLE 10
SUSPENSION

Should City desire to suspend the Engineering Services, but not to terminate this Contract, then such suspension may be effected by City giving Engineer thirty (30) calendar days' verbal notification followed by written confirmation to that effect. Such thirty-day notice may be waived in writing by agreement and signature of both parties. The Engineering Services may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from City to resume the Engineering Services. Such sixty-day notice may be waived in writing by agreement and signature of both parties. If this Contract is suspended for more than thirty (30) days, Engineer shall have the option of terminating this Contract.

If City suspends the Engineering Services, the contract period as determined in Article 3, and the Work Schedule, shall be extended for a time period equal to the suspension period.

City assumes no liability for Engineering Services performed or costs incurred prior to the date authorized by City for Engineer to begin Engineering Services, and/or during periods when Engineering Services is suspended, and/or subsequent to the contract completion date.

ARTICLE 11
ADDITIONAL ENGINEERING SERVICES

If Engineer forms a reasonable opinion that any work he/she/it has been directed to perform is beyond the scope of this Contract and as such constitutes extra work, he/she/it shall promptly notify City in writing. In the event City finds that such work does constitute extra work and exceeds the maximum amount payable, City shall so advise Engineer and a written Supplemental Contract will be executed between the parties as provided in Article 13. Engineer shall not perform any proposed additional work nor incur any additional costs prior to the execution, by both parties, of a written Supplemental Contract. City shall not be responsible for actions by Engineer nor for any costs incurred by Engineer relating to additional work not directly associated with the performance of the Engineering Services authorized in this Contract or any amendments thereto.

ARTICLE 12
CHANGES IN ENGINEERING SERVICES

If City deems it necessary to request changes to previously satisfactorily completed Engineering Services or parts thereof which involve changes to the original Engineering Services or character of Engineering Services under this Contract, then Engineer shall make such revisions as requested and as directed by City. Such revisions shall be considered as additional Engineering Services and paid for as specified under Article 11.

Engineer shall make revisions to Engineering Services authorized hereunder as are necessary to correct errors appearing therein, when required to do so by City. No additional compensation shall be due for such Engineering Services.
ARTICLE 13
SUPPLEMENTAL CONTRACTS

The terms of this Contract may be modified by written Supplemental Contract if City determines that there has been a significant change in (1) the scope, complexity or character of the Engineering Services, or (2) the duration of the Engineering Services. Any such Supplemental Contract must be duly authorized by the City. Engineer shall not proceed until the Supplemental Contract has been executed. Additional compensation, if appropriate, shall be identified as provided in Article 4.

It is understood and agreed by and between both parties that Engineer shall make no claim for extra work done or materials furnished until the City authorizes full execution of the written Supplemental Contract and authorization to proceed. City reserves the right to withhold payment pending verification of satisfactory Engineering Services performed.

ARTICLE 14
USE OF DOCUMENTS

All documents, including but not limited to drawings, specifications and data or programs stored electronically, (hereinafter referred to as “Instruments of Service”) prepared by Engineer and its subcontractors are related exclusively to the services described in this Contract and are intended to be used with respect to this Project. However, it is expressly understood and agreed by and between the parties hereto that all of Engineer’s designs under this Contract (including but not limited to tracings, drawings, estimates, specifications, investigations, studies and other documents, completed or partially completed), shall be the property of City to be thereafter used in any lawful manner as City elects. Any such subsequent use made of documents by City shall be at City’s sole risk and without liability to Engineer, and, to the extent permitted by law, City shall indemnify, defend and hold harmless Engineer from all claims, damages, losses and expenses, including but not limited to attorneys fees, resulting therefrom.

By execution of this Contract and in confirmation of the fee for services to be paid under this Contract, Engineer hereby conveys, transfers and assigns to City all rights under the Federal Copyright Act of 1976 (or any successor copyright statute), as amended, all common law copyrights and all other intellectual property rights acknowledged by law in the Project designs and work product developed under this Contract. Copies may be retained by Engineer. Engineer shall be liable to City for any loss or damage to any such documents while they are in the possession of or while being worked upon by Engineer or anyone connected with Engineer, including agents, employees, Engineers or subcontractors. All documents so lost or damaged shall be replaced or restored by Engineer without cost to City.

Upon execution of this Contract, Engineer grants to City permission to reproduce Engineer’s work and documents for purposes of constructing, using and maintaining the Project, provided that City shall comply with its obligations, including prompt payment of all sums when due, under this Contract. Engineer shall obtain similar permission from Engineer’s subcontractors consistent with this Contract. If and upon the date Engineer is adjudged in default of this Contract, City is permitted to authorize other similarly credentialed design professionals to reproduce and, where permitted by law, to make changes, corrections or additions to the work and documents for the purposes of completing, using and maintaining the Project.
City shall not assign, delegate, sublicense, pledge or otherwise transfer any permission granted herein to another party without the prior written contract of Engineer. However, City shall be permitted to authorize the contractor, subcontractors and material or equipment suppliers to reproduce applicable portions of the Instruments of Service appropriate to and for use in their execution of the Work. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is permitted. Any unauthorized use of the Instruments of Service shall be at City's sole risk and without liability to Engineer and its Engineers.

Prior to Engineer providing to City any Instruments of Service in electronic form or City providing to Engineer any electronic data for incorporation into the Instruments of Service, City and Engineer shall by separate written contract set forth the specific conditions governing the format of such Instruments of Service or electronic data, including any special limitations not otherwise provided in this Contract. Any electronic files are provided by Engineer for the convenience of City, and use of them is at City's sole risk. In the case of any defects in electronic files or any discrepancies between them and any hardcopy of the same documents prepared by Engineer, the hardcopy shall prevail. Only printed copies of documents conveyed by Engineer shall be relied upon.

Engineer shall have no liability for changes made to the drawings by other engineers subsequent to the completion of the Project. Any such change shall be sealed by the engineer making that change and shall be appropriately marked to reflect what was changed or modified.

ARTICLE 15
PERSONNEL, EQUIPMENT AND MATERIAL

Engineer shall furnish and maintain, at its own expense, quarters for the performance of all Engineering Services, and adequate and sufficient personnel and equipment to perform the Engineering Services as required. All employees of Engineer shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Engineer who, in the opinion of City, is incompetent or whose conduct becomes detrimental to the Engineering Services shall immediately be removed from association with the project when so instructed by City. Engineer certifies that it presently has adequate qualified personnel in its employment for performance of the Engineering Services required under this Contract, or will obtain such personnel from sources other than City. Engineer may not change the Project Manager without prior written consent of City.

ARTICLE 16
SUBCONTRACTING

Engineer shall not assign, subcontract or transfer any portion of the Engineering Services under this Contract without prior written approval from City. All subcontracts shall include the provisions required in this Contract and shall be approved as to form, in writing, by City prior to Engineering Services being performed under the subcontract. No subcontract shall relieve Engineer of any responsibilities under this Contract.
ARTICLE 17
EVALUATION OF ENGINEERING SERVICES

City, or any authorized representatives of it, shall have the right at all reasonable times to review or otherwise evaluate the Engineering Services performed or being performed hereunder and the premises on which it is being performed. If any review or evaluation is made on the premises of Engineer or a subcontractor, then Engineer shall provide and require its subcontractors to provide all reasonable facilities and assistance for the safety and convenience of City or other representatives in the performance of their duties.

ARTICLE 18
SUBMISSION OF REPORTS

All applicable study reports shall be submitted in preliminary form for approval by City before any final report is issued. City’s comments on Engineer’s preliminary reports shall be addressed in any final report.

ARTICLE 19
VIOLATION OF CONTRACT TERMS/BREACH OF CONTRACT

Violation of contract terms or breach of contract by Engineer shall be grounds for termination of this Contract, and any increased costs arising from Engineer’s default, breach of contract, or violation of contract terms shall be paid by Engineer.

ARTICLE 20
TERMINATION

This Contract may be terminated as set forth below.

(1) By mutual agreement and consent, in writing, of both parties.

(2) By City, by notice in writing to Engineer, as a consequence of failure by Engineer to perform the Engineering Services set forth herein in a satisfactory manner.

(3) By either party, upon the failure of the other party to fulfill its obligations as set forth herein.

(4) By City, for reasons of its own and not subject to the mutual consent of Engineer, upon not less than thirty (30) days’ written notice to Engineer.

(5) By satisfactory completion of all Engineering Services and obligations described herein.

Should City terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to Engineer. In determining the value of the Engineering Services performed by Engineer prior to termination, City shall be the sole judge. Compensation for Engineering Services at termination will be based on a percentage of the Engineering
Services completed at that time. Should City terminate this Contract under Subsection (4) immediately above, then the amount charged during the thirty-day notice period shall not exceed the amount charged during the preceding thirty (30) days.

If Engineer defaults in the performance of this Contract or if City terminates this Contract for fault on the part of Engineer, then City shall give consideration to the actual costs incurred by Engineer in performing the Engineering Services to the date of default, the amount of Engineering Services required which was satisfactorily completed to date of default, the value of the Engineering Services which are usable to City, the cost to City of employing another firm to complete the Engineering Services required and the time required to do so, and other factors which affect the value to City of the Engineering Services performed at the time of default.

The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of City and Engineer under this Contract, except the obligations set forth herein in Article 21 entitled “Compliance with Laws.” If the termination of this Contract is due to the failure of Engineer to fulfill his/her/its contractual obligations, then City may take over the project and prosecute the Engineering Services to completion. In such case, Engineer shall be liable to City for any additional and reasonable costs incurred by City.

Engineer shall be responsible for the settlement of all contractual and administrative issues arising out of any procurements made by Engineer in support of the Engineering Services under this Contract.

ARTICLE 21
COMPLIANCE WITH LAWS

(1) Compliance. Engineer shall comply with all applicable federal, state and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Contract, including without limitation, minimum/maximum salary and wage statutes and regulations, and licensing laws and regulations. Engineer shall furnish City with satisfactory proof of his/her/its compliance.

Engineer shall further obtain all permits and licenses required in the performance of the Engineering Services contracted for herein as defined in Exhibit A.

(2) Taxes. Engineer will pay all taxes, if any, required by law arising by virtue of the Engineering Services performed hereunder. City is qualified for exemption pursuant to the provisions of Section 151.309 of the Texas Limited Sales, Excise, and Use Tax Act.

ARTICLE 22
INDEMNIFICATION

Engineer shall save and hold harmless City and its officers and employees from all claims and liabilities due to activities of his/her/its own and his/her/its agents or employees, performed under this Contract, which are caused by or which result from the negligent error, omission, or negligent act of Engineer or of any person employed by Engineer or under Engineer’s direction or control.
Engineer shall also save and hold City harmless from any and all expenses, including but not limited to reasonable attorneys' fees which may be incurred by City in litigation or otherwise defending claims or liabilities which may be imposed on City as a result of such negligent activities by Engineer, its agents, or employees.

ARTICLE 23
ENGINEER'S RESPONSIBILITIES

Engineer shall be responsible for the accuracy of his/her/its Engineering Services and shall promptly make necessary revisions or corrections to its work product resulting from errors, omissions, or negligent acts, and same shall be done without compensation. City shall determine Engineer's responsibilities for all questions arising from design errors and/or omissions. Engineer shall not be relieved of responsibility for subsequent correction of any such errors or omissions in its work product, or for clarification of any ambiguities until after the construction phase of the project has been completed.

ARTICLE 24
ENGINEER'S SEAL

The responsible engineer shall sign, seal and date all appropriate engineering submissions to City in accordance with the Texas Engineering Practice Act and the rules of the State Board of Registration for Professional Engineers.

ARTICLE 25
NON-COLLUSION, FINANCIAL INTEREST PROHIBITED

(1) Non-collusion. Engineer warrants that he/she/it has not employed or retained any company or persons, other than a bona fide employee working solely for Engineer, to solicit or secure this Contract, and that he/she/it has not paid or agreed to pay any company or engineer any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City reserves and shall have the right to annul this Contract without liability or, in its discretion and at its sole election, to deduct from the contract price or compensation, or to otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

(2) Financial Interest Prohibited. Engineer covenants and represents that Engineer, his/her/its officers, employees, agents, consultants and subcontractors will have no financial interest, direct or indirect, in the purchase or sale of any product, materials or equipment that will be recommended or required for the construction of the project.

ARTICLE 26
INSURANCE

(1) Insurance. Engineer, at Engineer's sole cost, shall purchase and maintain during the entire term while this Contract is in effect professional liability insurance coverage in the minimum amount of One Million Dollars per claim from a company authorized to do insurance business in Texas and otherwise acceptable to City. Engineer shall also notify City, within twenty-four (24) hours of receipt, of any notices of expiration, cancellation, non-renewal, or material change in coverage it receives from its
(2) **Subconsultant Insurance.** Without limiting any of the other obligations or liabilities of Engineer, Engineer shall require each subconsultant performing work under this Contract to maintain during the term of this Contract, at the subconsultant's own expense, the same stipulated minimum insurance required in Article 26, Section (1) above, including the required provisions and additional policy conditions as shown below in Article 26, Section (3).

Engineer shall obtain and monitor the certificates of insurance from each subconsultant in order to assure compliance with the insurance requirements. Engineer must retain the certificates of insurance for the duration of this Contract, and shall have the responsibility of enforcing these insurance requirements among its subconsultants. City shall be entitled, upon request and without expense, to receive copies of these certificates of insurance.

(3) **Insurance Policy Endorsements.** Each insurance policy shall include the following conditions by endorsement to the policy:

(a) Each policy shall require that thirty (30) days prior to the expiration, cancellation, non-renewal or reduction in limits by endorsement a notice thereof shall be given to City by certified mail to:

Emily D. Truman, P.E.
City Engineer
210 US 79 East, Suite 103
Hutto, Texas 78634

(b) The policy clause "Other Insurance" shall not apply to any insurance coverage currently held by City, to any such future coverage, or to City's Self-Insured Retentions of whatever nature.

(4) **Cost of Insurance.** The cost of all insurance required herein to be secured and maintained by Engineer shall be borne solely by Engineer, with certificates of insurance evidencing such minimum coverage in force to be filed with City. Such Certificates of Insurance are evidenced as Exhibit D herein entitled "Certificates of Insurance."

**ARTICLE 27**

**COPYRIGHTS**

City shall have the royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, any reports developed by Engineer for governmental purposes.
ARTICLE 28
SUCCESSORS AND ASSIGNS

This Contract shall be binding upon and inure to the benefit of the parties hereto, their successors, lawful assigns, and legal representatives. Engineer may not assign, sublet or transfer any interest in this Contract, in whole or in part, by operation of law or otherwise, without obtaining the prior written consent of City.

ARTICLE 29
SEVERABILITY

In the event any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision thereof and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

ARTICLE 30
PRIOR AGREEMENTS SUPERSEDED

This Contract constitutes the sole agreement of the parties hereto, and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein. This Contract may only be amended or supplemented by mutual agreement of the parties hereto in writing.

ARTICLE 31
ENGINEER'S ACCOUNTING RECORDS

Records pertaining to the project, and records of accounts between City and Engineer, shall be kept on a generally recognized accounting basis and shall be available to City or its authorized representatives at mutually convenient times. The City reserves the right to review all records it deems relevant which are related to this Contract.

ARTICLE 32
NOTICES

All notices to either party by the other required under this Contract shall be personally delivered or mailed to such party at the following respective addresses:

City:

Emily D. Truman, P.E.
City Engineer
210 US 79 East, Suite 103
Hutto, Texas 78634
and to:

Charles Crossfield  
City Attorney  
309 East Main Street  
Round Rock, TX  78664

Engineer:

Scott Dukette, PE  
Vice President  
RPS Klotz Associates  
4801 Southwest Parkway, Parkway 2, Suite 150  
Austin, Texas 78735

ARTICLE 33  
GENERAL PROVISIONS

(1) Time is of the Essence. Engineer understands and agrees that time is of the essence and that any failure of Engineer to complete the Engineering Services for each phase of this Contract within the agreed Work Schedule may constitute a material breach of this Contract. Engineer shall be fully responsible for his/her/its delays or for failures to use his/her/its reasonable efforts in accordance with the terms of this Contract and the Engineer's standard of performance as defined herein. Where damage is caused to City due to Engineer's negligent failure to perform City may accordingly withhold, to the extent of such damage, Engineer's payments hereunder without waiver of any of City's additional legal rights or remedies.

(2) Force Majeure. Neither City nor Engineer shall be deemed in violation of this Contract if prevented from performing any of their obligations hereunder by reasons for which they are not responsible or circumstances beyond their control. However, notice of such impediment or delay in performance must be timely given, and all reasonable efforts undertaken to mitigate its effects.

(3) Enforcement and Venue. This Contract shall be enforceable in Hutto, Williamson County, Texas, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for same shall lie in Williamson County, Texas. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

(4) Standard of Performance. The standard of care for all professional engineering, consulting and related services performed or furnished by Engineer and its employees under this Contract will be the care and skill ordinarily used by members of Engineer's profession practicing under the same or similar circumstances at the same time and in the same locality. Excepting Articles 25 and 34 herein, Engineer makes no warranties, express or implied, under this Contract or otherwise, in connection with the Engineering Services.
(5) **Opinion of Probable Cost.** Any opinions of probable project cost or probable construction cost provided by Engineer are made on the basis of information available to Engineer and on the basis of Engineer’s experience and qualifications and represents its judgment as an experienced and qualified professional engineer. However, since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s’) methods of determining prices, or over competitive bidding or market conditions, Engineer does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost Engineer prepares.

(6) **Opinions and Determinations.** Where the terms of this Contract provide for action to be based upon opinion, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

**ARTICLE 34**

**SIGNATORY WARRANTY**

The undersigned signatory for Engineer hereby represents and warrants that the signatory is an officer of the organization for which he/she has executed this Contract and that he/she has full and complete authority to enter into this Contract on behalf of the firm. The above-stated representations and warranties are made for the purpose of inducing City to enter into this Contract.

IN WITNESS WHEREOF, the City of Hutto has caused this Contract to be signed in its corporate name by its duly authorized City Manager or Mayor, as has Engineer, signing by and through its duly authorized representative(s), thereby binding the parties hereto, their successors, assigns and representatives for the faithful and full performance of the terms and provisions hereof.

CITY OF HUTTO, TEXAS

By: ______________________________

Karen Daly, City Manager

(Engineering Firm Name)

RPS Klotz Associates – 4801 Southwest Parkway, Parkway 2, Suite 150, Austin Texas 78735

By: ______________________________

Vice President

Printed Name: **Scott Dukette**
LIST OF EXHIBITS ATTACHED

(2) Exhibit A  Scope of Services
(3) Exhibit B  Work Schedule
(4) Exhibit C  Fee Schedule
(5) Exhibit D  Certificates of Insurance
EXHIBIT A

Scope of Services
Scope of Work
Engineering Design Services
April 7, 2016

City of Hutto
East Street Reconstruction Project

Introduction

RPS Klotz Associates (Engineer) understands that the East Street project is a highly visible priority for the City of Hutto. The project is located in downtown Hutto between Farley Street and Pecan Street. The East Street project includes:

- The full width right-of-way reconstruction of the sidewalks, drainage, street and 8-inch water line from the south edge of Pecan Street to the north edge of Farley Street.
- Replacement of existing street lights along East Street from US 79 to Pecan Street. The new street lights will complement the ones installed along Farley Street and will include options for banners. The new light fixtures will be chosen from the Oncor catalog, if possible.
- New tree wells, irrigation, and tree lighting electrical along the east side of East Street and along the west side in front of Mario’s.
- Relocation of existing above ground electrical, phone and cable lines to underground conduits from the north edge of Farley Street to the south edge of Pecan Street. Above ground lines along Pecan street to remain in place.
- Detention for the mitigation of increased impervious cover. Water quality mitigation is not required.
- Preliminary engineering, design and cost estimating and design for pavement improvements of the alley from East Street to RM 1660.
- Landscape improvements along the east side of the parking lot to provide a screen along the Century Link maintenance yard.
- On-the-ground survey of the project limits for use in preparing the design plans and estimates.
- Gather and analyze geotechnical information for the design of the pavement section for East Street, the new parking lot and the alley from East Street to RM 1660.
- Electrical hub at the southwest corner of the parking lot for miscellaneous electrical uses of food vendors and other festival needs.
- New parking lot layout, landscaping and lighting on the soon to be purchased Garner Tract.
- Mill and overlay East Street from the south right-of-way of Farley Street to the north right-of-way of US 79.
- Utility coordination with gas, telephone, cable, water and wastewater services to provide Quality Level C information for design. This includes gathering existing record drawing, contacting utility companies to discuss the proposed improvements, coordination with local one-call utility location services and survey of visible utility features within the project limits.
• See Attachment A included with this proposal for an exhibit of the proposed project improvements.

Scope of Work

Task 1 – Project Management

Engineer will coordinate with city staff for the development of the project designs, surveys, and public information services necessary for the design, permitting, bidding and construction phase services associated with the improvements listed above. We will coordinate with the city for the proper processing of invoices to the city and the payment of services to our subconsultants. We will submit weekly progress reports describing the status of the project with updates regarding work completed to date, upcoming services and information needed for the project.

Task 2 – Quality Control

Engineer will provide internal Quality Control review of all work products. An independent review by qualified engineers within RPS Klotz Associates will be performed prior to the submittal of any work products to the City of Hutto. These reviews will be done for the schematic, 60%, 90% and final (100%) design submittals. During this review, written comments and markups will be used to document the completeness of the information submitted. These written comments and markups will be saved to the project files as backup to the review process that was done for each submittal. Following the Quality Control review of the project, a senior officer will review the submittal package before it is delivered to the City of Hutto. This final look will make sure that the submittal package includes the items described in the scope of services and that the quality of that work is consistent with company standards.

Task 3 – Utility Coordination

Engineer will provide Quality Level C subsurface utility engineering services. This includes coordinating with Atmos Gas Company, Oncor Electric Company, AT&T and the City of Hutto water and wastewater departments to acquire record drawing information for utilities located within the project limits. Our surveyor will contact the utility location system (One Call) to mark the existing utilities prior to the survey. This information, along with above ground visible utility features, will be used to prepare a map of the location of existing utilities and potential conflicts within the project limits. Utility relocations and associated costs will be developed. These anticipated costs will be included in the project cost estimate.

Task 4 – Project Meetings

Engineer will attend three public meetings. We assume that the City of Hutto will coordinate the time and location for these meetings. The Engineer will provide a color project layout exhibit on 22"x34" for use during the meeting. CD&P will provide public information support as needed. The fee for these services is included in the cost estimate. In addition to the public meetings, the Engineer will attend a project meeting prior to the schematic design and following each of the four (4) project submittals. The
Engineer will also attend a pre-bid meeting, a pre-construction meeting and up to seven (7) meetings on site during the construction of the project.

**Task 5 – Schematic Design**

Engineer will prepare a plan and profile layout of the proposed roadway improvements to East Street and the alley. This layout will include information on the proposed typical section for the new road and the location of the anticipated utility improvements. No utility improvements are anticipated for the alley. The layout of the parking lot will also be included in the schematic plan. Along with the plan information, we will include a preliminary cost estimate with 20% contingency for the construction of the roadway, drainage, water, electrical and landscape improvements and an updated schedule for the remainder of the design, bidding and construction process.

**Task 6 – 60% Design**

Following the receipt of comments from the City of Hutto review of the schematic design documents, the Engineer will prepare the 60% plans. The plans associated with the 60% submittal will include roadway plan and profiles, drainage and detention, waterline plan and profiles, proposed typical sections, proposed cross sections, parking lot plan, landscape plan, electrical design, irrigation design, traffic control plan, general notes, details and quantity takeoffs. A construction cost estimate with a 15% contingency will be provided. The estimate will include all improvements assumed in the design, using bid prices from recent projects in the Central Texas area from sources such as the City of Austin and City of Georgetown. The submittal will also include a list of specifications associated with the design for the project, using City of Georgetown specifications.

**Task 7 – 90% Design**

Following the receipt of comments from the City of Hutto review of the 60% Design documents, the Engineer will prepare the complete plans for the proposed improvements. The plans associated with the 90% design will include all items associated with the roadway construction, waterline construction (ie. proposed typical sections, proposed cross sections, parking lot plan, landscape plan, electrical design, irrigation design, drainage design, detention design, traffic control, general notes, construction details and quantity takeoffs). A construction cost estimate with a 10% contingency will be provided. The estimate will include all improvements assumed in the design. The submittal will also include a completed project manual for the project using City of Georgetown specifications and front end contract documents provided by the City of Hutto.

**Task 8 – Final Design**

The final design will address agency review comments from the 90% submittal. The final package will be ready for bidding. It will include all plans for the proposed construction improvements along with a final construction cost estimate, project manual and bidding/construction schedule.
Task 9 – Bid Phase Services

RPS Klotz Associates will attend one (1) pre-bid meeting at the City of Hutto to present the project to the prospective contractors. We will coordinate with the City of Hutto to respond to contractor questions and issue up to four (4) addendums if necessary. Following the receipt of the bids by the City, we will review the submittals of the contractors, create a bid tab, and issue a recommendation letter for the award of the project. Engineer will submit the project to a Registered Accessibility Specialist for review and registration with the Texas Department of Licensing and Regulation within 14 days of issuing the plans for bid. Engineer will provide the city with a copy of the review and address any issues deemed incomplete or unacceptable in the report.

Task 10 – Construction Phase Services

RPS Klotz Associates will attend a preconstruction open house with the public and a preconstruction meeting with the contractor. We will review up to twenty five (25) submittals/resubmittals from the contractor and keep a log tracking the status of the submittals. We will attend semi-monthly construction meetings during the first month of the construction of the parking lot and the first month of the construction of the road/waterline. For the remaining time we will attend one (1) construction meeting monthly. We assume a seven - month construction period. For each of our project meetings during construction, a field report noting the conditions in the field such as progress to date, anticipated progress the following week, weather conditions and photographs of the construction limits will be prepared. For each of our construction meetings, we will prepare a meeting agenda and issue meeting notes within one week. Following substantial completion of the project construction, we will prepare a punchlist of remaining items and clear those punchlist items with a final walkthrough.

Task 11 – Record Drawings

At the conclusion of the project, we will use the City of Hutto inspector markups and contractor markups to prepare a record drawing set that includes field changes. We will submit this record drawing to the City of Hutto in electronic PDF format and one hard copy.

Assumptions

1. The City of Hutto will acquire any right-of-way.
2. Permit reviews will involve the City of Hutto only.
3. Each submittal will include one hardcopy of the documents and a PDF file.
4. The City of Hutto will bid the project.
5. Utility improvements, storm sewer systems, detention systems and traffic movement analysis are not anticipated with the alley improvements.
Schedule

See the attached schedule regarding design and bidding services. A separate schedule for construction purposes will be developed as part of the design phase.

Budget

The RPS Klotz Associates Team will provide design, bidding and construction phase services for the above referenced project for a lump sum fee of $193,497 and a time and materials fee of $6,500 for RPS Klotz Associates reimbursable items, public relations services from CD&P and accessibility review by Altura Solutions. A breakdown of the overall fee is attached.
A PROFESSIONAL SERVICES AGREEMENT
for Landscape Architectural Services

Date of Issuance: March 11, 2016
Assigned PLACE designers Agreement #16041
This agreement is by and between:

RPS Klotz and Associates:
John Friedman
4801 Southwest Parkway
Parkway 2, Suite 150
(hereinafter referred to as the Client)
512-328-5771
john.friedman@klotz.com

and

PLACE designers, Inc.
planning | landscape | architecture | consulting | engineering
304 E. Main St., Suite 100,
Round Rock, Texas 78664
o-512.238.8912
t-512.238.8913
(hereinafter referred to as the Architect)

for the

Hutto East Street Project
East Street between Farley Street and Pecan Street, Hutto Texas

represented by: John Friedman
(hereinafter referred to as the Project)

Attachments
The following Attachments are incorporated in and made a part of this Agreement:
“A” Scope of Services
“B” Fee Schedule
SCOPE OF SERVICES

The scope of services to be provided by the Architect under this Agreement and the Supplemental Services which may be provided when requested in writing by the Client are described in Attachment “A.”

COMPENSATION

Compensation for Architectural Services performed under this Agreement shall be a stipulated sum as outlined in Attachment “B” plus Reimbursable Expenses as defined in Article 4 and is subject to the provisions of this Agreement. Supplemental Services, when requested in writing by the Client, shall be compensated on an hourly basis at the rates provided in Attachment “B” or on the basis of a negotiated fee provided in an amendment to this Agreement.

ARTICLE 1
Architectural Services

1.1 Standard of Care

The Architectural Services shall be performed with care and diligence in accordance with the professional standards appropriate for a project of the nature and scope of this Project.

1.2 Scope of Services

The scope of professional services to be provided under this agreement is detailed in Attachment “A.”

1.3 Supplemental Services

Supplemental Services are detailed in Attachment “A.” Supplemental Services are beyond the scope of the basic scope of professional services, and when requested in writing by the Client, shall entail additional compensation (either on the hourly basis stated in Attachment “B” or on the basis of a negotiated sum) beyond the Compensation stated in the Preliminary Provisions.

1.4 Changes to Approved Services

Revisions to drawings or other documents shall constitute Supplemental Services when made necessary because of Client-requested changes to previously approved drawings or other documents, or because of Client changes to previous budget parameters and/or Project requirements.

ARTICLE 2
Client’s Responsibilities

2.1 Information

The Client shall provide site and other information on which the design is to be based as well as Client’s budget parameters for the Project. The Architect shall be entitled to rely on the accuracy and completeness of information provided by the Client.

2.2 Budget

The Architect shall reasonably strive to propose designs and prepare documents consistent with the Client’s budget parameters. If provided by the Architect as a part of the Scope of Services, opinions of probable construction costs are
based on the designer's familiarity with the landscape construction industry and are provided only to assist the Client's budget planning; such opinions shall not be construed to provide a guarantee or warranty of the actual construction costs at the time construction bids are solicited or construction contracts negotiated.

2.3 Approvals
The Client's decisions, approvals, reviews, and responses shall be communicated to the Architect in a timely manner so as not to delay the performance of the professional services proposed herein.

2.4 Project Permit and Review Fees
The Client shall pay all fees required to secure jurisdictional approvals for the Project.

ARTICLE 3
Ownership of Documents
The Architect shall be deemed the author and owner of all documents and deliverables developed pursuant to this Agreement and provided to the Client by the Architect (collectively, the "Design Materials"). Subject to payment by the Client of all fees and costs owed to the Architect, the grants to the Client a nonexclusive license to reproduce the Design Materials solely for the construction and use of the Project.

ARTICLE 4
Compensation
4.1 Compensation for the Architectural Services performed under this Agreement shall be the stipulated sum indicated in Attachment "A" plus Reimbursable Expenses as defined below. Supplemental Services, when requested in writing by the Client, shall entail additional compensation to be determined on an hourly basis or on the basis of a negotiated fee.

4.2 Reimbursable Expenses are expenditures for the Project made by the Architect, its employees, and consultants in the interest of the Project plus an administrative fee of 10%. Reimbursable Expenses include but are not limited to travel expenses, costs of reproduction, postage, services of professional consultants which cannot be quantified at the time of contracting, and other, similar direct Project-related expenditures.

4.3 Monthly payments to the Architect shall be based on (1) the percentage of the Scope of Services completed, and shall include payments for (2) Supplemental Services performed, and (3) Reimbursable Expenses incurred.

4.4 Payments are due and payable 15 days from the date of the Architect’s invoice. Invoiced amounts unpaid 30 days after the invoice date shall be deemed overdue and shall accrue 1.45% interest per month. At the Architect’s option, overdue payments may be grounds for termination or suspension of services.

4.5 If through no fault of the Architect the Scope of Services to be provided under this Agreement has not been completed within 6 months of the initial notice to proceed, the compensation for services rendered after that time period shall be equitably adjusted.

ARTICLE 5
Indemnification
5.1 Client and Architect each agree to indemnify and hold harmless the other, and their respective officers, employees, agents, and representatives, from and against liability for all claims, losses, damages, and expenses, including reasonable attorneys’ fees, to the extent such claims, losses, damages, or expenses are caused by the indemnifying party’s negligent acts, errors, or omissions. In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of Client and Architect, they shall be borne by each party in proportion to its negligence.
ARTICLE 6
Dispute Resolution
6.1 If a dispute arises out of or relates to this Agreement, the parties shall endeavor to resolve their differences first through direct discussions. If the dispute has not been settled within 14 days of the initial discussions, the parties shall submit the dispute to mediation, the cost of which shall be shared equally by the parties.

6.2 Nothing in these provisions shall limit rights or remedies not expressly waived under applicable lien laws.

ARTICLE 7
Suspension/Termination
7.1 This Agreement may be terminated by either party on 7 days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination, provided the defaulting party has not cured or in good faith diligently commenced to cure the breach during the 7-day notice period.

ARTICLE 8
Other Terms and Conditions
8.1 Assignment
Neither party shall assign their interest in this Agreement without the express written consent of the other, except as to the assignment of proceeds.

8.2 Governing Law
The law in effect at the Architect's principal place of business shall govern this Agreement.

8.3 Complete Agreement
This Agreement represents the entire understanding between the Client and the Architect and supersedes all prior negotiations, representations, or agreements, whether written or oral. This Agreement may be amended only in a writing signed by both the Client and the Architect.
Approval and Acceptance

This agreement is approved and accepted by the Client and Architect upon both party’s signing and dating the Agreement, and returning a signed and dated original to the Architect. The effective date of the Agreement shall be the last date entered below.

Respectfully submitted,

PLACE designers, INC.

[Signature]
Philip A. Wanke
Principal

Accepted: ___________________________ Date: ___________________________

Authorized Representative

The Texas Board of Architectural Examiners has jurisdiction over complaints regarding the professional practices of persons registered as architects and landscape architects in Texas. For additional information, please contact the Texas Board of Architectural Examiners (TBAE): P.O. Box 12337; Austin, TX 78711-2337; Telephone: (512) 305-9000 / Fax: (512) 305-8500.
ATTACHMENT A: SCOPE OF SERVICES

Approach Statement
The Consultant will provide professional landscape architectural services required for the Project. The areas to be addressed within this scope consist of the right of way along East Street at and between Farley Street and Pecan Street.

The intent of the professional services is to provide landscape architectural services necessary to assist development of this streetscape project addressing the following items:

Design development, construction documentation, bidding/negotiating and construction observation services, as later described, for the following scope items:

- On street parking layout
- Sidewalk layout
- Pedestrian crosswalk layout
- Site Furnishings and Pedestrian Lighting
- Landscape design
- Irrigation design
- Signage – location and types

All work is to comply with the scope of the project and other regulatory requirements of the City of Hutto, Texas.

Basic Services
Given the above-stated approach, we will provide the following basic services:

Schematic Design
The Consultant shall prepare schematic drawings locating and defining the general elements of design for the streetscape and crosswalk improvements. The plans will define the character and essentials of the project, including determination and selection of materials. This is will culminate in an illustrative plan(s) for presentation purposes. The primary goal of this phase is to provide the necessary information to the engineers to develop appropriate construction documents and specify the determined materials. Consultant will attend one (1) public meeting in this phase.

Design Development
The Consultant shall prepare design development drawings defining the general concept of planting and irrigation improvements to the streetscape project and a preliminary opinion of probable construction costs for the Consultants portion of the work. All planting and irrigation plans will be coordinated with the engineering work. Consultant will attend one (1) public meeting in this phase.

Construction Documentation
Upon the client’s approval of the design development plans and opinion of probable construction cost the Consultant shall prepare final construction drawings, and specifications which set forth in detail the requirements for construction of the planting and irrigation items. Consultant shall also assist Client in filing the appropriate landscape and irrigation plans to public works for review and comment which may be required to secure the necessary approvals. Any applicable permitting fees will be paid by the client. Consultant will attend one (1) public meeting in this phase.
The Consultant shall prepare drawings necessary to establish size, shape, dimensions and capacity of the work. Complement drawings with notes and specifications which describe materials, systems and equipment, workmanship, and quality criteria required for the construction of the work.
Bidding and Negotiating
Consultant shall assist the client in obtaining and evaluating bids or negotiating proposals in relation to consultant’s portion of the work.

Construction Observation
Consultant shall make a total of five (4) scheduled visits to the site to familiarize itself generally with the progress and quality of construction and to determine in general if the construction is proceeding in accordance with Consultant design intent and construction documents. On the basis of observations while at the site, Consultant may recommend to the client the rejection of any work, within the Consultants scope, failing to conform to the contract documents. Consultant shall facilitate the process of change orders only with prior approval of the client.

Consultant shall endeavor to secure compliance’s by the contractor to the plans and specifications. Consultant shall not be responsible for construction means, methods, techniques, sequences or procedures in connection with the work and Consultant shall not be responsible for the contractor’s errors or omissions or failure to carry out the work in accordance with the contract documents.

Exclusions to Scope of Services (Additional Services)
The following items are specifically excluded from the Scope of Services. Should Consultant be required to provide services in obtaining or coordinating compilation of this information, such services shall be charged as Additional Services. Consultant assumes no responsibilities for the accuracy of such information or services provided by others. The Consultant may rely on the accuracy of such information, and shall not be liable for errors or omissions therein.

- Civil Engineering
- Building Architecture
- Signage Design
- Revisions to Owner provided concepts will be billed on an hourly basis pursuant to a separately written lump sum agreement.
- Regulatory Agency Fees
- Neighborhood Meetings and Public Hearings not described above
- Postage, deliveries and over-night mail services
- Plotting, printing, scanning, or other expenses
- Any items not included in the scope of services of this agreement
- Any legal documents
- In the event that the design process is put on hold by the Client/Contractor in excess of 90 days, when the design process is reinitiated, the Architect will invoice for remobilization time at a rate equal to 10% of the phase of services currently in progress.

Final Deliverables
Digital PDF copies of deliverables including renderings, construction documents and specifications

Meetings
Meetings are defined as a physical meeting at a physical location, telephone conference call in lieu of a meeting, web conference meeting, or any other medium where two or more persons review and discuss design decisions for the project. This does not include telephone conversations or emails for the purpose of data and information gathering through the process.
ATTACHMENT B: FEE SCHEDULE

Services described above shall be provided for the fixed sum as listed below in accordance with the terms and conditions in "Attachment A" attached hereto and which is incorporated and made part of this Agreement by reference.

Prepayment

A Prepayment of 0% of professional fees is requested and will be applied to the final invoice: $0

Professional Fees

Landscape Architecture

- Schematic Design To be provided at a lump sum fee of: $11,490
- Design Development To be provided at a lump sum fee of: $9,900
- Construction Documents To be provided at a lump sum fee of: $10,590
- Bidding Negotiations To be provided at a lump sum fee of: $1,320
- Construction Phase Services To be provided at a lump sum fee of: $4,065

Total Fees: $37,365

Reimbursable Fees

Reimbursable Expenses shall not exceed without Client Authorization: $500.00

The fees quoted assume no change in scope of the project or basic services.

Hourly Rates

These apply to supplemental services beyond the scope of services description.

- Principal Planner/Landscape Architect/Architect/Engineer: $165.00/hr.
- Senior Project Manager Planner or Designer/Landscape Architect/Architect: $145.00/hr.
- Planner/Landscape Architect/Designer: $135.00/hr.
- Staff Planner/Designer: $105.00/hr.
- Administrative: $85.00/hr.
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PLACE designers inc.
March 8, 2016

Mr. John Friedman, Jr., P.E.
RPS Klotz Associates
4801 Southwest Parkway, Parkway 2, Suite 150
Austin, TX 78735

P: (512) 328-5771
E: John.Friedman@klotz.com

Re: CITY OF HUTTO EAST STREET RECONSTRUCTION – Hutto, Texas
Electrical Engineering Services

Encotech Engineering Consultants (ENCOTEC) is pleased to submit this proposal for services on the above referenced project to RPS Klotz Associates (CLIENT).

I. SCOPE:
The City of Hutto proposes to make improvements to one block of East Street. These improvements include utilities, street lighting, streetscape design, site amenities, and landscaping. The current construction budget is $920,000.

II. BASIC SERVICES:
Basic Services include engineering and design services to prepare Electrical Construction Documents.

Basic Services:

1. Attend two (2) meetings with CLIENT, Project Team and City of Hutto Personnel.
2. Make site visit to observe and identify existing conditions.
3. Coordinate locations of existing electrical services, equipment, and light fixtures to design modifications.
4. Utilize City of Georgetown specifications as a basis-of-design.
5. Electrical Engineering shall include:
   a. Investigation of relocating overhead electrical and telecommunication services to underground.
   b. Power design to include:
      i. Receptacles in tree wells for holiday tree lighting.
      ii. Centralized power for festival vendors, events, food trucks, etc.
      iii. Electrical service design and associated equipment including panelboard, lighting controls, and circuitry.
   c. Site Lighting to include:
      i. Street lighting design utilizing Oncor standard fixtures, if possible.
      ii. Specifying accessories on street lighting poles such as banner hardware.
      iii. Parking lot lighting design.
      iv. Coordination with Landscape Architect for locations of poles.
      v. Lighting Photometric Calculations.
      vi. Replacement of 5 existing street lights.
   d. Coordination with Oncor for electrical service.
   e. Coordination with Time Warner Cable and Century Link for telecommunication lines.
6. Provide electronic submittals at 30%, 60%, 90%, 100% Construction Documents.

III. BID PHASE SERVICES:
1. Attend Pre-bid Conference.
2. Respond to bidders' questions related to Electrical scope of work designed by ENCOTECH.
3. Prepare Addenda related to Electrical scope of work designed by ENCOTECH.

IV. ASSUMPTIONS AND CONDITIONS:
The scope of work services presented herein and associated fee amounts are based upon Encotech's understanding of the proposed development. Changes in the project that affect the underlying contract assumptions may impact the required professional service fee.

Accordingly, Encotech wishes to inform the Client and/or Owner that this proposal is based on the following documents, assumptions and conditions:
1. Scope of work is based on information provided and discussion held during the Project Scoping Meeting, March 2, 2016 with the City of Hutto staff, Client, Landscape Architect, and ENCOTECH.
2. Testing and Inspections; a qualified testing and inspection firm shall conduct any and all inspections.
3. Owner will provide the Design Team with record drawings of the utilities in the area of the proposed improvements, utility company contact information, and previous reports or studies.
4. Drawings will be prepared in AutoCad.
5. This proposal assumes that all permitting services will be provided by other Consultants.

V. LIMITED CONSTRUCTION PHASE SERVICES:
1. Review of those submittals related to Electrical scope of work designed by ENCOTECH.
2. Respond to Request for Information (RFI) documents.
3. Construction Administration services shall be coordinated by the CLIENT.
4. Attend three (3) Construction Progress Meeting and make interim job site visits in conjunction with the Meetings. Provide written reports to the CLIENT as requested.
   a. Reports shall list items observed which are not in compliance with the Contract Documents.
   b. All reports shall be directed to the CLIENT for Contract Administration.
   c. Site visits will not be continuous and/or exhaustive.
   d. Site visits are not intended to be for generating contractor completion lists, but are for review of completed work to notify the CLIENT against non-compliant work to the degree possible with limited reviews. Encotech is not responsible for the Contractor's performance of the work. The Contractor is responsible for any deviation from the Contract Documents.
   e. ENCOTECH shall not be responsible for the construction means, methods, techniques, sequences or procedures, safety precautions and programs.
   f. ENCOTECH shall not be responsible for the acts or omissions of the Contractor, or any Subcontractors, or any of the Contractor's or Subcontractor's agents or employees, or any other persons performing any of the Work.

VI. COMPENSATION:
The lump sum fee to provide the anticipated services outlined above shall be as follows:

<table>
<thead>
<tr>
<th>Electrical &amp; Plumbing Design, Bid and CA Phase Services</th>
<th>$22,110.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task A: 30% Design</td>
<td>$ 3,200.00</td>
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<tr>
<td>Task B: 60% Design</td>
<td>$ 4,350.00</td>
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<tr>
<td>Task C: 90% Design</td>
<td>$ 4,555.00</td>
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<tr>
<td>Task D: 100% Design</td>
<td>$ 2,505.00</td>
</tr>
<tr>
<td>Task E: Bid Phase</td>
<td>$ 2,150.00</td>
</tr>
<tr>
<td>Task F: Construction Phase</td>
<td>$ 5,350.00</td>
</tr>
</tbody>
</table>

VII. ADDITIONAL SERVICES:
It is recognized that certain elements within the scope of engineering work cannot be accurately predetermined or controlled entirely by ENCOTECH. Therefore, such engineering work will be performed as Additional Services.

ENCOTECH will perform Additional Services only with prior written approval/agreement from the CLIENT. Such work may include but not limited to:
1. Meetings in addition to those indicated in the proposal.
2. Major revisions to work product once initially approved by the CLIENT/Owner.
3. Changes and/or increase in Project Scope of Scope of Engineering Services resulting from project assumptions as defined in the proposal which prove to be incorrect.
5. LEED metrics and certifications.
6. Any work NOT specifically included in this Scope of Services.

**HOURLY RATES:** All Additional Services shall be conducted on an hourly rate basis as outlined below:

<table>
<thead>
<tr>
<th>Classification of Employee</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$285.00</td>
</tr>
<tr>
<td>Project Engineer IV</td>
<td>$255.00</td>
</tr>
<tr>
<td>Project Engineer III / Project Manager III</td>
<td>$225.00</td>
</tr>
<tr>
<td>Project Engineer II</td>
<td>$170.00</td>
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<tr>
<td>Project Engineer I</td>
<td>$140.00</td>
</tr>
<tr>
<td>Project Manager II</td>
<td>$150.00</td>
</tr>
<tr>
<td>Project Manager I</td>
<td>$130.00</td>
</tr>
<tr>
<td>Graduate Engineer IV</td>
<td>$120.00</td>
</tr>
<tr>
<td>Graduate Engineer III</td>
<td>$110.00</td>
</tr>
<tr>
<td>Graduate Engineer II</td>
<td>$100.00</td>
</tr>
<tr>
<td>Graduate Engineer I</td>
<td>$ 95.00</td>
</tr>
<tr>
<td>CAD Designer III</td>
<td>$120.00</td>
</tr>
<tr>
<td>CAD Designer II</td>
<td>$105.00</td>
</tr>
<tr>
<td>CAD Designer I</td>
<td>$ 75.00</td>
</tr>
<tr>
<td>Administrative</td>
<td>$ 60.00</td>
</tr>
</tbody>
</table>

**VIII. EXCLUSIONS:**
Services that are not provided for in this Agreement specifically include, but are not limited to:
1. High voltage electrical design i.e. above 600V.
2. Structural or Mechanical designs.
3. Design of low voltage systems such as security and/or camera systems.
4. No testing or taking field measurements at the site, only visual observations. If testing is required a qualified testing and inspection firm shall conduct all inspections and will be considered as Additional Services.
5. Permitting and construction fees.
6. Assistance to the CLIENT as an expert witness in any litigation with third parties, arising from the planning, development or construction of the project.

**IX. CLIENT PROVIDED SERVICES:**
1. CLIENT/Owner shall furnish ENCOTECH with full information as to CLIENT/Owner project requirements including special considerations or special services needed, and also to make available all project pertinent data.
2. Electronic backgrounds shall be provided to ENCOTECH in AutoCAD (DWG) format. Backgrounds should be drawn in actual size and should not be scaled up or down. Backgrounds should include CLIENT's Title Block and its required fonts, SHX format and all required logos.
3. CLIENT shall provide CAD layout for site lighting.
4. ENCOTECH will provide to the CLIENT pdf files of the drawings and specifications at each phase of design. CLIENT shall be responsible for final printing and distribution of the documents.

**X. RESPONSIBILITY OF OTHERS:**
If the project is cancelled prior to completion of project effort, then ENCOTECH shall be paid for percentage of engineering design services completed up to the date of cancellation.
Please call us if you have any questions. Thank you for giving us the opportunity to render our service to you. We are dedicated to making it a full success.

Sincerely,

[Signature]

Sharon S. Bickford, P.E.
Principal / Project Manager - Encotech

[Signature]

Ali Khataw, PE
President / C.E.O. - Encotech

AGREED & ACCEPTED: (RPS Klotz Associates)

Authorized Corporate Officer (Please print name, title & sign)

Date: [Signature]
ATTACHMENT A

TERMS & CONDITIONS

ENCOTECH shall perform the services outlined in the proposal / agreement for the stated fee arrangement. The terms and conditions shall be as follows:

Dispute Resolution:
Any claims or disputes made during design, construction, or post-construction between the CLIENT and ENCOTECH shall be submitted to non-binding mediation. CLIENT and ENCOTECH agree to include a similar mediation agreement with all contractors, sub-contractors, suppliers, and fabricators, thereby providing for mediation as the primary method for dispute resolution between all parties.

Billings/Payments:
Invoices for ENCOTECH services shall be submitted, at the Firm’s option, either upon completion of such services, or on a monthly basis. Invoices are due upon receipt. Invoices shall be payable within 30 days after the invoice date. If the invoice is not paid within 30 days, ENCOTECH may, without waiving any claim or right against the CLIENT, and without liability whatsoever to the CLIENT, terminate the performance of services. Payment to ENCOTECH shall be made within two weeks after receiving payment from the Owner.

Late Payments:
Accounts unpaid 60 days after the invoice date may be subject to a monthly service charge of 1.5% (or the legal rate) on the then unpaid balance. In the event any portion or all of an account remains unpaid 90 days after billing, the CLIENT shall pay all costs of collection, including reasonable attorney’s fees.

Indemnification:
The CLIENT shall, to the fullest extent permitted by law, indemnify and hold harmless ENCOTECH, his or her officers, directors, employees, agents and sub-consultants from and against all damage, liability and cost, including reasonable attorney’s fees and defense costs, arising out of or in any way connected to existing conditions of the project or with the performance by any of the parties named of the services under this agreement, excepting only those damages, liabilities or costs attributable to the sole negligence or willful misconduct of ENCOTECH.

Certifications, Guarantees, and Warranties:
ENCOTECH shall not be required to execute any document that would result in their certifying, guaranteeing or warranting the existence of conditions whose existence ENCOTECH cannot ascertain.

Limitation of Liability:
In recognition of the relative risks, rewards and benefits of the project to both the CLIENT and ENCOTECH, the risks have been allocated such that the CLIENT agrees that, to the fullest extent permitted by law, ENCOTECH’s total liability to the CLIENT for any and all injuries, claims, losses, expenses, damages or claim expenses immediately arising out of this agreement from any cause or causes, shall not exceed the amount of our design fees. Such Causes include, but are not limited to, ENCOTECH’s negligence, errors, omissions, strict liability, breach of contract or breach of warranty.

Termination of Services:
This agreement may be terminated by the CLIENT or ENCOTECH should the other fail to perform its obligations there under. In the event of termination, the CLIENT shall pay ENCOTECH for all the services rendered to the date of termination, all reimbursable expenses and reimbursable termination expenses.
March 8, 2016, revised March 9, 2016

Mr. John G. Friedman, Jr. PE
RPS Klotz Associates
4801 Southwest Pkwy
Parkway 2, Suite 150
Austin, Texas 78735

Re: Geotechnical Investigation and Pavement Engineering Design
East Street from W Pecan Street to Farley Street
Hutto, Texas
Owner: City of Hutto
HVJ Project No. AG1517648

Dear Mr. Friedman:

HVJ Associates, Inc. (HVJ) is pleased to submit this revised scope and fee proposal for providing a geotechnical investigation at the subject site. This letter outlines HVJ’s approach for providing a geotechnical investigation and pavement design. General location of the borings was modified with no change in fees.

Background
This project will involve reconstruction of the existing East Street from Farley Street to W Pecan Street and streetscape development including an adjacent parking lot between W Pecan Street and the alley to the south. The length of this segment of road is approximately 300 LF.

Geotechnical Scope
HVJ proposes to drill a total of four (4) soil borings, two in the street and one in the parking lot and one in the alley between N FM1660 and East Street. Total drilling footage is 40 feet.

The soil borings will be properly backfilled with bentonite chips and a single lift of cold patch asphalt where applicable. The soil samples will be obtained using Shelby tubes and/or split-spoon samplers. Field-testing of soil samples will include pocket penetrometer in the cohesive soils and Standard Penetration Test (SPT) in the cohesionless soils.

All the field sampling and laboratory tests will be performed according to typical geotechnical standards, where applicable, or with other well established procedures. HVJ will perform appropriate laboratory tests on soil samples recovered from the borings. Laboratory testing will include moisture content, liquid limit, plastic limit, unconfined compression, Texas Triaxial Classification, and...
resilient modulus, and sieve analysis tests. In addition, HVJ will test for sulfate content of the subgrade samples. HVJ will provide geotechnical analysis needed for pavement design. Additional detail regarding pavement design scope follows.

Pavement Design
The TxDOT pavement design procedure will be followed for the pavement design, using the FPS21 analysis program. The pavement design will include consideration of traffic loads to be estimated by HVJ based on traffic data provided by RPS Klotz Associates, as well as subgrade strength to be estimated from geotechnical borings and lab testing results. It is understood that additional geotechnical investigations have been performed near-by and that data can be reviewed as well. The traffic data to be provided to HVJ includes current and projected traffic counts and truck percentages.

HVJ proposes to prepare two Asphalt Concrete Pavement design alternatives considering Flexible Base and Asphalt Base. HVJ will provide special attention to the high plasticity soils within the project limits. The latest Capital Area Pavement Engineering Council (CAPEC) design concepts and guidelines will be incorporated into the review of the expected high plasticity clay subgrades.

HVJ will review the RPS Klotz Associates construction documents at the various submittal phases to confirm HVJ’s pavement design recommendations are properly addressed and incorporated into the design.

Engineering Report
HVJ anticipates providing geotechnical and pavement design report. In general, the following items will be included in HVJ’s geotechnical report:

- Site Vicinity map,
- Geology map,
- Plan of borings,
- Boring logs,
- Laboratory test results summary,
- Groundwater conditions,
- Generalized subsurface conditions,
- Pavement thickness design inputs and resulting recommendations, and
- General earthwork recommendations.

Review of 90% Plans
HVJ proposes to review the design and construction plans and specifications for 90 % submittal, to confirm the geotechnical recommendations are properly interpreted.

Schedule
HVJ proposes the following schedule.
<table>
<thead>
<tr>
<th>Task</th>
<th>Proposed Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field coordination and permitting</td>
<td>2 to 3 Weeks following Notice to Proceed</td>
</tr>
<tr>
<td>Field Investigations - Drilling</td>
<td>1 to 2 Weeks (dependent on weather)</td>
</tr>
<tr>
<td>Laboratory test assignments</td>
<td>1 Week after completion of field work</td>
</tr>
<tr>
<td>Laboratory testing</td>
<td>2 Weeks after test assignments</td>
</tr>
<tr>
<td>Submittal Geotechnical Investigation with</td>
<td>2 Weeks after completion of laboratory testing</td>
</tr>
<tr>
<td>Preliminary Pavement Design</td>
<td></td>
</tr>
<tr>
<td>Submittal - Final Geotechnical Report with</td>
<td>2 Weeks after receipt of pavement design</td>
</tr>
<tr>
<td>Selected Pavement Design</td>
<td>alternative selection(s)</td>
</tr>
</tbody>
</table>

**Fees**

Based on the scope of work and conditions as outlined in the next section, the estimated lump sum fee for geotechnical investigation and pavement design services is $14,610.

**Insurance**

Insurance certificates verifying HVJ’s general liability, auto, worker compensation, and errors and omissions insurance coverage, listing RPS Klotz Associates as a certificate holder, will be provided upon request.

**Invoices**

Invoices will be submitted at the end of each month based on the time spent on the work and items completed. HVJ credit terms are 30 days net.

**Conditions**

The following assumptions were made in the development of this proposal:

- RPS Klotz Associates will provide a site plan suitable for use as a base map for our plan of borings.
- RPS Klotz Associates will provide for surveying the horizontal and vertical location of the borings after completion of drilling operations, if required.
- Prior to beginning boring operations, RPS Klotz Associates will provide drawings showing underground utilities in the vicinity of the proposed borehole locations.
- HVJ will be responsible for avoiding conflicts with utility facilities by contacting the One Texas calling facility.
- HVJ is assuming that only one street cut permit is required to complete this project.
- HVJ has assumed that the proposed boring locations are accessible using truck mounted drill rigs, and that site clearance will not be necessary to access the boring locations.
- Traffic data for pavement design, including projected ADT and percent tracks will be provided by RPS Klotz Associates to supplement current traffic count data collected.
Mr. John G. Friedman, Jr. PE  
AG1517648  
March 9, 2016  

- No separate pavement designs will be prepared for the parking lot and the alley pavement, unless significantly different subgrade strengths are identified, as the pavement sections are assumed to be equal to East Street pavement design.  
- HVJ's scope of work does not include construction cost estimates.  

Sample Retainage  
Soil samples will be retained in our laboratory for 30 days after the geotechnical investigation.  

If this proposal meets with your approval, please sign and complete the indicated spaces below and forward a copy of the proposal to us. Thank you for this opportunity. We appreciate your business.  

Sincerely,  

HVJ ASSOCIATES, INC.  

Muhammad Mustafa, PE  
Senior Engineer  

Linda Barlow, PE  
Senior Pavement Manager  

MM/LB: lb  

Agreed to this __________ day of ____________________________, 20________  

By: _____________________________________________________________  

Title: ___________________________________________________________  

Firm: ____________________________________________________________  

Phone Number: 512.328.5771  

Date to Start Work: _____________________________________________
## Geotechnical Investigation and Pavement Engineering Design

**East Street from W Pecan Street to Farley Street**

**Hutto, Texas**

**HVJ Proposal No. AG1517648**

<table>
<thead>
<tr>
<th></th>
<th>No.</th>
<th>Rate</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Field Investigation - Drilling and Soil Sampling</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobilization/Demobilization - Austin</td>
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<td>each</td>
</tr>
<tr>
<td>Drilling &amp; Sampling - Soils</td>
<td>40</td>
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<td>per foot</td>
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<td>Support Truck</td>
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<td>$100.00</td>
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<td>Borehole Grouting, bentonite chips</td>
<td>40</td>
<td>$8.25</td>
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<td>Field Technician</td>
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<tr>
<td>Vehicle Trips</td>
<td>2</td>
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<tr>
<td><strong>Traffic Control</strong></td>
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<td>each (cost + 15%)</td>
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<tr>
<td><strong>Asphalt Cores'</strong></td>
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<tr>
<td><strong>Laboratory Testing - Standard</strong></td>
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<tr>
<td>Natural Moisture Content (ASTM D-2216)</td>
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<td>$18.00</td>
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<tr>
<td>Atterberg Limits (Liquid and Plastic Limits, ASTM D-4318)</td>
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<td>$65.00</td>
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<tr>
<td>Unconfined Compression Tests</td>
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</tr>
<tr>
<td>No 200 Sieve (ASTM D-1140)</td>
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<td>Swell Test</td>
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<td>pH, Sulfates and Chlorides</td>
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<td><strong>Sub Total</strong></td>
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<tr>
<td><strong>Geotechnical Engineering &amp; Reporting</strong></td>
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<tr>
<td>Senior Engineer, P.E.</td>
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<td>Project Engineer, P.E.</td>
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<tr>
<td>Staff Engineer, ETI</td>
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<tr>
<td>Clerical/Administrative</td>
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<td><strong>Sub-Total</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Pavement Engineering &amp; Reporting</strong></td>
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<td></td>
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<td>Project Engineer, P.E.</td>
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<td>$125.00</td>
<td>hr</td>
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<tr>
<td>Staff Engineer, ETI</td>
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<tr>
<td><strong>Total</strong></td>
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</table>

**Sub Total** $3,850.00

**Sub Total** $3,650.00

**Sub-Total** $2,420.00

**Sub-Total** $4,690.00

**Total** $14,610.00
2 Mar 2016

John G. Friedman, Jr., P.E.,
Senior Project Manager
RGF Klotz Associates
4801 Southwest Parkway, Parkway 2,
Suite 150
Austin, Texas 78735

RE: Design Surveying
Project: East Street Improvement Project – Hutto, TX

Mr. Friedman:

Inland Geodetics, LLC (Inland) is pleased to submit our proposal for supplemental professional land surveying services related to the above referenced project. The survey is limited as follows: within the ROW along East Street, from Forley Street to West Pecan Street (approx. 400 feet). Additionally, the limits will encompass the southwest corner of W. Pecan of East St., currently occupied as a residential lot. The project limits were defined by email received from Mr. Friedman on 24 Feb 2016 and is considered as the basis for this proposal.

SCOPE OF SERVICES

A. ENGINEERING DESIGN SURVEY

1. Inland will recover, verify, and utilize established control from work performed previously in the immediate area as well as the City of Hutto GPS Control Monument System. The values will be relative to NAD 83 Texas State Plane Coordinates, Central Zone, 4203 (scaled to surface values). A “combined scale factor” will be derived for coordinate conversion purposes based on an average CSF of all primary point coordinates. Vertical Datum will be GPS derived orthometric heights.

2. Inland will establish a vertical control system for each project. A benchmark system will be established along the northerly and southerly extremes along the project route. Differential level lines will be conducted for establishing the elevation at each benchmark. A list of benchmarks with coordinates (to be used for locating purposes only), descriptions, and reported elevations will be included in the project deliverables.

3. Inland will place a utility location request with “One Call” system for designating of the underground utilities within the project limits.

4. Inland will collect spot elevations and grade breaks along the project route at intervals conducive to precise DTM generation. The data will include curbs, gutters, pavement markings, culverts, driveways, portions of parking areas, visible utilities and/or “one call” markings, drainage features, irrigation installations as encountered, trees (ornamentals and/or 8” dbh and up, if any) and any improvements within the defined area. Inland will provide reference elevations of “wet” manholes within the project limits. Inland will generate a 1 foot contour interval DTM file of the project area.

B. ROW/BOUNDARY SURVEY

1. Inland will perform sufficient research and of property records from various sources and office tasks to develop the record ROWs and adjacent easements of record. This task will be performed without benefit of title abstract for adjacent properties. There may be other instruments not shown or known that affect the properties.

2. Inland will perform sufficient field and office work to reasonably attempt recovery of property corners, highway monuments, or other evidence along the project route to aid in the analysis and reconstruction and depiction of the existing East Street (including side streets as per limits described) ROW.
3. Inland will prepare a survey plat with accompanying metes and bounds description for one parcel on the east side of East Street (Meager tract). This task assumes that a current title commitment will be provided by the City of Hutto prior to survey submittal.

C. DELIVERABLES

1. ASCII point file
2. Autocad dws file with 1 foot contours
3. XML file for edited surface
4. Utility contact sheets
5. Site Tree Inventory (ornamentals may not be necessarily typed)
6. Survey plats and metes and bounds descriptions for two parcels to be acquired.

D. SCHEDULE

Inland anticipates that this project to be delivered on or before 6 weeks from NTP.

E. ASSUMPTIONS

The Surveyor shall notify the client prior to performing the work if:

1. Sufficient right-of-way maintenance cannot be found to re-establish the existing alignments and associated right-of-way lines along the project corridor.
2. Traffic Control cannot be managed by the Surveyor's personnel.
3. The work is delayed due to weather or other circumstances beyond the Surveyor's direct control.
4. Coordination with City personnel or landowners that limits the access to their installations or availability of records for the survey (specifically UPRR ROW).

F. COMPENSATION

The LUMP SUM FEE for this proposal is: $ 13,638.00

ROW ACQUISITION SURVEYS: $ 2,894.00
ALLEY SURVEY: $ 1,998.00

The estimated fee proposed above are based on personnel time required to perform the described Scope of Services. Additional time requirements resulting from project scope changes, weather delays, delay in the NTP resulting in starting field work after foliage leaf out, access issues, plan revisions, field recovery of or discrepancies of control provided will be considered reasonable cause for us to seek additional compensation for services not included in these amounts.

NOTE: This proposal understands that RPS Klotz Associates will provide a VALID and CURRENT Tax Exempt Resale Certificate issued from the City of Hutto for the purchase of taxable land surveying services (Boundary surveys) as a component of their deliverables. A copy of this certificate will be forwarded to Inland Geodetics, LLC in lieu of incurring sales tax charges for the boundary surveying portion of this proposal.

Sincerely,

M. Stephen Trueblood, RPLS, LSLS
Principal/Co-owner
Inland Geodetics, LLC
EXHIBIT B

Work Schedule
<table>
<thead>
<tr>
<th>Scope Item</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design, Permitting and Bidding</td>
<td></td>
</tr>
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EXHIBIT C

Fee Schedule
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EXHIBIT D

Certificates of Insurance

Attached Behind This Page
AGENDA ITEM NO.: 10C.  
AGENDA DATE: April 21, 2016

PRESENTED BY: Randy Barker, General Services Director

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

STRATEGIC GUIDE POLICY: Fiscal and Budgetary

ITEM BACKGROUND:
Last year, the library held its first Fines Forgiveness Month in May with $68 in fines forgiven and approximately 200 lbs. in donations collected for the Hutto Community Food Pantry. The Hutto Public Library proposes that Fines Forgiveness Month be held again from May 1st through May 31st 2016. The Hutto Public Library proposes to collect canned and boxed goods as well as specific toiletries that are not expired during the month of May. $1.00 in fines will be removed per item donated.

Benefits to having Fines Forgiveness Month include:

1. Supporting and partnering with the local Hutto Community Food Pantry:
   1. The Food Pantry has higher traffic during the summer when children are out of school. Families need more food, snacks, and toiletries like deodorant during the summer.
   2. It will help bring awareness to the community about the local Food Pantry.
      - Hutto Public Library would have a box available at the library and will encourage patrons to donate goods at the Library.
      - It will be an incentive for patrons to help support the Food Pantry since patrons with fines will also have $1 in fines removed per item donated.

2. Providing patrons with an alternative in reducing their fines:
   1. Households that have fines that are $5.00 or more are blocked from checking out items from the library. This block prevents the patrons from checking out items (importantly, books) from the library.
   2. Patrons who have fines that are $5.00 or more are less likely to participate in the Summer Reading Program. The Summer Reading Program promotes literacy for all and begins in June. Having Fines Forgiveness Month in May will give households a chance to remedy their fines issues with the library through donations to participate in the Summer Reading Program.
   3. It is especially difficult for some patrons to pay their fines since the library does not currently have the ability to accept credit/debit cards. Patrons currently must pay by
The library is working towards one day accepting plastic, but until then, alternatives help patrons return to good standing.

4. The library does encourage the patrons to pay in installments, but even that can be discouraging. Canned goods can be as low as 30 cents helping a patron reduce their fines by 70% when they participate in Fines Forgiveness month.

Exceptions to the Fines Forgiveness Month include:

1. No credits will be applied to patron accounts when a patron donates an item. If a patron owes $1.50 in fines and donates 2 items, the patron will have the fines forgiven. The library will not credit their account by 50 cents.
2. Items must be unopened, on the list, and not expired in order to be applied to a patron's fine.

Overall, Fines Forgiveness Month encourages good will in helping people in need by providing items for the Hutto Community Food Pantry and alternatives for members who have fines.

**BUDGETARY AND FINANCIAL SUMMARY:**
Currently, there are 1,768 members with fines that total $11,617.89. Of that total, over 650 of those library cardholders owe a minimum of $5.00 totaling $9,642.82 in fines. These patrons are blocked from checking out materials from the library until their fines have been paid.

**RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:**
Not applicable.

**CITY ATTOYNEY REVIEW:**
Not applicable.

**STAFF RECOMMENDATION:**
Staff recommends approval of the resolution.

**SUPPORTING MATERIAL:**
1. Resolution - Fines Forgiveness Month
RESOLUTION NO.

A RESOLUTION APPROVING A FEE WAIVER FOR THE LIBRARY TO FORGIVE FINES DURING THE MONTH OF MAY IN SUPPORT OF THE HUTTO COMMUNITY FOOD PANTRY.

WHEREAS, The Hutto Public Library proposes that Fines Forgiveness Month be held from May 1st through May 31st 2016; and

WHEREAS, The Hutto Public Library proposes to collect canned and boxed goods as well as specific toiletries that are not expired during the month of May; and

WHEREAS, The Hutto Public Library proposes that $1.00 in fines will be removed per item donated that is unopened, on the list, and not expired in order to be applied to a patrons fine; and

WHEREAS, Fines Forgiveness Month will help bring awareness to the community about the local Food Pantry; and

WHEREAS, Fines Forgiveness Month will provide an alternative for library patrons who may not be able to pay for their fines via cash or check.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS, that the Hutto City Council hereby permits the library to recognize May as Fines Forgiveness Month at the Hutto Public Library in support of the local Hutto Community Food Pantry.

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 21st day of the month of April, 2016.

CITY OF HUTTO, TEXAS

____________________________
Debbie Holland, Mayor

ATTEST:

____________________________
Seth Gipson, City Secretary
AGENDA ITEM NO.: 12B. AGENDA DATE: April 21, 2016

PRESENTED BY: Seth Gipson, City Secretary

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

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND: The Leadership and Legislative Committee has met numerous times to discuss vacancies and interview applicants for the Hutto Economic Development Corporation Board of Directors, Parks Advisory Board, Planning and Zoning Commission, and Zoning Board of Adjustments. A recommendation will be provided at the Council meeting.

BUDGETARY AND FINANCIAL SUMMARY: Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS: The Leadership and Legislative Committee will make recommendations to the City Council.

CITY ATTORNEY REVIEW: Not applicable.

STAFF RECOMMENDATION: It is recommended that the City Council make appointments to the Hutto Economic Development Corporation Board of Directors, Parks Advisory Board, Planning and Zoning Commission, and Zoning Board of Adjustments.

SUPPORTING MATERIAL: There are no supporting documents.