



**CITY OF HUTTO, TEXAS
REGULAR CITY COUNCIL MEETING
THURSDAY, SEPTEMBER 7, 2017 AT 7:00 PM
CITY HALL - CITY COUNCIL CHAMBERS
401 WEST FRONT STREET**

CITY COUNCIL

Doug Gaul, Mayor
Tom Hines, Place 2, Mayor Pro-tem
Scott Rose, Place 1
Nathan Killough, Place 3
Tim Jordan, Place 4
Lucio Valdez, Place 5
Terri Grimm, Place 6

AGENDA

1. **CALL SESSION TO ORDER**

2. **ROLL CALL**

3. **INVOCATION**

4. **PLEDGE OF ALLEGIANCE**

5. **PROCLAMATIONS:**

5A. Proclamation declaring the month of September 2017 as Library Card Sign-up Month in Hutto, Texas. (Mayor Gaul)

6. **PUBLIC COMMENT**

Any citizen wishing to speak during public comment regarding an item on or off the agenda may do so after completing the required registration card. In accordance with the Texas Attorney General's Opinion, any public comment that is made on an item that is not on the published final agenda will only be heard by the City Council. No formal action, discussion, deliberation, or comment will be made by the City Council. Each person providing public comment will be limited to 3 minutes.

6A. Remarks from visitors. (*Three-minute time limit*)

7. **PUBLIC HEARINGS:**

7A. Open and conduct the first public hearing regarding the proposed annexation of the property known as 2059 Limmer Loop, 4.97 acres, more or less, of land located on the northeast corner of Limmer Loop at CR 108. (Helen Ramirez)

7B. Open and conduct the second public hearing to hear testimony regarding the proposed ad valorem tax rate. (Michel Sorrell)

8. **CITY MANAGER COMMENTS:**

8A. Recognition of employee's service to the City of Hutto during Hurricane Harvey. (Odis Jones)

8B. Discussion and review concerning the storm response. (Odis Jones)

9. **CONSENT AGENDA ITEMS:**

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

9A. Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 5 Final Plat, 23.2483 acres, more or less, of land, 100 single family lots, located at Knowles Drive and Duroc Drive.

9B. Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 6 Final Plat, 1.9465 acres, more or less, of land, two commercial lots, located on Chris Kelley Boulevard at US 79 (southwest corner).

9C. Consideration and possible action on the meeting minutes for the August 3, 2017 Regular City Council Meeting, August 3, 2017 Special Called City Council Meeting, and August 14, 2017 Joint City Council and Hutto Economic Development Corporation Board Meeting.

REGULAR AGENDA ITEMS

10. **ORDINANCES:**

10A. Consideration and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2017 Budget of the Hutto Economic Development Corporation - Type A. (Michel Sorrell)

10B. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type A Fiscal Year 2017-18 Budget. (Michel Sorrell)

10C. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2016-17 Budget. (Michel Sorrell)

10D. Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2017-18 Budget. (Michel Sorrell)



- 10E. Consideration and possible action on the first reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2017 through September 30, 2018, and adopting the annual budget of the City of Hutto for Fiscal Year 2017-18. (Michel Sorrell)
- 10F. Consideration and possible action on the first reading of an ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2017. (Michel Sorrell)
- 10G. Consideration and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2017-18 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2017. (Michel Sorrell)
- 10H. Consideration and possible action on the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflected projected year-end. (Michel Sorrell)
- 10I. Consideration and possible action on an ordinance authorizing the issuance and sale of one or more series of City of Hutto, Texas Combination Tax and Revenue Certificates of Obligation; authorizing the levy of an ad valorem tax and the pledge of certain revenues in support of the certificates; approving an official statement, the form of a paying agent/registrar agreement and other agreements related to the sale and issuance of the certificates; establishing procedures for selling and delivering one or more series of the certificates; and authorizing other matters related to the issuance of certificates. (Michel Sorrell)
- 10J. Consideration and possible action on the first reading of an ordinance amending Chapter 2, Article 2.05 Standards of Conduct, Section 2.05.006 Ethics Review Commission of the Code of Ordinances (2014 Edition). (Seth Gipson)
- 10K. Consideration and possible action on the first reading of an ordinance amending the composition and miscellaneous provisions of Chapter 2, Article 2.02 Boards, Commissions, and Authorities of the Hutto Code of Ordinances (2014 Edition). (Seth Gipson)

11. **RESOLUTIONS:**

- 11A. Consideration and possible action on a resolution authorizing an increase to the not to exceed amount for legal services provided by McGinnis Lochridge for personnel, real estate and economic development matters. (Michel Sorrell)

12. **OTHER BUSINESS:**

- 12A. Consideration and possible action on the TxDOT TAP Limmer Loop Sidewalk Project. (Matt Rector)
- 12B. Consideration and possible action on extending the submittal due date for the Facade Improvement Grant Program to September 15, 2017. (Helen Ramirez)

13. **EXECUTIVE SESSION:**



- 13A. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding economic development.
- 13B. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding arterial fences along Farm to Market Road 1660.
- 13C. Executive Session as authorized by Texas Government Code Section 551.071, consultation with attorney regarding contract negotiations with Williamson County Emergency Services District # 3.

14. **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 September 7, 2017 Hutto City Council meeting was posted on the City Hall bulletin board of the City of Hutto on Friday, September 1, 2017, at 3:35 p.m.

Original Agenda Signed

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@huttotx.gov for assistance.

Official Proclamation

Whereas, the Hutto Public Library has served over 23,500 patrons of all ages within the last year, with over 3500 active members of the library, that have access to over 27,000 items in the collection, over 15,500 items for eReading, TexShare Databases, and electronics; and,

Whereas, the Hutto Public library plays an important role in the education and development of children by providing over 700 programs for all ages, including early literacy, academic resources, College Preparation and GED resources, Preschool Story Time, and reading programs with almost 900 participants; and,

Whereas, librarians lead the way in creating inclusive spaces for students of all backgrounds to learn together as well as provide spaces for adult educational services with Adult Basic Spanish, English as a Second Language, and GED/HISET Resources; and,

Whereas, libraries continue to transform and expand their services in ways that meet the needs of the communities they serve, including making digital technology and information equally accessible to all.

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

“LIBRARY CARD SIGN-UP MONTH”

in Hutto and urge all citizens of Hutto to sign up for their own library card today and explore the many educational opportunities that our local library has to offer.

Proclaimed this the 7th day of **September, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 7A. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Helen Ramirez, AICP, Executive Director
of Business/Development Services

ITEM: Open and conduct the first public hearing regarding the proposed annexation of the property known as 2059 Limmer Loop, 4.97 acres, more or less, of land located on the northeast corner of Limmer Loop at CR 108.

STRATEGIC GUIDE POLICY:

ITEM BACKGROUND:

A Municipal Service Plan (MSP) has been drafted per the Council's directive from their regularly scheduled meeting on August 17, 2017.

Notice was published in the Taylor Daily Press and has also been posted on the City of Hutto website.

The next step in the annexation process is to hold a second public hearing and conduct two readings of the annexation ordinances. An annexation ordinance requires a second reading prior to final approval.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

The City Attorney has approved the process as to form.

STAFF RECOMMENDATION:

Staff recommends that the Council open the public hearing, and then close it following any public comment.

SUPPORTING MATERIAL:

1. [Notice - 2059 Limmer Loop Annexation \(4.97 ac\)](#)
2. [2059 Limmer Loop Annexation \(4.97 ac\) Site map](#)

PUBLIC NOTICE NOTICE OF A PUBLIC HEARING

NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS THAT THE HUTTO CITY COUNCIL WILL HOLD A PUBLIC HEARING REGARDING:

The proposal to institute annexation proceedings to enlarge and extend the city limits boundary of said City to include the following described property consisting of approximately 4.97 acres and establish the base zoning as LI (Light Industrial) zoning district, heretofore referred to as 2059 Limmer Loop, to-wit:

The property located at 2059 Limmer Loop, 4.97 acres, described as being out of the Martin Strouse Survey, Abstract No. 587, in Williamson County, being all of that same called 5.0 acre Tract 1, as awarded in Document No. 2003037609, Official Public Records of Williamson County, Texas, Save and Except 0.029 acres therefrom, being conveyed to Williamson County for Right-Of-Way purposes in Deed recorded in Document No. 2006001782, Official Public Records of Williamson County, Texas.

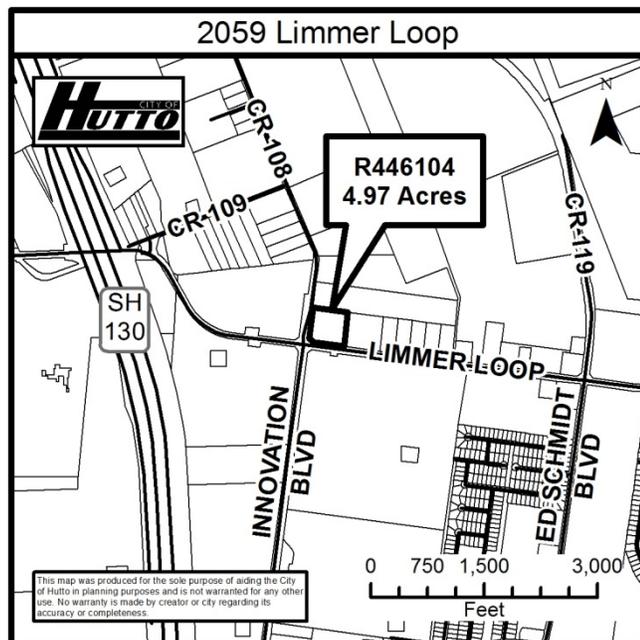
At said time and place all such persons interested shall have the right to appear and be heard. Of all said matters and things, all persons interested in the subject matter herein mentioned shall take notice.

A public hearing will be held on September 7, 2017 at 7:00 p.m.

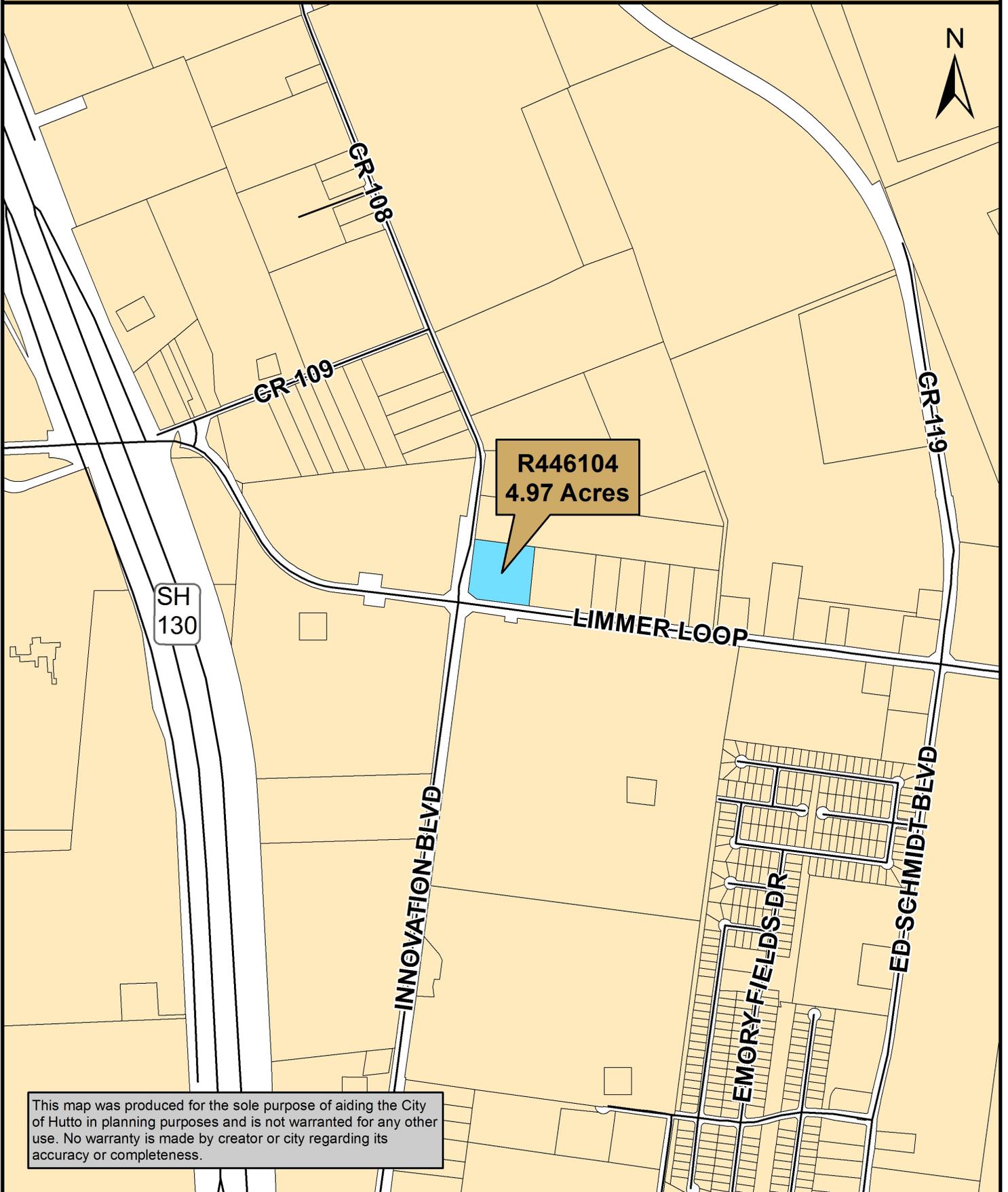
Hutto City Hall
401 W. Front St., Hutto, Texas

For additional information the public may contact Development Services at 512-759-3479 or planning@huttotx.gov

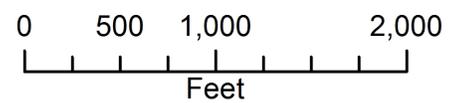
Publication Date: August 20, 2017



2059 Limmer Loop



This map was produced for the sole purpose of aiding the City of Hutto in planning purposes and is not warranted for any other use. No warranty is made by creator or city regarding its accuracy or completeness.



**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 7B. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM: Open and conduct the second public hearing to hear testimony regarding the proposed ad valorem tax rate.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

Two public hearings are required under Truth in Taxation, as the City of Hutto is proposing a tax rate over the effective tax rate for Fiscal Year 2018.

Tax rates, per \$100 of taxable value, are as follows:

2016-17 (current year) tax rate: \$0.520443

Formula: Assessed Valuation/100 x tax rate = taxes paid

2017-18 (upcoming year) effective tax rate: \$0.485741

Effective rate formula: Last year's total tax revenue ÷ this year's tax base (after subtracting value of new property)

2017-18 (upcoming year) rollback rate: \$0.528565

Rollback rate formula: Last year's **operating** tax revenue ÷ this year's tax base (after subtracting value of new property) x 1.08% ÷ this year's debt rate

This is the highest rate the Council may consider without a potential voter petitioned roll-back election.

2017-18 (upcoming year) proposed rate: \$0.515171

This year's proposed rate is Maintenance & Operations (M&O) of \$0.416482 plus Interest & Sinking (I&S) of \$0.098689.

The maximum tax rate the City Council may consider is the proposed tax rate of \$0.515171 based on the action taken by Council on August 3, 2017.

BUDGETARY AND FINANCIAL SUMMARY:

The budget for the General Fund and Debt Service (I&S - Interest and Sinking) Fund are funded in part based on the property tax rate.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends Council open and conduct the second public hearing for the proposed ad valorem tax rate.

SUPPORTING MATERIAL:

1. [Effective Tax Rate Calculation \(County\)](#)
2. [Public Hearing Notice](#)

2017 Effective Tax Rate Worksheet

City of Hutto

See pages 13 to 16 for an explanation of the effective tax rate.

1.	2016 total taxable value. Enter the amount of 2016 taxable value on the 2016 tax roll today. Include any adjustments since last year's certification; exclude Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in line 2) and the captured value for tax increment financing (will deduct taxes in line 14). ¹	\$1,461,125,245
2.	2016 tax ceilings. Counties, Cities and Junior College Districts. Enter 2016 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0" If your taxing units adopted the tax ceiling provision in 2016 or prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3.	Preliminary 2016 adjusted taxable value. Subtract line 2 from line 1.	\$1,461,125,245
4.	2016 total adopted tax rate.	\$0.520443/\$100
5.	2016 taxable value lost because court appeals of ARB decisions reduced 2016 appraised value. A. Original 2016 ARB values: \$0 B. 2016 values resulting from final court decisions: - \$0 C. 2016 value loss. Subtract B from A. ³	\$0
6.	2016 taxable value, adjusted for court-ordered reductions. Add line 3 and line 5C.	\$1,461,125,245
7.	2016 taxable value of property in territory the unit deannexed after January 1, 2016. Enter the 2016 value of property in deannexed territory. ⁴	\$0
8.	2016 taxable value lost because property first qualified for an exemption in 2016. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, "goods-in-transit" exemptions. A. Absolute exemptions. Use 2016 market value: \$278,936 B. Partial exemptions. 2017 exemption amount or 2017 percentage exemption times 2016 value: + \$774,365 C. Value loss. Add A and B. ⁵	\$1,053,301

1 Tex. Tax Code § 26.012(14)

2 Tex. Tax Code § 26.012(14)

3 Tex. Tax Code § 26.012(13)

4 Tex. Tax Code § 26.012(15)

5 Tex. Tax Code § 26.012(15)

2017 Effective Tax Rate Worksheet (continued)

City of Hutto

9.	2016 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2017. Use only those properties that first qualified in 2017; do not use properties that qualified in 2016. A. 2016 market value: \$0 B. 2017 productivity or special appraised value: - \$0 C. Value loss. Subtract B from A. ⁶ \$0	
10.	Total adjustments for lost value. Add lines 7, 8C and 9C.	\$1,053,301
11.	2016 adjusted taxable value. Subtract line 10 from line 6.	\$1,460,071,944
12.	Adjusted 2016 taxes. Multiply line 4 by line 11 and divide by \$100.	\$7,598,842
13.	Taxes refunded for years preceding tax year 2016. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2016. Types of refunds include court decisions, Tax Code § 25.25(b) and (c) corrections and Tax Code § 31.11 payment errors. Do not include refunds for tax year 2016. This line applies only to tax years preceding tax year 2016. ⁷	\$980
14.	Taxes in tax increment financing (TIF) for tax year 2016. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2017 captured appraised value in Line 16D, enter "0". ⁸	\$0
15.	Adjusted 2016 taxes with refunds and TIF adjustment. Add lines 12 and 13, subtract line 14. ⁹	\$7,599,822
16.	Total 2017 taxable value on the 2017 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 18). These homesteads includes homeowners age 65 or older or disabled. ¹⁰ A. Certified values only: \$1,604,564,959 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$0	

6 Tex. Tax Code § 26.012(15)

7 Tex. Tax Code § 26.012(13)

8 Tex. Tax Code § 26.03(c)

9 Tex. Tax Code § 26.012(13)

10 Tex. Tax Code § 26.012(15)

2017 Effective Tax Rate Worksheet (continued)

City of Hutto

16. (cont.)	<p>C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property: - \$0</p> <p>D. Tax increment financing: Deduct the 2017 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2017 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in line 21 below.¹¹ - \$0</p> <p>E. Total 2017 value. Add A and B, then subtract C and D. \$1,604,564,959</p>	
17.	<p>Total value of properties under protest or not included on certified appraisal roll.¹²</p> <p>A. 2017 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value.¹³ \$31,700,125</p> <p>B. 2017 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included at appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value.¹⁴ + \$0</p>	

11 Tex. Tax Code § 26.03(c)

12 Tex. Tax Code § 26.01(c)

13 Tex. Tax Code § 26.04 and 26.041

14 Tex. Tax Code § 26.04 and 26.041

2017 Effective Tax Rate Worksheet (continued)

City of Hutto

17. (cont.)	C. Total value under protest or not certified. Add A and B.	\$31,700,125
18.	2017 tax ceilings. Counties, cities and junior colleges enter 2017 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter "0". If your taxing units adopted the tax ceiling provision in 2016 or prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
19.	2017 total taxable value. Add lines 16E and 17C. Subtract line 18.	\$1,636,265,084
20.	Total 2017 taxable value of properties in territory annexed after January 1, 2008. Include both real and personal property. Enter the 2017 value of property in territory annexed. ¹⁶	\$22,300
21.	Total 2017 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2016. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after January 1, 2016 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2017. ¹⁷	\$71,662,487
22.	Total adjustments to the 2017 taxable value. Add lines 20 and 21.	\$71,684,787
23.	2017 adjusted taxable value. Subtract line 22 from line 19.	\$1,564,580,297
24.	2017 effective tax rate. Divide line 15 by line 23 and multiply by \$100. ¹⁸	\$0.485741/\$100
25.	COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2017 county effective tax rate. ¹⁹	\$/\$100

15 Tex. Tax Code § 26.012(6)

16 Tex. Tax Code § 26.012(17)

17 Tex. Tax Code § 26.012(17)

18 Tex. Tax Code § 26.04(c)

19 Tex. Tax Code § 26.04(d)

A county, city or hospital district that adopted the additional sales tax in November 2016 or in May 2017 must adjust its effective tax rate. *The Additional Sales Tax Rate Worksheet* on page 39 sets out this adjustment. Do not forget to complete the *Additional Sales Tax Rate Worksheet* if the taxing unit adopted the additional sales tax on these dates.

2017 Rollback Tax Rate Worksheet

City of Hutto

See pages 17 to 21 for an explanation of the rollback tax rate.

26.	2016 maintenance and operations (M&O) tax rate.	\$0.429336/\$100
27.	2016 adjusted taxable value. Enter the amount from line 11.	\$1,460,071,944
28.	<p>2016 M&O taxes.</p> <p>A. Multiply line 26 by line 27 and divide by \$100. \$6,268,614</p> <p>B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2016. Enter amount from full year's sales tax revenue spent for M&O in 2016 fiscal year, if any. Other units, enter "0." Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent. + \$849,758</p> <p>C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other units, enter "0." + \$0</p> <p>D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another unit by written contract, enter the amount spent by the unit discontinuing the function in the 12 months preceding the month of this calculation. If the unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the unit operated the function. The unit discontinuing the function will subtract this amount in H below. The unit receiving the function will add this amount in H below. Other units, enter "0." +/- \$0</p>	

2017 Rollback Tax Rate Worksheet (continued)

City of Hutto

28. (cont.)	<p>E. Taxes refunded for years preceding tax year 2016: Enter the amount of M&O taxes refunded during the last budget year for tax years preceding tax year 2016. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2016. This line applies only to tax years preceding tax year 2016. + \$809</p> <p>F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance. + \$0</p> <p>G. Taxes in tax increment financing (TIF): Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2017 captured appraised value in Line 16D, enter "0." - \$0</p> <p>H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G. \$7,119,181</p>	
29.	2017 adjusted taxable value. Enter line 23 from the Effective Tax Rate Worksheet.	\$1,564,580,297
30.	2017 effective maintenance and operations rate. Divide line 28H by line 29 and multiply by \$100.	\$0.455021/\$100
31.	2017 rollback maintenance and operation rate. Multiply line 30 by 1.08. (See lines 49 to 52 for additional rate for pollution control expenses.	\$0.491422/\$100

2017 Rollback Tax Rate Worksheet (continued)

City of Hutto

32.	Total 2017 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the unit's budget as M&O expenses. A: Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.	
	\$1,614,823	
	B: Subtract unencumbered fund amount used to reduce total debt.	-\$0
	C: Subtract amount paid from other resources.	-\$0
	D: Adjusted debt. Subtract B and C from A.	\$1,614,823
33.	Certified 2016 excess debt collections. Enter the amount certified by the collector.	\$0
34.	Adjusted 2017 debt. Subtract line 33 from line 32.	\$1,614,823
35.	Certified 2017 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.000000%
36.	2017 debt adjusted for collections. Divide line 34 by line 35.	\$1,614,823
37.	2017 total taxable value. Enter the amount on line 19.	\$1,636,265,084
38.	2017 debt tax rate. Divide line 36 by line 37 and multiply by \$100.	\$0.098689/\$100
39.	2017 rollback tax rate. Add lines 31 and 38.	\$0.590111/\$100
40.	COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2017 county rollback tax rate.	\$/\$100

A taxing unit that adopted the additional sales tax must complete the lines for the *Additional Sales Tax Rate*. A taxing unit seeking additional rollback protection for pollution control expenses completes the *Additional Rollback Protection for Pollution Control*.

Additional Sales Tax Rate Worksheet City of Hutto

41.	Units that adopted the sales tax in August or November 2016, or in January or May 2017. Enter the Comptroller's estimate of taxable sales for the previous four quarters. Units that adopted the sales tax before August 2016, skip this line.	\$0
42.	<p>Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.</p> <p>UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2016, OR IN JANUARY OR MAY 2017. Multiply the amount on line 41 by the sales tax rate (.01, .005, or .0025, as applicable) and multiply the result by .95.</p> <p style="text-align: center;">-OR-</p> <p>UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2016. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.</p>	\$1,007,062
43.	2017 total taxable value. Enter the amount from line 37 of the <i>Rollback Tax Rate Worksheet</i> .	\$1,636,265,084
44.	Sales tax adjustment rate. Divide line 42 by line 43 and multiply by \$100.	\$0.061546/\$100
45.	2017 effective tax rate, unadjusted for sales tax. Enter the rate from line 24 or 25, as applicable, on the <i>Effective Tax Rate Worksheet</i> .	\$0.485741/\$100
46.	<p>2017 effective tax rate, adjusted for sales tax.</p> <p>UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2016, OR IN JANUARY OR MAY 2017. Subtract line 45 from line 46.</p> <p style="text-align: center;">-OR-</p> <p>UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2016. Enter line 46, do not subtract.</p>	\$0.485741/\$100
47.	2017 rollback tax rate, unadjusted for sales tax. Enter the rate from line 39 or 40, as applicable, of the rollback tax rate worksheet.	\$0.590111/\$100
48.	2017 rollback tax rate, adjusted for sales tax. Subtract line 44 from line 47.	\$0.528565/\$100

If the additional sales tax rate increased or decreased from last year, contact the Comptroller's office for special instructions on calculating the sales tax projection for the first year after the rate change.

**Additional Rollback Protection
for Pollution Control Worksheet
City of Hutto**

49.	Certified expenses from TCEQ. Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its assessor with a copy of the letter. See Part 3, the Rollback Rate, for more details.	\$0
50.	2017 total taxable value. Enter the amount from line 37 of the <i>Rollback Tax Rate Worksheet</i> .	\$1,636,265,084
51.	Additional rate for pollution control. Divide line 49 by line 50 and multiply by 100.	\$0.000000/\$100
52.	2017 rollback tax rate, adjusted for pollution control. Add line 51 to one of the following lines (as applicable): line 39, line 40 (counties) or line 48 (units with the additional sales tax).	\$0.528565/\$100

**2017 Notice of Effective Tax Rate
Worksheet for Calculation of Tax Increase/Decrease**

Entity Name: City of Hutto

Date: 07/21/2017

1. 2016 taxable value, adjusted for court-ordered reductions. Enter line 6 of the Effective Tax Rate Worksheet.	\$1,461,125,245
2. 2016 total tax rate. Enter line 4 of the Effective Tax Rate Worksheet.	0.520443
3. Taxes refunded for years preceding tax year 2016. Enter line 13 of the Effective Tax Rate Worksheet.	\$980
4. Last year's levy. Multiply Line 1 times Line 2 and divide by 100. To the result, add Line 3.	\$7,605,304
5. 2017 total taxable value. Enter Line 19 of the Effective Tax Rate Worksheet.	\$1,636,265,084
6. 2017 effective tax rate. Enter line 24 of the Effective Tax Rate Worksheet or Line 47 of the Additional Sales Tax Rate Worksheet.	0.485741
7. 2017 taxes if a tax rate equal to the effective tax rate is adopted. Multiply Line 5 times Line 6 and divide by 100.	\$7,948,010
8. Last year's total levy. Sum of line 4 for all funds.	\$7,605,304
9. 2017 total taxes if a tax rate equal to the effective tax rate is adopted. Sum of line 7 for all funds.	\$7,948,010
10. Tax Increase (Decrease). Subtract Line 8 from Line 9.	\$342,706

NOTICE OF 2017 TAX YEAR PROPOSED PROPERTY TAX RATE FOR

City of Hutto

A tax rate of \$0.515171 per \$100 valuation has been proposed by the governing body of City of Hutto. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of City of Hutto proposes to use revenue attributable to the tax rate increase for the purpose of providing revenue to continue current services and voter approved debt.

PROPOSED TAX RATE	\$0.515171 per \$100
PRECEDING YEAR'S TAX RATE	\$0.520443 per \$100
EFFECTIVE TAX RATE	\$0.485741 per \$100
ROLLBACK TAX RATE	\$0.528565 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Hutto from the same properties in both the 2016 tax year and the 2017 tax year.

The rollback tax rate is the highest tax rate that City of Hutto may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Larry Gaddes PCAC, CTA
Williamson County Tax Assessor-Collector
904 S Main St Georgetown, TX 78626
512-943-1603
proptax@wilco.org
<http://www.wilco.org/propertytax>

You are urged to attend and express your views at the following public hearings on proposed tax rate:

First Hearing: 08/24/2017 7:00 PM at Hutto City Hall - Council Chambers, 401 W Front St Hutto, TX 78634

Second Hearing: 09/07/2017 7:00 PM at Hutto City Hall - Council Chambers, 401 W Front St Hutto, TX 78634



**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 9A. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Helen Ramirez, AICP, Executive Director
of Business/Development Services

ITEM: Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 5 Final Plat, 23.2483 acres, more or less, of land, 100 single family lots, located at Knowles Drive and Duroc Drive.

STRATEGIC GUIDE POLICY: Growth Guidance

ITEM BACKGROUND:

The Hutto Crossing Phase 4 Section 5 Final Plat is proposing a 23.2483 acre subdivision consisting of 100 single-family residential lots. The proposed subdivision is located west of Chris Kelley Boulevard, south of Carl Stern. The main access to this phase will be from Knowles Drive.

The proposed subdivision is part of the Hutto Crossing Planned Unit Development. In addition to the single family residential lots, this phase of Hutto Crossing will include 7 open space lots and 4.4787 acres of right-of-way.

Comments from all departments have been addressed.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Planning and Zoning Commission recommended approval to City Council on August 8, 2017. The motion passed unanimously.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends that the Council approve the resolution.

SUPPORTING MATERIAL:

1. [Resolution - Hutto Crossing Phase 4 Section 5 Final Plat](#)
2. [Exhibit A - Hutto Crossing Phase 4 Section 5 Final Plat](#)

RESOLUTION NO.

**A RESOLUTION APPROVING THE AMENDED PLAT KNOWN AS
"HUTTO CROSSING PHASE 4 SECTION 5 FINAL PLAT"; IN THE CITY
OF HUTTO, WILLIAMSON COUNTY, TEXAS.**

WHEREAS, the Texas Local Government Code Chapter 212 and the City of Hutto Subdivision Ordinance requires the Planning and Zoning Commission to take action to recommend to the City Council whether or not to approve or disapprove a subdivision plat within thirty (30) days of the date an application is accepted, and;

WHEREAS, the Texas Local Government Code Chapter 212 and the City of Hutto Subdivision Ordinance requires the City Council take action to approve or disapprove a subdivision plat within thirty (30) days of the date of presentation at Planning and Zoning Commission, and;

WHEREAS, the Development Services Department and the City Engineer have reviewed the above referenced plat for compliance with statute and engineering standards, and;

WHEREAS, if City Council fails to take action on this plat within the prescribed thirty (30) day period, the plat is granted statutory approval, Now therefore,

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

that the Hutto City Council hereby approves the resolution for the amended plat known as "Hutto Crossing Phase 4 Section 5 Final Plat", a copy of same being attached hereto as "Exhibit A" and incorporated herein for all purposes.

CONSIDERED and RESOLVED on this the **7th** day of the month **September, 2017**.

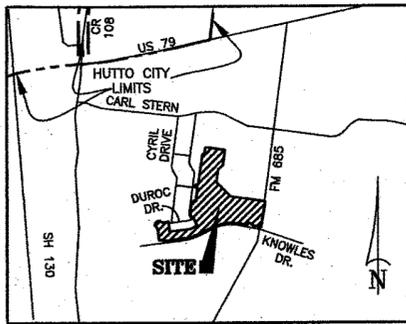
THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT



LOCATION MAP
SCALE 1" = 2000'

OWNER'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, AARON GIOVARA, OWNER, HUTTO OPTION MEZZ HOLDINGS, LLC, SOLE OWNER OF THAT CERTAIN 6.00 ACRE TRACT (TRACT 8), A PORTION OF THAT 64.428 ACRE TRACT (TRACT 7) AND A PORTION OF THAT 150.96 ACRE TRACT (TRACT 1), DESCRIBED IN A DEED RECORDED IN DOCUMENT NO. 2009018029 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS, AND DO HEREBY STATE THAT THERE ARE NO LIEN HOLDERS OF THE SAID 6.00 ACRE TRACT, THE SAID 64.408 ACRE TRACT AND THE SAID 150.96 ACRE TRACT OF LAND, AND DO HEREBY SUBDIVIDE 3.219 ACRE OF SAID TRACTS AS SHOWN HEREON, AND DO HEREBY CONSENT TO ALL PLAT NOTE REQUIREMENTS SHOWN HEREON, AND DO HEREBY DEDICATE TO THE CITY OF HUTTO THE STREETS, ALLEYS, RIGHT-OF-WAY, EASEMENTS AND PUBLIC PLACES SHOWN HEREON FOR SUCH PUBLIC PURPOSES AS THE CITY OF HUTTO MAY DEEM APPROPRIATE. THIS SUBDIVISION IS TO BE KNOWN AS HUTTO CROSSING, PHASE 4, SECTION 5.

TO CERTIFY WHICH, WITNESS by my hand this ____ day of _____, 2017.

Aaron A. Giovara, Owner
Hutto Option Mezz Holdings LLC
10100 Santa Monica Blvd., Suite 1000
Los Angeles, CA 90067

State of California }
County of _____ }

On _____ before me, _____, personally appeared Aaron A. Giovara who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ENGINEER'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

A PORTION OF THIS TRACT IS WITHIN THE 100 YEAR FLOOD PLAIN AS SHOWN ON FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NUMBER 48491C0515E, EFFECTIVE DATE SEPTEMBER 26, 2008, FOR WILLIAMSON COUNTY, TEXAS.

I, KENNETH W. MARTIN, REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS PLAT IS IN COMPLIANCE WITH THE CODES AND ORDINANCES OF THE CITY OF HUTTO, TEXAS.

TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT AUSTIN, TRAVIS COUNTY, TEXAS, THIS 12th DAY OF July, 2017.

Kenneth W. Martin
KENNETH W. MARTIN
Registered Professional Engineer No. 65971
State of Texas
Murfee Engineering Company
1101 Capital of Texas Highway South
Building D, Suite 110 Austin, Texas 78746
(512) 327-9204



OWNER:
HUTTO OPTION MEZZ HOLDINGS, LLC
10100 Santa Monica Blvd., Suite 1000
Los Angeles, CA 90067

ENGINEER:
MURFEE ENGINEERING COMPANY
1101 Capital of Texas Highway South
Building D, Suite 210
Austin, Texas 78746

SURVEYOR:
CAPITAL SURVEYING CO., INC.
925 Capital of Texas Highway South
Building B, Suite 115
Austin, Texas 78746
Firm Registration No. 101267-0

LAND USE SUMMARY:
TOTAL ACREAGE: 23.2483 ACRES
RESIDENTIAL LOTS: 100 16.0316 ACRES
NON-RESIDENTIAL LOTS: 7 2.7380 ACRES
RIGHT-OF-WAY: 4.4787 ACRES
TOTAL NUMBER OF LOTS: 107

GENERAL NOTES:

- STREET LIGHTING SHALL BE PROVIDED IN ACCORDANCE WITH SEC. 3.8 OF THE HUTTO CROSSINGS PUD AGREEMENT.
- WATER AND WASTEWATER SERVICE FOR THIS SUBDIVISION WILL BE AVAILABLE THROUGH THE CITY OF HUTTO AFTER THE APPROPRIATE WASTEWATER SYSTEM IS INSTALLED TO THIS SITE. THE CITY OF HUTTO ASSUMES NO OBLIGATION FOR INSTALLING ANY WASTEWATER IMPROVEMENTS TO SERVE THIS SITE.
- UTILITY PROVIDERS FOR THIS DEVELOPMENT ARE: WATER: CITY OF HUTTO; WASTEWATER: CITY OF HUTTO; ELECTRIC: ONCOR.
- CITY OF HUTTO ASSUMES NO RESPONSIBILITY FOR INSTALLING ANY WATER AND WASTEWATER IMPROVEMENTS TO SERVE THIS SITE.
- DEVELOPMENT OF THIS SUBDIVISION CONFORMS WITH THE CONCLUSIONS OF "DETERMINATION OF THE HYDROLOGIC IMPACT OF PROPOSED HUTTO CROSSING DEVELOPMENT USING UPPER BRUSHY CREEK WCID WATERSHED MODEL", DATED NOVEMBER 10, 2013 AND ADDENDUM DATED JANUARY 16, 2014.
- STREET TREES ARE REQUIRED IN ACCORDANCE WITH SECTION 4.9.5 OF THE PUD AGREEMENT AND SHALL BE MAINTAINED BY THE HOMEOWNERS' ASSOCIATION.
- A PORTION OF THIS TRACT IS ENCLOSED BY SPECIAL FLOOD HAZARD AREAS INUNDATED BY THE 1% ANNUAL CHANCE FLOODPLAIN AS IDENTIFIED BY THE U.S.FEDERAL EMERGENCY MANAGEMENT AGENCY BOUNDARY MAP (FLOOD INSURANCE RATE MAP) COMMUNITY PANEL NUMBER 48491C0515E, EFFECTIVE DATE SEPTEMBER 26, 2008, FOR WILLIAMSON COUNTY, TEXAS.
- NO BUILDING, FENCING, LANDSCAPE OR STRUCTURES ARE ALLOWED WITHIN ANY DRAINAGE OR WASTEWATER EASEMENT UNLESS EXPRESSLY PERMITTED BY THE CITY OF HUTTO.
- BUILDING SETBACK LINES SHALL CONFORM TO THE HUTTO CROSSING P.U.D. REQUIREMENTS.
- A TEN FOOT (10') PUBLIC UTILITY EASEMENT (P.U.E.) IS HEREBY DEDICATED ALONG AND ADJACENT TO ALL STREET SIDE PROPERTY LINES.
- A FIVE FOOT (5') PUBLIC UTILITY EASEMENT (P.U.E.) IS HEREBY DEDICATED ON EACH SIDE OF ALL REAR PROPERTY LINES.
- A THREE FOOT (3') PUBLIC UTILITY EASEMENT (P.U.E.) IS HEREBY DEDICATED ON EACH SIDE OF ALL SIDE PROPERTY LINES.
- NO LOT IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTION IS MADE TO PUBLIC WATER AND WASTEWATER UTILITIES.
- SIDEWALKS AND TREES SHALL BE PROVIDED ON BOTH SIDES OF ALL STREETS WITHIN AND ABOUNDING THIS SUBDIVISION.
- IN ORDER TO PROMOTE DRAINAGE AWAY FROM A STRUCTURE, THE SLAB ELEVATIONS SHOULD BE A MINIMUM OF ONE FOOT (1') ABOVE THE SURROUNDING GROUND AND THE GROUND SHOULD BE GRADED AWAY FROM THE SLAB AT A SLOPE OF AT LEAST 1/2 INCH PER FOOT FOR A DISTANCE OF AT LEAST TEN FEET.
- ALL SUBDIVISION CONSTRUCTION SHALL CONFORM TO THE HUTTO CROSSING P.U.D. AGREEMENT, CITY OF HUTTO CONSTRUCTION STANDARDS AND GENERALLY ACCEPTED ENGINEERING PRACTICES.
- DEVELOPMENT OF THIS SUBDIVISION CONFORMS WITH THE CONCLUSIONS OF THE "DETERMINATION OF THE HYDRAULIC IMPACT OF PROPOSED HUTTO CROSSING DEVELOPMENT USING UPPER BRUSHY CREEK WCID WATERSHED MODEL", DATED NOVEMBER 10, 2013 AND ADDENDUM DATED JANUARY 16, 2014.
- ALL DRAINAGE EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR HIS OR HERS ASSIGNS.
- LOT 1, 15, 37 AND LOT 44, BLOCK 'A', LOT 9, BLOCK 'B', LOT 1, BLOCK 'D' AND LOT 11, BLOCK 'E' ARE OPEN SPACE LOTS.

SURVEYOR'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, BLAINE J. MILLER, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE FROM AN ACTUAL SURVEY MADE ON THE GROUND OF THE PROPERTY LEGALLY DESCRIBED HEREON, AND THAT THERE ARE NO APPARENT DISCREPANCIES, BOUNDARY LINE CONFLICTS, OVERLAPPING OF IMPROVEMENTS, VISIBLE UTILITY LINES OR ROADS IN PLACE, EXCEPT AS SHOWN ON THE ACCOMPANYING PLAT, AND THAT CORNER MONUMENTS SHOWN HEREON WERE PROPERLY PLACED UNDER MY SUPERVISION IN ACCORDANCE WITH THE CODES AND ORDINANCES OF THE CITY OF HUTTO, TEXAS.

TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT AUSTIN, TRAVIS COUNTY, TEXAS, THIS 16th DAY OF June, 2017.

Blaine J. Miller
BLAINE J. MILLER
Registered Professional Land Surveyor No. 5121
State of Texas
Firm Registration No. 101267-0
925 Capital of Texas Highway South
Building B, Suite 115
Austin, Texas 78746
(512) 327-4006



CITY DEVELOPMENT SERVICES

This subdivision is located within the city limits of the City of Hutto, this the day of _____, 2017

Helen Ramirez, AICP, Director

DATE: _____

APPROVAL
CITY OF HUTTO

This plat was approved for recording by the Hutto City Council on the ____ day of _____, 2017.

Doug Gaul, Mayor

DATE: _____

Seth Gipson, City Secretary

DATE: _____

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, Nancy E. Rister, Clerk of the County Court of said County, do hereby certify that the foregoing instrument in writing, with its certificate of authentication, was filed for record in my office on the ____ day of _____, 2017, A.D., at ____ o'clock, ____M and duly recorded this ____ day of _____, 2017, A.D., at ____ o'clock, ____M., in the Official Public Records of said County in Document No. _____.

TO CERTIFY WHICH, WITNESS my hand and seal at the County Court of said County, at my office in Georgetown, Texas, the date last shown above written.

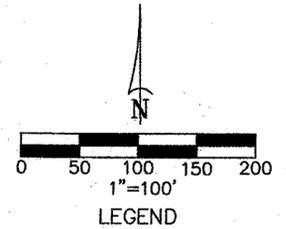
Nancy E. Rister, Clerk County Court
Williamson County, Texas

By: _____, Deputy

HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT

CSCI		CAPITAL SURVEYING COMPANY INCORPORATED	
925 Capital of Texas Highway South Building B, Suite 115 Austin, Texas 78746 (512) 327-4006		FIRM REGISTRATION No. 101267-0	
DRAWN BY: WAL	SCALE: N/A	F.B.	
JOB NO.: 16531.10	DATE: FEBRUARY 16, 2017	SHEET NO.:	1 OF 4
DRAWING NO.: 16531P1	CRD #: 16531		

HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT



- LEGEND**
- O.P.R.W.C. OFFICIAL PUBLIC RECORDS WILLIAMSON COUNTY
 - () RECORD INFORMATION
 - R.O.W. RIGHT-OF-WAY
 - P.O.B. POINT OF BEGINNING
 - P.O.C. POINT OF COMMENCEMENT
 - IRON ROD SET WITH CAP MARKED "CAPITAL SURVEYING CO. INC."
 - ⊗ IRON ROD FOUND WITH TxDOT CAP
 - IRON ROD FOUND WITH CAP MARKED "LOOMIS"
 - ▲ CALCULATED POINT
 - ⋯⋯⋯ SIDEWALK
 - SIDEWALK

BENCHMARKS:
 TBM 32
 "□" CUT IN SOUTH SIDE OF TRANSFORMER PAD
 ELEV. = 642.92' F.B. 1801/30
 TBM 33
 "⊕" CUT ON BACK OF CURB AT SOUTHEAST OF INTERSECTION DUROC DRIVE AND METHUDIUS DRIVE
 ELEV. = 633.49' F.B. 1801/31

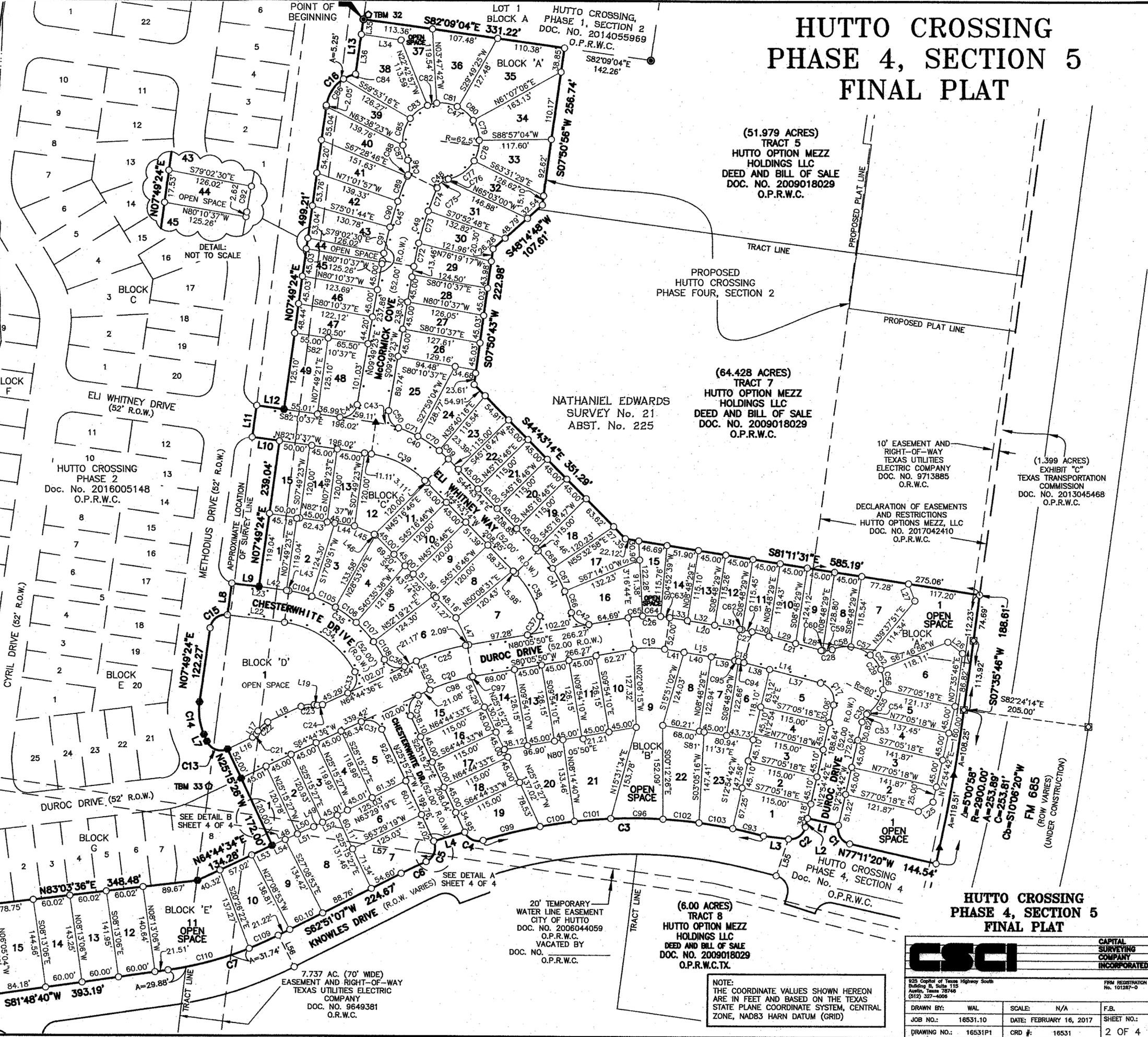
MARTIN STROUSE SURVEY No. 20
 ABST. No. 587

(5.603 ACRES)
 EXHIBIT "A"
 WASTEWATER LINE EASEMENT
 DOC. NO. 2015078630
 O.P.R.W.C.

HUTTO CROSSING PHASE 4, SECTION 1
 Doc. No. 2016085542
 O.P.R.W.C.

(150.96 ACRES)
 TRACT 1
 HUTTO OPTION MEZZ HOLDINGS LLC
 DEED AND BILL OF SALE
 DOC. NO. 2009018029
 O.P.R.W.C.

SEE DETAIL C SHEET 4 OF 4
 SEE DETAIL D SHEET 4 OF 4



(51.979 ACRES)
 TRACT 5
 HUTTO OPTION MEZZ HOLDINGS LLC
 DEED AND BILL OF SALE
 DOC. NO. 2009018029
 O.P.R.W.C.

(64.428 ACRES)
 TRACT 7
 HUTTO OPTION MEZZ HOLDINGS LLC
 DEED AND BILL OF SALE
 DOC. NO. 2009018029
 O.P.R.W.C.

10' EASEMENT AND RIGHT-OF-WAY
 TEXAS UTILITIES ELECTRIC COMPANY
 DOC. NO. 9713885
 O.R.W.C.

(1,399 ACRES)
 EXHIBIT "C"
 TEXAS TRANSPORTATION COMMISSION
 DOC. NO. 2013045468
 O.P.R.W.C.

DECLARATION OF EASEMENTS AND RESTRICTIONS
 HUTTO OPTIONS MEZZ, LLC
 DOC. NO. 2017042410
 O.P.R.W.C.

NATHANIEL EDWARDS SURVEY No. 21
 ABST. No. 225

HUTTO CROSSING PHASE 4, SECTION 5
 FINAL PLAT

(6.00 ACRES)
 TRACT 8
 HUTTO OPTION MEZZ HOLDINGS LLC
 DEED AND BILL OF SALE
 DOC. NO. 2009018029
 O.P.R.W.C.TX.

20' TEMPORARY WATER LINE EASEMENT
 CITY OF HUTTO
 DOC. NO. 2006044059
 O.P.R.W.C.
 VACATED BY
 DOC. NO. O.P.R.W.C.

7.737 AC. (70' WIDE)
 EASEMENT AND RIGHT-OF-WAY
 TEXAS UTILITIES ELECTRIC COMPANY
 DOC. NO. 9649381
 O.R.W.C.

CSCI			CAPITAL SURVEYING COMPANY INCORPORATED	
925 Capital of Texas Highway South Building B, Suite 115 Austin, Texas 78749 (512) 327-4008			FIRM REGISTRATION No. 101287-0	
DRAWN BY:	WAL	SCALE:	N/A	F.B.
JOB NO.:	16531.10	DATE:	FEBRUARY 16, 2017	SHEET NO.:
DRAWING NO.:	16531P1	CRJ #:	16531	2 OF 4

NOTE:
 THE COORDINATE VALUES SHOWN HEREON ARE IN FEET AND BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD83 HARN DATUM (GRID)

HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT

CURVE TABLE					
CURVE	DELTA	RADIUS	ARC	CHORD	CH. BEARING
C1	90°06'02"	25.00'	39.31'	35.39'	N32°08'18"W
C2	83°58'01"	25.00'	38.64'	33.45'	S54°53'42"W
C3	32°00'16"	829.00'	463.06'	457.07'	S88°49'41"W
C4	81°55'00"	25.00'	35.74'	32.78'	N66°12'58"W
C5	91°12'48"	25.00'	39.80'	35.73'	S20°20'57"W
C6	3°06'14"	829.00'	44.91'	44.90'	S64°24'14"W
C7	18°57'33"	571.00'	188.94'	188.08'	S72°19'53"W
C8	90°00'32"	25.00'	39.27'	35.36'	N53°11'05"W
C9	53°16'53"	25.00'	23.25'	22.42'	N34°49'47"W
C10	197°39'37"	60.00'	206.99'	118.58'	N37°21'35"E
C11	53°07'48"	25.00'	23.18'	22.36'	S70°22'31"E
C12	25°30'19"	25.00'	11.13'	11.04'	N70°18'24"E
C13	91°43'58"	25.00'	40.03'	35.89'	N69°23'28"W
C14	31°20'54"	99.00'	54.17'	53.49'	N07°51'02"W
C15	90°00'00"	25.00'	39.27'	35.35'	N52°49'24"E
C16	70°21'50"	60.00'	73.69'	69.14'	N43°00'20"E
C17	88°09'22"	30.00'	46.16'	41.74'	N31°09'59"W
C18	5°44'56"	154.00'	15.45'	15.44'	N78°07'08"W
C19	18°54'34"	154.00'	50.82'	50.59'	S89°33'08"W
C20	15°21'14"	274.00'	73.43'	73.21'	S72°25'13"W
C21	35°00'04"	14.00'	8.55'	8.42'	N47°14'35"E
C22	35°00'03"	36.00'	21.99'	21.65'	N47°14'34"E
C23	34°59'57"	36.00'	21.99'	21.65'	N82°14'33"E
C24	34°59'57"	14.00'	8.55'	8.42'	N82°14'21"E
C25	15°21'14"	326.00'	87.36'	87.10'	N72°25'13"E
C26	18°54'34"	206.00'	67.99'	67.68'	N89°33'07"E
C27	5°44'56"	206.00'	20.67'	20.66'	S78°07'08"E
C28	38°32'05"	25.00'	16.81'	16.50'	N85°29'18"E
C29	167°40'45"	60.00'	175.59'	119.31'	S29°56'21"E
C30	40°59'18"	25.00'	17.88'	17.51'	S33°24'22"W
C31	89°59'38"	25.00'	39.27'	35.35'	N70°15'37"W
C32	90°00'03"	25.00'	39.27'	35.36'	S19°44'35"W
C33	92°53'58"	25.00'	40.54'	36.24'	N18°17'38"E
C34	54°01'15"	154.00'	145.20'	139.88'	N55°09'59"W
C35	55°18'06"	206.00'	198.83'	191.20'	S54°31'34"E
C36	88°22'53"	25.00'	38.56'	34.85'	S71°03'58"E
C37	94°50'43"	25.00'	41.38'	36.82'	N32°40'29"E
C38	29°58'20"	154.00'	80.56'	79.64'	N29°44'03"W
C39	37°27'23"	154.00'	100.68'	98.89'	N63°26'55"W
C40	37°27'23"	206.00'	134.67'	132.29'	S63°26'55"E
C41	32°06'51"	206.00'	115.46'	113.96'	S28°39'48"E
C42	87°17'47"	25.00'	38.09'	34.51'	S56°15'17"E
C43	10°40'48"	206.00'	38.40'	38.34'	N76°50'13"W
C44	88°00'00"	25.00'	38.40'	34.73'	N53°49'23"E
C45	13°32'46"	626.00'	148.00'	147.66'	N16°35'46"E
C46	52°57'42"	25.00'	23.11'	22.30'	N03°06'42"W
C47	288°40'07"	62.50'	314.89'	72.88'	S65°15'29"E
C48	55°57'44"	25.00'	24.42'	23.46'	S51°05'42"W
C49	13°17'27"	574.00'	133.15'	132.85'	S16°28'07"W
C50	81°19'12"	25.00'	35.48'	32.58'	S30°50'12"E
C51	91°14'55"	30.00'	47.78'	42.89'	S37°26'08"W
C52	28°09'07"	60.00'	29.48'	29.18'	N36°17'35"W
C53	34°34'10"	25.00'	15.08'	14.86'	N30°11'47"E
C54	6°25'09"	25.00'	2.80'	2.80'	N50°41'29"E
C55	44°16'07"	60.00'	46.36'	45.21'	N31°45'58"E
C56	31°50'56"	60.00'	33.35'	32.92'	N06°17'34"W
C57	33°17'08"	60.00'	34.86'	34.37'	N67°00'43"W
C58	30°07'27"	60.00'	31.55'	31.18'	S81°17'00"W
C59	36°42'49"	25.00'	16.02'	15.75'	S84°34'40"W
C60	1°49'16"	25.00'	0.80'	0.80'	N76°09'30"W
C61	4°43'14"	206.00'	16.97'	16.97'	N77°36'18"W
C62	1°01'42"	206.00'	3.70'	3.70'	N80°28'43"W
C63	4°07'41"	206.00'	14.84'	14.84'	N83°03'26"W
C64	8°09'23"	206.00'	29.33'	29.30'	N89°11'59"W
C65	6°37'29"	206.00'	23.82'	23.81'	S83°24'34"W
C66	10°09'27"	206.00'	36.52'	36.47'	N17°41'07"W
C67	11°41'13"	206.00'	42.02'	41.95'	N28°36'26"W
C68	10°16'11"	206.00'	36.92'	36.87'	N39°35'08"W
C69	5°36'30"	206.00'	20.16'	20.16'	N47°31'29"W
C70	11°41'12"	206.00'	42.02'	41.95'	N56°10'20"W
C71	9°28'52"	206.00'	34.09'	34.05'	N66°45'23"W
C72	3°51'20"	574.00'	38.63'	38.62'	N11°45'03"E
C73	5°26'30"	574.00'	54.51'	54.49'	N16°23'58"E
C74	3°59'38"	574.00'	40.01'	40.00'	N21°07'01"E
C75	46°32'57"	25.00'	20.31'	19.76'	N46°23'19"E
C76	9°24'46"	25.00'	4.11'	4.10'	N74°22'08"E
C77	48°57'32"	62.50'	53.41'	51.80'	N54°35'48"E
C78	31°45'47"	62.50'	34.65'	34.21'	N14°14'08"E
C79	31°37'39"	62.50'	34.50'	34.06'	N17°27'34"W
C80	30°27'50"	62.50'	33.23'	32.84'	N48°30'18"W

CURVE TABLE					
CURVE	DELTA	RADIUS	ARC	CHORD	CH. BEARING
C81	33°00'23"	62.50'	36.17'	35.67'	N80°18'55"W
C82	14°09'35"	62.50'	15.45'	15.41'	S76°01'36"W
C83	32°55'37"	62.50'	35.92'	35.43'	S52°29'00"W
C84	20°32'25"	60.00'	21.51'	21.39'	N67°55'02"E
C85	41°59'41"	62.50'	45.81'	44.79'	S15°01'21"W
C86	49°49'26"	60.00'	52.18'	50.55'	N32°44'08"E
C87	23°37'04"	62.50'	25.76'	25.58'	S17°47'01"E
C88	0°23'27"	626.00'	4.27'	4.27'	S23°10'26"W
C89	4°00'39"	626.00'	43.82'	43.81'	S20°58'23"W
C90	3°59'48"	626.00'	43.67'	43.66'	S16°58'10"W
C91	4°00'46"	626.00'	43.84'	43.83'	S12°57'53"W
C92	1°08'07"	626.00'	12.40'	12.40'	S10°23'26"W
C93	3°34'20"	829.00'	51.69'	51.68'	N76°57'21"W
C94	3°23'42"	154.00'	9.13'	9.12'	S76°56'32"E
C95	2°21'14"	154.00'	6.33'	6.33'	S79°48'57"E
C96	5°53'10"	829.00'	85.17'	85.13'	N89°36'40"W
C97	0°47'06"	274.00'	3.75'	3.75'	N79°42'18"E
C98	14°34'09"	274.00'	69.67'	69.49'	N72°01'40"E
C99	6°35'48"	829.00'	95.44'	95.39'	S76°07'26"W
C100	3°55'28"	829.00'	56.78'	56.77'	S81°23'04"W
C101	4°05'57"	829.00'	59.31'	59.30'	S85°23'47"W
C102	4°04'36"	829.00'	58.98'	58.97'	N84°37'47"W
C103	3°50'58"	829.00'	55.70'	55.69'	N80°40'00"W
C104	10°45'25"	206.00'	38.68'	38.62'	N76°47'54"W
C105	11°42'05"	206.00'	42.07'	42.00'	N65°34'10"W
C106	11°42'11"	206.00'	42.08'	42.00'	N53°52'02"W
C107	11°43'44"	206.00'	42.17'	42.10'	N42°09'04"W
C108	9°24'41"	206.00'	33.84'	33.80'	N31°34'52"W
C109	5°11'09"	573.17'	51.88'	51.86'	N65°27'34"E
C110	13°45'12"	571.00'	137.06'	136.73'	N74°56'04"E

Block A - 49 Lots	
Lot No.	Acres
1*	0.7345
2	0.1420
3	0.1466
4	0.1461
5	0.1300
6	0.2054
7	0.1866
8	0.1258
9	0.1306
10	0.1258
11	0.1211
12	0.1192
13	0.1190
14	0.1267
15*	0.1027
16	0.2023
17	0.1672
18	0.1414
19	0.1188
20	0.1188
21	0.1188
22	0.1302
23	0.1615
24	0.1989
25	0.1326
26	0.1310
27	0.1294
28	0.1362
29	0.1381
30	0.1680
31	0.1434
32	0.1709
33	0.2082
34	0.2771
35	0.1920
36	0.1424
37*	0.2332
38	0.1484
39	0.1634
40	0.1610
41	0.1496
42	0.1421
43	0.0469
44*	0.1286
45	0.1270
46	0.1290
47	0.1790
48	0.1580
49	0.1580
TOTAL	7.8743

* DENOTES NON SINGLE FAMILY LOTS

Block B - 23 Lots	
Lot No.	Acres
1	0.1702
2	0.1191
3	0.1191
4	0.1191
5	0.1568
6	0.1326
7	0.1269
8	0.1486
9*	0.4017
10	0.1553
11	0.1303
12	0.1303
13	0.1303
14	0.1606
15	0.1589
16	0.1188
17	0.1188
18	0.1188
19	0.1728
20	0.2335
21	0.2834
22	0.2165
23	0.2300
TOTAL	3.8524

* DENOTES NON SINGLE FAMILY LOTS

Block C - 15 Lots	
Lot No.	Acres
1	0.1235
2	0.1449
3	0.1657
4	0.1597
5	0.1530
6	0.2234
7	0.2290
8	0.1467
9	0.1416
10	0.1240
11	0.1240
12	0.2104
13	0.1240
14	0.1240
15	0.1377
TOTAL	2.3316

Block D - 1 Lot	
Lot No.	Acres
1*	0.8556

* DENOTES NON SINGLE FAMILY LOTS

Block E - 19 Lots	
Lot No.	Acres
1	0.1244
2	0.1251
3	0.1244
4	0.1234
5	0.1635
6	0.1725
7	0.2010
8	0.2765
9	0.1873
10	0.2052
11*	0.4542
12	0.1946
13	0.1964
14	0.1982
15	0.2720
16	0.2324
17	0.1882
18	0.1912
19	0.2252
TOTAL	3.8557

* DENOTES NON SINGLE FAMILY LOTS

Public Street Name	Linear Ft.	Acres
CHESTERWHITE DRIVE SOUTH (52' R.O.W.)	235	0.2794 Ac.
CHESTERWHITE DRIVE NORTH (52' R.O.W.)	250	0.3538 Ac.
DUROC DRIVE EAST (52' R.O.W.)	480	1.6452 Ac.
DUROC DRIVE WEST (52' R.O.W.)	1,350	0.6424 Ac.
ELI WHITNEY WAY (52' R.O.W.)	650	0.7775 Ac.
McCORMICK COVE (52' R.O.W.)	550	0.7804 Ac.
Total Right-of-Way	3,515	4.4787 Ac.

BLOCK "A" 45 Single Family Lots	6.8478 Ac.
4 Open Space Lot - Lot 1, 15, 37 & 44	1.0265 Ac.
BLOCK "B" 22 Single Family Lots	3.4507 Ac.
1 Open Space Lot - Lot 9	0.4017 Ac.
BLOCK "C" 15 Single Family Lots	2.3316 Ac.
BLOCK "D" 1 Open Space Lot - Lot 1	0.8556 Ac.
BLOCK "E" 18 Single Family Lots	3.8557 Ac.
1 Open Space Lot - Lot 11	0.4542 Ac.
Total Lots 107 (100 S.F. Lots, 7 Open Space Lots)	18.7696 Ac.
Total Right of Way	4.4787 Ac.
Total Acreage of Subdivision	23.2483 Ac.

LINE TABLE		
LINE	BEARING	LENGTH
L1	N77°05'18"W	52.00'
L2	S12°54'42"W	14.90'
L3	N83°07'17"W	41.18'
L4	S73°48'14"W	52.66'
L5	S81°48'25"W	52.00'
L6	N83°03'35"E	91.13'
L7	N23°31'29"W	12.22'
L8	N07°49'24"E	52.00'

FIELDNOTE DESCRIPTION of a 23.2483 acre tract out of the Nathaniel Edwards Survey No. 21, Abstract No. 225 and the Martin Strouse Survey, Abstract No. 587, Williamson County, Texas, being out of the remainder of that certain 150.96 acre tract, described as Tract 1, the remainder of that certain 51.979 acre tract, described as Tract 5, the remainder of that certain 64.428 acre tract, described as Tract 7, the remainder of that certain 6.00 acre tract, described as Tract 8 and the remainder of that certain 0.52 acre tract, described as Tract 9, as conveyed to Hutto Option Mezz Holdings LLC, by deed recorded in Document No. 2009018029 of the Official Public Records of Williamson County Texas; the said 23.2483 acre tract is more particularly described by notes and bounds as follows:

BEGINNING, at a 1/2" iron rod, with plastic cap marked "Loomis", found for the southwest corner of Lot 1, Block 'A', Hutto Crossing, Phase 1, Section 2, a subdivision recorded in Document No. 2014055969 of the said Official Public Records, same being on the easterly line of Lot 17, Block 'B', Hutto Crossing, Phase 2, a subdivision recorded in Document No. 2016005148 of the said Official Public Records;

THENCE, S82°09'04"E, with the southerly line of said Lot 1, Block 'A', Hutto Crossing, Phase 1, Section 2 subdivision, a distance of 331.22 feet to a 1/2" iron rod set for the northeast corner of the herein described tract, from which a 1/2" iron rod, with plastic cap marked "Loomis", found for the southeast corner of said Lot 1, Block 'A', bears S82°09'04"E, 142.26 feet;

THENCE, leaving southerly line of the aforesaid Lot 1, Block 'A', crossing through the said 51.979 acre tract and the said 64.428 acre tract, for the following five (5) courses:

- 1) S07°50'56"W, a distance of 256.74 feet to a 1/2" iron rod set;
- 2) S48°14'48"W, at a distance of 10.52 feet pass a calculated point on the common south line of the aforesaid 51.979 and the north line of aforesaid 64.428 acre tract, and continuing for a total distance of 107.61 feet a 1/2" iron rod set;
- 3) S07°50'43"W, a distance of 222.98 feet a 1/2" iron rod set;
- 4) S44°43'14"E, a distance of 351.29 feet a 1/2" iron rod set;
- 5) S81°11'31"E, a distance of 585.19 feet a 1/2" iron rod set on the westerly line of that 1.399 acre tract (Exhibit "C") conveyed for additional right-of-way of State Highway FM 685, to Texas Transportation Commission as recorded in Document No. 2013045468 of the said Official Public Records;

THENCE, with the common easterly remainder line of the aforesaid 64.428 acre tract, the said 0.52 acre tract, the said 6.00 acre tract, the westerly line of the said 1.399 acre tract, being the existing westerly right-of-way line of FM 685, for the following two (2) courses:

- 1) S07°35'46"W, at a distance of 74.69 feet, pass an iron rod, with TxDOT aluminum cap, found and continuing for a total distance of 188.61 feet to an iron rod, with TxDOT aluminum cap, found for the point of curvature of a curve to the right;
- 2) With said curve to the right, having a central angle of 5°00'58", a radius of 2900.00 feet, a chord distance of 253.81 feet (chord bears S10°06'20"W), at an arc distance of 108.25 feet pass the common south line of the aforesaid 0.52 acre tract and the north line of the aforesaid 6.00 acre tract, at an arc distance of 227.76 feet pass the common south line of the said 6.00 acre tract and the north line of the said 64.428 acre tract, and continuing for a total arc distance of 253.89 feet to a 1/2" iron rod set for the southeast corner of the herein described tract;

THENCE, leaving the westerly line of the said 1.399 acre tract, crossing through the aforesaid 6.00 acre tract, the said 64.428 acre tract and the said 150.96 acre tract, with the proposed northerly line of Hutto Crossing, Phase Four, Section Four (Knowles Drive, right-of-way varies) for the following fifteen courses:

- 1) N77°11'20"W, a distance of 144.54 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 2) With said curve to the right, having a central angle of 90°06'02", a radius of 25.00 feet, a chord distance of 35.39 feet (chord bears N32°08'18"W), for an arc distance of 39.31 feet to a 1/2" iron rod, set for the point of non-tangency;
- 3) N77°05'18"W, a distance of 52.00 feet to a 1/2" iron rod set for corner;
- 4) S12°54'42"W, a distance of 14.90 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 5) With said curve to the right, having a central angle of 83°58'01", a radius of 25.00 feet, a chord distance of 33.45 feet (chord bears S54°53'42"W), for an arc distance of 36.64 feet to a 1/2" iron rod set for the point of non-tangency, from which a 1/2" iron rod set on the southerly line of proposed Hutto Crossing, Phase Four, Section Four (Knowles Drive), bears S18°23'24"W, 62.88 feet;
- 6) N83°07'17"W, a distance of 41.18 feet to a 1/2" iron rod set for the point of curvature of a curve to the left;
- 7) With said curve to the left, having a central angle of 32°00'16", a radius of 829.00 feet, a chord distance of 457.07 feet (chord bears S88°49'41"W), for an arc distance of 463.07 feet to a 1/2" iron rod set for the point of reverse curvature of a curve to the right;
- 8) With said curve to the right, having a central angle of 81°55'00", a radius of 25.00 feet, a chord distance of 32.78 feet (chord bears N66°12'58"W), for an arc distance of 35.74 feet to a 1/2" iron rod, set for the point of non-tangency;
- 9) S73°48'14"W, a distance of 52.66 feet to a 1/2" iron rod set for the point of curvature of a non-tangent curve to the right;
- 10) With said non-tangent curve to the right, having a central angle of 91°12'48", a radius of 25.00 feet, a chord distance of 35.73 feet (chord bears S20°20'57"W), for an arc distance of 39.80 feet to a 1/2" iron rod set for the point of reverse curvature of a curve to the left;
- 11) With said curve to the left, having a central angle of 3°06'14", a radius of 829.00 feet, a chord distance of 44.90 feet (chord bears S64°24'14"W), for an arc distance of 44.91 feet to a 1/2" iron rod set for the point of tangency;
- 12) S62°51'07"W, a distance of 224.67 feet to a 1/2" iron rod set for a point of curvature of a curve to the right, from which a 1/2" iron rod set on the southerly line of proposed Hutto Crossing, Phase Four, Section Four (Knowles Drive), bears S27°06'53"E, 58.00 feet;
- 13) With said curve to the right, having a central angle of 18°57'33", a radius of 571.00 feet, a chord distance of 188.08 feet (chord bears S72°19'53"W), at an arc distance of 159.06 feet pass the common westerly line of the said 64.428 acre tract and the easterly line of the said 150.96 acre tract, and continuing for a total arc distance of 188.94 feet to a 1/2" iron rod set for the point of tangency;
- 14) S81°48'40"W, a distance of 393.19 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 15) With said curve to the right, having a central angle of 90°00'32", a radius of 25.00 feet, a chord distance of 35.36 feet (chord bears N53°11'05"W), for an arc distance of 39.27 feet to a 1/2" iron rod set for the point of non-tangency;
- 16) S81°48'25"W, a distance of 52.00 feet to a 1/2" iron rod set for the southwest corner of the herein described tract;

THENCE, continuing across the said 150.96 acre tract, for the following six (6) courses:

- 1) N08°11'20"W, a distance of 202.77 feet to a 1/2" iron rod set for the point of curvature of a curve to the left;
- 2) With said curve to the left, having a central angle of 53°16'53", a radius of 25.00 feet, a chord distance of 22.42 feet (chord bears N34°49'47"W) for an arc distance of 23.25 feet to a 1/2" iron rod set for the point of reverse curvature of a curve to the right;
- 3) With said curve to the right, having a central angle of 197°39'37", a radius of 60.00 feet, a chord distance of 118.58 feet (chord bears N37°21'35"E), for an arc distance of 206.99 feet to a 1/2" iron rod set for the point of reverse curvature of a curve to the left;
- 4) With said curve to the left, having a central angle of 53°07'48", a radius of 25.00 feet, a chord distance of 22.36 feet (chord bears S70°22'31"E), for an arc distance of 23.18 feet to a 1/2" iron rod set for the point of tangency;
- 5) N83°03'35"E, a distance of 91.13 feet to a 1/2" iron rod set for the point of curvature of a curve to the left;

- 6) With said curve to the left, having a central angle of 25°30'19", a radius of 25.00 feet, a chord distance of 11.04 feet (chord bears N70°18'24"E), for an arc distance of 11.13 feet to a 1/2" iron rod set for the continuing point of curvature, being on the common curb return at the southwest corner of Cyril Drive (52.00' right-of-way) and the northwest corner of Duroc Drive (52.00' right-of-way), both as dedicated in the aforesaid Hutto Crossing, Phase 2, subdivision;

THENCE, S06°04'48"E, with the westerly line of the said Hutto Crossing, Phase 2, subdivision, a distance of 174.47 feet to a 1/2" iron rod set for corner, being the southwest corner of Lot 1, Block 'G', of the said Hutto Crossing, Phase 2, subdivision;

THENCE, with the common remainder line of the said 150.966 acre tract and the southerly line of the said Hutto Crossing, Phase 2, subdivision, for the following two (2) courses:

- 1) N83°03'36"E, a distance of 348.48 feet to a 1/2" iron rod set for corner;
- 2) N64°44'34"E, a distance of 134.28 feet to a 1/2" iron rod set for corner, being the southeast corner of Lot 8, Block 'G', of the said Hutto Crossing, Phase 2, subdivision;

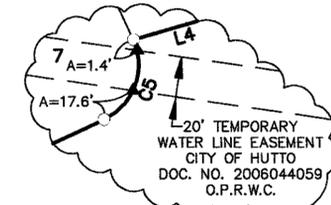
THENCE, continuing across the remainder of the said 150.96 acre tract, with the easterly line of the said Hutto Crossing, Phase 2, subdivision, for the following fifteen (15) courses:

- 1) N25°15'26"W, a distance of 172.00 feet to a 1/2" iron rod set for the point of curvature of a non-tangent curve to the right, same being the curb return and the common northeast corner of said Duroc Drive (52.00' right-of-way) and southeast corner of Methodist Drive (52.00' right-of-way) as dedicated in aforesaid Hutto Crossing, Phase 2, subdivision;
- 2) With said non-tangent curve to the right, having a central angle of 91°43'58", a radius of 25.00 feet, a chord distance of 35.89 feet (chord bears N69°23'28"W), for an arc distance of 40.03 feet to a 1/2" iron rod set for the point of tangency;
- 3) N23°31'29"W, a distance of 12.22 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 4) With said curve to the right, having a central angle of 31°20'54", a radius of 99.00 feet, a chord distance of 53.49 feet (chord bears N07°51'02"W), for an arc distance of 54.17 feet to a 1/2" iron rod set for the point of tangency;
- 5) N07°49'24"E, a distance of 122.27 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 6) With said curve to the right, having a central angle of 90°00'00", a radius of 25.00 feet, a chord distance of 35.35 feet (chord bears N52°49'24"E), for an arc distance of 39.27 feet to a 1/2" iron rod set for the point of non-tangency;
- 7) N07°49'24"E, a distance of 52.00 feet to a 1/2" iron rod set for corner;
- 8) S82°10'40"E, a distance of 44.92 feet to a 1/2" iron rod set for corner;
- 9) N07°49'24"E, a distance of 239.04 feet to a 1/2" iron rod set for corner;
- 10) N82°10'36"W, a distance of 44.92 feet to a 1/2" iron rod set for corner;
- 11) N07°49'24"E, a distance of 52.00 feet to a 1/2" iron rod set for corner;
- 12) S82°10'36"E, a distance of 44.92 feet to a 1/2" iron rod set for corner;
- 13) N07°49'24"E, a distance of 499.21 feet to a 1/2" iron rod set for the point of curvature of a curve to the right;
- 14) With said curve to the right, having a central angle of 70°21'50", a radius of 60.00 feet, a chord distance of 69.14 feet (chord bears N43°00'20"E), for an arc distance of 73.69 feet to a 1/2" iron rod set for the point of non-tangency;
- 15) N07°51'38"E, a distance of 89.50 feet to the POINT OF BEGINNING, CONTAINING within these notes and bounds 23.2483 acres of land area.

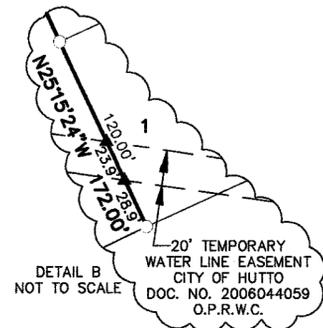
Iron rods set are further described as 1/2" iron rod, with plastic cap marked "Capital Surveying Company, Inc." set.

Basis of Bearing is the Texas State Plane Coordinate System, Central Zone, NAD83 (Grid).

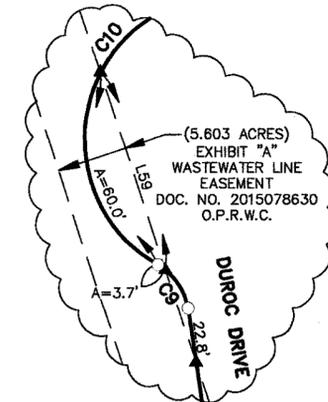
HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT



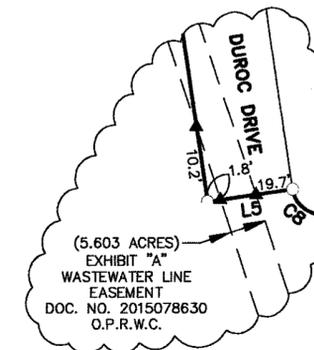
DETAIL A
NOT TO SCALE



DETAIL B
NOT TO SCALE



DETAIL C
NOT TO SCALE



DETAIL D
NOT TO SCALE

HUTTO CROSSING PHASE 4, SECTION 5 FINAL PLAT

CSCI		CAPITAL SURVEYING COMPANY INCORPORATED	
		525 Capital of Texas Highway South Building B, Suite 115 Austin, Texas 78746 (512) 327-4006	
DRAWN BY:	WAL	SCALE:	N/A
JOB NO.:	16531.10	DATE:	FEBRUARY 16, 2017
DRAWING NO.:	16531P2	CRD #:	16531
			F.B. SHEET NO.: 4 OF 4

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 9B. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Helen Ramirez, AICP, Executive Director
of Business/Development Services

ITEM: Consideration and possible action on a resolution approving the proposed Hutto Crossing Phase 4 Section 6 Final Plat, 1.9465 acres, more or less, of land, two commercial lots, located on Chris Kelley Boulevard at US 79 (southwest corner).

STRATEGIC GUIDE POLICY:

ITEM BACKGROUND:

The Hutto Crossing Phase 4 Section 6 Final Plat is proposing a 1.9465 acre subdivision consisting of 2 non- residential lots. The proposed subdivision is located west of Chris Kelley Boulevard, north of Carl Stern. The proposed subdivision is part of the Hutto Crossing Planned Unit Development. These two commercial lots are located south of US Highway 79 and the Union Pacific Railroad right-of-way.

Comments from all departments have been addressed.

Prior to recordation, the applicant shall correct the spelling of Chris Kelley Boulevard, both on the face of the plat and in Note #13.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Planning and Zoning Commission recommended approval to City Council on August 8, 2017. The motion passed unanimously.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends that the Council approve the resolution.

SUPPORTING MATERIAL:

1. [Resolution - Hutto Crossing Phase 4 Section 6 Final Plat](#)
2. [Exhibit A - Hutto Crossing Phase 4 Section 6 Final Plat](#)

RESOLUTION NO.

**A RESOLUTION APPROVING THE AMENDED PLAT KNOWN AS
"HUTTO CROSSING PHASE 4 SECTION 6 FINAL PLAT"; IN THE CITY
OF HUTTO, WILLIAMSON COUNTY, TEXAS.**

WHEREAS, the Texas Local Government Code Chapter 212 and the City of Hutto Subdivision Ordinance requires the Planning and Zoning Commission to take action to recommend to the City Council whether or not to approve or disapprove a subdivision plat within thirty (30) days of the date an application is accepted, and;

WHEREAS, the Texas Local Government Code Chapter 212 and the City of Hutto Subdivision Ordinance requires the City Council take action to approve or disapprove a subdivision plat within thirty (30) days of the date of presentation at Planning and Zoning Commission, and;

WHEREAS, the Development Services Department and the City Engineer have reviewed the above referenced plat for compliance with statute and engineering standards, and;

WHEREAS, if City Council fails to take action on this plat within the prescribed thirty (30) day period, the plat is granted statutory approval, Now therefore,

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

that the Hutto City Council hereby approves the resolution for the amended plat known as "Hutto Crossing Phase 4 Section 6 Final Plat", a copy of same being attached hereto as "Exhibit A" and incorporated herein for all purposes.

CONSIDERED and RESOLVED on this the **7th** day of the month **September, 2017**.

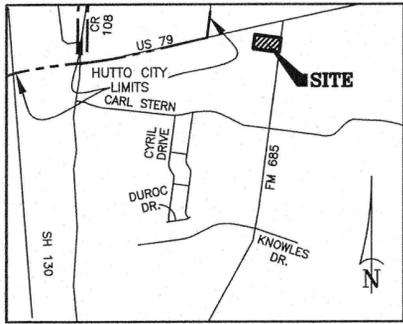
THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

HUTTO CROSSING PHASE 4, SECTION 6 FINAL PLAT



LOCATION MAP
SCALE 1" = 2000'

OWNER'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, AARON GIOVARA, OWNER, HUTTO OPTION MEZZ HOLDINGS, LLC, SOLE OWNER OF THAT CERTAIN 10.00 ACRE TRACT (TRACT 6), THAT 55.302 ACRE TRACT (TRACT 5) DESCRIBED IN A DEED RECORDED IN DOCUMENT NO. 2009018029 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS, DO HEREBY STATE THAT THERE ARE NO LIEN HOLDERS OF THE SAID 10.00 ACRE TRACT AND THE SAID 55.302 ACRE TRACT AND DO HEREBY SUBDIVIDE 1.946 ACRE OF SAID TRACTS AS SHOWN HEREON, AND DO HEREBY CONSENT TO ALL PLAT NOTE REQUIREMENTS SHOWN HEREON, AND DO HEREBY DEDICATE TO THE CITY OF HUTTO THE STREETS, ALLEYS, RIGHT-OF-WAY, EASEMENTS AND PUBLIC PLACES SHOWN HEREON FOR SUCH PUBLIC PURPOSES AS THE CITY OF HUTTO MAY DEEM APPROPRIATE. THIS SUBDIVISION IS TO BE KNOWN AS HUTTO CROSSING, PHASE 4, SECTION 6.

TO CERTIFY WHICH, WITNESS by my hand this ____ day of _____, 2017.

Aaron A. Giovara, Owner
Hutto Option Mezz Holdings LLC
10100 Santa Monica Blvd., Suite 1000
Los Angeles, CA 90067

State of California }
County of _____ }

On _____ before me, _____, personally appeared Aaron A. Giovara who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ENGINEER'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

NO PORTION OF THIS TRACT IS WITHIN THE 100 YEAR FLOOD PLAIN AS SHOWN ON FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NUMBER 48491C0515E, EFFECTIVE DATE SEPTEMBER 26, 2008, FOR WILLIAMSON COUNTY, TEXAS.

I, KENNETH W. MARTIN, REGISTERED PROFESSIONAL ENGINEER IN THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS PLAT IS IN COMPLIANCE WITH THE CODES AND ORDINANCES OF THE CITY OF HUTTO, TEXAS.

TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT AUSTIN, TRAVIS COUNTY, TEXAS, THIS 31st DAY OF July, 2017.

Kent W. Martin
KENNETH W. MARTIN
Registered Professional Engineer No. 65971
State of Texas
Murfee Engineering Company
1101 Capital of Texas Highway South
Building D, Austin, Texas 78746 (512)
(512)-327-9204



OWNER:
HUTTO OPTION MEZZ HOLDINGS, LLC
10100 Santa Monica Blvd., Suite 1000
Los Angeles, CA 90067

ENGINEER:
MURFEE ENGINEERING COMPANY
1101 Capital of Texas Highway South
Building D,
Austin, Texas 78746

SURVEYOR:
CAPITAL SURVEYING CO., INC.
925 Capital of Texas Highway South
Building B, Suite 115
Austin, Texas 78746
Firm Registration No. 101267-0

LAND USE SUMMARY:
TOTAL ACREAGE: 1.9465 ACRES
NON-RESIDENTIAL LOTS: 2 1.9465 ACRES
TOTAL NUMBER OF LOTS: 2

GENERAL NOTES:

- STREET LIGHTING SHALL BE PROVIDED IN ACCORDANCE WITH SEC. 3.8 OF THE HUTTO CROSSINGS PUD AGREEMENT.
- WATER AND WASTEWATER SERVICE FOR THIS SUBDIVISION WILL BE AVAILABLE THROUGH THE CITY OF HUTTO AFTER THE APPROPRIATE WASTEWATER SYSTEM IS INSTALLED TO THIS SITE. THE CITY OF HUTTO ASSUMES NO OBLIGATION FOR INSTALLING ANY WASTEWATER IMPROVEMENTS TO SERVE THIS SITE.
- UTILITY PROVIDERS FOR THIS DEVELOPMENT ARE: WATER: CITY OF HUTTO; WASTEWATER: CITY OF HUTTO; ELECTRIC: ONCOR.
- CITY OF HUTTO ASSUMES NO RESPONSIBILITY FOR INSTALLING ANY WATER AND WASTEWATER IMPROVEMENTS TO SERVE THIS SITE. DEVELOPMENT OF THIS SUBDIVISION CONFORMS WITH THE CONCLUSIONS OF "DETERMINATION OF THE HYDROLOGIC IMPACT OF PROPOSED HUTTO CROSSING DEVELOPMENT USING UPPER BRUSHY CREEK WCID WATERSHED MODEL", DATED NOVEMBER 10, 2013 AND ADDENDUM DATED JANUARY 16, 2014.
- STREET TREES ARE REQUIRED IN ACCORDANCE WITH SECTION 4.9.5 OF THE PUD AGREEMENT AND SHALL BE MAINTAINED BY THE HOMEOWNERS' ASSOCIATION.
- THIS TRACT LIES IN ZONE "X" (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN) AS IDENTIFIED BY THE U.S.FEDERAL EMERGENCY MANAGEMENT AGENCY BOUNDARY MAP (FLOOD INSURANCE RATE MAP) COMMUNITY PANEL NUMBER 48491C0515E, EFFECTIVE DATE SEPTEMBER 26, 2008, FOR WILLIAMSON COUNTY, TEXAS.
- NO BUILDING, FENCING, LANDSCAPE OR STRUCTURES ARE ALLOWED WITHIN ANY DRAINAGE OR WASTEWATER EASEMENT UNLESS EXPRESSLY PERMITTED BY THE CITY OF HUTTO.
- BUILDING SETBACK LINES SHALL CONFORM TO THE HUTTO CROSSING P.U.D. REQUIREMENTS.
- A FIVE FOOT (5') PUBLIC UTILITY EASEMENT (P.U.E.) IS HEREBY DEDICATED ON EACH SIDE OF ALL REAR PROPERTY LINES.
- A FIVE FOOT (5') PUBLIC UTILITY EASEMENT (P.U.E.) IS HEREBY DEDICATED ON EACH SIDE OF ALL SIDE PROPERTY LINES.
- NO LOT IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTION IS MADE TO PUBLIC WATER AND WASTEWATER UTILITIES.
- SIDEWALKS AND TREES SHALL BE PROVIDED ON THE SUBDIVISION SIDE OF FM 685 (CHRIS KELLY BOULEVARD).
- IN ORDER TO PROMOTE DRAINAGE AWAY FROM A STRUCTURE, THE SLAB ELEVATIONS SHOULD BE A MINIMUM OF ONE FOOT (1') ABOVE THE SURROUNDING GROUND AND THE GROUND SHOULD BE GRADED AWAY FROM THE SLAB AT A SLOPE OF AT LEAST 1/2 INCH PER FOOT FOR A DISTANCE OF AT LEAST TEN FEET.
- ALL SUBDIVISION CONSTRUCTION SHALL CONFORM TO THE HUTTO CROSSING P.U.D. AGREEMENT, CITY OF HUTTO CONSTRUCTION STANDARDS AND GENERALLY ACCEPTED ENGINEERING PRACTICES.
- ALL DRAINAGE EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR HIS OR HERS ASSIGNS.

SURVEYOR'S CERTIFICATION

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, BLAINE J. MILLER, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECTLY MADE FROM AN ACTUAL SURVEY MADE ON THE GROUND OF THE PROPERTY LEGALLY DESCRIBED HEREON, AND THAT THERE ARE NO APPARENT DISCREPANCIES, BOUNDARY LINE CONFLICTS, OVERLAPPING OF IMPROVEMENTS, VISIBLE UTILITY LINES OR ROADS IN PLACE, EXCEPT AS SHOWN ON THE ACCOMPANYING PLAT, AND THAT CORNER MONUMENTS SHOWN HEREON WERE PROPERLY PLACED UNDER MY SUPERVISION IN ACCORDANCE WITH THE CODES AND ORDINANCES OF THE CITY OF HUTTO, TEXAS.

TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT AUSTIN, TRAVIS COUNTY, TEXAS, THIS 12th DAY OF June, 2017.

Blaine J. Miller

BLAINE J. MILLER
Registered Professional Land Surveyor
No. 5121 State of Texas
Firm Registration No. 101267-0
925 Capital of Texas Highway South
Building B, Suite 115
Austin, Texas 78746
(512) 327-4006



CITY DEVELOPMENT SERVICES

This subdivision is located within the city limits of the City of Hutto, this the day of _____, 2017

Carolyn Horner, AICP, Planning Director DATE: _____

APPROVAL
CITY OF HUTTO

This plat was approved for recording by the Hutto City Council on the ____ day of _____, 2017.

Doug Gaul, Mayor DATE: _____

Seth Gipson, City Secretary DATE: _____

STATE OF TEXAS }
COUNTY OF WILLIAMSON } KNOW ALL MEN BY THESE PRESENTS

I, Nancy E. Rister, Clerk of the County Court of said County, do hereby certify that the foregoing instrument in writing, with its certificate of authentication, was filed for record in my office on the ____ day of _____, 2017, A.D., at ____ o'clock, ____M and duly recorded this ____ day of _____, 2017, A.D., at ____ o'clock, ____M., in the Official Public Records of said County in Document No. _____.

TO CERTIFY WHICH, WITNESS my hand and seal at the County Court of said County, at my office in Georgetown, Texas, the date last shown above written.

Nancy E. Rister, Clerk County Court
Williamson County, Texas

By: _____, Deputy

**HUTTO CROSSING
PHASE 4, SECTION 6
FINAL PLAT**

CSCI		CAPITAL SURVEYING COMPANY INCORPORATED	
925 Capital of Texas Highway South Building B, Suite 115 Austin, Texas 78746 (512) 327-4006		FIRM REGISTRATION No. 101267-0	
DRAWN BY: BLM/WAL	SCALE: 1" = 50'	F.B.	
JOB NO.: 17514.10	DATE: JUNE 28, 2017	SHEET NO.:	
DRAWING NO.: 17514P1	CRD #: 17514	1 OF 2	

HUTTO CROSSING PHASE 4, SECTION 6 FINAL PLAT

FIELDNOTE DESCRIPTION of a 1.946 acre tract out of the Nathaniel Edwards Survey No. 21, Abstract No. 225, Williamson County, Texas, being out of the remainder of that certain 55.302 acre tract, described as Tract 5, and the remainder of that certain 10.00 acre tract, described as Tract 6, both conveyed to Hutto Option Mezz Holdings LLC, by deed recorded in Document No. 2009018029 of the Official Public Records of Williamson County Texas; the said 1.946 acre tract is more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod, with aluminum TxDOT cap, found on the common north line of the said 55.302 acre tract and the south line of the said 10.00 acre tract, being on the westerly right-of-way line of FM 685 (200' R.O.W.), same being the common northwest corner of that certain 3.315 acre tract, described as Exhibit "B", and the southwest corner of that 0.323 acre tract, described as Exhibit "A", both conveyed to the Texas Transportation Commission, as recorded in Document No. 201304568 of the Official Public Records, from which a calculated point on the original west line of FM 685, for the common original easterly corner of the said 55.302 acre tract and the said 10.00 acre tract, bears N77°18'33"E, a distance of 56.62 feet;

THENCE, S07°33'45"W, leaving the southerly line of the said 10.00 acre tract, across the said 55.302 acre tract, with the westerly right-of-way line of FM 685, same being the westerly line of the said 3.315 acre tract, a distance of 85.02 feet to a 1/2" iron rod, with aluminum TxDOT cap, found for the point of curvature of a curve to the right;

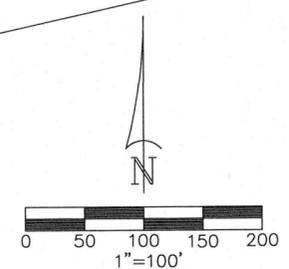
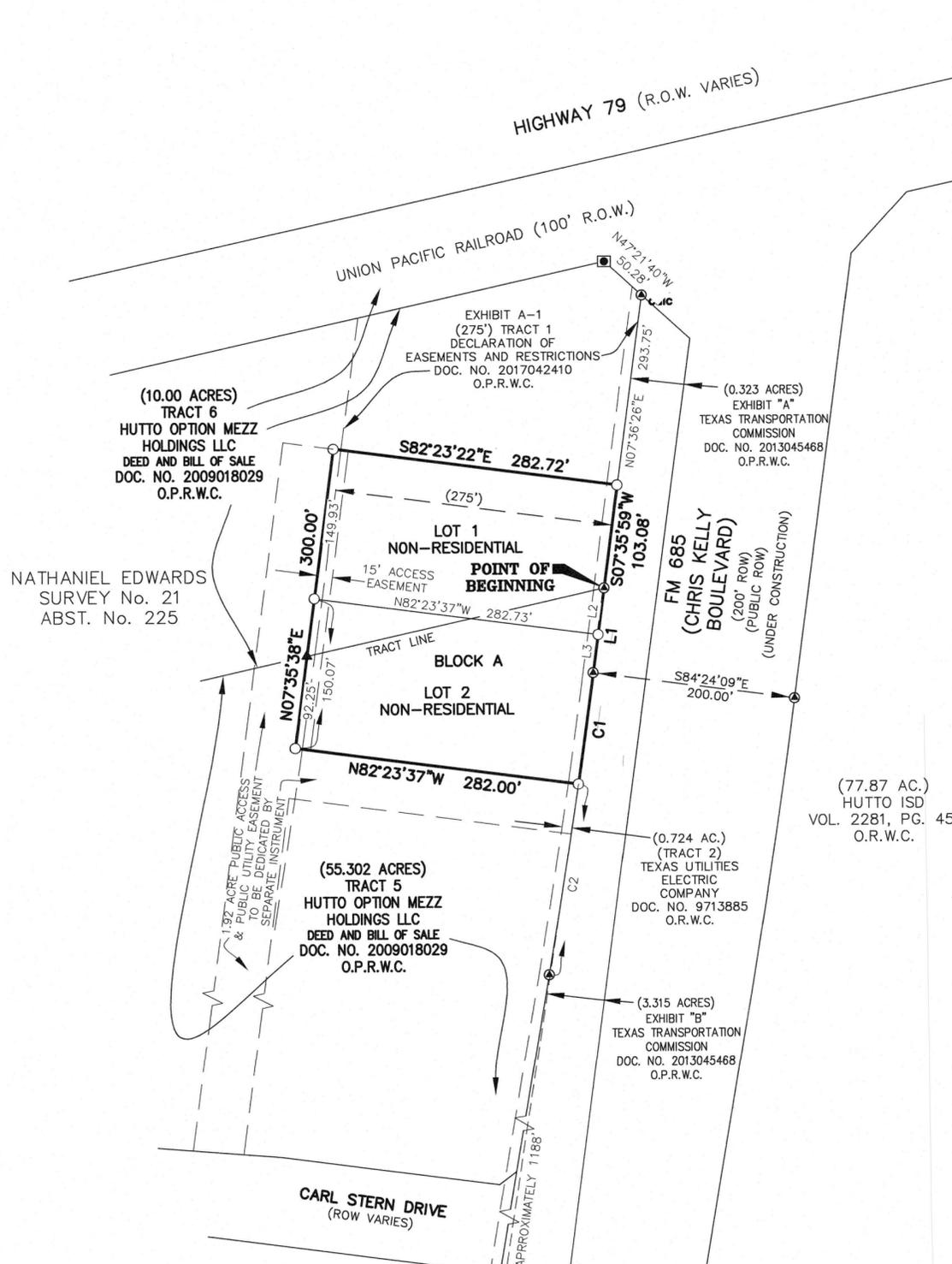
THENCE, continuing across the said 55.302 acre tract, along the westerly right-of-way line of FM 685, with the said curve to the right having a central angle of 00°45'47", a radius of 8400.00 feet, a chord distance of 111.88 feet (chord bears S07°58'44"W), for an arc distance of 111.88 feet to a 1/2" iron rod, with plastic cap marked "Capital Surveying Company, Inc.", set for the southeast corner of the herein described tract, from which a 1/2" iron rod, with aluminum TxDOT cap, found on the aforesaid westerly line of the 3.315 acre tract, for the point of tangency, bears S09°01'00"W, a chord distance of 191.93 feet;

THENCE, N82°23'37"W, leaving the westerly right-of-way line of FM 685, and continuing across the said 55.302 acre tract, a distance of 282.00 feet a 1/2" iron rod, with plastic cap marked "Capital Surveying Company, Inc.", set for the southwest corner of the herein described tract;

THENCE, N07°35'38"E, continuing across the said 55.302 acre tract and aforesaid 10.00 acre tract, at a distance of 92.25 feet, pass a calculated point on the common north line of the aforesaid 55.302 acre tract and south line of the said 10.00 acre tract, for a total distance of 300.00 feet to a 1/2" iron rod, with plastic cap marked "Capital Surveying Company, Inc.", set for the northwest corner of the herein described tract;

THENCE, S82°23'22"E, continuing across the said 10.00 acre tract, a distance of 282.72 feet to a 1/2" iron rod, with plastic cap marked "Capital Surveying Company, Inc.", set on the westerly right-of-way line of FM 685, being the westerly line of the aforesaid 0.323 acre tract, for the northeast corner of the herein described tract, from which a TxDOT concrete monument found for the northwest corner of the 0.323 acre tract, being on the southerly line of Union Pacific Railroad (100' R.O.W.), bears N07°36'26"E, 293.75 feet to a 1/2" iron rod, with aluminum TxDOT cap, found and N47°21'40"W, a distance of 50.28 feet;

THENCE, S07°35'59"W, continuing across the said 10.00 acre tract, with the westerly line of the said 0.323 acre tract, being the westerly right-of-way line of FM 685, a distance of 103.08 feet to the POINT OF BEGINNING, CONTAINING within these metes and bounds 1.946 acres of land area.



LEGEND

O.P.R.W.C.	OFFICIAL PUBLIC RECORDS WILLIAMSON COUNTY
O.R.W.C.	OFFICIAL RECORDS WILLIAMSON COUNTY
()	RECORD INFORMATION
R.O.W.	RIGHT-OF-WAY
■	TxDOT CONCRETE MONUMENT FOUND
●	1/2" IRON ROD WITH TxDOT ALUMINUM CAP FOUND
○	1/2" IRON ROD SET WITH CAP MARKED "CAPITAL SURVEYING CO. INC."
▲	CALCULATED POINT
— —	BREAK IN SCALE

L1 S07°33'45"W 85.02'	C1 Δ=00°45'47" R=8400.00' A=111.88' C=111.88'
L2 S07°33'45"W 46.83'	Cb=S07°58'44"W
L3 S07°33'45"W 38.19'	C2 Δ=01°18'33" R=8400.00' A=191.93' C=191.93' Cb=S09°01'00"W

Block A - 2 Lots	
Lot No.	Acres
1	0.9730
2	0.9735
Total	1.9465

BENCHMARK:
 TBM 26
 COTTON GIN SPINDLE SET IN NORTH SIDE OF POWER POLE ON THE WEST SIDE OF FM 685, APPROXIMATELY 1188 FEET SOUTHWEST OF THE SOUTHEAST CORNER OF LOT 2
 ELEV. = 641.84' F.B. 1797

- GENERAL NOTES:
1. BASIS OF BEARING IS THE TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD83 (GRID)
 2. DOCUMENT No. 9713885 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS STATES THAT THEY HAVE THE RIGHT TO RELOCATE THE EASEMENT IN THE SAME RELATIVE POSITION TO ANY ADJACENT ROAD IF AND AS SUCH IS WIDENED IN THE FUTURE.
 3. UNLESS OTHERWISE NOTED, RECORD INFORMATION IS THE SAME AS FOUND.
 4. ZONING AND SETBACK REQUIREMENTS ARE SUBJECT TO ORDINANCE 0-13-05-09-11A1 AMENDING THE CROSSROADS OF CARMEL CREEK (PUD).

**HUTTO CROSSING
 PHASE 4, SECTION 6
 FINAL PLAT**

CSCI CAPITAL SURVEYING COMPANY INCORPORATED

825 Capital of Texas Highway South
 Building B, Suite 115
 Austin, Texas 78746
 (512) 327-4006

FIRM REGISTRATION No. 101287-0

DRAWN BY: BLM/WAL	SCALE: 1" = 50'	F.B.
JOB NO.: 17514.10	DATE: JUNE 28, 2017	SHEET NO.:
DRAWING NO.: 17514P1	CRD #: 17514	2 OF 2

A=020°18'
 R=8400.00'
 A=310.83'
 C=310.83'
 Cb=S07°37'06"W

TBM 26

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 9C. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Seth Gipson, City Secretary

ITEM:

Consideration and possible action on the meeting minutes for the August 3, 2017 Regular City Council Meeting, August 3, 2017 Special Called City Council Meeting, and August 14, 2017 Joint City Council and Hutto Economic Development Corporation Board Meeting.

STRATEGIC GUIDE POLICY: Leadership

ITEM BACKGROUND:

The City Council meeting minutes for the August 3, 2017 Regular City Council Meeting, August 3, 2017 Special Called City Council Meeting, and August 14, 2017 Joint City Council and Hutto Economic Development Corporation Board 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.

SUPPORTING MATERIAL:

1. [Draft - August 3, 2017 City Council Work Session Minutes](#)
2. [Draft - August 3, 2017 City Council Meeting Minutes](#)
3. [Draft - August 14, 2017 Joint City Council and EDC Meeting Minutes](#)



**CITY COUNCIL
WORK SESSION MINUTES
AUGUST 3, 2017**

The Hutto City Council met in a work session on Thursday, August 3, 2017, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

Mayor Gaul called the session to order at 6:00 p.m.

ROLL CALL

Members of the City Council that were present were Mayor Doug Gaul, Mayor Pro-tem Tom Hines, Councilmember Scott Rose, Councilmember Tim Jordan, and Councilmember Terri Grimm. Councilmember Lucio Valdez arrived at 6:08 p.m. and Councilmember Nathan Killough was absent.

Members of staff that were present were Odis Jones, City Manager, Danielle Singh, Assistant City Manager, Mike Shaunessy, City Attorney, Helen Ramirez, Executive Director Business/Development Services, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Michel Sorrell, Chief Financial Officer, and Eliska Smith, Executive Director of Communications and Marketing.

WORK SESSION

3A. Discussion and review of Outside Agency Funding Applications.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell presented the funding requests for each of the following Outside Agency Funding applicants:

- Hutto Has Heart*
- Hutto Area Chamber of Commerce*
- Hutto Community Food Pantry*
- Feeding the 5000 Program*
- Round Rock Area Serving Center*
- Williamson-Burnet County Opportunities (Meals on Wheels)*
- Weekend Lunchbox Program*
- Keep Hutto Beautiful Foundation*
- Hutto Education Foundation*

Discussion ensued concerning each of the applicants with the exception of the of the three Hutto Family YMCA applicants.

Following the discussion regarding a portion of the Outside Agency Funding applicants, Mayor Gaul recused himself and the City Council discussed the Hutto Family YMCA – Annual Campaign, Hutto Family YMCA – Friday Night Live, and Hutto Family YMCA – M.E.N.D. Program Outside Agency Funding Applications.

ADJOURNMENT

There being no further business, the meeting was adjourned at 6:20 p.m.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary



**CITY COUNCIL
MEETING MINUTES
AUGUST 3, 2017**

The Hutto City Council met in a regular session on Thursday, August 3, 2017, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

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

ROLL CALL

Members of the City Council that were present were Mayor Doug Gaul, Mayor Pro-tem Tom Hines, Councilmember Scott Rose, Councilmember Tim Jordan, Councilmember Lucio Valdez, and Councilmember Terri Grimm. Councilmember Nathan Killough was absent.

Members of staff that were present were Odis Jones, City Manager, Danielle Singh, Assistant City Manager, Mike Shaunessy, City Attorney, Helen Ramirez, Executive Director Business/Development Services, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Michel Sorrell, Chief Financial Officer, and Eliska Smith, Executive Director of Communications and Marketing.

INVOCATION

The invocation was given by Pastor Russell Daniel with Austin Christian Fellowship – Hutto.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT

5A. Remarks from visitors

Barbara McMillin – 6002 Lone Star Court – requested that several of the current Hutto Economic Development Corporation Board Member be removed based on state law.

Mike Shaunessy, City Attorney, clarified for the City Council that the City and these individuals were not in violation of state law, because the population to determined by the last census.

Kay Johnson – 113 East Steet – addressed the city council concerning Economic Development and provided several suggestions concerning solutions.

CONSENT AGENDA ITEMS

- 6A. Consideration and possible action on a resolution approving the proposed Brooklands Section One Final Plat, 17.4400 acres, more or less, of land, 82 single family lots, located on CR 137 south of FM 1660 South.
- 6B. Consideration and possible action on a resolution approving the proposed Brooklands Section Two Final Plat, 15.3006 acres, more or less, of land, 88 single family lots, located on CR 137 south of FM 1660 South.
- 6C. Consideration and possible action on the meeting minutes for the July 6, 2017 Regular City Council Meeting, the July 13, 2017 Special Called City Council meeting, and the July 15, 2017 City Council Annual Work Session.

MOTION: Mayor Pro-tem Tom Hines moved to approve items 6A-6C on the consent agenda. Councilmember Tim Jordan seconded the motion.

VOTE:

<i>Ayes:</i>	<i>Mayor Doug Gaul</i>
	<i>Mayor Pro-tem Tom Hines</i>
	<i>Councilmember Scott Rose</i>
	<i>Councilmember Tim Jordan</i>
	<i>Councilmember Lucio Valdez</i>
	<i>Councilmember Terri Grimm</i>
<i>Nays:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Councilmember Nathan Killough</i>

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

ORDINANCES

- 7A. Consideration and possible action on the first reading of an ordinance regarding the proposed annexation of the Titan Innovation Business Park, 69.829 acres, more or less, of land out of the Martin Strouse Survey, Abstract No. 587, located at 550 Alliance Boulevard.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez outlined the annexation process that has occurred thus far and the upcoming steps.

MOTION: Councilmember Lucio Valdez moved to approve the first reading of an ordinance regarding the proposed annexation of the Titan Innovation Business Park, 69.829 acres, more or less, of land out of the Martin Strouse Survey, Abstract No. 587, located at 550 Alliance Boulevard. Mayor Pro-tem Tom Hines seconded the motion.

VOTE:

<i>Ayes:</i>	<i>Mayor Doug Gaul</i>
	<i>Mayor Pro-tem Tom Hines</i>
	<i>Councilmember Scott Rose</i>

Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm
Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

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

- 7B. Consideration and possible action on the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code (UDC) Chapters One through Eight.

Public Comments related to item 7B.

Bobby Castle – 4115 Sequoia Trail – spoke in support of the revised Development Codes.

Brent Corwin – Brooklands Developer – spoke in support of the revised Development Codes.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez outlined the revisions of the existing SmartCode which included:

- *Deconstructing the stand alone SmartCode and integrating it into the Unified Development Code.*
- *Changing the SmartCode District title to Form Based Code District.*
- *Revising language to be more flexible and reduce jargon.*
- *Eliminating unnecessary codes*
- *Removing redundant sections*
- *Providing more housing/design options to developers*
- *Clarifying the language and the application process*

Mrs. Ramirez continued on and highlighted updates to the New Form Based Code District, examples of housing categories, modifications to the Old Town Hutto District, and revisions to the existing sign and landscaping/utility site design codes.

MOTION: *Mayor Pro-tem Tom Hines moved to approve the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code (UDC) Chapters One through Eight. Councilmember Scott Rose seconded the motion.*

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm

Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

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

MOTION: *Mayor Pro-tem Tom Hines moved to dispense with the second and final reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code (UDC) Chapters One through Eight. Councilmember Lucio Valdez seconded the motion.*

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm
Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

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

- 7C. Consideration and possible action on the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, repealing it in its entirety and incorporating mixed-use development regulations into the Unified Development Code (UDC) Chapters One through Eight.

Helen Ramirez, Executive Director of Business/Development Services, made the staff presentation. Mrs. Ramirez highlighted that this ordinance is to repeal the SmartCode in its entirety, as it has been incorporated into the Unified Development Code.

MOTION: *Councilmember Lucio Valdez moved to approve the first reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, repealing it in its entirety and incorporating mixed-use development regulations into the Unified Development Code (UDC) Chapters One through Eight. Mayor Pro-tem Tom Hines seconded the motion.*

VOTE: Ayes: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Lucio Valdez
Councilmember Terri Grimm
Nays: None
Abstain: None
Absent: Councilmember Nathan Killough

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

MOTION: *Mayor Pro-tem Tom Hines moved to dispense with the second and final reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.03 SmartCode, repealing it in its entirety and incorporating mixed-use development regulations into the Unified Development Code (UDC) Chapters One through Eight. Councilmember Lucio Valdez seconded the motion.*

VOTE:

<i>Ayes:</i>	<i>Mayor Doug Gaul</i>
	<i>Mayor Pro-tem Tom Hines</i>
	<i>Councilmember Scott Rose</i>
	<i>Councilmember Tim Jordan</i>
	<i>Councilmember Lucio Valdez</i>
	<i>Councilmember Terri Grimm</i>
<i>Nays:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Councilmember Nathan Killough</i>

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

RESOLUTIONS

- 8A. Consideration and possible action on a resolution concerning Outside Agency Funding allocations and authorizing the City Manager to execute all Interlocal Agreements established with Outside Agencies for the 2017-2018 Fiscal Year.

Michel Sorrell, Chief Financial Officer, made the staff presentation and outlined the following recommended funding allocations for each Outside Agency Funding Applicant.

- Hutto Has Heart - \$38,000*
- Hutto Community Food Pantry - \$11,000*
- Feeding the 5000 Program - \$5,000*
- Round Rock Area Serving Center - \$5,000*
- Williamson-Burnet County Opportunities (Meals on Wheels) - \$5,000*
- Weekend LunchBox Program - \$10,000*
- Keep Hutto Beautiful Foundation - \$3,634*
- Hutto Education Foundation - \$5,000*
- Hutto Family YMCA – Annual Campaign - \$4,000*
- Hutto Family YMCA – Friday Night Live Program - \$3,500*
- Hutto Family YMCA – M.E.N.D. Program - \$3,500*

There were two separate actions on this item. The first action was to approve the following Outside Agency Funding amounts.

- Hutto Has Heart - \$38,000*
- Hutto Community Food Pantry - \$11,000*
- Feeding the 5000 Program - \$5,000*

- Round Rock Area Serving Center - \$5,000
- Williamson-Burnet County Opportunities (Meals on Wheels) - \$5,000
- Weekend LunchBox Program - \$10,000
- Keep Hutto Beautiful Foundation - \$3,634
- Hutto Education Foundation - \$5,000

MOTION: Mayor Pro-tem Tom Hines moved to approve a resolution concerning Outside Agency Funding allocations with the exception of the Hutto YMCA requests and authorizing the City Manager to execute all Interlocal Agreements established with Outside Agencies for the 2017-2018 Fiscal Year. Councilmember Tim Jordan seconded the motion.

VOTE:

Ayes:	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Lucio Valdez Councilmember Terri Grimm
Nays:	None
Abstain:	None
Absent:	Councilmember Nathan Killough

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

Mayor Doug Gaul recused himself from the section action, because his daughter works for the Hutto Family YMCA. The second action was to approve the following Outside Agency Funding amounts for the Hutto Family YMCA.

- Hutto Family YMCA – Annual Campaign - \$4,000
- Hutto Family YMCA – Friday Night Live Program - \$3,500
- Hutto Family YMCA – M.E.N.D. Program - \$3,500

MOTION: Councilmember Tim Jordan moved to approve the Outside Agency Funding allocations for the Hutto Family YMCA requests and authorized the City Manager to execute all Interlocal Agreements established with Outside Agencies for the 2017-2018 Fiscal Year. Councilmember Lucio Valdez seconded the motion.

VOTE:

Ayes:	Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Lucio Valdez Councilmember Terri Grimm
Nays:	None
Abstain:	Mayor Doug Gaul
Absent:	Councilmember Nathan Killough

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

- 8B. Consideration and possible action on a resolution concerning a reduction in fees required to be paid by Hutto Independent School District as outlined in the Interlocal Agreement for Administrative Oversight that was approved on August 18, 2016.

Byron Frankland, City of Hutto Chief of Police, and William Edwards, Hutto ISD Police Chief made the staff presentation. They outlined the current services that are being provided by the City of Hutto and that the reduction in fees is based on services rendered.

MOTION: Mayor Pro-tem Tom Hines moved to approve a resolution concerning a reduction in fees required to be paid by Hutto Independent School District as outlined in the Interlocal Agreement for Administrative Oversight that was approved on August 18, 2016. Councilmember Lucio Valdez seconded the motion.

VOTE:

<i>Ayes:</i>	<i>Mayor Doug Gaul</i>
	<i>Mayor Pro-tem Tom Hines</i>
	<i>Councilmember Scott Rose</i>
	<i>Councilmember Tim Jordan</i>
	<i>Councilmember Lucio Valdez</i>
	<i>Councilmember Terri Grimm</i>
<i>Nays:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Councilmember Nathan Killough</i>

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

- 8C. Consideration and possible action on the proposed Five Year 2018-2022 Capital Improvements Program (CIP).

Matt Rector, City Engineer, made the staff presentation. The City Charter requires that the Planning and Zoning Commission annual recommend a five-year Capital Improvements Plan (CIP). In July 2017, the Planning and Zoning Commission recommended a two-year CIP that was presented to the City Council. In order to be in compliance with the City Charter, the Planning and Zoning Commission worked with staff to expand the exiting two year CIP to a five year CIP.

Mr. Rector provided an overview of the additional projects that were added to the CIP after its initial presentation to the City Council. The projects were related to parks, recreation, water, wastewater, transportation, and drainage.

There was a brief discussion concerning funding and Commissioner Jessica Romigh provided the Planning and Zoning Commission recommendation for adoption of the proposed five-year CIP, which the commission unanimously passed on July 25, 2017.

MOTION: Mayor Pro-tem Tom Hines moved to approve a resolution concerning the proposed Five Year 2018-2022 Capital Improvements Program (CIP). Councilmember Lucio Valdez seconded the motion.

9B. Consideration and possible action on the Annexation Plan.

Jessica Romigh, Planning and Zoning Commissioner, presented the planning and zoning commission recommendation. The City Charter requires the Planning and Zoning Commission to annually recommend an annexation plan to the City Council.

The City of Hutto currently annexes adjacent land through voluntary annexation. The City enters into pre-Development Agreements with property owners of land adjacent to the City limits. These predevelopment agreements are basically a contract between the property owner and the City, which allows the property owner to continue the use of the land until the owner either sells the land for development, or develops the property themselves. The property owner must initiate the annexation process, which follows State regulations and timelines. At time of annexation, the City will establish development regulations and standards for the newly-annexed area.

The Planning and Zoning Commission recommended approval of the continued use of voluntary annexations, with no additional changes, to City Council on July 25, 2017.

MOTION: Councilmember Tim Jordan moved to accept the Planning and Zoning Commission's recommended Annexation Plan. Councilmember Lucio Valdez seconded the motion.

VOTE:

<i>Ayes:</i>	<i>Mayor Doug Gaul</i>
	<i>Mayor Pro-tem Tom Hines</i>
	<i>Councilmember Scott Rose</i>
	<i>Councilmember Tim Jordan</i>
	<i>Councilmember Lucio Valdez</i>
	<i>Councilmember Terri Grimm</i>
<i>Nays:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Councilmember Nathan Killough</i>

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

The City Council dispensed with the order of the agenda and addressed Item 9D before Item 9C.

9C. Consideration and possible action on the proposed Ad Valorem tax rate, including taking a record vote on the proposed tax rate, and setting dates, times, and places for a public hearing and adoption of the tax rate.

Michel Sorrell, Chief Financial Officer, made the staff presentation.

*MOTION: Mayor Pro-tem Tom Hines moved that the proposed 2017-18 tax rate for the City of Hutto be published at \$0.515171 per \$100 of assessed valuation, that a public tax hearing be scheduled for **August 24th** and **September 7th** (if necessary) and that the vote on the tax ordinance be scheduled for **September 7, 2017** and **September 21, 2017**. Councilmember Tim Jordan seconded the motion.*

VOTE:

Ayes:	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Lucio Valdez Councilmember Terri Grimm
Nays:	None
Abstain:	None
Absent:	Councilmember Nathan Killough

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

9D. Presentation and discussion of the Proposed 2017-18 Annual Operating Budget.

Michel Sorrell, Chief Financial Officer, made the staff presentation. Mrs. Sorrell outlined the budget process, budget highlights that included adding staff and equipment, fund revenues and expenses, and a comparison table of taxable value and tax rates.

There was a brief discussion concerning police officer salaries and equipment.

CITY MANAGER COMMENTS

10A. City Manager updates concerning the Tax Increment Refinancing Zone Request submitted to the Williamson County Commissioner's Court.

Odis Jones, City Manager, provided an update to the city council on the presentation and discussion with Williamson County Commissioners concerning the development of a Tax Increment Refinancing Zone (TIRZ) Request that involves Hutto's Historic District. This update included how the TIRZ would be developed, the purpose of creating this type of zone, and the benefits for the project.

10B. City Manager comments related to the release of the Hutto Economic Development Corporation's financials.

Odis Jones, City Manager, led the discussion in order to gain feed back from the City Council concerning giving back fiduciary responsibility to the Type A Hutto Economic Development Corporation Board of Directors. Mr. Jones provided an update on the communications between the City and Hutto Economic Development Corporation, and expressed that the bylaws and intergovernmental agreement provided the city oversight of the corporation's financials.

The City Council discussed and recommended the implementation of internal controls and fiscal and budget processes.

The City Council Recessed into executive session at 9:03 p.m.

EXECUTIVE SESSION

- 11A. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney, concerning threatened and pending litigation .
- 11B. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney, concerning the structure and organization of City boards and commissions.
- 11C. Executive Session, as authorized by Section 551.071, Texas Government Code, Consultation with Attorney, concerning economic development negotiations .

The City Council reconvened into regular session at 11:14 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:14 p.m.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary



**JOINT CITY COUNCIL AND 4A AND 4B
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
AUGUST 14, 2017**

The Hutto City Council and 4A and 4B Hutto Economic Development Corporation Board of Directors met in a joint meeting on Monday, August 14, 2017, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

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

ROLL CALL

Members of the City Council that were present were Mayor Doug Gaul, Mayor Pro-tem Tom Hines, Councilmember Tim Jordan, Councilmember Lucio Valdez, and Councilmember Terri Grimm. Councilmember Scott Rose and Councilmember Nathan Killough were absent.

Members of the 4A and 4B Hutto Economic Development Corporation Board of Directors that were present were William Gravell, Jr., Chair, Nelson Nagle, Treasurer, Russell Metcalf, Secretary, Daniel Thornton, board member, Jason Wirth, board member, and Roger Harris, board member. Bryon Borchers, Vice Chair, was absent.

Members of staff that were present were Odis Jones, City Manager, Mike Shaunessy, City Attorney, Byron Frankland, Chief of Police, Paul Hall, Assistant Chief of Police, Eliska Smith, Executive Director of Communications and Marketing, Shawn Willis, Director of Human Resources, and Seth Gipson, City Secretary.

WORK SESSION

3A. Discussion concerning the role, direction, and goals of the Type 4A and 4B Hutto Economic Development Corporations.

Public Comment:

Kay Johnson – 113 East St. spoke briefly about the Hutto Economic Development Corporation (EDC) and reiterated that the City could utilize a 4A and a 4B EDC structure.

The City Council and Hutto EDC Board of Directors dispensed with the order of the agenda and addressed item 4A before item 3A.

Following executive session the City Council and Hutto EDC Board of Directors addressed item 3A. Discussion ensued concerning the current capabilities and limitations of the Type A EDC, potential economic development prospects, the structure

and purpose of the existing Hutto EDC transition subcommittee, funding sources of the Type A and Type B EDC's and how to leverage those funds to benefit the current and future business community, and the process to transition from a Type A EDC to a Type B EDC.

The City Council requested that the Hutto EDC Board of Directors develop a transition plan for the Type A and Type B Economic Development Corporations and present the proposed plans to the City Council by October 2017.

EXECUTIVE SESSION

- 4A. Executive Session as authorized by Section 551.071, Texas Government Code regarding conferring with Attorney concerning, Type A and Type B Hutto Economic Development Corporations.

The City Council and Hutto EDC Board of Directors recessed into executive session at 7:03 p.m. and they reconvened at 8:38 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:21 p.m.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10A. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM: Consideration and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2017 Budget of the Hutto Economic Development Corporation - Type A.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The proposed amendment will decrease the the FY 2016-17 Budget by \$59,800. On July 24, 2017 the new Hutto Economic Development Corporation Board - Type A reviewed and adopted the amended budget. The decrease is due to the restructuring of the Type A corporation and creation of a Type B Corporation.

The City Council is asked to approve this amendment of the Hutto Economic Development Corporation to comply with Section 501.073 of the Texas Local government Code which states:

Sec. 501.073. SUPERVISION BY AUTHORIZING UNIT. (a) The corporation's authorizing unit will approval all programs and expenditures of a corporation and annually review any financial statements of the corporation.

BUDGETARY AND FINANCIAL SUMMARY:

The proposed amendment will reduce the budgeted expenditures.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board approved the amendment at their July 24, 2017 Board Meeting.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance amending the FY 2016-17 Budget.

SUPPORTING MATERIAL:

1. [Ordinance - Amending HEDC TYPE A FY 2016-17 Budget](#)
2. [Budget Amendment #1](#)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE FISCAL YEAR OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation budget for the fiscal year October 1, 2016 through September 30, 2017, was duly presented to the City Council.

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

SECTION I.

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

SECTION II.

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

SECTION III. Publication Clause

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

SECTION IV. Severability Clause

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

SECTION V. Repealing Clause

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

SECTION VI. Open Meeting Clause

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

SECTION VII.

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

READ and **APPROVED** on first reading on this the **17th** day of **August 2017**, 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 **7th** day of **September 2017**, at a regular meeting of the City Council of the City of Hutto, there being a quorum present.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

ECONOMIC DEVELOPMENT CORPORATION FY2016-17 AMENDED BUDGET - TYPE A

TYPE A - FY17 AMENDED BUDGET

Revenue Accounts	FY 2017 Adopted	FY 2017 Projected Year-End
Beginning Fund Balance	\$ 636,417	\$ 636,417
REVENUES		
Sales Tax Revenue - 1/2%	\$ 932,904	\$ 932,904
Interest	\$ 1,400	\$ 1,400
TOTAL REVENUES	\$ 934,304	\$ 934,304
Total Personnel Costs	\$ 360,370	\$ 359,470
Total Operating Costs	\$ 113,000	\$ 104,100
Provisional Services Costs to Type B		\$ 50,000
Total Programs & Incentives	\$ 125,600	\$ 75,600
Total Promissory Notes	\$ 225,000	\$ 225,000
TOTAL EXPENSES	\$ 823,970	\$ 764,170
Net Income/Expense	\$ 110,334	\$ 170,134
Fund Balance	\$ 746,751	\$ 806,551

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10B. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type A Fiscal Year 2017-18 Budget.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The Hutto Economic Development Corporation - Type A by-laws require the Hutto Economic Development Corporation - Type A budget to be approved by City Council before the budget will become effective. The by-laws also require that the budget be adopted at least sixty (60) days prior to the beginning of the next fiscal year. The Hutto Economic Development Corporation - Type A fiscal year is the same as the City, which starts October 1 and ends September 30.

BUDGETARY AND FINANCIAL SUMMARY:

The State Comptroller's office remits the 1/2 cent Type A economic development sales tax to the City. The funds are then transferred to the Hutto Economic Development Corporation - Type A account monthly.

The FY 2017-18 Budget totals \$509,024. This budget contains \$225,000 in expenditures for promissory notes to the college and to the City. Also included, are \$284,024 in provisional service costs to the Hutto Economic Development Corporation - Type B for transition costs during setup and in preparation for the sales tax election in November 2017.

The City Council is asked to approve the budget of the Hutto Economic Development Corporation Type A to comply with Section 501.073 of the Texas Local Government Code which states:

Sec. 501.073. SUPERVISION BY AUTHORIZING UNIT. (a) The corporation's authorizing unit will approve all programs and expenditures of a corporation and annually review any financial statements of the corporation.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board of Directors recommended approval of the proposed budget at their meeting on July 24, 2017.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [Ordinance - Adopting HEDC Type A FY 2017-18 Budget](#)
2. [HEDC Type A FY 2017-18 Budget](#)

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE FISCAL YEAR OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018 AND ADOPTING THE ANNUAL BUDGET OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE 2017-18 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation Type A budget for the fiscal year October 1, 2017 through September 30, 2018, was duly presented to the City Council.

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

SECTION I.

That the appropriations for the fiscal year October 1, 2017 through September 30, 2018 for the support of the Hutto Economic Development Corporation Type A be fixed and determined for said terms in accordance with the expenditures shown in the Hutto Economic Development Corporation Type A's 2018 fiscal year budget, a summary of which is appended hereto as Exhibit A.

SECTION II.

That the budget, as shown in words and figures in **Exhibit A**, is hereby approved in all respects and adopted as the City's budget for the fiscal year October 1, 2017 through September 30, 2018.

SECTION III. Publication Clause

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

SECTION IV. Severability Clause

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

SECTION V. Repealing Clause

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

SECTION VI. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof

were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VII.

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

READ and **APPROVED** the first reading of the ordinance on the **17th** day of **August, 2017**.

READ, APPROVED, and **ADOPTED** on the second reading of the ordinance on the **7th** day of **September, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

ECONOMIC DEVELOPMENT CORPORATION FY2017-18 BUDGET - TYPE A

TYPE A - FY18 BUDGET

Revenue Accounts	FY 2018 Proposed
Beginning Fund Balance	\$ 746,751
REVENUES	
Sales Tax Revenue - 5%	\$ 516,586
Interest	\$ 267
TOTAL REVENUES	\$ 516,853
Provisional Service Costs to Type B	\$ 284,024
Total Promissory Notes	\$ 225,000
TOTAL EXPENSES	\$ 509,024
Net Income/Expense	\$ 7,829
Fund Balance	\$524,682

Assumptions

FY2018 estimates a 5.0% sales tax increase

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10C. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM: Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2016-17 Budget.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The Hutto Economic Development Corporation - Type B by-laws require the Hutto Economic Development Corporation - Type B budget to be approved by City Council before the budget will become effective. The by-laws also require that the budget be adopted at least sixty (60) days prior to the beginning of the next fiscal year. The Hutto Economic Development Corporation - Type B was not established until July 20, 2017 and thus needs a budget approved in order to expend. The Hutto Economic Development Corporation - Type B will in the future have the same fiscal year as the City and the Type A, which starts October 1 and ends September 30.

BUDGETARY AND FINANCIAL SUMMARY:

Currently the Hutto Economic Development Corporation - Type B does not receive sales tax. In November 2017 there will be an election to move some, or a portion, of the sales tax collected from the State Comptroller's office to the Hutto Economic Development Corporation - Type B. Until that time, the Hutto Economic Development Corporation - Type A may do business with the Hutto Economic Development Corporation - Type B in order to provide a wider array of services as outlined in the functions of a Type B Corporation.

The FY 2017-16 Budget totals \$50,000. This amount is to cover any provisional, or transitional, services costs paid for by the Hutto Economic Development Corporation - Type B and reimbursed by the Hutto Economic Development Corporation - Type A.

The City Council is asked to approve the budget of the Hutto Economic Development Corporation - Type B to comply with Section 501.073 of the Texas Local Government Code which states:

Sec. 501.073. SUPERVISION BY AUTHORIZING UNIT. (a) The corporation's authorizing unit will approve all programs and expenditures of a corporation and annually review any financial statements of the corporation.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board of Directors recommended approval of the proposed budget at their meeting on July 24, 2017.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [Ordinance - Adopting HEDC Type B FY 2016-17](#)
2. [HEDC Type B FY 2016-17 Budget](#)

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE FISCAL YEAR OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2017 AND ADOPTING THE ANNUAL BUDGET OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE 2016-17 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation Type B budget for the fiscal year October 1, 2016 through September 30, 2017, was duly presented to the City Council.

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

SECTION I.

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

SECTION II.

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

SECTION III. Publication Clause

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

SECTION IV. Severability Clause

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

SECTION V. Repealing Clause

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

SECTION VI. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof

were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VII.

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

READ and **APPROVED** the first reading of the ordinance on the **17th** day of **August, 2017**.

READ, APPROVED, and **ADOPTED** on the second reading of the ordinance on the **7th** day of **September, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

ECONOMIC DEVELOPMENT CORPORATION FY2016-17 PROPOSED BUDGET - TYPE B

TYPE B - FY17 PROPOSED BUDGET

Revenue Accounts	FY 2017 Proposed
Beginning Fund Balance	\$ -
REVENUES	
Provisional Services Proceeds from Type A	\$ 50,000
TOTAL REVENUES	\$ 50,000

Total Operating Costs	\$ -
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Provisional Services Costs	\$ 50,000
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Total Programs & Incentives	\$ -
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TOTAL EXPENSES	\$ 50,000
Net Income/Expense	\$ -

Fund Balance	\$ -
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**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10D. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on the second and final reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2017-18 Budget.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The Hutto Economic Development Corporation - Type B by-laws require the Hutto Economic Development Corporation - Type B budget to be approved by City Council before the budget will become effective. The by-laws also require that the budget be adopted at least sixty (60) days prior to the beginning of the next fiscal year. The Hutto Economic Development Corporation - Type B fiscal year is the same as the City, which starts October 1 and ends September 30.

BUDGETARY AND FINANCIAL SUMMARY:

Currently the Hutto Economic Development Corporation - Type B does not receive sales tax. In November 2017 there will be an election to move some, or a portion, of the sales tax collected from the State Comptroller's office to the Hutto Economic Development Corporation - Type B. Until that time, the Hutto Economic Development Corporation - Type A may do business with the Hutto Economic Development Corporation - Type B in order to provide a wider array of services as outlined in the functions of a Type B Corporation.

The FY 2017-18 Budget totals \$748,800. Included in this amount is \$500,000 to cover any provisional, or transitional, services costs paid for by the Hutto Economic Development Corporation - Type B and reimbursed by the Hutto Economic Development Corporation - Type A. The budget also assumes collection of sales tax around mid-year after the election and once the entity is established with the State Comptroller. In addition, there is training at \$25,000 for the new Board and \$125,000 for incentives to developers.

The City Council is asked to approve the budget of the Hutto Economic Development Corporation - Type B to comply with Section 501.073 of the Texas Local Government Code which states:

Sec. 501.073. SUPERVISION BY AUTHORIZING UNIT. (a) The corporation's authorizing unit will approve all programs and expenditures of a corporation and annually review any financial statements of the corporation.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board of Directors recommended approval of the proposed budget at their meeting on July 24, 2017.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [Ordinance - Adopting HEDC Type B FY 2017-18](#)
2. [HEDC Type B FY 2017-18 Budget](#)

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE FISCAL YEAR OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018 AND ADOPTING THE ANNUAL BUDGET OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE 2017-18 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation Type B budget for the fiscal year October 1, 2017 through September 30, 2018, was duly presented to the City Council.

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

SECTION I.

That the appropriations for the fiscal year October 1, 2017 through September 30, 2018 for the support of the Hutto Economic Development Corporation Type B be fixed and determined for said terms in accordance with the expenditures shown in the Hutto Economic Development Corporation Type B's 2018 fiscal year budget, a summary of which is appended hereto as Exhibit A.

SECTION II.

That the budget, as shown in words and figures in **Exhibit A**, is hereby approved in all respects and adopted as the City's budget for the fiscal year October 1, 2017 through September 30, 2018.

SECTION III. Publication Clause

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

SECTION IV. Severability Clause

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

SECTION V. Repealing Clause

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

SECTION VI. Open Meeting Clause

The City Council hereby finds and declares that written notice of the date, hour, place, and subject of the meeting at which this ordinance was adopted was posted and that such meeting was open to the public as required by law at all times during which this ordinance and the subject hereof

were discussed, considered, and formerly acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

SECTION VII.

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

READ and **APPROVED** the first reading of the ordinance on the **17th** day of **August, 2017**.

READ, APPROVED, and **ADOPTED** on the second reading of the ordinance on the **7th** day of **September, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

ECONOMIC DEVELOPMENT CORPORATION FY2017-18 BUDGET - TYPE B

TYPE B - FY18 BUDGET

Revenue Accounts	FY 2018 Proposed
Beginning Fund Balance	\$ 746,751
REVENUES	
Sales Tax Revenue - 5%	\$ 516,586
Transition Proceeds from Type A	\$ 284,024
Interest	\$ 267
TOTAL REVENUES	\$ 800,877

Expense Accounts	FY 2018 Proposed
Travel & Training & Memberships	\$ 25,000
Total Operating Costs (Utilities & Office Expenses)	\$ 98,800
Provisional Services Costs	\$ 500,000
Total Projects & Incentives	\$ 125,000
TOTAL EXPENSES	\$ 748,800
Net Income/Expense	\$ 52,077

Fund Balance	\$798,828
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Assumptions

FY2018 estimates a 5.0% sales tax increase

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10E. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on the first reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2017 through September 30, 2018, and adopting the annual budget of the City of Hutto for Fiscal Year 2017-18.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The proposed Fiscal Year 2017-18 Budget was presented to the City Council on August 3, 2017. The required Public Hearing was held on August 24, 2017. According to the City Charter, the City Council must adopt the budget on or before the last day of the last month of the current fiscal year.

BUDGETARY AND FINANCIAL SUMMARY:

The ordinance to adopt the Fiscal Year 2017-18 Budget establishes appropriations for the 2017 Fiscal Year. The proposed Fiscal Year 2017-18 Budget is predicated on a tax rate of \$0.515171. Exhibit A, Proposed Fiscal Year 2017-18 Budget, details fund summaries based on the proposed tax rate of \$0.515171 per \$100 of valuation as proposed by staff.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends the Council approve the first reading of the ordinance. Approval must be made through a roll call vote.

SUPPORTING MATERIAL:

1. [Budget Adoption Ordinance](#)
2. [FY18 Proposed Budget Document](#)

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF HUTTO FOR THE FISCAL YEAR OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018 AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF HUTTO FOR THE 2018 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the budget for the fiscal year October 1, 2017 through September 30, 2018, was duly presented to the City Council and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said public hearing was held according to said notice.

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

SECTION I.

That the appropriations for the fiscal year October 1, 2017 through September 30, 2018 for the support of the general government of the City of Hutto be fixed and determined for said terms in accordance with the expenditures shown in the City's 2018 fiscal year budget, a summary of which is appended hereto as Exhibit A.

SECTION II.

That the budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City's budget for the fiscal year October 1, 2017 through September 30, 2018.

SECTION III.

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

SECTION IV. Publication Clause

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

SECTION V. Severability Clause

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

SECTION VI. Repealing Clause

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

SECTION VII. Open Meeting Clause

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

SECTION VIII.

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

READ and **APPROVED** the first reading on the **7th** day of **September, 2017** at a regular called meeting of the City Council of the City of Hutto, there being a quorum present.

READ, APPROVED and **ADOPTED** on the second reading this **21st** day of **September, 2017** at a regular meeting of the City Council of the City of Hutto, there being a quorum present.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary



2017-18 CITY OF HUTTO BUDGET & FINANCIAL PLAN

www.HuttoTx.gov

Hutto, Texas



Mayor
Doug Gaul

Mayor Pro-tem
Tom Hines

Council Members
Scott Rose, Place 1
Nate Killough, Place 3
Timothy Jordan, Place 4
Lucio Valdez, Place 5
Terri Grimm, Place 6

City Manager
Odis Jones

Mayor and City Council,

It is my honor to present to you the 2017-18 Budget for your consideration. The 2017-18 Budget was carefully crafted to meet the growing needs of the Hutto community. The 2017-18 Budget continues Hutto's conservative financial approach while balancing the demands associated with growth, aging infrastructure, and the desire to grow and expand programs and services.

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

Driving these issues is Hutto's phenomenal growth. Hutto is in the midst of its largest economic boom in its 105 year history. Since 2013, the City has issued 24 new commercial construction permits and 77 commercial certificates of occupancy. The City has added more than 1,800 homes within the last five years and expects to add more than 350 in 2017 alone. These 350 homes will add approximately 1,000 new residents who need services. This remarkable residential expansion is not expected to slow as new subdivisions are continuing to develop. While this growth results in many positives, it also brings challenges. Our roadways are becoming congested. There are increased demands on our infrastructure. There are more people in need of services from our Public Safety, Library, Parks and Recreation, and the Williamson County Regional Animal Shelter. New subdivisions brought on by development have increased the workload of the Development Services and Public Works staff who are responsible for the upkeep of the City's infrastructure. Support service staff are also being stretched as there are more grants, projects, increased financial complexity and transparency to manage.

As the City begins growing and expanding infrastructure, it is imperative that a long-term plan, including strategies and funding sources, be developed. The City Council has done just that by adopting a new Strategic Plan in May 2017. With the exception of Farley Street and East Street in the near future, much of the infrastructure in Hutto's historic downtown has not been updated. Infrastructure in subdivisions that have sprung up in the last 10-15 years are now in need of maintenance. This budget begins to address the above

needs by adding critical staff and funding. Staffing additions include five more patrol officers in the Hutto Police Department. The changes in funding will also allow the City to create a separate Street, Drainage and Ground Maintenance fund to address the long-term repairs and rehabilitation needs of streets and parks. Overall, these changes help develop economic growth to diversify the tax base, bringing in additional property and sales tax revenue, easing the burden on residents, and continuing the implementation of the infrastructure master plans.

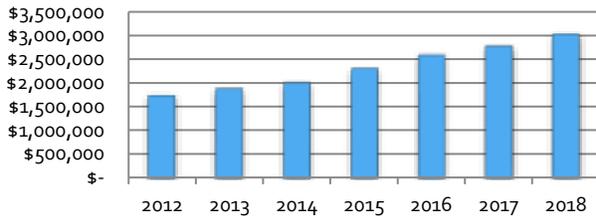
While the community continues to grow, the City has not kept pace with staffing levels needed to serve the expanding population. The City of Hutto currently staffs 102.50 FTEs, or “full-time equivalents,” which gives Hutto a staffing ratio of 3.69 staff per 1,000 residents. This is the lowest staffing ratio of all of Hutto’s benchmark cities, with the average ratio being 7.41 per 1,000 residents. To keep up with the growing needs of the community, the City will need to add staff and resources to support the programs and services in the community, as well as maintain the City’s investment in its infrastructure. The proposed budget will add ten (10) FTEs, which will include five police officers, a fleet and facility technician, municipal court clerk, a streets and grounds foreman, a marketing and creative specialist, and a utility meter technician.

City	Population Estimate	Full Time Equivalents (FTE) 2017	FTE Ratio per 1,000 Citizens
<i>Average</i>			7.41
Hutto	27,833	102.50	3.69
Belton	21,080	168	7.97
Cedar Park	69,188	459.5	6.65
Cibolo	28,000	132.28	4.73
Georgetown	63,716	692.25	10.87
Kyle	39,400	215.5	5.47
Leander	44,936	257.5	5.73
Little Elm	38,341	254.7	6.65
Pflugerville	57,122	352	6.17
Round Rock	122,767	918.13	7.48
Schertz	37,938	384	10.13
Seguin	30,006	354	11.80
Taylor	16,702	148	8.86

Economic Outlook

Hutto is positioned for a prosperous future. Hutto’s location at the intersection of US Hwy 79 and State Highway 130 makes Hutto a convenient location and easily accessible. Because of this, Hutto also benefits from growth that is occurring regionally. The recently announced Innovation Business Park, Pollard Park purchase and development, and Co-Op Entertainment District in Hutto is expected to have a positive impact on Hutto businesses. Job growth in the Austin-Hutto MSA is strong each month and unemployment is a low 3.2% as of April 2017.

SALES TAX GROWTH



The economic indicators in Hutto point towards a vibrant local economy. The phenomenal residential growth was previously mentioned, and commercial growth is occurring at its fastest rate in history. The opening of the new HEB Plus and the surrounding retail in the Star Ranch limited purpose annexation area, have been a

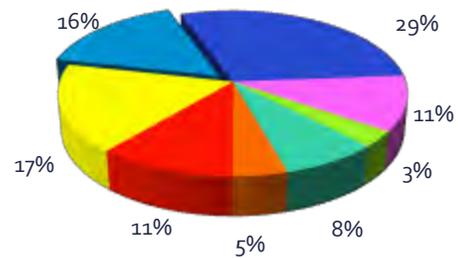
tremendous boost to Hutto’s sales tax revenues and will spur further economic growth in the area. Other development sites include Innovation Business Park, the Co-Op Entertainment District, the Crossings of Carmel Creek and NewQuest - Townwest Commons. All offer great opportunities for future retail and commercial growth.

Sales tax collections continue to climb and new records are established each year. As of July 2017 collections were 19.5% over the prior year. Sales tax collections are conservatively projected to rise 5% in FY18.

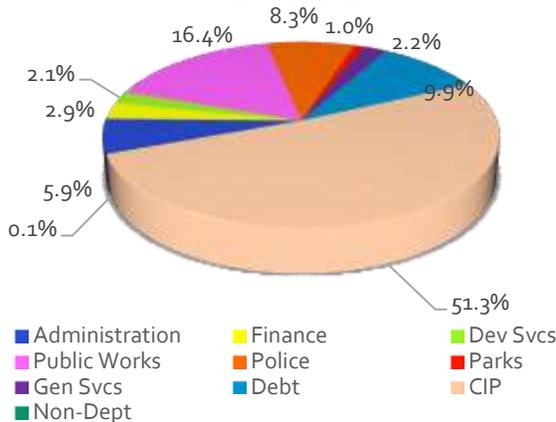
Home values have also experienced steady increases in appraised values which are confirmed by strong sales numbers and a low inventory. Average home values in Hutto have steadily risen from \$164,745 in FY15 to \$183,267 in FY16 and now \$215,813 in FY17.

Budget Overview

The proposed 2017-18 Budget totals \$28,762,567 in operating expenses, \$30,327,140 for new capital projects, (which are paid for by bond proceeds), and \$5,833,599 for debt services associated with past and proposed capital projects. Operating revenues for the



FY18 ALL FUNDS SUMMARY - EXPENSES



FY18 ALL FUNDS SUMMARY - REVENUES

budget totals \$28,765,424. There is also a proposed issuance of \$27.9 million in new bonds to support proposed capital projects. The ongoing operating revenues exceed the proposed ongoing expenses of the City, making the proposed FY18 Budget a balanced budget.

Budget Priorities

The City Council began working on a new Strategic Plan in fall 2016. There were several retreats with City Council and City Staff, as well as meetings with Boards and Commissions, and informal and formal public meetings to obtain insight and feed back from many stakeholders to develop the new Strategic Plan &

Execution Guide. The proposed 2018 Budget is intended to align with the Strategic Plan & Execution Guide. The Vision Statement, Values, Strategic Focus Areas, and Objectives from the Strategic Plan & Execution Guide are shown below.

Vision Statement

Hutto, Texas is a family-friendly community that provides superior public safety, outstanding fiscal responsibility, diversified economy, and an exceptional quality of life.

VALUES

RESPONSIBLE

We expect those acting on behalf of the organization to consistently show responsibility. Being responsible entails being trustworthy to do what is in the best interest of the community and the City organization and being accountable for our own individual actions.

SAFE

We expect those acting on behalf of the organization to consistently have a high regard for the safety of all involved, including our residents, visitors, volunteers, employees, and their property. The value of safety includes actions taken to promote the safety of the public (i.e., police services, fire services, emergency medical services and the like) as well as design of our infrastructure, operational policies, and the working conditions provided to our employees. Recognizing that some elements of the work of the City of Hutto come with a level of inherent danger, our goal is to mitigate that danger to the extent reasonable.

AUTHENTIC

We expect those acting on behalf of the organization to act with authenticity. Hutto is a unique community with a particular history, culture and character, and being authentic entails being genuine in both words and deeds to both the individual character and the character of the community as a whole.

PROGRESSIVE

We expect those acting on behalf of the City of Hutto to seek creative solutions to problems. Being progressive entails making use of new or different methods, opportunities, and ideas with the intention of advancing the practice or outcome farther and faster than it would under the status quo.

STRATEGIC FOCUS AREAS

Strategic Focus Areas directly support the Vision and Values. These are the broad areas that the City is intentionally placing an intense focus upon. Below are the five Strategic Focus Areas of the City of Hutto.



OBJECTIVES

Objectives within this plan are the primary areas that the City is intending to noticeably make changes to in the relative short term in furtherance of its Vision. Objectives are more specific and direct than Strategic Focus Areas, but in most cases are not discreet, achievable goals in and of themselves. Objectives are designed so that if the organization makes significant progress towards the Objectives, it will have made significant progress towards achieving the Vision.



FY 2017-18 BUDGET CALENDAR

DATE	DESCRIPTION
July 13, 2017	Special City Council Work Session (Thursday) – Budget Overview, Council’s Budget Goals & Objectives, Tax Rate Scenarios, FY 17 Year-End Budget and Proposed FY 18 Budget; Review of Outside Agency Funding Applications
July 25, 2017	Deadline for Williamson County Appraisal District to Certify Tax Roll
August 3, 2017	City Council Meeting – Budget Presentation with CIP (Overview), Record Vote on Tax Publication
August 24, 2017	Special City Council Meeting – 1 st Public Hearing on Tax Increase, 1 st Budget Public Hearing
September 7, 2017	City Council Meeting – 2 nd Public Hearing on Tax Increase and 2 nd Budget Public Hearing 1 st Reading of Budget, 1 st Reading of Tax Rate, 1 st Reading of Tax Rate Increase Ratification, Council Adopts CIP
September 21, 2017	City Council Meeting – 2 nd Reading of Budget, 2 nd Reading of Tax Rate, 2 nd Reading of Tax Rate Increase Ratification
October 1, 2017	Budget New Year Begins

Budget Process

The City of Hutto uses a performance-based budgeting process.

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

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



Each fund is budgeted separately and includes its own financial statement. The Hutto Economic Development Corporation (HEDC) is the City's 4A Economic Development Corporation. The HEDC budget is developed by HEDC staff and board members. The HEDC budget is adopted by both the seven member board and the City Council. The HEDC budget is not included in this proposed budget. The financial information for the HEDC is included in the annual financial report for the City.

Gather Information

The City Council is consulted throughout the year. Their response and feedback are considered during budget review and analysis of budget requests. The Council annually adopts budget priorities. Following the Council elections, the City Council holds a retreat to discuss the budget priorities and strategic issues important to Hutto's future. The budget priorities are incorporated where possible in the adopted budget. The budget priorities for the upcoming fiscal year are addressed in the opening pages of this document and in the Budget Transmittal Letter section as well as the updated Strategic Plan and Execution Guide adopted May 2017.

Update Strategic Plans

Each year staff reviews and updates strategic plans used to properly plan for the City's growth. The City Council adopted a new Strategic Plan and Execution Guide in May 2017. This document connects short-term initiatives with long-term strategic priorities identified by the City Council. Adjustments are made as needed based on service demands and assessments. Future budget requests are guided by goals and priorities identified in the strategic plans. Costs for capital improvements are updated with the help of the City Engineer. Fiscal forecast projections and estimates are updated based on trend analysis, expected growth due to residential and commercial expansion, and other anticipated factors.

Revenue Projections

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

Budget Development

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

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

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

Budget Workshops and Public Hearings

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

Budget Adoption and Maintenance

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

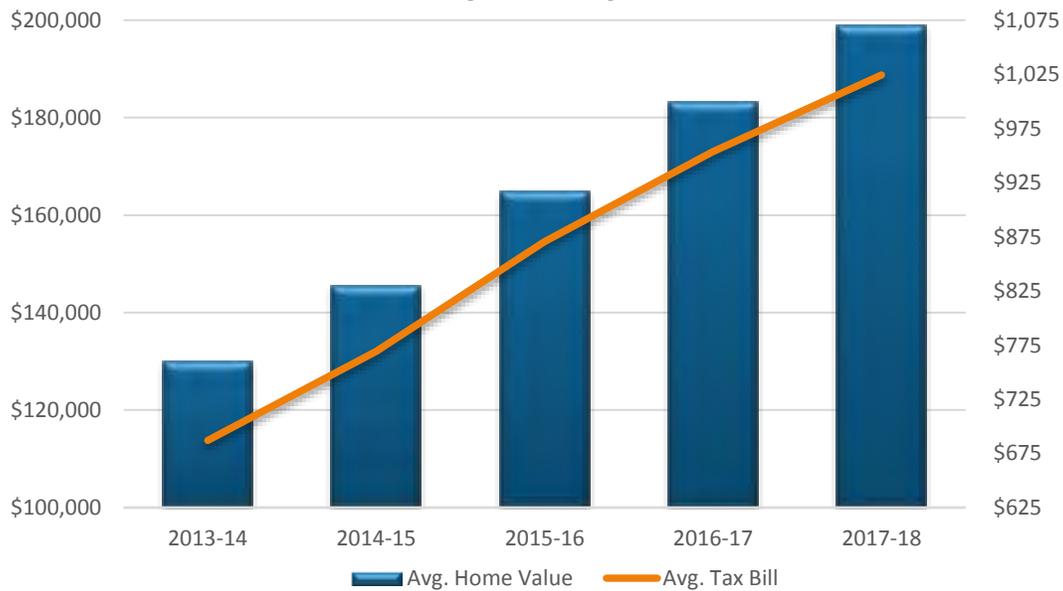
An adopted budget is compiled and published during the first months of the new fiscal year. Budget maintenance is a year-round activity for department and division directors, the City Manager, and the Finance Department. Mid-year program evaluations use performance measures to identify poorly performing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

2017-18 BUDGET OVERVIEW

The 2017-18 Budget totals \$28,762,567 in operating expenses and \$28,765,424 in revenues. Savings from previous fiscal years, along with strong revenue growth, has kept the City's fund balances stable. The 2017-18 Capital Project budget totals \$30.3 million. The City will issue estimated debt in the amount of \$28 million to cover Capital Projects, and will also utilize a portion of the projected fund balance which exceeds the reserve requirement to pay for one time purchases in the current fiscal year.



City Tax Impact



General Fund

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

	FY16	FY17	Proposed FY18	Change
O&M Rate	.436464	.429335	.416482	-2.78%
Debt Rate	.092036	.091108	.098689	7.23%
Total Tax Rate	.528500	.520443	.515171	-1.01%

budgeted. The majority of the City's employees are funded out of the General Fund.

The General Fund revenue budget totals \$12.6 million, which is an increase over the prior year's adopted budget of \$11.3 million. General Fund expenses total \$12.4 million, which is

an increase over the prior year's adopted budget of \$11.7 million. The General Fund budget is based on the ad valorem rate of \$0.515171 per \$100 of valuation. The proposed ad valorem rate is \$0.528565 is the rollback tax rate (the highest rate that the City may propose without risk of an election petition). The decrease in the tax rate over the prior year is due to the addition of new property and improvements of \$71,652,014 which is not included in the rollback tax rate calculation. There is a slight increase in the I & S or debt portion of the ad valorem tax rate of 7.23%. This increase is due to the issuance of debt for the new projects in the City. These bond proceeds will allow the City to improve infrastructure which will increase economic development. With projects such as the Innovation Business Park and the Co-Op Entertainment District coming into the City, the investment in infrastructure is critical to development. Additionally, issuing debt for the purchase of the Heart of Texas Water Services, LLC, will allow the City to take control of the water rates which will benefit citizens and economic growth. The return the City will see within the next 18 to 36 months will come from increased property and sales tax. Adding commercial and multi-use development diversifies the tax base, easing the burden on Hutto residents.

General Fund Personnel Enhancements for 2017-18 include: five (5) additional police officers; an increase in base pay for all commissioned officers in order to compete with the surrounding areas; an additional court clerk to handle the increase in citation activity; a fleet and facility technician so that the City can begin implantation of an in-house fleet and facility management program; an additional building inspector to assist development services with the growth of the City; a management assistant to work in the Police Department at the front desk after hours to ensure public safety and extended hours, a staff accountant to assist with new project accounting and to assist in audit and budget backup; a market and creative specialist to strengthen the brand of Hutto and increase communications; and a 3% merit, which aligns with the Council adopted Strategic Plan, and cost of living increase.

General Fund Equipment and Other Enhancements for 2017-18 include information technology and software upgrades, radio replacements, parks and recreation program and facility upgrades, vehicle and police equipment additions, and public works equipment and vehicles.

Utility Fund

The Utility Fund is the second major operating fund of the City. It accounts for the City's water and wastewater system. Utility Fund revenues total \$22.6 million, which includes \$12.4 million in proposed certificates of obligation to fund capital improvement projects. A utility rate study was conducted in 2017. Water rates and Wastewater rates were increased, 6.75% and 15% respectively, for both FY17 and FY18. The effective date for the rate increase in FY17 was June 1, 2017. The rate increases are needed in order to maintain utility fund reserve requirements, invest in new infrastructure to allow expansion of the tax base, pay for increases to the Heart of Texas Water Supply Contract, and meet debt service obligations for recent utility projects such as the new Hutto South Waste Water Treatment Plant. Additionally there is a transfer in of \$1.2 million in impact fees.

Utility Fund expenses are proposed to total \$21.6 million, of which, \$8.8 million is for operations and \$12.7 million is for capital. Additionally, there is a transfer out of the Utility Fund in the amount of \$4.4 million to the Utility Debt Service Fund to cover the City's debt obligations related to water and wastewater infrastructure. The majority of expenses in the Utility Fund are for contracted services related to the City's water supply contracts with Heart of Texas Water Suppliers LLC, Manville WSC, and the City of Taylor. The cost for these contracts has increased due to rate and volume increases. The City contracts operation and maintenance of the wastewater treatment plants with the Brazos River Authority. The cost of wastewater treatment has increased as the new 2.0 million gallons per day South Wastewater Treatment Plant has become operational.

Utility Fund Personnel Enhancements for 2017-18 include an additional utility technician for meter maintenance and reading. Currently the City has one utility technician dedicated to meter maintenance and reading. In order to maintain high customer service levels in conjunction with the phenomenal growth of the City it is essential that an additional technician be added.

Utility Fund Equipment and Other Enhancements for 2017-18 include water and wastewater facility maintenance, equipment purchases such as a hydro excavator, and vehicle replacements.

Streets, Drainage and Grounds Maintenance Fund

The Streets, Drainage and Grounds Maintenance Fund is a newly formed fund which will provide major preventative maintenance and roadway improvement, using \$3 million in certificates of obligation. The program should elevate the quality of Hutto's streets and create long term savings for the City through the systemic use of preventative maintenance. Using certificates of obligation bonds to fund projects which will serve the public at large, such as public roadway maintenance, is a common and prudent way for cities to raise needed funds. Leveraging bond dollars also allows the City to strategically support growth in the public safety, by changing the city's fiscal approach.

Streets, Drainage and Grounds Maintenance Fund expenses total \$2.6 million, which is an increase of the prior year of \$1.3 million, when it was in the General Fund. Additional personnel, materials and equipment are included in this budget since this fund will be considered a full-scale construction fund.

Streets, Drainage and Grounds Maintenance Fund Personnel Enhancements for 2017-28 budget include a Streets & Drainage Foreman. Streets and drainage projects require a specific skill set that only comes with someone who has the proper training and experience.

Streets, Drainage and Grounds Maintenance Fund Equipment & Other Enhancements for 2017-18 include a paving equipment, dump truck, backhoe, trailers, mowers, a skid steer, and Gradall.

Capital Projects

The FY18 Budget capital project budget includes \$27.7 million for capital projects: \$15 million in tax supported projects and \$12.7 million in utility supported projects in the Capital Improvements Plan. The projects, and their funding source, are included in the table below.

Fund	Project	Cost	Funding Sources
General CIP	East St. Reconstruction	\$1,030,215	Bonds
	Co-Op Improvements	\$5,300,000	Bonds
	Limmer Loop Improvements Agreement	\$100,000	Cash
	Public Works Facility	\$142,350	Cash
	Limmer Loop Sidewalk	\$1,479,750	Grant/Cash
	CR 119 (Ed Schmidt) Extension	\$250,000	Cash
	Innovation Business Park	\$4,200,000	Bonds
	Animal Shelter Expansion	\$223,949	Cash
	Pollard Park Purchase	\$1,710,000	Bonds
	Drainage Master Plan	\$150,000	Cash
	Old Town Street & Drainage Improvements Phase I	\$275,000	Bonds
	Fritz Park & Creekside Park TWP Grant	\$110,000	Grant
	Utility CIP	North of Limmer Loop Waste Water	\$3,000,000
Front St. Waterline		\$1,186,640	Bonds
East St. Water Line Improvements		\$67,753	Cash
Lakeside Estates Abandon Lift Station		\$500,000	Cash
Avery Lake Wastewater Interceptor		\$5,576,721	Cash/Bonds
Carmel Crossings Wastewater Interceptor		\$181,851	Cash
Co-Op Water Line Improvements		\$300,000	Bonds
Co-Op Wastewater Improvements		\$400,000	Bonds
Fire Station Water Line Improvements		\$275,000	Bonds
Fire Station Wastewater Improvements		\$300,000	Bonds
Innovation Business Park Water Line		\$470,000	Bonds
Innovation Business Park Wastewater	\$430,000	Bonds	

Conclusion

The Budget document establishes the direction and focus for the upcoming year as it connects resources to the priorities identified by the City Council and the newly adopted strategic plan.

2018 will be a transitional year for the City of Hutto as new leadership and members on the City Council lead the City of Hutto. Odis Jones was named as the new City Manager in November 2016, and brings with him more than twenty years of experience. It is the City Manager's responsibility to fulfill and complete the objectives identified in this budget. This budget identifies resources and strategies that are in place to ensure the success of the organization, not just for this fiscal year, but for many years in the future.

Lastly, I would like to thank the City Council and the City staff, for their consideration of the Proposed 2018 Annual Budget.

Sincerely,

Odis Jones,
City Manager

GENERAL FUND SUMMARY

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCE	2017-18 BUDGET
Revenues							
Property Taxes	5,578,084	6,095,403	6,253,618	6,277,116	6,824,740	-	6,824,740
Sales Taxes	2,646,268	2,586,764	2,586,764	2,974,083	3,097,198	-	3,097,198
Franchise Fees	769,913	767,943	767,943	800,098	834,655	-	834,655
Building & Development	960,466	728,575	728,575	813,575	878,575	30,000	908,575
Fines	270,295	307,092	307,092	307,092	322,163	25,000	347,163
Interlocal	132,858	250,000	250,000	219,261	-	-	-
Charges for Services	210,007	202,700	205,200	209,500	255,450	17,400	272,850
Other	508,510	380,250	354,957	372,731	361,250	-	361,250
Total Revenues	11,076,397	11,318,727	11,454,149	11,973,457	12,574,031	72,400	12,646,431
Expenses							
City Administration	1,902,133	2,108,433	2,338,453	2,687,296	2,188,520	27,098	2,215,618
Communications	672,736	537,821	656,980	760,953	808,197	184,059	992,356
Financial Services	1,419,132	1,433,782	1,469,829	1,296,778	1,411,202	236,819	1,648,022
Business & Development Services	1,414,001	1,862,831	1,759,719	1,877,558	1,674,099	153,001	1,827,100
Engineering & Public Works	1,908,566	2,065,712	2,198,267	2,112,134	768,537	65,912	818,849
Police	3,291,797	3,718,045	3,835,826	4,216,564	3,963,579	935,364	4,898,942
General Services							
Non-Departmental	(14,479)	-	-	-	-	-	-
Total Expenditures	10,593,885	11,701,886	12,259,074	12,951,284	10,814,134	1,602,252	12,209,391
Other Financing Sources							
Transfers In	370,240	537,831	537,831	537,831	435,000	-	435,000
Transfers Out	(496,340)	(549,000)	(549,000)	(70,000)	(70,000)	-	(680,000)
Total Other Financing Sources (Uses)	(126,100)	(11,169)	(11,169)	467,831	365,000	-	(245,000)
Net Change In Fund Balance	356,412	(394,328)	(816,094)	(509,996)	2,124,896	(1,529,852)	645
Beginning Fund Balance	3,590,125	3,411,844	3,946,537	3,946,537	3,436,541	-	3,436,541
Ending Fund Balance	3,946,537	3,017,516	3,130,443	3,436,541	5,561,437	-	3,437,186
<i>Contingency Reserves</i>	<i>2,648,471</i>	<i>2,925,472</i>	<i>3,064,769</i>	<i>3,237,821</i>	<i>2,703,534</i>	<i>-</i>	<i>3,100,197</i>
Unreserved Ending Fund Balance	1,298,066	92,045	65,6755	198,720	2,857,904	-	336,989
Reserves	25%	25%	25%	25%	25%	-	25%

Fund Description

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

Revenues

General Fund revenues are budgeted to total \$12,646,431, an increase of 5.62% from FY17 Projected Year-End Budget. Property taxes make up the bulk of the revenues, followed by sales tax. A diverse revenue base

is essential for maintaining a sound financial system. Increased commercial development is slated for the upcoming year and beyond. This new development will reduce the City's reliability on residential property tax revenue as more sales tax is collected and the tax base continues to diversify.

Property Tax is based on the ad valorem tax rate of \$0.515171 per \$100 of valuation. The split between the two portions of the tax rate is increasing, with the Interest and Sinking portion growing as the City issues debt (Operations and Maintenance - \$0.416482 + Interest and Sinking - \$0.098689), but will still allow the City to continue its existing services and programs, while adding additional staff. The effective tax rate, which is the rate required to levy the same amount of taxes on the same properties as the year before, is \$0.485741 per \$100 valuation. The average home taxable value increased for the third year in a row, rising from \$164,745 to \$183,267 in 2016, average taxable for 2017 is \$198,849, an increase over the prior year by 8.5%. Property Tax makes up the largest percentage of General Fund revenues at 54%. A total of \$6,824,740 is budgeted for collection, which is an 8.72% increase over the FY17 Projections. The increase is due to an overall increase in appraised value and from \$71.9 million in new property added to the tax rolls.

Sales tax is the second largest revenue source for the General Fund, accounting for 24.5% of revenues. Sales tax is budgeted at \$3,097,198, a 5.0% increase over the FY17 Projected Year-End Budget amount. Sales tax collections have remained strong as a result of new construction, including HEB and Whataburger sites, and a still growing population.

Franchise fees totaling \$834,655 are fees collected for private utilities such as electricity, gas, and telecommunications located in the public right-of-way. The fee is generally based on a percentage of a company's gross revenues collected within the City's limits. Franchise fees are expected to increase 4.3% over FY17 Projections due to customer growth.

Development fees are budgeted to total \$908,575. Development fees account for 8% of revenues. FY18 revenue increased 11.7% over the FY17 Projected Year-End Budget due to additional building inspection staff and anticipated growth in residential and commercial permits.

General Fines are budgeted to total \$347,164. General fines are collected through municipal court. Citations are issued by the police department and settlement of those citations is done through the court.

Transfers In are transfers from different funds into the General Fund. A portion of the Utility Fund, \$250,000 is transferred into the General Fund to offset the administrative costs associated with managing the operations including General Services, Finance, and Public Works. \$95,000 will be transferred from the Hotel Occupancy Tax Fund to offset salary and expenses incurred by the Downtown and Tourism Division. An additional \$90,000 will be transferred from the Solid Waste Fund for expenses and pavement replacement.

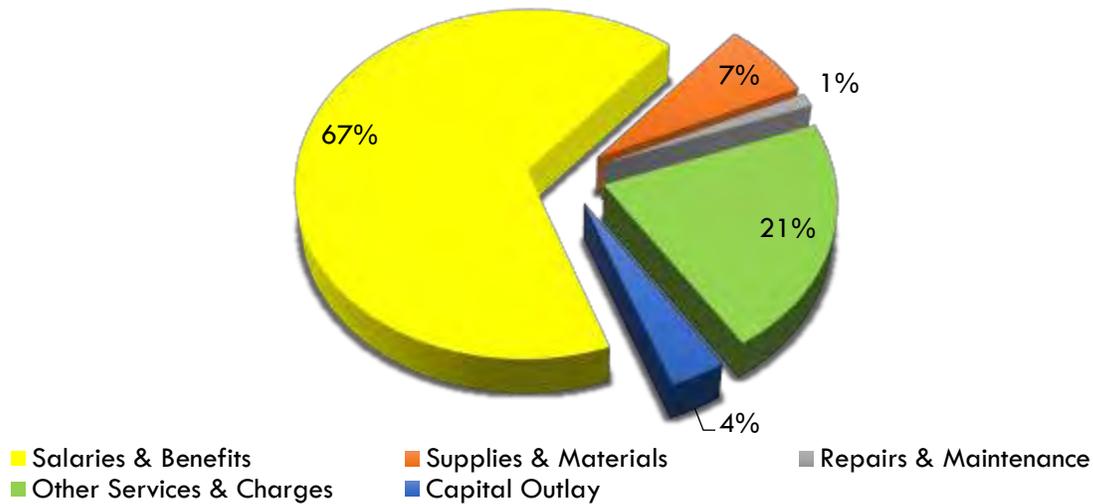
Parks revenue is budgeted to increase slightly due to more growth in winter, spring and summer camps, as well increased participation in indoor league sports such as basketball. Parks revenue includes payments for Gin Building, Saul House use, pavilion rentals, recreational programming, and Library fees.

Other revenue includes interest, miscellaneous fees and taxes, donations, grants, and other minor revenue sources. Other revenue is budgeted to total \$361,250 in FY18. The FY18 budget includes funding for capital lease proceeds from the purchase of replacement equipment in the amount of \$274,000.

Expenses

General Fund expenses include costs related to general government operations such as: administration, police, planning and development, library services, parks and recreation, and streets and drainage, (which is now in a separate fund paid for with a bond issuance). General fund expenses total \$12,400,786 which is a decrease of 4.1% over the Projected Year-End 2016-17 Budget. Police, with the majority of employees (including thirty-seven sworn officers), makes up the largest percentage of General Fund expenses at 39%, with a total budget \$4.9 million. Administration and Development Services make up the next largest percentages at 18% and 15% respectively.

General Fund - Expense Summary



Salaries and benefits make up the majority of General Fund expenses at 65% of the budget. All Hutto employees, (except for the Utility employees, and the Economic & Convention group), are paid from the General Fund. This category includes salaries, insurance, and retirement expenses.

Enhancements include new or expanded programs or services, equipment, and personnel.

Budget Variances

This section explains differences between the 2016-17 Projected Year-End Budget and the 2017-18 Budget. Expenses are broken into five categories.

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCE	2017-18 BUDGET	%CHANGE PROJECTED
Salaries & Benefits	6,173,043	7,059,944	7,364,590	7,924,473	7,160,782	1,123,325	8,258,507	4.3%
Supplies & Materials	679,940	661,810	729,475	668,486	751,306	118,695	870,001	30.1%
Repairs & Maintenance	291,847	293,250	297,383	261,352	128,200	19,700	147,900	-43.6%
Other Svs & Charges	2,441,333	3,056,403	3,310,012	3,533,084	2,529,376	139,532	2,668,908	-24.5%
Capital outlay	1,007,721	630,479	557,614	538,158	244,470	201,000	445,470	-17.1%
Total	10,593,884	11,701,886	12,259,074	12,925,552	10,814,134	1,602,252	12,400,786	-4.1%
Transfers out	(721,178)	(70,000)	(549,000)	(70,000)	(70,000)		(680,000)	23.9%

SALARIES & BENEFITS will increase 4.3% or about \$334,034 over the FY17 Projected Year-End Budget. Five Police Officer positions are added in FY18 to meet the minimum staffing requirements and provide more efficiency of the Hutto Police Department. The total for the new patrol positions, including salary and benefits, totals \$285,707. In addition, all sworn positions will have an increase in their base salary in order to compete with surrounding areas, at a total of \$291,719. This increase will put them in the top quarter of those benchmark cities. Also added to increase the efficiency of the department is a nightshift management assistant. This position will man the front desk in the evenings so citizens can still have access to the department after hours when police are out on patrol. This position will cost \$59,750 including payroll taxes and benefits. Total enhancements for this category is \$1,123,325.

Another new position included in the General Fund for FY18 is a Fleet & Facility Technician at \$49,371. One of the Council's strategic goals is to have an in-house fleet department. A program such as this will save the City

money by having the ability to do routine maintenance onsite, but will also be an essential tracking mechanism for replacing vehicles and equipment.

A Building Inspector is also budgeted for FY18 at the cost of \$71,642 including vehicle to facilitate a growing need in the community. With all the new growth the City is facing, our current Building Inspector has met his capacity. The addition of another Building Inspector will also increase the City's inspection revenue. The expansion of the city into newly annexed territory will bring increased needs for inspections which in turn will fill City coffers.

There is also an additional Municipal Court Clerk position included in the FY 18 budget at \$52,710. With the increase in patrol staff of five (5) new officers there will be a corresponding increase in the citation load in Municipal Court. The department is already strained by the City's increased growth. Having an additional Municipal Court Clerk will allow the City to continue to provide excellent customer service as well as expeditiously handle citations.

A new Marketing & Graphics Specialist will be added to the Communications Department to enhance public relations and marketing for the City. The cost for this position is \$55,611, including benefits.

A staff accountant will be added back to the budget at the cost of \$67,588. This position had been eliminated and a higher level position created in FY17. With all of the growth, new projects and complexities of transactions another accountant is needed.

Another item affecting salary and benefits is the increase in health and dental insurance. Due to increasing affordable health care program issues the City's health insurance rates will increase slightly. The current budget is an increase of 10%. The City is however offering the employees two insurance plans in FY18. The offering of two plans should better meet the needs of our employees. This should also help the City's needs by attracting and retaining employees. As the new plan is rolled out and the number of participants is determined in the two different plans it will be easier to determine at mid-year if there will be a budget adjustment.

SUPPLIES & MATERIALS will increase by 30.1%, or \$201,515, over the FY17 Projected Year-End Budget. The increase comes from I.T., for the purchase of thirty (30) replacement computers and fifteen (15) monitors, includes the cost of supplies needed for new positions like furniture and equipment, and supplies for newly expanded and growing parks and recreation programs. Total enhancements for this category are budgeted at \$118,695.

REPAIRS & MAINTENANCE costs will see a decrease of 43.4.6% over the FY17 Projected Year-End Budget. The majority of this decrease is due the moving of the Streets & Drainage to a bond funded Construction Fund. Newly added items include upgrades to the tennis court, which will generate additional revenue, and to the partitioning of the Parks & Recreation Building to provide office space that can be rented out. As well as offering Adult Sports Programs, which should also generate additional revenue. The cost for the partition is \$1,500, the tennis court upgrade of \$18,200, and Adult Programs at \$12,000.

OTHER SERVICES & CHARGES make up the second largest expense of the general fund. FY18 will reflect a decrease of 24.5% over FY17 Projected Year-End Budget. In FY17 the City incurred larger than normal legal expenses due to economic development contracts, negotiation of a utility purchase, and the defense of personnel issues. The decrease is also due to the moving of the Streets & Drainage to a bond funded Construction Fund.

CAPITAL OUTLAY costs will see a decrease of 4.1%, or \$91,688, over FY17 Projected Year-End Budget. The majority of the capital outlay costs is the lease/purchase of twelve (12) new police vehicles. These vehicles will

be for the new patrol and will replace some of the older vehicles. Another vehicle will be leased for the building inspector. The decrease is due to moving the Streets & Drainage fund to a bond funded Construction Fund.

TRANSFERS OUT will remain constant at \$680,000. This transfer is made up of the transfer of Hotel Occupancy Tax funds to cover the personnel for the Economic & Convention Department and the transfer from the General Fund to the General Capital Improvements Fund for the cash funded portions of Capital Improvement projects.

Department Enhancements

As part of the budget process departments submit not only a base budget but they include enhancement requests that are in addition to their base budget. These enhancements include personnel, equipment, projects, and programs. Following is a list of enhancements by department, a description and departmental justification for the enhancement.

General Fund

Description: Five Additional Police Officers

Justification: To address the growing needs of the City and to stay ahead of increasing criminal activity as a result of that growth.

Description: Increase in Base Pay of Sworn Officers

Justification: To compete with surrounding cities and Williamson County salaries. This will bring sworn officers into the top quartile of those entities.

Description: All employee increase, except executive staff, of 3% in merit/market pay.

Justification: To stay competitive with benchmark cities and to pay for performance which is in alignment with the newly adopted Strategic Plan.

Human Resources

Description: Compensation Benchmarking Vendor

Justification: As we continue to align wage bands and update salary brackets, a comp vendor would help us to properly mine market data for municipalities and the roles that we are hiring. Vendor should be a cloud based vendor that contains data and the HR team can run analytics as needed. Access to such a database will minimize costs from bringing in a team to overhaul salaries and allow HR to update analytics as needed.

Communications

Description: Marketing & Creative Specialist

Justification: As we endeavor to strengthen the brand of Hutto and increase our communication, a staff member who is skilled in design will help the City to communicate more effectively, educate on events and programs, and promote economic development and downtown events and tourism.

Finance

Description: Staff Accountant

Justification: As the City continues to grow, take on more projects, and become more complex in its transactions it is necessary to add a general staff accountant.

Information Technology

Description: 365 Migration

Justification: Transition to Microsoft Office 365 Online with Hybrid Exchange Server on premise. Our current Exchange server is aging and no longer directly supported by Microsoft. Moving to O365 in the cloud will increase the efficiency of our email services, reduce the amount of support time from our staff, and make our email server much more secure. It will also eliminate the need for us to provide backup and disaster recovery services in-house. It will also allow to keep all of our Microsoft Office applications current with service packs and version. The statement of work includes training for staff.

Description: All Flash Storage Array

Justification: Convert aging data storage array to all-flash storage. Our goal is to continue to modernize the core of our data network. We have purchased new core switches, to be installed soon, and the next step is to replace our data storage array, which is currently all spinning disks. All-flash storage is more advanced, faster, more reliable, takes less resources for power & cooling, and less space in the rack. Pure Storage has an exclusive "evergreen" offering which lets you expand and replace equipment, as needed, and get credit back for the equipment already purchased. This would modernize and significantly improve our data storage, and take us well into the foreseeable future. Frankly, we could find solutions for less money up-front, including hybrid solutions of some spinning disks, and some flash storage, but after purchasing all flash, it will save money over the next several years with its stability and the evergreen program.

Municipal Court

Description: Municipal Court Clerk

Justification: One additional court clerk is requested to handle the increase in workload for Municipal Court due to the increase in patrol staff in the Police Department.

Facility & Fleet

Description: Facility & Fleet Maintenance Technician

Justification: One of the City Council's strategic goals is to have an in-house fleet management program. This program will allow the City to save money by performing maintenance in-house. This position will also be key in establishing inventory, replacement and maintenance schedules. In addition, FY18 will bring additional growth to the City including additional personnel. As the staff grows the facility needs also grow. Hiring an additional Facility Maintenance Technician will ensure that the facilities are clean and presentable for customers and staff. Currently the city has one Facility Maintenance Technician, which is not enough to meet the City's demands.

Planning & GIS

Description: Additional ARC GIS License

Justification: An additional license is required for new personnel. Given the growth in the Planning department and the complexities that have arisen from additional growth, more sophisticated analysis is in order, which is facilitated by GIS technology. This additional license will allow a Planning staff person to serve as back-up staff to the one GIS Technician the City currently employs.

Building Inspection & Code Enforcement

Description: Building Inspector

Justification: With the exponential growth that the City has steadily experienced, our one building inspector has reached capacity. Furthermore, the city is anticipating that additional duties related to taking on certain inspections within the extraterritorial jurisdiction further justifies the need for an additional building inspector. This position will generate sufficient revenue to offset the costs of the position.

Parks & Recreation

Description: Remodel of Parks & Recreation Building

Justification: In an effort to increase programs and revenue, the department has proposed consolidating Parks & Recreation office space into one area and opening up another area in the same building to create a rental facility, meeting area and program space.

Description: Tennis Court Upgrades

Justification: Upgrading the current tennis court space behind the Parks & Recreation building will give the community added amenities at Fritz Park. It will increase the programmable space for the PARD to hold leagues, tournaments, lessons, and other programs. It has been currently been used for storage for Parks Maintenance. There is space for 2 courts.

Description: Adult Sports Programs

Justification: Plans are to start an adult soccer league for a spring season and fall season, and an adult flag football program in the fall season. Contracting Officials, Scorekeepers, and purchasing of sport specific equipment for 4 new adult leagues to be programmed at Fritz Park. A survey was distributed in May 2017 to gauge community interest. These areas of adult sports showed community interest, and with the new facilities at Fritz Park becoming available in Spring of 2018, Parks & Recreation would like to plan new programs to fully utilize it.



Public Safety

Description: Management Assistant (Night Shift)

Justification: To offer additional hours to citizens to conduct police business and to provide a safe place.

Description: DMS & Cry Wolf Software

Justification: This document management system would allow us to upload all policies and procedure, briefing training, lesson plans, annual reviews, standard operating procedures and any other documents in one central location. This would allow us to track, test and evaluate annual review of policies and procedures, sop's, and training more efficiently. This software program allows for the automated billing of alarm permits, repeat alarm calls. The program interfaces with the CAD system for geoverification of addresses.

Description: Radio Replacement

Justification: This enhancement will replace 10 existing XTL5000 radios as the second part of a multi-phased replacement schedule to ensure radios remain P25 and GATRS compliant (Williamson County and FED requirements). Current life cycle of radio support ends 2019.

Description: Radar Speed Sign

Justification: Purchase of one solar and battery powered "your speed" radar sign, capable of collecting vehicle speed and traffic count data. The sign is portable and can be moved to areas of the City to document traffic patterns and verify/dispel speeding complaints. This piece of equipment will provide a visible deterrent to speeders and provide more opportunities for deployment due to its size and portability.

Description: Twelve (12) Replacement & New Vehicles

Justification: Lease a total of 12 vehicles, broken down by eight first line marked patrol vehicles, 1 full size truck, 3 sedans. These vehicles will be provided to the additional new Patrol Officers, Professional Standards Officer, Criminal Investigations Lieutenant, Assistant Chief, and Chief of Police.



Description: Explorer Program

Justification: Start up costs associated with implementing an Explorer Program in conjunction with HISD PD. Will be used to cover uniforms, training material, association dues, competition entry fees, and field trips for events.



Public Works, Streets, Drainage and Grounds Maintenance, Animal Control & Utility Fund

Description: Modular Building

Justification: Currently public works is leasing a single wide, two office modular building to house staff. With the recent additions to the public works department, the modular unit is no longer large enough. The Mobile Mini was originally leased/delivered on 12/18/2014, we will have leased this unit for three years and we will have paid for well over half of the cost of a new unit at this point. We are requesting a four office double wide, with two restrooms, larger break room, for 18 current employees. Currently our animal control officer is working with out an office or a place to work with residents when they are paying fines or collecting their pets. Currently we are spending \$665.00 per month on the current space.

Description: Work Order System

Justification: Purchase a work order system for public works (Animal Control, Utility Division, Parks Maintenance, Streets and Drainage). Currently staff uses paper copies, which makes it hard to track data that can be obtained from a work order system. We have a system from Greco that staff has been struggling with and we are currently trying to use it. If the system does not work for us, we need to be in a position to purchase a system that will provide us with the tools that we need. The use of a Work Order System will be essential in separating the expenses of the new Streets, Drainage and Grounds Maintenance Fund, which is bond funded, from the General Fund and the Utility Fund.

Streets, Drainage and Grounds Maintenance (New Debt Operated Fund)

Description: Streets & Drainage Foreman

Justification: Will fill the need of having a person in the operations field that can train operators in the operation of light and heavy equipment to be used in street, drainage and grounds maintenance. Establish schedules and methods for providing street maintenance services; identifies resource needs; evaluates and determines quickest and most efficient way of task completion without sacrificing quality. Ensures that work safety and standards are being maintained. Operates heavy equipment but not limited to paving machine, oil distributor, backhoes, motor grader, skid steer, steel & pneumatic roller, dump trucks related to street & drainage maintenance. Excavates material, forms, pours and finishes concrete in construction of curbs, valley gutters, flumes, rip rap. Competently operates and trains personnel in small power tools and light equipment but not limited to compactors, handsaws, chain saws, chop saws, jackhammers, drills and crack seal unit. Coordinates with supervisor and or vendors to purchase products and materials needed for staff to complete daily task. Respond to request for information from the public, investigates complaints and recommends corrective action to resolve complaints or concerns. Inspects completed work assignments to ensure that work meets department quality and compliance standards and identify any new issues or concerns.

Description: Seasonal & Part-Time Workers

Justification: Hire of 2 seasonal workers help assist Street & Grounds. Seasonal workers could assist in paving, drainage, concrete and parks maintenance, special event set up during the busiest time of year

(March to September). These workers would be obtained from a temp agency and would not have City benefits. Would help in fulfilling staff needs in task scheduled for work when Full time employees have scheduled time off or sick.

Description: Hustler Super 104

Justification: Hustler 104- Has a 9 foot cutting deck and can have one groundskeeper mow the bigger areas of the Parks and cover more acreage. Currently the Parks department has a John Deere 1600 that has had a lot of maintenance issues due to inexperience in preventative maintenance which has led to many repairs over the past 5 years. I am asking for 2- Hustler 104 zero turn mowers as Park maintenance with 9 foot decks so that the larger parks within our system could be mowed faster and free up time for other facilities that will need staffs attention also(Holmstrom field and Hippo Field and also the new expansion project park off CR137 in the future.)



Description: Gradall

Justification: Gradall for conducting drainage projects on a small and large scale. Currently do not have proper equipment for drainage projects to be done in an efficient way. A gradall could increase drainage project production as currently we have a mini excavator with a small bucket that cannot reach a dump truck and we must rent a 4 yard dump trailer. Drainage issues could be done with less staff and equipment also increasing process and maximizing staff on other assigned task.



Description: Cargo Trailer

Justification: Cargo trailer for Streets, Drainage & Parks department to be able to secure small tools and mowers while at Parks. Currently the department has open trailers with all tools needed for job unsecured while at public areas. This trailer would help the department with city equipment being secured and also deter possible theft of City equipment.



Description: Truck Replacement

Justification: With the creation of the new Streets & Drainage Construction & Maintenance Fund as well as the addition of additional personnel another vehicle is necessary.

Description: Two Commercial Mowers

Justification: The creation of the new Streets & Drainage Construction & Maintenance Fund includes playground and grounds construction and maintenance. The expansion of the duties of this fund require the purchase of two additional commercial mowers.



Description: Farley Street Project

Justification: Repaint downtown. Paint has faded, crosswalks do not show.



Description: Steel Wheel Roller, Rubber Wheel Roller, Leeboy 8ft Paver, 16 Ton Dump Truck, Oil Distributor/TAC Trailer, Backhoe, Equipment Trailer

Justification: With the creation of the bond funded Streets & Drainage Construction & Maintenance program special equipment will be required to perform the complex construction and maintenance for streets, drainage, and parks maintenance.



Streets, Drainage and Grounds Maintenance Fund & Utility Fund

Description: Skid Steer

Justification: Track skid steer would be used by all four departments(Streets & Drainage, Grounds and Water/Wastewater) in maintenance of street repair(removing spoils/ failure materials in roads/spreading base, road cleanup, sidewalk removal) drainage repair(to clear drainage ditches to small for bigger equipment)

Grounds (In parks spreading dirt, sand, playground material, digging holes) Water/Waste water(moving materials, for use in wet areas in line maintenance repairs) .

Current skid steer is on rubber wheels making it unusable in wet conditions. Current skid steer old and has many hours (at least 11 years old) and has had many issues with repairs.



Description: International 13 Yard Dump Truck:

Justification: Currently only have one dump truck, could be used by 4 departments (Streets/Drainage/Grounds/ Water). Difficult to do street or drainage projects when other departments need also for use in daily job task such as street/drainage repair or water line maintenance or to move materials to parks. Everyone sharing this one dump truck for majority of daily work orders.



Description: Backhoe

Justification: The backhoe would provide a necessary piece of equipment for conducting numerous types of excavations to include water and wastewater line repair, asphalt and concrete repair, drainage repair, and various parks related maintenance. The versatile backhoe is also used for loading materials and moving materials from place to place. This backhoe would replace an aging and ailing backhoe that was used by the Parks Department but has fallen into disrepair due to age. The new back hoe would be a shared piece of equipment that could be used by ALL Public Works Departments. Currently, if both working backhoes are in the field there is not a sufficient piece of equipment at the shop that could be used to load materials into the 13 Ton Dump Truck. This backhoe would allow more crews to work out in the field while still having a loader at the shop for materials. This would increase efficiency and allow for more production.



Utility Fund

Description: Paint Pecan Water Tower

Justification: Repaint the Pecan Water Tower. The tower is no longer apart of the water distribution system; it is used as an antenna for our AMI (Automatic Meter Reading). Citizens do not realize that it isn't part of the water system and it currently looks in very poor shape and reflects negatively on Hutto. The cost estimate is \$145,000 which includes, 3% for inflation, 15% construction contingency; and 15% for design/bidding/construction administration and an inspector specialized in painting oversight while they are applying the paint. This inspector is very important during construction because to get a good paint job it is all about surface prep and application so the paint lasts the longest.

Notes:

- Includes cost for one Hutto logo (black block style letters)
- Includes preparing and painting all exterior surfaces
- Includes touchup painting of the interior of the pedestal (only spot touch ups by hand)
- Excludes painting the interior of the storage tank bowl

Description: Additional Meter Technician

Justification: As the City of Hutto rapidly grows, the increase on public service has put a great demand on maintaining of the water meters, AMI System, and new meter installs as well as connects for new service, reconnects and disconnects. An additional Service Technician will increase the ability to provide much needed services to public and maintaining the meters and AMI system to ensure billing accuracy. The position will provide dedicated staff to the daily tasks when coverage is needed.

Description: Three additional utility billing clerks for the evening & weekend shift.

Justification: To better serve the customers by offering extended hours and partial Saturday. This additional staff will be able to take phone calls in the evening, waiting on customers on a half-day Saturday, and process manual procedures for the day-time staff.

Description: All employee increase, except executive staff, of 3% in merit/market pay.

Justification: To stay competitive with benchmark cities and to pay for performance which is in align with the newly adopted Strategic Plan.

Description: Truck Replacement

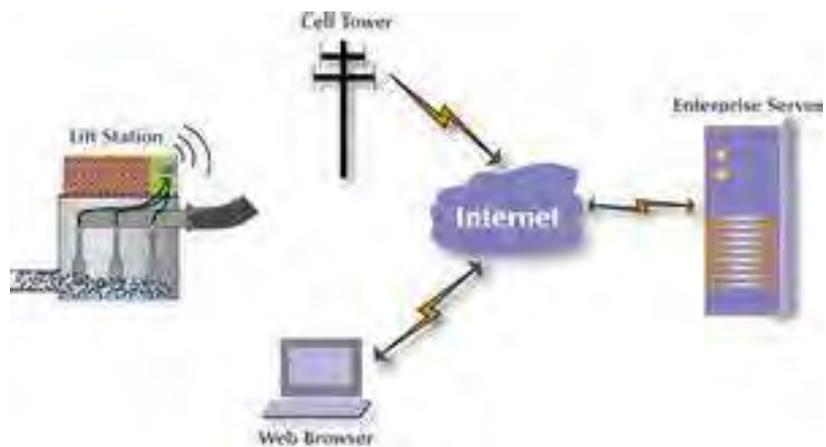
Justification: With the growth of the City and the aging of existing vehicles it is necessary to replace a work vehicle.

Description: Tank Maintenance

Justification: Tank maintenance refers to the water storage facilities operated by the Utilities Department. Currently we have 4 Ground Storage Tanks and 3 Elevated Storage Tanks. Each tank has varying degrees of maintenance that needs to be done. Tank maintenance is necessary in order to remain compliant with TCEQ rules and regulations regarding water storage facilities. All tanks would need internal sandblasting, chemical wash, and epoxy recoating. Some tanks need access ladder repairs and fall protection maintenance. Other tanks need some hole repairs to the roof plates. Our oldest Elevated Storage Tank, Carl Stern, needs leak repair maintenance done to the overflow flume. The initial amount being asked for would allow us to get as much of the maintenance done for the dollar amount requested.

Description: Farley Lift Station SCADA

Justification: The SCADA (remote monitoring) installation would bring the recently added Farley Middle School lift station into our existing monitoring system that we use for all other lift stations. The SCADA system allows us to view current conditions of the lift station by accessing any mobile device or desktop computer. The system allows us to view and acknowledge alarms that may be currently active as well as current conditions of the station. The SCADA system also can create reports using the data collected at the site. Examples of some of the reports include flow in and out of the station and electricity consumption. Real time monitoring will catch clogged pumps and high levels quicker allowing more time to respond and repair the issue. Integration with the current SCADA system will allow greater opportunities for continuous monitoring. Data gathered from historical trend data will identify areas with Inflow and Infiltration. That data will be used to address those areas and repair the problems, lessening the impact on the waste water treatment plant.



Description: Hydro Excavator

Justification: A hydro excavator is a machine designed to excavate soil using high pressure water. The machine is equipped with a high powered vacuum that sucks away loosened material into a large capacity holding tank. The machine sits atop a large truck chassis similar in size to a medium to large dump truck. We currently use a small trailer mounted hydro excavator that is 12 years old. Maintenance costs continue to rise and we have experienced numerous periods of inoperability. Material storage and water capacity is limited as well. The new machine would allow crews to stay on site longer before the waste material would need to be dumped. The new machine would hold far more spoilage and water used during the excavation process. This machine would benefit ALL Public Works divisions. Hydro excavating leaves a smaller footprint than conventional excavation with backhoes and is necessary if digging with a backhoe would cause damage to existing buried lines or property. The machine can also be used effectively for drainage projects using its vacuum system to remove spoils after drainage areas have been excavated.



GENERAL DEBT SERVICE FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
Revenues					
Property Taxes	1,174,900	1,313,698	1,313,698	1,328,500	1,614,814
Interest & Other	35,171	35,773	35,773	28,616	36,979
Total Revenues	1,210,071	1,349,471	1,349,471	1,357,116	1,651,793
Expenditures					
Debt Service					
Principal Reduction	637,719	580,950	580,950	596,550	969,550
Interest	556,026	730,998	730,998	656,982	744,142
Paying Agent Fees	1,382	1,750	1,750	1,750	2,500
Total Debt Service	1,195,127	1,313,698	1,313,698	1,255,282	1,716,192
Net Change In Fund Balance	14,944	35,773	35,773	101,834	(64,399)
Beginning Fund Balance	83,925	98,869	98,869	98,869	200,703
Ending Fund Balance	98,869	134,642	134,642	200,703	136,304

Fund Description

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

Revenues

Revenues are comprised of property tax collections based on the interest and sinking portion of the City's tax rate. The Fiscal Year 2018 Interest and Sinking (I&S) portion of the tax rate will be \$.098689 per \$100 valuation. This rate will generate \$1,614,814 in property tax revenue, and is an increase over the FY17 levels due to an increase in taxable property and the issuance of additional debt in FY2017 of \$6 million. The Interest and Sinking tax rate is calculated based on annual debt service requirements.

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

Expenses

Expenditures include principal and interest payments for the bond obligations. For a full list of debt service, turn to the Debt Section of the budget. \$1.7 million in general fund supported debt is proposed in Fiscal Year 2018.

FY18 expenses include \$969,550 for principal, \$744,142, for interest and \$2,500 for paying agent fees. Debt service payments will increase in coming years as a result of bonds issued in the past and upcoming years. This increase is due to the need to issue debt for infrastructure due to a quickly growing community.

Budget Variances

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

GENERAL CAPITAL REPLACEMENT FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
Revenues					
Sale Of Assets	11,462	-	8,732	19,150	2,500
Interest & Other	-	-	-	-	-
Total Revenues	11,462	-	8,732	19,150	2,500
Expenditures					
YMCA Building Repair & Maintenance	2,465	37,535	57,535	57,535	72,500
Machinery & Equipment	-	-	-	-	-
Total Expenditures	2,465	37,535	57,535	57,535	72,535
Transfers					
Transfers In	70,000	70,000	70,000	70,000	70,000
Transfers Out	-	-	-	-	-
Total Transfers	70,000	70,000	70,000	70,000	70,000
Net Change In Fund Balance	78,997	32,465	21,197	31,615	-
Beginning Fund Balance	320,000	398,997	398,997	398,997	430,612
Ending Fund Balance	398,997	431,462	420,194	430,612	430,612

Fund Description

The Capital Replacement Fund was created in Fiscal Year 2010 to begin setting aside funds to replace aging equipment and worn capital assets, including vehicles and equipment. Proceeds from the sale of capital assets will be deposited in this fund for the replacement of future capital assets. A portion of an asset's value is set aside each year to build up the cost of replacing the asset. The amount reserved for replacement is based on the asset's cost and useful lifespan. One of the recommended enhancements for FY18 is to implement a Fleet & Facility Management Program with personnel that can inventory, monitor, maintain, and replace City assets.

Revenues

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

Expenses

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

Budget Variances

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

GENERAL CAPITAL IMPROVEMENTS FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
Revenues					
Interest & Other	1,973	-	-	300	300
Bond Interest	140,089	3,000	3,000	22,950	3,000
Contributions	-	-	-	-	-
Grants	314,086	1,000,000	1,000,000	1,000,000	1,479,750
Parkland Fees	29,520	-	-	-	-
Bond Proceeds	6,495,000	200,000	200,000	9,900,000	12,515,215
Total Revenues	6,980,668	1,203,000	1,203,000	11,164,722	13,998,265
Expenditures					
Administration					
City Manager's Office	3,449	-	-	5,500	-
Gin Building Improvements	151,319	-	-	-	-
Co-Op Improvements	-	-	-	-	5,300,000
Public Works					
Fencing	-	-	241,678	-	-
FM 685 (Chris Kelley Blvd)	144,166	-	34,878	58,094	-
FM 1660 N Sidewalks	44,043	-	1,617,674	1,617,774	-
Pw Facility Improvements	14,650	-	142,350	-	142,350
East St. Reconstruction	220,489	899,000	1,013,511	269,523	1,030,215
Pavement Management	-	990,000	990,000	990,000	-
Limmer Loop Improvements	100,000	100,000	100,000	100,000	100,000
Railroad Quiet Zones	33,825	75,000	141,175	-	-
Tap Limmer Loop Sidewalks	12,819	1,200,000	1,200,000	200,000	1,479,750
CR 110 (Ed Schmidt) Extension	-	-	-	500,000	250,000
Innovation Business Park	-	-	-	403,253	4,225,000
Drainage Master Plan	-	-	-	-	150,000
Old Town Street & Drainage Improvement Phase I	-	-	-	-	275,000
Parks					
Fritz Park Improvements	515,712	-	2,806,550	2,808,429	-
Brushy Creek Gap Trail	-	90,000	90,000	90,000	-
Fritz Park & Creekside Park TPW Grant	-	-	-	-	110,000
Pollard Park	-	-	-	9,873	-
Other Services & Charges					
Land	-	-	-	150,000	1,710,000
Animal Shelter Expansion	39,281	214,000	224,719	263,523	223,949
Bond Issuance Costs	74,938	71,667	71,667	42,000	75,000
Other Expenses	7,272	-	-	-	-
Debt Services	-	-	-	-	-
Total – Capital Improvements	1,361,963	3,639,667	8,674,202	7,504,969	15,071,264
Transfers					
Transfers In	426,340	479,000	479,000	-	610,000
Transfers Out	-	-	-	-	-
Total Transfers	426,340	479,000	479,000	-	610,000
Net Change In Fund Balance	6,045,045	(1,957,667)	(6,992,202)	3,659,752	(462,999)
Beginning Fund Balance	-	6,015,525	6,015,525	6,015,525	9,433,805
Less: Park Reserves	(29,520)	-	-	(241,472)	-
Ending Fund Balance	6,015,525	4,057,858	(976,677)	9,433,805	8,970,806

Fund Description

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

Revenues

Revenues include Bond Proceeds of \$12.5 million and \$1.5 million in TxDOT Grant funding for the TAP Limmer Loop project. An additional Transfer In of \$610,000 from General Fund will be used to cash fund projects such as Public Works Facility Improvements, CR 119 (Ed Schmidt) Extension, Drainage Master Plan Limmer Loop Rehabilitation payment, and the Animal Shelter Expansion. Other revenues include interest, bond interest, and parkland fees.

Expenses

Ongoing expenses in the amount of \$100,000 for Limmer Loop Rehabilitation will continue to be cash funded from the General Fund until June 2023. These payments are made via an interlocal agreement with the County who is providing the construction. East Street Reconstruction will continue from FY17 into FY18, this project was part of a 2008 bond authorization. Bonds were issued in FY2016.

Other project balances remaining at the end of the fiscal year are re-appropriated and transferred into the new budget through a budget amendment.

Budget Variances

Fund balance for this fund will fluctuate depending on the timing of projects and bond issuances.

STREETS, DRAINAGE & GROUNDS CONSTRUCTION FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCEMENT	2017-18 BUDGET
Revenues							
Bond Proceeds					3,000,000		3,000,000
Total Revenues					3,000,000		
Expenditures							
Salaries & Benefits							
Salaries					329,077	71,011	400,088
Seasonal Labor					-	9,100	9,100
Overtime					9,873	2,130	12,003
Clothing Allowance					2,000	400	2,400
Longevity					1,935	-	1,935
Certification Pay					900	-	900
Merit/Market Adjustment					-	9,872	9,872
FICA/Medicare					27,039	6,338	33,377
State Unemployment Tax (TWC)					1,620	360	1,980
TMRS					22,359	11,018	33,377
Workman's Comp Insurance					19,000	3,942	22,942
Health & Life Insurance					68,896	7,677	76,573
Total Salaries & Benefits					482,699	121,848	604,547
Supplies & Materials							
Reference Books & Materials					32		32
Clothing & Uniforms					10,000		10,000
Furniture & Equipment					300		300
Technology Equip & Supplies					-		-
Small Tools & Equipment					5,500		5,500
Janitorial Supplies					4,000		4,000
Landscaping Supplies					10,000		10,000
Safety Supplies					3,500		3,500
Fuel & Mileage					17,500		17,500
Chemicals					7,500		7,500
Signage					6,000		6,000
Traffic Control Supplies					6,000		6,000
Other Supplies & Materials					46,855		46,855
Total Supplies & Materials					117,437		117,437
Repair & Maintenance							
Building Repair & Maintenance					20,000		20,000
Equipment Repair & Maintenance					38,000	2,500	40,500
Vehicle Repair & Maintenance					22,000	500	22,500
Sidewalk Repair & Maintenance					20,000		20,000
Street Repair & Maintenance					30,000	25,000	55,000
Drainage Repair & Maintenance					15,000		15,000
Playground Repair & Maintenance					10,000		10,000
Irrigation Repair & Maintenance					5,000		5,000
Trail Repair & Maintenance					7,500		7,500
Parks Ground Maintenance					20,000		20,000
Ball Field Maintenance					27,000		27,000
Total Repair & Maintenance					214,500	28,000	242,500
Contracted Services							
Contract Labor					193,400		193,400
Lease/Rental Services					16,500	7,000	23,500
Property Clean-Up & Demolition					10,000		10,000
Total Contracted Services					219,900	7,000	226,900

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCEMENT	2017-18 BUDGET
Miscellaneous Expenses							
Training & Development					10,000		10,000
Membership Dues & Subscriptions					250		250
Utilities					75,000		75,000
Streetlights					158,945		158,945
Total Miscellaneous Expenses					244,195		244,195
Capital Outlay							
Vehicles					-		-
Machinery & Equipment					-	1,099,500	1,099,500
Capital Lease					32,832		32,832
Total Capital Outlay					32,832	1,099,500	1,132,332
Total Expenditures					1,311,562	1,256,348	2,567,911
Net Change In Fund Balance					1,688,438		432,089
Beginning Fund Balance					-		-
Ending Fund Balance					1,688,438		432,089

Fund Description

The Streets, Drainage and Grounds Construction Fund is a newly created fund for FY 2017-18. The Streets, Drainage and Grounds Construction Fund is a minor governmental fund used by the City to account for the City's capital improvement of streets, drainage, and park improvements. This fund and related projects are funded through bonds. Each year the City Council will determine which streets will be reconditioned.

Revenues

This is a new fund created to address street, drainage and park issues that are considered more than simple maintenance. Revenues will come from bond proceeds in the amount of \$3 million.

Expenses

Expenses of \$2.6 million include new personnel and major equipment. Major equipment purchases total \$1.1 million. The equipment needed to start this type of construction fund includes pavers, dump trucks, a gradall, rubber and steel rollers, backhoe, and trailers. In addition to the new equipment, a Streets & Drainage Foreman is included. The specialty type of work required for the construction and maintenance of streets and drainage requires someone with expertise in the field. The cost of the additional personnel is approximately \$110,000 including salary, taxes and benefits.

Budget Variances

Fund balance for this fund will fluctuate depending on the timing of projects and bond issuances.



SOLID WASTE FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
SOLID WASTE FRANCHISE	63,264	105,000	105,000	50,000	25,000
LATE FEES	26,773	29,000	29,000	24,364	30,000
SOLID WASTE USER FEES	1,260,991	1,273,572	1,273,572	1,236,872	1,250,000
RECYCLING CART FEE	20,061	-	-	-	-
MISCELLANEOUS INCOME	131,123	-	-	-	-
TOTAL REVENUES	1,502,212	1,407,572	1,407,572	1,311,236	1,305,000
EXPENDITURES					
WASTE MANAGEMENT	1,189,332	1,268,572	1,268,572	1,268,572	1,270,000
BAD DEBT	9,491	7,500	7,500	2,500	7,500
OTHER EXPENSES	11,066	-	-	-	-
CAPITAL LEASES	-	-	-	-	-
TOTAL EXPENDITURES	1,209,889	1,276,072	1,276,072	1,271,072	1,277,500
TRANSFERS					
TRANSFERS IN					
TRANSFERS OUT	(92,000)	(90,000)	(90,000)	(90,000)	(90,000)
TOTAL TRANSFERS	(92,000)	(90,000)	(90,000)	(90,000)	(90,000)
NET CHANGE IN FUND BALANCE	200,322	41,500	41,500	(49,836)	(62,500)
BEGINNING FUND BALANCE	55,225	255,547	255,547	255,547	205,711
ENDING FUND BALANCE	255,547	297,047	297,047	205,711	143,211

Fund Description

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

Revenues

Revenues for the fund include the new rates per the negotiated contract for curbside and recycling services. In addition, the City charges a franchise fee to refuse collection companies that offer commercial services to businesses in Hutto. All commercial services were taken over by Al Clawson Disposal, Inc. as of July 2017.

Expenses

In December 2015 the City entered into contract with Al Clawson Disposal, Inc. to be the sole provider for Residential and Commercial garbage services. By shifting services to a single provider, the City is able to reduce costs for residential and most commercial customers. The contract helps the City reach its strategic goal of 100% recycling.

Budget Variances

\$90,000 is budgeted in FY18 in Transfers Out to offset the expenses still incurred in General Fund for Public Works Streets and Drainage Pavement rehabilitation per agreement.

UTILITY FUND

(ADDING 3 NIGHT SHIFT UTILITY BILLING CLERKS)

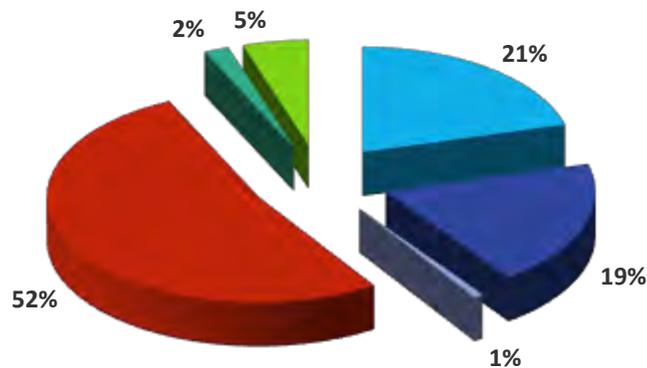
	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCE	2017-18 BUDGET
REVENUES							
WATER	4,490,746	4,921,629	4,921,629	4,350,000	4,950,000	-	4,950,000
WASTEWATER	3,551,927	3,967,591	3,967,591	3,700,000	4,600,000	-	4,600,000
CONNECTION FEES	225,479	226,600	226,600	125,000	175,000	-	175,000
BOND PROCEEDS	-	2,300,000	2,300,000	5,655,000	12,438,361	-	12,438,361
OTHER	530,087	556,800	476,800	385,568	454,750	-	454,750
TOTAL REVENUES	8,798,240	11,972,620	11,892,620	14,215,568	22,618,111	-	22,618,111
EXPENDITURES							
<i>PUBLIC WORKS</i>							
WATER SERVICES	5,060,703	4,824,632	5,325,738	5,336,240	5,108,836	464,252	5,573,088
WASTEWATER SERVICES	2,593,038	2,421,463	5,448,834	2,252,362	2,196,776	234,252	2,431,028
TOTAL PUBLIC WORKS	7,653,740	7,246,095	7,774,572	7,588,602	7,305,612	698,504	8,004,116
<i>GENERAL SERVICES</i>							
UTILITY BILLING	618,216	681,866	696,158	594,547	682,192	188,255	870,447
TOTAL GENERAL SERVICES	618,216	681,866	696,158	594,547	682,192	188,255	870,447
<i>UTILITY FUND CIP</i>							
<i>WATER CAPITAL OUTLAY SYSTEM</i>							
FRONT ST. WATERLINE	-	1,490,000	1,681,642	495,002	1,186,640	-	1,186,640
CO-OP WATER LINE IMPROVEMENTS	-	-	-	-	300,000	-	300,000
FIRE STATION WATER LINE	-	-	-	-	275,000	-	275,000
INNOVATION BUSINESS PARK WATER LINE	-	-	-	-	470,000	-	470,000
EAST STREET WATER LINE	-	-	-	-	67,753	-	67,753
<i>WASTEWATER CAPITAL OUTLAY SYSTEM</i>							
LAKESIDE ESTATES ABANDONED LIFT STATION	-	50,000	50,000	-	500,000	-	500,000
AVERY LAKE WW INTERCEPTOR	-	731,000	731,000	294,300	5,576,721	-	5,576,721
HUTTO SOUTH WWTP	11,746,685	3,457,474	3,457,474	3,457,474	-	-	-
CARMEL CROSSINGS	181,851	181,851	181,851	181,851	181,851	-	181,851
ENCLAVE PUMP FORCE MAIN	2,692,126	1,624,754	1,624,754	1,624,754	-	-	-
WW NORTH OF LIMMER LOOP	-	-	-	-	3,000,000	-	3,000,000
CO-OP WW IMPROVEMENTS	-	-	-	-	400,000	-	400,000
FIRE STATION WW IMPROVEMENTS	-	-	-	-	300,000	-	300,000
INNOVATION BUSINESS PARK WW	-	-	-	378,253	430,000	-	430,000
TOTAL UF CIP	14,620,662	7,535,079	7,726,721	6,431,634	12,687,965	-	12,687,965
NON-DEPARTMENTAL	57,342	50,079	57,705	59,053	54,238	-	54,238
TOTAL EXPENSES	22,949,960	15,513,120	16,255,156	14,673,837	20,730,006	886,759	21,616,765
TRANSFERS							
TRANSFERS IN	3,163,642	1,248,852	1,248,852	728,497	1,200,000	-	1,200,000
TRANSFERS OUT	(3,092,746)	(3,852,416)	(3,908,798)	(3,908,798)	(4,399,822)	-	(4,399,822)
TOTAL TRANSFERS (EXPENSES)	70,896	(2,603,564)	(2,659,946)	(3,180,301)	(3,199,822)	-	(3,199,822)

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCE	2017-18 BUDGET
NET CHANGE IN WORKING CAPITAL	(14,080,828)	(6,144,064)	(7,022,482)	(3,638,570)	(1,311,717)	(886,759)	(2,198,476)
BEGINNING WORKING CAPITAL	25,345,348	6,959,130	11,264,523	11,264,523	7,625,954		7,625,954
<i>CONTINGENCY RESERVES</i>	2,498,789	2,393,412	2,558,531	2,060,551	2,010,510		2,232,200
ENDING AVAILABLE WORKING CAPITAL	8,765,734	(1,578,346)	1,683,511	5,565,403	4,303,726		3,195,278

Fund Description

The Utility Fund accounts for the City's Water and Wastewater Enterprise. It functions as a proprietary fund which operates more like a business. The budget for the Utility Fund, however, uses a modified accrual basis of accounting. Reserves for the Utility Fund are maintained at 25% of the operating budget per the Fiscal and Budgetary Policy.

FY18 Utility Fund Revenues



■ Water Revenue ■ Wastewater Revenue ■ Connection Fees ■ Bond Proceeds ■ Other ■ Transfers

Revenues

Utility operational revenues total \$22.6 million, which is 59.1% above the FY17 Projected Year-End Budget. The increase is a result of customer growth due to new home, business, and commercial construction, as well as \$12.4 million in estimated bond proceeds. The current housing boom will add new water and wastewater customers to the City's utility system, though a portion of new homes will be serviced by Jonah SUD and Manville WSC as they are outside of the City's water service area. The new Innovation Business Park and Co-Op Entertainment District will also increase the consumption of both water and wastewater, adding another revenue component. The number of accounts is expected to grow at approximately 3-5% for both water and wastewater during the next year.

Water revenues make up the majority of the Utility Fund operating revenue, totaling \$4,950,000. Water revenue is revenue collection for the provision of water to utility customers. This is an increase of 13.8% over the FY17

Projected Budget and is due to anticipated customer growth and average use, as well as a 6% rate increase that went into effect June 2017 and an additional increase of 6% in FY2018.

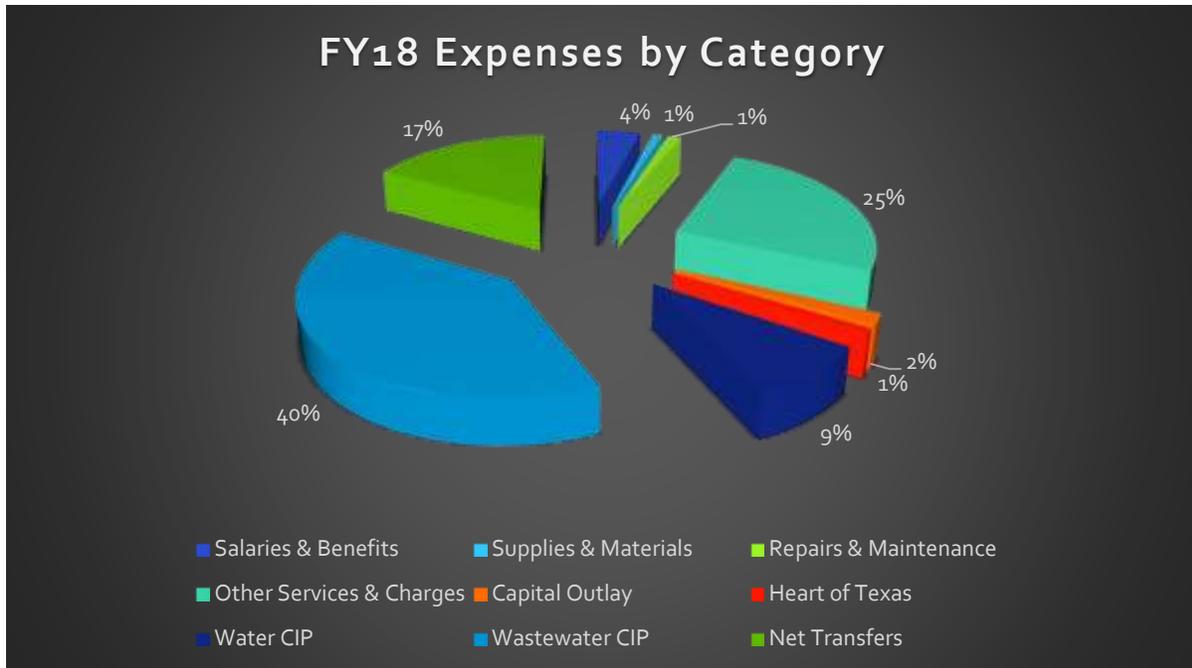
Wastewater revenues are budgeted to total \$4,600,000, a 24.3% increase over FY17 Projected Year-End Budget. The City implemented a rate increase of 15% in June 2017 and there will be an additional rate increase of 15% in FY2018. The City has more wastewater connections than water connections because water may be provided by Manville Water Supply or Jonah SUD depending on service location. The City also acts as a wholesale wastewater provider to customers located in Jonah's service area north of Limmer Loop.

Impact Fees (shown as "Transfers In") help cover new growth's impact on the utility system. Impact fees are collected in the Impact Fee Fund and are transferred to the Utility Fund to help offset debt service payments. Impact fees help shift the financial burden of constructing new infrastructure for new growth from existing customers to the new growth that is prompting the infrastructure improvements. Collections are expected to total \$1,200,000 based on new construction trends, anticipated growth and rate model.

Connection fees represent the cost of connecting new customers to the City's utility system. The fee is calculated based on the cost of the meter and the end point, in addition to time and equipment needed to set the meter. Connection fees are conservatively budgeted to increase over the FY17 Projected Year-End Budget. Connection fees are only collected when the City of Hutto provides service to the home. Water connection fees would not be collected for homes that are constructed in the Jonah SUD or Manville WSC service areas.

Other revenue is made up of interest, miscellaneous income, and account administrative and late fees. The City receives \$100,000 annually from the Hutto Economic Development Corporation from an agreement that led to the extension of water and wastewater utilities along the eastern SH 130 corridor. \$12.4 million in bond proceeds are included in the FY18 budget for project related expenses.

The number of City water customers has grown an average of 4.72% over the past five years. The number of total accounts is expected to grow a conservative 3-5% in FY18 as a result of new customers. The City continues to provide wholesale wastewater service to the approximately 1,034 wastewater customers north of Limmer Loop. This number continues to grow as both the Hutto Highlands and Hutto Park subdivisions continue to expand and grow.



Expenses

Utility Fund expenses are the costs associated with the provision of water and wastewater services to the Hutto customers. The Utility Fund includes eight full-time water and wastewater employees whose salary and benefit costs are evenly split between the two divisions. As of FY16 the five full-time Utility Billing employees whose salary and benefits were previously included in General Fund expenses are included in Utility fund expenses. The 2017-18 Utility Fund Operating Budget totals \$8,874,563. When including the Capital Improvement budget of \$12,687,965, to the Utility Fund expenses total \$21,616,765. There is an additional transfer to the debt service fund of \$4,399,822 which is offset by a transfer in from the Impact Fee Fund of \$1,200,000, this number will fluctuate based on the growth of the City.

Water services, totaling \$5.6 million, makes up the bulk of operating expenses because of water supply agreements. The FY18 Water Service budget will increase 5.9% from the FY17 Projected Budget due to increases in both the Heart of Texas and City of Taylor water contracts. Enhancements include an additional meter technician, three (3) utility billing clerks that will work in the evening and on Saturday to improve customer service, 3% merit/market increase, truck replacement for aging vehicle, a hydro excavator, tank maintenance, and Farley Lift Station SCADA. Also included are a backhoe, dump truck, and skid steer. These equipment items will be shared with the new Street & Drainage Construction & Maintenance Fund on a work order basis, to be accounted for separately from the bond fund. All enhancements included in the utility fund are for increased productivity, investment in infrastructure, and staff needed to carry out the Council Strategic Plan. The majority of the Utility Fund's budget is appropriated towards Other Services and Charges because of its water supply contracts and the contract with Brazos River Authority to operate the wastewater treatment plant. The City currently purchases treated water from the City of Taylor, Manville, and Heart of Texas.

Budget Variances

This section explains the difference between the FY18 Budget and the FY17 Projected Year-End amounts.

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BASE	2017-18 ENHANCE	2017-18 BUDGET	% CHANGE PROJECTED
Salaries & benefits	759,922	838,843	793,371	844,141	866,787	187,205	1,053,992	24.9%
Supplies & materials	204,270	237,200	254,300	143,428	191,500	1,050	192,550	34.2%
Repairs & Maintenance	99,084	141,978	191,443	199,449	163,509	162,500	326,009	63.5%
Other services & charges	6,947,289	6,477,855	7,009,281	6,806,033	6,666,362	7,500	6,673,862	(1.9%)
Capital outlay	197,075	172,465	172,340	171,651	37,884	428,504	466,388	171.7%
Heart of Texas	121,658	109,700	107,700	77,500	116,000	100,000	216,000	178.7%
Total Operations	8,329,298	7,978,041	8,528,435	8,242,203	8,042,041	886,759	8,928,800	8.3%
CIP Water/Wastewater	14,620,662	7,535,079	7,726,721	6,431,634	12,687,965		12,687,965	97.3%
Total Operations & CIP	22,949,960	15,513,120	16,255,156	14,673,837	20,730,006	886,759	21,616,765	47.3%
Net Transfers	3,092,746	3,852,416	3,908,798	3,908,798	4,399,822		4,399,822	12.6%
Total Expenses	26,042,706	19,365,536	20,163,954	18,582,635	25,129,828	886,759	26,016,587	40.0%

SALARIES AND BENEFITS will increase 24.9% or about \$209,851 over the FY17 Projected Year-End Budget. The increase includes an average 3% merit increase, as well as the addition of a Meter Technician for the Utility Billing Department to read and maintain meters and three Utility Billing Clerks to work in the evening and part of Saturday.

Another item affecting salary and benefits is the increase in health and dental insurance. Due to increasing affordable health care program issues the City health insurance rates will increase slightly. The City is however offering the employees two insurance plans in FY18. The offering of two plans should better meet the needs of our employees. This should also help the City attract and retain employees.

SUPPLIES AND MATERIALS are budgeted at \$192,550, which is an increase of 34.2% over FY17 Projected Year-End Budget. The increase is largely due to the purchase of meters for the City's automatic meter reading system.

REPAIRS AND MAINTENANCE costs will see an increase of 63.5% over the FY17 Projected Year-End Budget. This increase includes painting the Pecan Water Tower and installation of the Farley Lift Station SCADA.

OTHER SERVICES AND CHARGES make up the majority of Utility expenses. Included in this section are the water supply contracts with the City of Taylor, Manville, and Heart of Texas as well as the wastewater treatment agreement with Brazos River Authority. The decrease of 1.9% is due to the decrease in engineering services from FY17 to FY18. In FY17 engineering services were increased by almost \$450,000 to engage an engineering firm and hydrologist to perform due diligence on the Heart of Texas water system. These services are part of an overall contract negotiation to purchase the Heart of Texas system.

CAPITAL OUTLAY is costs related to new capital costs such as vehicles, facilities, and equipment. This number fluctuates annually depending on capital needs. The number is increasing 171.7% due to one-time purchases for water and wastewater equipment in FY18. The FY18 budget, for both water and wastewater, includes \$428,504 for a Skid Steer, Dump Truck, Backhoe, and Hydro Excavator. The majority of these items will be split with the General Fund and the new Streets, Drainage and Grounds Maintenance Fund.

CIP for the Utility Fund includes water and wastewater infrastructure to the new Co-Op Entertainment District, which will also house the New City Hall. The City will run infrastructure improvements to the new Innovation Business Park, including streets and utilities. Fire Station water and wastewater projects will begin in FY18. Front Street Water line will be constructed. Also included is the Avery Lake Wastewater Interceptor and Wastewater north of Limmer Loop.

TRANSFERS OUT are increasing 12.6% over the FY17 Projected Budget. The transfer from the Utility Fund to the General Fund is \$250,000 for administrative costs, and the \$50,000 transfer to the Utility Capital Replacement Fund has been included. The debt service transfer of \$4,099,822, is increasing due to the initial principal payment for the 2016 General Bond Obligation.

UTILITY DEBT SERVICE FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
INTEREST & OTHER	4,245	500	4,017	4,017	2,500
TOTAL REVENUES	4,245	500	4,017	4,017	2,500
EXPENDITURES					
DEBT SERVICE					
PRINCIPAL REDUCTION	1,217,281	2,204,050	2,204,050	2,204,050	2,421,050
INTEREST	1,703,675	1,669,448	1,657,881	1,657,881	1,691,357
PAYING AGENT FEES	1,796	5,000	5,000	5,000	5,000
TOTAL DEBT SERVICE	2,922,752	3,878,498	3,866,931	3,866,931	4,117,407
TRANSFERS					
TRANSFER IN	2,840,915	3,552,416	3,608,798	3,608,798	4,099,822
TRANSFERS OUT	-	-	-	-	-
TOTAL TRANSFERS	2,840,915	3,552,416	3,608,798	3,608,798	4,099,822
NET CHANGE IN FUND BALANCE	(77,592)	(352,582)	(254,116)	(254,116)	(15,085)
BEGINNING FUND BALANCE	396,793	375,581	319,201	319,201	65,085
ENDING FUND BALANCE	319,201	50,000	65,085	65,085	50,000

Fund Description

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

Revenues

Revenues are transferred in from the Utility Fund totaling \$4,099,822, which is an increase from the FY17 Budget. A portion of the debt service is paid using impact fees that are used for debt service payments for eligible capital projects. Debt service requirements are paid using water and wastewater user fees and other collected revenue.

Expenses

Debt service payments are generally made in February and August of each year. Expenses include principal reduction \$2,421,050 and interest \$1,691,357 on existing certificates of obligation. The variance in the overall expense in FY18 includes the first principal and interest payment towards the 2015 GO Bonds and 2017 Limited Tax Notes.

Budget Variances

Remaining fund balance from FY17 will be used to offset the additional costs associated with the initial principal payment for the 2017 Limited Tax Notes. Additional fund balance was due to the late issuance of the 2015 General Obligation Refunding. Only the annual debt service requirement is transferred to the Utility Debt Service Fund each year. The Debt Analysis Section provides more information regarding the City's outstanding and proposed debt issuances.

UTILITY CAPITAL REPLACEMENT FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
SALE OF ASSETS	-	-	-	-	-
INTEREST & OTHER	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-
EXPENDITURES					
VEHICLES	-	-	-	-	-
MACHINERY & EQUIPMENT	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-
TRANSFERS					
TRANSFER IN	50,000	50,000	50,000	50,000	50,000
TRANSFERS OUT	-	-	-	-	-
TOTAL TRANSFERS	50,000	50,000	50,000	50,000	50,000
NET CHANGE IN FUND BALANCE	50,000	50,000	50,000	50,000	50,000
BEGINNING FUND BALANCE	250,000	300,000	300,000	300,000	350,000
ENDING FUND BALANCE	300,000	350,000	350,000	350,000	400,000

Fund Description

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

Revenues

Revenues represent transfers in from the Utility Fund. A transfer of \$50,000 from the Utility Fund to the Utility Capital Replacement Fund is budgeted for FY18.

Expenses

Expenses will include replacement equipment and machinery used by the City's utility system. The City plans to build up the fund balance to be used to replace aging and worn capital assets.

Budget Variances

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

IMPACT FEES FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
WATER IMPACT FEES	825,509	654,526	654,526	247,810	635,391
WASTEWATER IMPACT FEES	799,356	594,326	594,326	480,687	564,609
TOTAL REVENUES	1,624,865	1,248,852	1,248,852	728,497	1,200,000
TRANSFERS					
TRANSFERS IN	-	-	-	-	-
TRANSFERS OUT	(1,624,865)	(1,248,852)	(1,248,852)	(728,497)	(1,200,000)
TOTAL TRANSFERS	(1,624,865)	(1,248,852)	(1,248,852)	(728,497)	(1,200,000)
NET CHANGE IN FUND BALANCE	-	-	-	-	-
BEGINNING FUND BALANCE	-	-	-	-	-
ENDING FUND BALANCE	-	-	-	-	-

Fund Description

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

Revenues

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

For lots platted prior to February 2013:

Water - \$3,625 per service unit equivalent

Wastewater - \$2,128 per service unit equivalent

For lots platted after February 2013:

Water - \$4,363 per service unit equivalent

Wastewater - \$1,068 per service unit equivalent

Expenses

Eligible impact fee collections will be transferred to the Utility Fund to support eligible debt service payments.

Budget Variances

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

COURT FEES FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
COURT TECHNOLOGY FEES	6,344	7,000	6,793	6,793	6,500
COURT SECURITY FEES	4,758	5,100	5,111	5,111	5,000
COURT TRAINING FEES	405	500	380	380	400
TOTAL REVENUES	11,507	12,600	12,284	12,284	11,900
EXPENDITURES					
COURT TECHNOLOGY	693	13,730	3,180	3,180	16,190
COURT SECURITY	4,538	35,010	7,653	7,653	31,360
COURT TRAINING	-	2,441	-	-	2,630
TOTAL EXPENDITURES	5,231	51,181	10,833	10,833	50,180
NET CHANGE IN FUND BALANCE	6,276	(38,581)	1,450	1,450	(38,280)
BEGINNING FUND BALANCE	30,549	38,580	36,826	36,826	38,275
ENDING FUND BALANCE	36,826	-	-	38,275	-

Fund Description

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

Revenues

Court fees are special Municipal Court revenues collected in accordance with state law to enhance Court security, technology, and training. A total of \$11,900 has been budgeted for FY18.

Expenses

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

Budget Variances

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

HOTEL TAX FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
HOTEL OCCUPANCY TAX	176,807	220,000	220,000	250,000	250,000
MISCELLANEOUS INCOME	-	-	77,317	77,317	-
TOTAL REVENUES	176,807	220,000	297,317	327,317	250,000
EXPENDITURES					
HISTORICAL RESTORATION & MUSEUMS	-	10,000	10,000	-	-
CONVENTION & VISITOR'S BUREAU (10-15%)	-	-	-	5,000	5,000
PROMOTION OF THE ARTS (>15%)	38,197	33,000	33,000	163,000	163,000
SPORTING EVENT PROMOTION	-	-	-	-	-
SPORTS FACILITY REHABILITATION	-	-	-	-	-
SIGNAGE	-	-	-	-	-
TOTAL EXPENDITURES	38,197	43,000	43,000	168,000	168,000
TRANSFERS					
TRANSFERS IN	-	-	-	-	-
TRANSFERS OUT	-	(94,981)	(94,981)	(94,981)	(95,000)
TOTAL TRANSFERS	-	(94,981)	(94,981)	(94,981)	(95,000)
NET CHANGE IN FUND BALANCE	138,611	82,019	159,336	64,336	(13,000)
BEGINNING FUND BALANCE	56,718	145,281	195,329	195,329	259,665
ENDING FUND BALANCE	195,329	227,300	354,665	259,665	246,660

Fund Description

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

- Convention and Visitor's Bureau functions - 15%
- Promotion of the Arts - 15%
- Historical Restoration and Museums - No limit
- Sporting Event Promotion - No limit
- Enhancement of Existing Sports Facilities - No limit
- Signage (directional signage for tourists) - No limit

Revenues

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

Expenses

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

A transfer to General Fund allows for the City to act as a Convention and Visitor's Bureau. Currently HOT funds are spent on a portion of the Economic & Convention department's salary, as well as a portion of the Communication Director's salary, and other various expenses through an internal transfer. The fund supports expenses incurred on an annual webpage for Hutto on www.TourTexas.com, which allows the City to receive visitor leads and mail brochures when requested. The Economic & Convention department utilizes the additional funding for printing brochures, online banner ads on Tour Texas, as well as other placed ads (such as in the Houston House & Home), to market events such as Christmas Fair/Old Town Christmas Weekend and the Home & Garden Show. In the 2016-17 Projected Year-End Budget and 2017-18 Budget, the City has committed \$130,000 to promote the KOKE FEST. The first festival will be held in August 2017 and expects to bring more than 5,000 attendees to the City. The festival revenue will not only include hotel occupancy revenue but sales tax revenue as well. The City and KOKE FM have committed to a seven year agreement to continue the festival. The first two years will be held at the Gin Co-Op and then continue at the newly acquired park property on Brushy Creek, which will house a new amphitheater sponsored by KOKE FM.

Budget Variances

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

PEG FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
PEG CAPITAL FEES	33,235	32,194	32,892	32,892	32,500
TOTAL REVENUES	33,235	32,194	32,892	32,892	32,500
EXPENDITURES					
TECHNOLOGY EQUIPMENT & SUPPLIES	5,732	41,425	341	41,425	1,200
PROFESSIONAL SERVICES	-	41,425	-	37,270	25,000
TOTAL EXPENDITURES	5,732	82,850	341	78,695	26,200
NET CHANGE IN FUND BALANCE	27,503	(50,565)	32,551	(45,803)	6,300
BEGINNING FUND BALANCE	19,346	50,660	46,849	46,849	1,050
ENDING FUND BALANCE	46,849	-	79,400	1,050	7,350

Fund Description

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

Revenues

The City of Hutto, through a state franchise agreement, receives franchise fees equal to 1% of gross cable provider revenues to support certain expenses in providing a public access channel. The estimated 2017-18 revenue of \$32,500 is a conservative estimate in growth based on historical revenue. The City is currently conducting a franchise fee revenue audit in conjunction with Lloyd Gosselink, the City's Joint Advisory Committee Attorney, and approximately 30 other cities.

Expenses

Use of PEG revenues is regulated by state law. In short, the franchise fee may be used to pay capital costs associated with operating a public access channel.

Budget Variances

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

RED LIGHT CAMERA FUND

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 AMENDED	2016-17 PROJECTED	2017-18 BUDGET
REVENUES					
RED LIGHT CAMERAS	201,592	30,000	41,371	41,771	-
TOTAL REVENUES	201,592	30,000	41,371	41,771	-
EXPENDITURES					
ATTORNEY SERVICES	-	-	-	550	5,000
PAY TO ATS	95,319	30,000	17,324	17,324	-
REMITTANCE TO STATE	-	5,000	17,676	17,676	-
TOTAL EXPENDITURES	95,319	35,000	35,000	35,550	5,000
TRANSFERS OUT	-	(102,850)	(138,295)	(70,000)	-
NET CHANGE IN FUND BALANCE	106,273	(107,850)	(131,924)	(63,779)	(5,000)
BEGINNING FUND BALANCE	70,848	107,850	131,925	131,925	68,150
ENDING FUND BALANCE	131,928	-	-	68,150	63,150

Fund Description

The Red Light Cameras Fund tracked revenues and expenses associated with the City's former red light cameras. The City no longer uses the red light cameras due to ongoing statewide litigation and questions regarding the legality of red light cameras.

Revenues

The City of Hutto is no longer receiving revenue since this program has been discontinued.

Expenses

There are still some attorney service fees coming through this fund for defending the red light camera lawsuits.

Enhancements

The FY18 Budget includes \$3.28 million for personnel, equipment, and merit increases. During the budget process departments turn in a base budget for the fiscal year, along with enhancement requests. Enhancements are considered items that would be above and beyond a base, or flat budget. Enhancement requests can be in the form of additional personnel, new programs or projects, new equipment, and new vehicles. Enhancements are reviewed and vetted by the City Management, Finance and Department Heads to determine if requested increases are in the best interest of the City. General Fund Enhancements include \$763,666 in personnel and \$402,727 in equipment and other. Street, Drainage and Grounds Maintenance Fund Enhancements, which is the newly created bond fund for street and drainage construction, include \$98,214 in personnel and \$1,018,500 in equipment and other. Utility Fund Enhancements include \$194,708 in personnel and \$698,254 in equipment and other.

Fund	Department	Description	Cost	Notes
General Fund	Patrol	5 New Officers	\$285,707	Phased In
	Police Department	\$6,000 Increase to Base Pay	\$291,719	Compete with Cities
	Police Department	Night Shift Management Assistant	\$59,750	Allow more hours for service
	Municipal Court	Additional Court Clerk	\$52,710	Due to more PD/Revenue
	Municipal Court	Computer & Furniture	\$3,500	New court clerk
	Fleet & Facility	Fleet & Facility Technician	\$49,371	New Fleet Program
	Inspection & Code	Building Inspector	\$71,642	To Keep Up With Growth
	Inspection & Code	Vehicle, Computer & Furniture	\$13,000	New Inspector
	Communications	Marketing Creative Specialist	\$55,711	Expand Communications
	Economic & Conventions	Old Tyme Days (Chamber)	\$25,000	Fund event
	Economic & Conventions	July 4 th Fireworks	\$20,000	New park event
	Finance	Staff Accountant	\$67,588	Needed for all new projects
	All Departments	3% Merit/Market Increase	\$158,031	
	Human Resources	Compensation Analytic Software	\$10,000	
	Information Technology	365 Office Migration	\$25,000	
	Information Technology	All Flash Storage Array	\$96,000	
	Planning & GIS	Additional ARC GIS License	\$10,000	
	Parks & Recreation	Partition P & R Building to Rent	\$5,500	Will Generate Revenue
	Parks & Recreation	Adult Sports Program-Flag Football	-	Revenue Will Offset Cost
	Parks & Recreation	Tennis Court Upgrades	\$18,200	Generate Revenue
	Parks & Recreation	Adult Sports Programs	\$12,000	Generate Revenue
	Public Works Admin	Work Order Software	\$7,000	Track New Street Program
	Public Works Admin	Larger Modular Building	\$27,132	PW & New Street & Drain
	Animal Control	Part-time ACO Officer	\$19,606	Relief for the one ACO
	Police Admin	DMS & Cry Wolf Software	\$13,000	False Alarm Permit Revenue
	Patrol	Radio Replacement	\$50,000	
	Patrol	Radar Speed Sign	\$4,495	Traffic Control
	Patrol	8 Replacement Vehicles	\$112,000	Replace Old & Fill New PD
	CID	4 Replacement Vehicles	\$20,400	Replace Old & Fill New CID
	PD Support Services	Explorer Program	\$7,000	Youth Program

Utility Fund	Utility Billing	Additional Meter Technician	\$52,696	To Keep Up With Growth
	Utility Billing	3 Utility Clerks Night Shift	\$124,891	Additional hours for service
	All Departments	3% Merit/Market Increase	\$17,121	
	Water	Paint Pecan Water Tower	\$145,000	
	Water & Wastewater	Truck Replacement	\$8,750	
	Water & Wastewater	Skid Steer	\$27,500	Split With Street & Drain
	Water & Wastewater	Dump Truck	\$65,500	Split with Street & Drain
	Water & Wastewater	Hydro Excavator	\$286,504	
	Water & Wastewater	Backhoe	\$49,000	Split with Street & Drain
	Water	Tank Maintenance	\$100,000	
	Wastewater	Farley Lift Station SCADA	\$16,000	
Streets & Drain	Streets & Drainage	Streets & Grounds Foreman	\$99,808	New Bond Fund Program
	Streets & Drainage	Seasonal Part-Time workers	\$11,670	New Bond Fund Program
	Streets & Drainage	Farley Street Repair	\$25,000	New Bond Fund Program
	Streets & Drainage	Truck Replacement	\$7,000	New Bond Fund Program
	Streets & Drainage	Skid Steer	\$27,500	Split With W/WW
	Streets & Drainage	2 Commercial Mowers	\$52,000	New Bond Fund Program
	Streets & Drainage	Grad all	\$263,500	New Bond Fund Program
	Streets & Drainage	Dump Truck	\$65,500	Split with W/WW
	Streets & Drainage	Backhoe	\$49,000	Split with W/WW
	Streets & Drainage	Cargo Trailer	\$15,000	New Bond Fund Program
	Streets & Drainage	Steel Wheel Roller	\$50,000	New Bond Fund Program
	Streets & Drainage	Rubber Wheel Roller	\$50,000	New Bond Fund Program
	Streets & Drainage	Leeboy 8 Ft. Paver	\$124,000	New Bond Fund Program
	Streets & Drainage	16 Ton Dump Truck (2)	\$236,000	New Bond Fund Program
	Streets & Drainage	Oil Distributor/TAC Trailer	\$11,000	New Bond Fund Program
	Streets & Drainage	Backhoe	\$137,500	New Bond Fund Program
	Streets & Drainage	Equipment Trailer	\$23,500	New Bond Fund Program

FISCAL AND BUDGETARY POLICY

Amended April 20, 2017

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 City Council will annually review and adopt the Fiscal and Budgetary Policy.

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 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 multi-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 included and 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 life cycle 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.) determination of 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, and reserve requirements 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 Chief Financial Officer 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 on a quarterly basis.
- B. Operations Plan** – The plan will include estimated operating expenses, the cost of new programs being contemplated, and staffing needs for the multi- year period.
 - C. Revenues and Financing Plan** - The Finance Department will develop conservative, multi-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 multi-year planning process and annual budget process to determine whether certain programs should continue to be funded. ICMA Insights program participation will be utilized to establish, track, and compare performance measures.

ANNUAL OPERATING BUDGET

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

- A. Planning** – The budget process will include City Council participation in the identification of major policy issues. The budget process will be a part of an overall strategic planning process for the City. The process will also allow for citizen input.
- B. Preparation** – The Charter (Section 8.02) requires “On or before the 15th day of August each fiscal year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying message.” The budget shall be adopted not later than the last day of the last month of the fiscal year.

1. **Proposed Budget** – A proposed budget shall be prepared by the City Manager and delivered to the City Council 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 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 for capital expenditures.
- E. Reporting** – Summary financial reports will be provided to the City Council monthly and presented to City Council during a regular City Council meeting 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.
 - e. Agencies will need to provide a list and description of what the funding from the prior year was used for and program measures that indicate the increased success of the program due to the funding.
 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 Williamson County Crisis Center (Hope Alliance), Williamson County Children’s Advocacy Center, Emergency Service District (ESD) #3, and the Williamson County and Cities Health District will be considered a budgeted line-item. All other outside agencies and organizations will go through the Outside Agency Funding process.
 4. The City Council will review requests from other agencies and award based upon available funding. Applications will be evaluated on the following criteria:

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

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

- J. **Periodic Program Reviews** – The City Manager and Department Directors will periodically review programs for efficiency and effectiveness. Programs not meeting efficiency or effectiveness objectives shall be brought up to required standards, or be subject to reduction or elimination.
- K. **Budget Contingency Plan** – This policy is intended to establish general guidelines for managing revenue shortfalls resulting from factors such as local and economic downturns that affect the City's revenue streams.
 1. **Immediate Action** - Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:
 - a. Freeze all new hire and vacant positions except those deemed to be a necessity.
 - b. Review all planned capital expenditures.
 - c. Delay all "non-essential" spending or equipment replacement purchases.
 2. **Further Action** - If the above actions are insufficient to offset the revenue deficit and the shortfall continues to increase, the City Manager will further reduce operating expenses to balance the variance. The City Manager may ask Department Directors for recommendations on reductions of service levels in order to reduce expenditures to balance the budget. Any resulting service level reductions, including workforce reductions, will be addressed by the City Council.

REVENUE MANAGEMENT

- A. **Optimum Characteristics** – The City will strive for the following optimum characteristics in its revenue system:
 1. **Revenue Adequacy** – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
 2. **Realistic and Conservative Estimates** - Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.
 3. **Administration** – The benefits of a revenue source should exceed the cost of levying and collecting that revenue. Where appropriate, the City will use the administrative processes of State, Federal or County collection agencies in order to reduce administrative costs.

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

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

1. Non-Recurring Revenues – One-time or non-recurring revenues shall not be used to finance current ongoing operations. Non-recurring revenues shall 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 estimated at a collection rate of 98% of the taxable value for any given year based on the current appraisal supplied by the Williamson County Appraisal District.
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 year 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 shall 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 if material 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 year. 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 Chief Financial Officer is authorized to write-off non-collectible accounts that are delinquent for more than 180 days, provided proper delinquency procedures have been followed, and include this information in the annual report to the City Council.

EXPENDITURE POLICIES

- A. **Appropriations** – The point of budget control is at the department level budget for all funds. The Department Directors shall manage budgets to ensure that appropriations are not exceeded. Budgets are approved by the Council within a departmental or program budget category (personnel costs, supplies, maintenance, operations/maintenance and capital).
- B. **Central Control** – No recognized or significant salary or capital budgetary savings in any Department shall be spent by the Department Head without prior authorization from the City Manager. This control will realize budget savings each year that will be available to be transferred by the City Manager, without further Council action.
- C. **Budget Transfers** – The *Charter (Section 8.06)* provides that the City Manager may transfer balances within departments and programs. A Department Director may request a transfer between line items, or categories of items through the City Manager. Finance will make the adjustment upon approval from the City Manager and report the changes to City Council no later than the next scheduled City Council meeting.
- D. **Purchasing** – All City purchases of goods or services will be made in accordance with the City's current Purchasing Policy and with State law. In accordance with Texas Local Government Code, Subchapter B, Sections 252.021 and 252.043, the City shall make award to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality. Council may delegate authority to a designated representative in determining the appropriate method of purchase. State law requires any purchase of goods or materials over \$50,000 be formally bid or procured through an approved cooperative. The City's Purchasing Policy follows State Law by requiring multiple quotes for most purchases over \$3,000. The City's Purchasing Policy requires all contracts greater than \$50,000 annually be approved by the City Council. The following shows a summary of approval requirements for purchases.
1. **Local Preference** - In accordance with Chapter 271.9051 of the Local Government Code, the City Council may choose to award a competitive bid of \$100,000 or less to a bidder whose principal place of business is in the City limits, provided that this bid is within 5% of the lowest bid price received from the lowest bidder whose business is not within the City limits. The determination that the local bidder offers the City the best combination of contract price and additional local economic development opportunities will be made in writing.
 2. **Interlocal Cooperation in Delivery of Services** – In order to promote the effective and efficient delivery of services, the City shall work with other local jurisdictions to share on an equitable basis the cost of services, to share facilities and to develop joint programs to improve service to its citizens.
 3. **Conflict of Interest** – The City will comply with all conflict of interest requirements as mandated by the Texas Government Code and Local Government Code.
- E. **Prompt Payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.

PAY PHILOSOPHY

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

- A. **Adequate Staffing** – Staffing levels will be adequate for the operations and programs of the City to be conducted efficiently and effectively. In order to provide continuing services to a growing population, as well as add new services, staffing levels will be evaluated by the City Manager regularly to determine workloads. Workload allocation alternatives, such as contract labor and contracted services, will be explored before adding additional staff.
- B. **Market Adjustments** – The City shall utilize salary survey data, as well as data from other benchmark cities, as a reference for making market-based adjustments. Market based adjustments are based upon the job duties and job descriptions of the position, not on performance of the employee within the position. City Council identified benchmark cities based on parameters such as population, proximity to Hutto, growth rate, and tax base. The cities selected are: Belton, Cedar Park, Cibolo, Georgetown, Kyle, Leander, Little Elm, Pflugerville, Round Rock, Schertz, Seguin and Taylor.
- C. **Merit Adjustments** – The City utilizes a merit based pay and step pay plan as a part of the overall compensation system. Council may fund merit increases annually during the budget process to aid in retaining and rewarding quality employees for productivity and job performance. These merit based adjustments are recommended by the employee's immediate supervisor and reviewed by both the Department Director and the City Manager. Employees may receive a merit increase upon approval of the City Manager based upon performance, or when other situations warrant this type of increase, such as a reclassification due to additional job duties.

CAPITAL MAINTENANCE AND REPLACEMENT

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

ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** – The City is responsible for the recording and reporting of its financial affairs, both internally and externally. The City's Chief Financial Officer 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 Chief Financial Officer will inform the City Council of the delay and the reasons therefore.

RISK AND ASSET MANAGEMENT

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

- B. Investments** – The City Council has formally approved a separate Investment Policy for the City of Hutto that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. This policy is reviewed annually by the City Council and applies to all financial assets held by the City.
- C. Cash Management** - The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City's depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.

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 multi-year 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 will not 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 Chief Financial Officer 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.

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.
- E. **Sales Tax Excess** – Due to the volatile nature of sales tax revenue, collections over and above the estimated sales tax revenue amount should be used to fund non-recurring expenses, such as (but not limited to) equipment purchases, capital improvement projects, or transfers to the capital replacement fund.

HUTTO BOARDS & COMMISSIONS

Hutto Economic Development Corporation. Voters approved the creation of the 4A Hutto Economic Development Board in May 1996. The Board makes recommendations to the Council on the use of a 1/2 cent 4A Sales Tax to support economic development. Board members are appointed by the Council. All corporate powers are under the authority of the Board of Directors. The Board shall consist of seven (7) persons, with terms of each director seat being for three (3) years.

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

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

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

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

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

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

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

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

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

GLOSSARY

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

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

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

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

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

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

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

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

ASSET. Resources owned or held which have monetary value.

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

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

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

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

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

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

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

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

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

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

CAPITAL OUTLAYS. Expenditures that result in the acquisition of or addition to fixed assets.

CASH BASIS. A basis of accounting under which transactions are recognized only when cash changes "hands".

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

CERTIFICATES OF OBLIGATION. See definition of bond.

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

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

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

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

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

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

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

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

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

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

DIVISION. A separately budgeted segment of a department.

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

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

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

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

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

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

EXPENSES. Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges.

FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Hutto has specified October 1 to September 30 as its fiscal year.

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

FRANCHISE FEE. This is a charge paid by businesses for the use of City streets and public right of way and is in lieu of all other municipal charges, fees, street rentals, pipe taxes or rentals, easement or other like franchise taxes,

inspections fees, and/or charges of every kind except Ad Valorem and special assessment taxes for public improvements.

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

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

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

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

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

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

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

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

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

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

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

INTERFUND TRANSFERS. Amounts transferred from one fund to another.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ACRONYMS & ABBREVIATIONS

APA. American Planning Association.

AP. Accounts Payable.

AR. Accounts Receivable.

ARRA. American Recovery and Reinvestment Act.

AWWA. American Waterworks Association.

BRA. Brazos River Authority.

CAFR. Comprehensive Annual Financial Report.

CAMPO. Capitol Area Metropolitan Planning Organization.

CAPCOG. Capitol Area Council of Governments.

CCN. Certificate of Convenience and Necessity (water and wastewater).

CDBG. Community Development Block Grant.

CIP. Capital Improvements Plan.

CMO. City Manager's Office Division.

CO BOND. Certificates of Obligation Bond.

COLA. Cost of Living Adjustment.

CTLS. Central Texas Library System

CWSRF. Clean Water State Revolving Fund.

EECBG. Energy Efficiency & Conservation Block Grant.

EIS. Executive Information Systems.

ESD#3. Emergency Services District Number 3.

ETR. The Effective Tax Rate.

ETJ. The Extra-Territorial Jurisdiction.

EWCHEC. Eastern Williamson County Higher Education Center.

FTE. Full-time Equivalent.

FY. Fiscal Year.

GO BOND. General Obligation Bond.

GAAP. Generally Accepted Accounting Principles.

GASB. Governmental Accounting Standards Board.

GFOA. Government Finance Officers Association.

GGP. Growth Guidance Plan.

GIS. Geographic Information System.

GPD. Gallons per day.

GPS. Global Positioning System.

HEDC. Hutto Economic Development Corporation.

HISD. Hutto Independent School District.

HOT. Heart of Texas Water Supply.

HPC. Historic Preservation Commission.

HR. Human Resources.

I&S. Interest and Sinking.

ICMA. International City Managers Association.

IT. Information Technology.

Jonah SUD. Jonah Service Utility District

KHB. Keep Hutto Beautiful Commission.

LCRA. Lower Colorado Rivera Authority.

LS. Lift Station.

MGD. Million gallons per day.

MOU. Memorandum of Understanding.

O&M. Operations and Maintenance.

ODP. Organizational Development Plan.

P&Z. Planning and Zoning Commission.

PAFR. Popular Annual Financial Report.

PO. Purchase Order.

RFP. Request for Proposal.

RFQ. Request for Qualifications.

SCADA. Supervisory Control and Data Acquisition.

SECO. State Energy Conservation Office.

TCEQ. Texas Commission on Environmental Quality.

TEA 21. The Transportation Equity Act for the 21st Century.

TIF/TRZ. Tax Increment Financing or Tax Re-investment Zone.

TLETS. Texas Law Enforcement Telecommunication System.

TML. Texas Municipal League.

TMLIRP. Texas Municipal League Intergovernmental Risk Pool.

TMRS. Texas Municipal Retirement System.

TSLA. Texas State Library Association.

TWC. Texas Workforce Commission.

TWDB. Texas Water Development Board.

TXDOT. Texas Department of Transportation.

UB. Utility Billing.

UCR. Uniform Crime Report.

UDC. Unified Development Code.

WCCAC. Williamson County Children's Advocacy Center.

WCCHD. Williamson County and Cities Health District.

WILCO. Williamson County.

WWTP. Wastewater Treatment Plant.

YAC. Youth Advisory Commission.

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10F. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on the first reading of an ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2017.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The impact of the tax rate was discussed as part of the budget presentations. The proposed tax rate of \$0.515171 is lower than the current rate of \$0.520443. The proposed tax rate is also lower than the rollback rate of \$0.528565. The proposed tax rate is 6.06% higher than the effective rate of \$0.485741. The City Council hosted two public hearings on the proposed ad valorem rate.

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

Maintenance and Operations of the general government (General Fund), a rate of \$0416482 on each \$100 valuation of property; debt service on bonds sold for the support of general government, a rate of \$0.098689 on each \$100 valuation of property.

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

'I move that the property tax rate be increased by the adoption of the tax rate of \$0.515171, which is effectively a 6.06 percent increase in the tax rate.'

BUDGETARY AND FINANCIAL SUMMARY:

The budget for the General Fund and Interest and Sinking Fund (Debt Service) are funded in part based on the above stated rates.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends the Council approve the first reading of the Ordinance.

SUPPORTING MATERIAL:

1. [Tax Rate Ordinance](#)

ORDINANCE NO. _____

AN ORDINANCE LEVYING AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF HUTTO FOR THE TAX YEAR 2017; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSE; AND, PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID; AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND REPEALING CLAUSE.

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

SECTION I.

That there is hereby levied and there shall be collected for the use and support of the Municipal Government of the City of Hutto, upon all property, real personal and mixed, within the corporate limits of said City subject to taxation a tax of \$0.515171 on each \$100.00 valuation of property, said tax being levied and apportioned to the specific purpose herein set forth.

1. For the Maintenance and Operations of the general government (General Fund), a rate of \$0.416482 on each \$100.00 valuation of property and
2. For debt service on bond sold for the support of general government, a rate of \$0.098689 on each \$100.00 valuation of property.

SECTION II.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 10.3199% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 BY APPROXIMATELY \$70.61.

SECTION III.

That the Taxes levied under this ordinance shall be due October 1, 2017, and if not paid on or before January 31, 2018, shall become delinquent.

SECTION IV.

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

SECTION V. Publication Clause

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

SECTION VI. Severability Clause

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

SECTION VII. Repealing Clause

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

SECTION VIII. Open Meeting Clause

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

SECTION IX.

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

READ and APPROVED on first reading on this the **7th** day of **September, 2017**, at a regular called meeting of the City Council of the City of Hutto, there being a quorum present, by a record vote:

AYES:

NAYS:

READ, APPROVED and ADOPTED on second reading this **21st** day of **September, 2017** at a regular meeting of the City Council of the City of Hutto, there being a quorum present, by a record vote and approved by the Mayor on the date set out above.

AYES:

NAYS:

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10G. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2017-18 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2017.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

House Bill 3195 was adopted by the Texas Legislature during the 2007 legislative session. It requires a separate vote of the governing body to ratify the property tax increase in addition to and separate from the vote to adopt the budget or vote to set the tax rate required by Chapter 27, Tax Code, or other law.

If the proposed rate of \$0.515171 is adopted, this budget will rate more total property taxes than last year's budget by \$925,220, or 12.33%, and of that amount \$369,130 is tax revenue to be raised from new property added to the tax roll this year.

BUDGETARY AND FINANCIAL SUMMARY:

The budget for the General Fund and Interest and Sinking Fund (Debt Service) are funded in part by the ad valorem tax.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends the Council approve the first reading of the Ordinance.

SUPPORTING MATERIAL:

1. [Tax Ratification Ordinance](#)

ORDINANCE NO. _____

AN ORDINANCE RATIFYING A PROPERTY TAX INCREASE FOR THE FISCAL YEAR 2018 FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF HUTTO; AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND REPEALING CLAUSE.

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

SECTION I.

That this budget will raise more total property taxes than last year's budget by \$925,220 or 12.33%, and of that amount \$369,130 is tax revenue to be raised from new property added to the tax roll this year based on an ad valorem rate of \$0.515171 on each \$100.00 valuation of property.

SECTION II.

That the 2017 taxable value on the 2017 certified appraisal roll totals \$1,636,265,084 compared to \$1,441,914,509 in 2016.

SECTION III.

That the proposed Fiscal Year 2018 Budget and tax levy shall be adopted in separate ordinances and will become effective October 1, 2017, and end September 30, 2018.

SECTION IV. Publication Clause

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

SECTION V. Severability Clause

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

SECTION VI. Repealing Clause

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

SECTION VII. Open Meeting Clause

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

SECTION VIII.

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

READ and **APPROVED** the **first reading** on the **7th** day of **September 2017**, at a special called meeting of the City Council of the City of Hutto, there being a quorum present, by ___ “Ayes” and ___ “Nays”.

READ, APPROVED and **ADOPTED** on the **second reading** this **21st** day of **September 2017**, at a regular meeting of the City Council of the City of Hutto, there being a quorum present, by ___ “Ayes” and ___ “Nays”, and approved by the Mayor on the date set out above.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10H. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM: Consideration and possible action on the first reading of an ordinance amending the Fiscal Year 2016-17 Budget to reflected projected year-end.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

Developing a budget is based on forecasting and experience and initially not all information may be available or known. Over the course of the budget year, information comes in that clarifies or realigns forecasted information or sheds light on new items that may affect the operating budget. The projected year-end adjustment to the Fiscal Year 2017 Budget recognizes and incorporates new and updated information and material changes in operations.

This represents the third amendment of the FY 2016-17 Budget. The following table shows the amended budgets, projected year-end totals, increases and (decreases), and net change in fund reserves.

	Amended Budget Total	Projected Year-End Total	Increase (Decrease)	Net Change in Fund Reserves Increase (Decrease)
General Fund				
Revenues	11,991,980	12,526,001	534,021	
Expenditures	12,810,786	13,123,055	312,269	(597,054)
General Debt Service Fund				
Revenues	1,349,471	1,365,311	15,840	
Expenditures	1,313,698	1,255,282	(58,416)	110,029
General Capital Replacement Fund				
Revenues	78,732	89,150	10,418	
Expenditures	57,535	57,535	-	31,615
Court Funds				
Revenues	12,284	12,284	-	
Expenditures	10,833	10,828	(5)	1,456

Hotel Tax Fund				
Revenues	297,317	327,317	30,000	
Expenditures	137,981	287,981	150,000	39,336
ATS Red Light Camera Fund				
Revenues	41,371	41,771	400	
Expenditures	173,295	105,000	(68,295)	(63,229)
PEG Capital Fees				
Revenues	32,892	32,892	-	
Expenditures	341	78,695	78,354	(45,803)
Utility Fund				
Revenues	13,221,472	14,944,065	1,722,593	
Expenditures	20,165,955	18,895,981	(1,269,974)	(3,951,916)
Utility Debt Service Fund				
Revenues	3,612,815	3,612,815	-	
Expenditures	3,866,931	3,866,931	-	-
Impact Fees Fund				
Revenues	1,248,851	728,497	(520,354)	
Expenditures	1,248,852	728,497	(520,355)	-
Utility Capital Replacement Fund				
Revenues	50,000	50,000	-	
Expenditures	-	-	-	50,000
Capital Improvements Project				
Revenues	1,682,000	11,164,722	9,482,722	
Expenditures	8,674,202	7,504,969	(1,169,233)	3,659,753
Solid Waste Fund				
Revenues	1,407,572	1,299,236	(108,336)	
Expenditures	1,366,072	1,361,072	(5,000)	(61,836)

The projected year-end budget reflects updated revenue and expenditures not known at the inception of the budget. Most notable are the increase in sales tax revenues, up 21%, bond proceeds for capital projects including Innovation Business Park, Front Street Utilities, Pollard Park purchase, engineering and hydro-geologist expenses for the pricing of the Heart of Texas Water Supply, a mobility study, the addition of five sworn officers, the expansion of the Communications Department, and the restructuring of the organization to provide efficient and effective services, including improved internal and external customer service.

BUDGETARY AND FINANCIAL SUMMARY:

As the fiscal year approaches for 2016-17, it is essential to amend the budget to properly appropriate funds necessary to provide municipal services at a quality level.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends the Council approve the first reading of the ordinance.

SUPPORTING MATERIAL:

1. [FY17 BA#3 Ordinance](#)

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF HUTTO, TEXAS
AMENDING THE FISCAL YEAR 2016-17 BUDGET
TO BEGINNING FUND BALANCES TO AUDITED
AMOUNTS, ORGANIZATIONAL RESTRUCTURE,
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, 2016, and ending September 30, 2017, 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, 2016, and ending September 30, 2017.

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 **7th** day of **September 2017**, 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 **21st** day of **September 2017**, at a regular meeting of the City Council of the City of Hutto, there being a quorum present.

THE CITY OF HUTTO, TEXAS

Doug Gaul, **MAYOR**

ATTEST:

SEAL

Seth Gipson, **CITY SECRETARY**

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.:

10I.

AGENDA DATE: September 07, 2017

PRESENTED BY:

Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on an ordinance authorizing the issuance and sale of one or more series of City of Hutto, Texas Combination Tax and Revenue Certificates of Obligation; authorizing the levy of an ad valorem tax and the pledge of certain revenues in support of the certificates; approving an official statement, the form of a paying agent/registrar agreement and other agreements related to the sale and issuance of the certificates; establishing procedures for selling and delivering one or more series of the certificates; and authorizing other matters related to the issuance of certificates.

STRATEGIC GUIDE POLICY:

Fiscal Responsibility

ITEM BACKGROUND:

The City of Hutto is poised for extraordinary growth. Economic development will bring many things to the City, including a broader and more diverse tax base, easing the burden on of residents, it will bring more job opportunities, and become a destination for retail and entertainment, expanding overall quality of life . The City will also purchase a water utility. Purchasing the water utility will allow rate stabilization. Under the current take or pay contract, which is through the year 2057, rates which would have continued to rise at an unwarranted pace .

The 2017 Certificates of Obligation will be supported by the ad valorem tax levy and utility user charges. Proceeds from the sale of the Certificates will be used for:

1. Constructing, improving, extending, expanding, upgrading and developing City streets, bridges, sidewalks, intersections and related traffic and drainage improvements, including acquisition of equipment and rights-of-way.
2. Constructing, improving, extending, expanding and upgrading the City's water and wastewater facilities, including wastewater and drainage improvements.
3. Constructing, improving, renovating, and equipping City park land.
4. Constructing, improving, expanding and equipping public works and administrative facilities.
5. Purchasing an existing water utility system.
6. Professional services incurred in connection therewith including the costs of issuing Certificates.

BUDGETARY AND FINANCIAL SUMMARY:

The issuance of certificates of obligation is necessary to fund the purchase of a utility system, infrastructure improvements, including roads, water and sewer, park and parkland improvements, and facilities. The 2017 Certificates of Obligation will be supported with a combination of ad valorem tax and utility user charges.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance authorizing the issuance of City of Hutto, Texas Certificates of Obligations, Series 2017. Only one reading of the ordinance is required per Section 1201.028 of the Texas Government Code.

SUPPORTING MATERIAL:

1. [Ordinance - Authorizing the Issuance of City of Hutto, Texas Tax and Waterworks and Sewer System \(Limited Pledge\) Revenue Certificates of Obligation, Series 2017](#)

ORDINANCE NO. _____

ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF CITY OF HUTTO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION; AUTHORIZING THE LEVY OF AN AD VALOREM TAX AND THE PLEDGE OF CERTAIN REVENUES IN SUPPORT OF THE CERTIFICATES; APPROVING AN OFFICIAL STATEMENT, THE FORM OF A PAYING AGENT/REGISTRAR AGREEMENT AND OTHER AGREEMENTS RELATED TO THE SALE AND ISSUANCE OF THE CERTIFICATES; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING ONE OR MORE SERIES OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE CERTIFICATES

Adopted September 7, 2017

**ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE
SERIES OF CITY OF HUTTO, TEXAS COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION; AUTHORIZING THE LEVY OF AN AD
VALOREM TAX AND THE PLEDGE OF CERTAIN REVENUES IN SUPPORT OF
THE CERTIFICATES; APPROVING AN OFFICIAL STATEMENT, THE FORM OF A
PAYING AGENT/REGISTRAR AGREEMENT AND OTHER AGREEMENTS
RELATED TO THE SALE AND ISSUANCE OF THE CERTIFICATES;
ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING ONE OR MORE
SERIES OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS
RELATED TO THE ISSUANCE OF THE CERTIFICATES**

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Exhibit A - Definitions

Exhibit B - Description of Annual Financial Information

WHEREAS, on July 20, 2017 the City Council passed a resolution authorizing and directing the City Secretary to give notice of intention to issue the Certificates; and

WHEREAS, the notice was published on August 2, 2017 and August 9, 2017 in the *Taylor Press*, a newspaper of general circulation in the City and a "newspaper" as defined in Section 2051.044, Government Code; and

WHEREAS, the City has not received a petition from the qualified electors of the City protesting the issuance of the Certificates; and

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

WHEREAS, it is considered to be in the best interest of the City that the interest bearing Certificates be issued; and

WHEREAS, no bond proposition to authorize the issuance of bonds for the same purpose as any of the projects being financed with the proceeds of the certificates was submitted to the voters of the issuer during the preceding three years and failed to be approved.

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

Section 1. RECITALS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

Section 2. DEFINITIONS. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in Exhibit "A" to this Ordinance have the meanings assigned to them in Exhibit "A".

Section 3. AMOUNT AND PURPOSE OF THE CERTIFICATES. The General Purpose Certificates and the Utility Acquisition Certificates of the City of Hutto, Texas (the "City") are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly, Chapter 271 of the Texas Local Government Code, as amended, and Chapters 1371 and 1502 of the Texas Government Code, in one or more series.

The maximum aggregate principal amount of the General Purpose Certificates is not to exceed \$25,000,000 for the purpose of paying contractual obligations incurred or to be incurred for: (1) constructing, improving, extending, expanding, upgrading and developing City streets, bridges, sidewalks, intersections and related traffic and draining improvements, including acquisition of equipment and rights-of-way; (2) constructing, improving, extending, expanding and upgrading the City's water and wastewater facilities, including wastewater and drainage improvements; (3) constructing, improving, renovating, and equipping City park land; (4) constructing, improving, extending, expanding and equipping public works and administrative facilities; and (5) professional

services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuing the General Purpose Certificates.

The maximum aggregate principal amount of the Utility Acquisition Certificates is not to exceed \$65,000,000 for the purpose of paying contractual obligations incurred or to be incurred for: (1) purchasing an existing water utility system and (2) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuing the Utility Acquisition Certificates.

Section 4. DATE, DENOMINATIONS, NUMBERS, MATURITIES AND TERMS OF CERTIFICATES. (a) Terms of Certificates. There shall be issued, sold and delivered under this Ordinance fully registered certificates, without interest coupons, in one or more series, numbered consecutively from R-1 upward (except the Initial Certificate delivered to the Attorney General of the State of Texas which shall be numbered T-1) payable to the initial registered owner(s), or to the registered assignee or assignees of said Certificates or any portion or portions thereof (in each case, the "Registered Owner" or the "Owner"), in the denomination of \$5,000 or any integral multiple thereof (each an "Authorized Denomination"), maturing not later than forty years from their date, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, all as set forth in the Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to Subsection (b) of this Section. The Pricing Certificate is hereby incorporated in and made a part of this Ordinance. The Certificates shall be designated by the year in which they are awarded. The authority of the Pricing Officer to execute a Pricing Certificate shall expire at 5:00 p.m. C.D.T. on December 7, 2017. Certificates priced on or before December 7, 2017 may be delivered to the initial purchaser after such date.

(b) Selling and Delivering the Certificates. As authorized by Chapter 1371, Texas Government Code, as amended, the Pricing Officer is hereby authorized to act on behalf of the City in selling and delivering one or more series of the Certificates and carrying out the other procedures specified in this Ordinance, including determining the date of the Certificates, any additional or different designation or title by which a series of the Certificates shall be known, the price at which each series of the Certificates will be sold, the years in which the Certificates will mature, the principal amount to mature in each of such years, the aggregate principal amount of the Certificates, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Certificates shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, obtaining a rating on the Certificates, procuring municipal bond insurance, if any, and all other matters relating to the issuance, sale, and delivery of the Certificates, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for each series of the Certificates shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon from its date to its delivery and (ii) none of the Certificates of a series shall bear interest at a rate greater than the maximum authorized by law. In establishing the aggregate principal amount of the Certificates, the Pricing Officer shall establish an amount not to exceed the amount authorized in Section 4 thereof, which shall be sufficient to provide for the purposes for which the Certificates are authorized and to pay the costs of issuing the Certificates.

(c) Determinations of Pricing Officer. To achieve advantageous borrowing costs for the City, the Certificates shall be sold on a negotiated, placement or competitive basis as determined by the Pricing Officer in the Pricing Certificate. In determining whether to sell the Certificates by negotiated, placement or competitive sale, the Pricing Officer shall take into account any material disclosure issues which might exist at the time, the market conditions expected at the time of the sale and any other matters which, in the judgment of the Pricing Officer, might affect the net borrowing costs on the Certificates.

If the Pricing Officer determines that a series of the Certificates should be sold at a competitive sale, the Pricing Officer shall cause to be prepared a notice of sale and official statement in such manner as the Pricing Officer deems appropriate, to make the notice of sale and official statement available to those institutions and firms wishing to submit a bid for the Certificates, to receive such bids, and to award the sale of the Certificates to the bidder submitting the best bid in accordance with the provisions of the notice of sale.

If the Pricing Officer determines that a series of the Certificates should be sold by a negotiated sale or placement, the Pricing Officer shall designate the placement purchaser or the senior managing underwriter for the Certificates and such additional investment banking firms as the Pricing Officer deems appropriate to assure that the Certificates are sold on the most advantageous terms to the City. The Pricing Officer, acting for and on behalf of the City, is authorized to enter into and carry out a Purchase Agreement or other agreement for the Certificates to be sold by negotiated sale or placement, with the underwriters or placement purchasers at such price, with and subject to such terms as determined by the Pricing Officer pursuant to subsection (b) above. Each Purchase Agreement or other agreement shall be substantially in the form and substance previously approved by the City in connection with the authorization of debt with such changes as are acceptable to the Pricing Officer.

The Pricing Officer is expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates, the sale and delivery of each series of Certificates and fixing all details in connection therewith, to approve an official statement, or supplements thereto, in connection with each series of Certificates.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the City hereby determines that the delegation of the authority to the Pricing Officer to approve the method of sale and final terms and conditions of each series of the Certificates as set forth in this Ordinance and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated in each Pricing Certificate will be, in the best interests and shall have the same force and effect as if such determination were made by the City and the Pricing Officer is hereby authorized to make and include in each Pricing Certificate an appropriate finding to that effect.

Section 5. INTEREST. The Certificates shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF CERTIFICATE set forth in this Ordinance to their respective dates of maturity or redemption at the rates per annum as set forth in the Pricing Certificate. Interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE set forth in this Ordinance and the Pricing Certificate.

Section 6. CHARACTERISTICS OF THE CERTIFICATES. (a) Registration, Transfer and Exchange; Authentication. The Pricing Officer shall designate the Paying Agent/Registrar ("Paying Agent/Registrar") for each series of the Certificates in the Pricing Certificate. The Paying Agent/ Registrar shall keep the books or records for the registration of the transfer and exchange of the Certificates (the "Registration Books"), and the Paying Agent/Registrar shall serve as the City's registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar shall make the Registration Books available within the State of Texas. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Certificate or Certificates. Registration of assignments, transfers and exchanges of Certificates shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE set forth in this Ordinance. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate.

Except as provided in Section 4(c) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, date and manually sign said Certificate, and no such Certificate shall be deemed to be issued or Outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates and Certificates surrendered for exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing exchange of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed herein, and said Certificates shall be printed or typed on paper of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, as amended, and particularly Subchapter D thereof, the duty of exchange of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the converted and exchanged Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect

as the Certificates which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts of the State of Texas.

(b) Payment of Certificates and Interest. The Paying Agent/Registrar shall further act as the paying agent for paying the principal of and interest on the Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all exchanges of Certificates, and all replacements of Certificates, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the past due interest shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Certificates (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the Registered Owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 45 days prior to any such redemption date), (iii) may be converted and exchanged for other Certificates, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Certificates shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificates, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE set forth in this Ordinance and with such changes and additions as required to be consistent with the provisions contained in the Pricing Certificate relating to the Certificates. The Certificates initially issued and delivered pursuant to this Ordinance are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate issued in exchange for any Certificate or Certificates issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF CERTIFICATE.

(d) Substitute Paying Agent/Registrar. The City covenants with the Registered Owners of the Certificates that at all times while the Certificates are Outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days written notice to the Paying Agent/Registrar, to be effective at such time which will not disrupt or delay payment on the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying

Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Certificates, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry-Only System. The Certificates issued in exchange for the Certificates initially issued as provided in Section 6(a) shall be issued in the form of a separate single fully registered Certificate for each of the maturities thereof registered in the name of Cede & Co. as nominee of DTC and except as provided in subsection (f) hereof, all of the Outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

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

Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

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

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificate and all notices with respect to such Certificate shall be made and given, respectively, in the manner provided in the Blanket Representation of the City to DTC.

(h) Initial Certificate. The Certificates herein authorized shall be initially issued as fully registered Certificates, being one Certificate for each maturity in the denomination of the applicable principal amount and the Initial Certificate shall be registered in the name of the Senior Manager as set forth in the Pricing Certificate. The Initial Certificate shall be the Certificate submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Underwriters. Immediately after the delivery of the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate delivered hereunder and exchange therefor Certificates in the form of a separate single fully registered Certificate for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC and except as provided in Section 4(a), all of the Outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

Section 7. FORM OF CERTIFICATE. The form of the Certificate, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Certificates initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance and the Pricing Certificate.

FORM OF CERTIFICATE

**R- UNITED STATES OF AMERICA PRINCIPAL
STATE OF TEXAS AMOUNT
CITY OF HUTTO, TEXAS \$ _____
TAX AND WATERWORKS AND SEWER SYSTEM
(LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION,
SERIES 20__ ***

<u>INTEREST</u>	<u>MATURITY</u>	<u>DATE OF</u>	<u>DATE OF</u>	
<u>RATE</u>	<u>DATE</u>	<u>CERTIFICATES</u>	<u>DELIVERY</u>	<u>CUSIP NO.</u>

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

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

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the Registered Owner hereof upon presentation and surrender of this

* As determined in the Pricing Certificate.

Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at _____*, which is the "Paying Agent/Registrar" for this Certificate at their office in _____* (the "Designated Payment/Transfer Office"). The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Certificate (the "Certificate Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared at the close of business on the _____* day of the month preceding such interest payment date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the City and the securities depository.

DURING ANY PERIOD in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Certificate prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate for redemption and payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Certificate that on or before each principal payment date, interest payment date, and accrued interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Certificate Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

*As determined in the Pricing Certificate.

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

THIS CERTIFICATE is one of a Series of Certificates dated _____*, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$_____*(the "Certificates") for the purpose of paying contractual obligations incurred or to be incurred for: (1) constructing, improving, extending, expanding, upgrading and developing City streets, bridges, sidewalks, intersections and related traffic and draining improvements, including acquisition of equipment and rights-of-way; (2) constructing, improving, extending, expanding and upgrading the City's water and wastewater facilities, including wastewater and drainage improvements; (3) constructing, improving, renovating, and equipping City park land; (4) constructing, improving, extending, expanding and equipping public works and administrative facilities; (5) purchasing an existing water utility system; and (6) professional services including fiscal, engineering, architectural and legal fees and other such costs incurred in connection therewith including the costs of issuing the Certificates.

[Redemption provisions as provided in the Pricing Certificate.*]

NO LESS THAN 30 days prior to the date fixed for any such redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Certificate to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Certificates. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate shall be redeemed a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the

*As determined in the Pricing Certificate.

unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Certificate Ordinance.

DURING ANY PERIOD in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

WITH RESPECT TO any optional redemption of the Certificates, unless certain prerequisites to such redemption required by the Certificate Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

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

(i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, such limitation of transfer shall not be applicable to an exchange by the Registered Owner of the unredeemed balance of the Certificate.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Certificate Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Certificate have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said City, and have been pledged for such payment, within the limit prescribed by law, and that this Certificate, together with other obligations of the City, is additionally secured by and payable from the surplus revenues of the City's utility system, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or part of the net revenues of the City's utility system, which amount shall not exceed \$10,000 all as provided in the Certificate Ordinance.

BY BECOMING the Registered Owner of this Certificate, the Registered Owner thereby acknowledges all of the terms and provisions of the Certificate Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Certificate Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Certificate and the Certificate Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary of said City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Certificate.

City Secretary, City of Hutto, Texas

Mayor, City of Hutto, Texas

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Certificate has been issued under the provisions of the Certificate Ordinance described in the text of this Certificate; and that this Certificate has been issued in replacement of, or in exchange for, a certificate, certificates, or a portion of a certificate or certificates of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____

Paying Agent/Registrar

By: _____

Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer
Identification Number of Transferee

(Please print or typewrite name and address,
including zip code, of Transferee)

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Certificate has been approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

INSERTIONS FOR THE INITIAL CERTIFICATE

The Initial Certificate shall be in the form set forth in this Section, except that:

- A. immediately under the name of the Certificate, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO." shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted (with all blanks to be completed with information contained in the Pricing Certificate.

"ON THE MATURITY DATE SPECIFIED ABOVE, the City of Hutto, Texas (the "City"), being a political subdivision, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on _____* in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
-------------	---------------	-------------	-------------	---------------	-------------

(Information from the Pricing Certificate to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from _____*, the initial date of delivery of the Certificates, at the respective Interest Rate per annum specified above. Interest is payable on _____* and semiannually on each _____* and _____* thereafter to the date of payment of the principal installment specified above; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

C. The Initial Certificate shall be numbered "T-1."

Section 8. INTEREST AND SINKING FUND. A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the City at an official depository bank of said City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said City, and shall be used only for paying the interest on and principal of said Certificates. All ad valorem taxes levied and collected for and on account of said Certificates shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Certificates are Outstanding and unpaid, the governing body of said City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on said Certificates as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Certificates as such principal matures (but never less than 2% of the original principal amount of said Certificates as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said City, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said City, for each year while any of said Certificates are Outstanding and unpaid, and said tax shall be assessed

*As determined in the Pricing Certificate.

and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Any accrued interest on the Certificates shall be deposited in the Interest and Sinking Fund and used to pay interest on the Certificates.

Section 9. REVENUES. The Certificates, together with other obligations of the City, are additionally secured by and shall be payable from and secured by the surplus revenues of the City's utility system, after payment of all operation and maintenance expenses or collections thereof, and all debt service, reserve, and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding) which are payable from all or any part of the net revenues of the City's utility system, with such amount not exceeding \$10,000, constituting "Surplus Revenues." The City shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to Section 8, to the extent necessary to pay the principal and interest on the Certificates. Notwithstanding the requirements of Section 8, if Surplus Revenues or other lawfully available funds are actually on deposit or budgeted for deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied pursuant to Section 8 may be reduced to the extent and by the amount of the Surplus Revenues or other lawfully available funds then on deposit in the Interest and Sinking Fund or budgeted for deposit therein.

The Mayor and the Director of Finance of the City are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

Section 10. ESTABLISHMENT OF PROJECT FUND. (a) Interest Earnings. Interest earnings derived from the investment of proceeds from the sale of the Certificates shall be used along with the Certificate proceeds for the purpose for which the Certificates are issued as set forth in Section 3 hereof or to pay principal or interest payments on the Certificates; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on bond proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates from being arbitrage certificates shall be so rebated and not considered as interest earnings for the purposes of this Section.

(b) Project Fund. The Project Fund, and any subaccount necessary within such Project Fund to complete the purpose for which the Certificates are issued as set forth in Section 3 hereof, is hereby created and shall be established and maintained by the City at an official depository bank of the City. Proceeds from the sale of the Certificates remaining after the deposit of accrued interest, if any, in the Interest and Sinking Fund shall be deposited in the Project Fund and shall be used to accomplish the purpose of such proposition.

(c) Investment of Funds. The City hereby covenants that the proceeds of the sale of the Certificates will be used as soon as practicable for the purposes for which the Certificates are issued. Obligations purchased as an investment of money in any fund shall be deemed to be a part of such

fund. Any money in any fund created by this Ordinance may be invested as permitted by the Public Funds Investment Act, as amended, and the City's investment policy.

(d) Security for Funds. All funds created by this Ordinance shall be secured in the manner and to the fullest extent required by law for the security of funds of the City.

(e) Maintenance of Funds. Any funds created pursuant to this Ordinance may be created as separate funds or accounts or as subaccounts of the City's General Fund held by the City's depository, and, as such, not held in separate bank accounts, such treatment shall not constitute a commingling of the monies in such funds or of such funds and the City shall keep full and complete records indicating the monies and investments credited to each such fund.

Section 11. DEFEASANCE OF CERTIFICATES. (a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or a commercial bank or trust company for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or a commercial bank or trust company for the payment of its services until all Defeased Certificates shall have become due and payable or (3) any combination of (1) and (2). At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities and thereafter the City will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Certificates, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Certificate as aforesaid when proper notice of redemption of such Certificates shall have been given, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or a commercial bank or trust company as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section which is not

required for the payment of such Certificate and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Certificates and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Certificates and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section for the payment of Certificates and such Certificates shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the Registered Owner of each Certificate affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Certificate to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Certificate for redemption in accordance with the provisions of the Ordinance authorizing its issuance, the City may call such Defeased Certificate for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Certificate as though it was being defeased at the time of the exercise of the option to redeem the Defeased Certificate and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Certificate.

Section 12. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES. (a) Replacement Certificates. In the event any Outstanding Certificate is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new certificate of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Certificate, in replacement for such Certificate in the manner hereinafter provided.

(b) Application for Replacement Certificates. Application for replacement of damaged, mutilated, lost, stolen or destroyed Certificates shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Certificate, the Registered Owner applying for a Replacement Certificate shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Certificate, the Registered Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Certificate, as

the case may be. In every case of damage or mutilation of a Certificate, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates. Prior to the issuance of any Replacement Certificate, the Paying Agent/Registrar shall charge the Registered Owner of such Certificate with all legal, printing, and other expenses in connection therewith. Every Replacement Certificate issued pursuant to the provisions of this Section by virtue of the fact that any Certificate is lost, stolen or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates. In accordance with Subchapter D of Chapter 1201, Texas Government Code, this Section 12 of this Ordinance shall constitute authority for the issuance of any such Replacement Certificate without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such certificates is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in Section 6(a) of this Ordinance for Certificates issued in exchange for other Certificates.

Section 13. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. The Mayor of the City is hereby authorized to have control of the Certificates initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Certificates issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Certificates. In addition, if bond insurance is obtained, the Certificates may bear an appropriate legend as provided by the insurer.

Section 14. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE CERTIFICATES. (a) Covenants. The City covenants to take any action necessary to assure,

or refrain from any action which would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Order or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Certificates being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates, other than investment property acquired with --

(A) proceeds of the Certificates invested for a reasonable temporary period of 3 years or less or, in the case of a refunding certificate, for a period of 30 days or less until such proceeds are needed for the purpose for which the Certificates are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates;

(7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding certificates, transferred proceeds (if any) and proceeds of the refunded certificates expended prior to the date of issuance of the Certificates. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Interim City Manager or Director of Finance to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates. This Ordinance is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) Allocation Of, and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 3 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered

used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the Certificates are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 15. CERTIFICATE PROCEEDS ALLOCATION. The proceeds of the Certificates, including the par amount of the Certificates and any net premium derived from the sale of the Certificates, shall be allocated as set forth in the Pricing Certificate.

Section 16. DEFAULT AND REMEDIES. (a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee

of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Certificates then Outstanding.

(c) Remedies not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 17. INTEREST EARNINGS ON CERTIFICATE PROCEEDS. Interest earnings derived from the investment of proceeds from the sale of the Certificates shall be used along with other certificate proceeds for the purpose for which the Certificates are issued set forth in Section 1 and 3 hereof; provided that after completion of such purpose, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on certificate proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates from being arbitrage certificates shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 18. APPROVAL OF THE FORM OF PAYING AGENT/REGISTRAR AGREEMENT, LETTER OF REPRESENTATIONS AND OFFICIAL STATEMENT. The

Paying Agent/Registrar Agreement is hereby approved in substantially the form previously used by the City on other financings. The Pricing Officer is hereby authorized to amend, complete or modify the Paying Agent/Registrar Agreement as necessary and is further authorized to execute such agreement.

The City confirms execution of a Blanket Issuer Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Certificates.

The City hereby approves the form and content of the Official Statement relating to the Certificates and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Certificates by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement, prior to the date hereof is ratified and confirmed. The City Council of the City hereby finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" (as that term is defined in 17 C.F.R. Section 240.15c-12) as of their respective dates.

Section 19. AMENDMENT OF ORDINANCE. The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, (v) obtain insurance or ratings on the Certificates, (vi) obtain the approval of the Attorney General of the State Texas, or (vii) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Certificates aggregating in principal amount 51% of the aggregate principal amount of then Outstanding Certificates that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then Outstanding Certificates, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Certificates so as to:

- (1) Make any change in the maturity of any of the Outstanding Certificates;
- (2) Reduce the rate of interest borne by any of the Outstanding Certificates;

(3) Reduce the amount of the principal of, or redemption premium, if any, payable on any Outstanding Certificates;

(4) Modify the terms of payment of principal or of interest or redemption premium on Outstanding Certificates or any of them or impose any condition with respect to such payment; or

(5) Change the minimum percentage of the principal amount of any series of Certificates necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each Registered Owner of the affected Certificates a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Certificates.

(d) Whenever at any time within one year from the date of publication of such notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Certificates then Outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and all holders of such affected Certificates shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Certificate pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Certificate during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Certificates then Outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

Section 20. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports. The City shall provide annually to the MSRB, (1) within six months after the end of each Fiscal Year of the City ending in or after 2017, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 18 of this Ordinance as set forth in the Pricing Certificate by the Pricing Officer, including financial statements

of the City if audited financial statements of the City are then available, and (2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "B" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the official statement, and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such Fiscal Year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable Fiscal Year, when and if the audit report on such statements becomes available.

If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) Certain Event Notices. The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Certificates:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if material within the meaning of the federal securities laws;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- G. Modifications to rights of holders of the Certificates, if material within the meaning of the federal securities laws, and tender offers;

- H. Certificate calls, if material within the meaning of the federal securities laws;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Certificates, if material within the meaning of the federal securities laws;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the City; (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);
- M. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 11 that causes the Certificates no longer to be Outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other

information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under the Ordinance for purposes of any other provision of this Ordinance.

Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Certificates in accordance with the Rule as amended.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

Section 21. BOND INSURANCE PROVISIONS. In connection with the sale of any series of Certificates, the City may obtain municipal bond insurance policies from one or more recognized municipal bond insurance organizations (the "Bond Insurer" or "Bond Insurers") to guarantee the full and complete payment required to be made by or on behalf of the City on the Bonds as determined by the Pricing Officer. The Pricing Officer is hereby authorized to designate the Bond Insurer and to sign a commitment letter or insurance agreement with the Bond Insurer or Bond Insurers and to pay the premium for the bond insurance policies at the time of the delivery of the Bonds to the initial purchaser out of the proceeds of sale of the Bonds or from other available funds and to execute such other documents and certificates as necessary in connection with the bond insurance policies as the Pricing Officer may deem appropriate. Printing on the Bonds covered by the bond insurance policies a statement describing such insurance, in form and substance satisfactory to the Bond Insurer and the Pricing Officer, is hereby approved and authorized. The Pricing Certificate may contain provisions related to the bond insurance policies, including payment provisions thereunder, and the rights of the Bond Insurer or Insurers, and any such provisions shall be read and interpreted as an integral part of this Ordinance.

Section 22. NO PERSONAL LIABILITY. No covenant or agreement contained in the Certificates, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Certificates shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Certificates.

Section 23. FURTHER ACTIONS. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates, the initial sale and delivery of the Certificates, the Paying Agent/Registrar Agreement, any insurance commitment letter or Insurance Policy and the Official Statement. In addition, prior to the initial delivery of the Certificates, the Mayor, the City Manager or Chief Financial Officer, the City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy requirements of the Bond Insurer, or (iii) obtain the approval of the Certificates by the Texas Attorney General's office.

In case any officer of the City whose signature shall appear on any Certificate shall cease to be such officer before the delivery of such Certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 24. INTERPRETATIONS. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance and the Table of Contents of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Certificates and the validity of the lien on and pledge of the pledged revenues to secure the payment of the Certificates.

Section 25. INCONSISTENT PROVISIONS. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 26. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the Registered Owners of the Certificates, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Registered Owners of the Certificates.

Section 27. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

Section 28. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

Section 29. REPEALER. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 30. EFFECTIVE DATE. This Ordinance shall become effective immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 31. PERFECTION. Chapter 1208, Government Code, applies to the issuance of the Certificates and the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 8 and 9 of this Ordinance, and such pledge is therefore valid, effective and perfected.

If Texas law is amended at any time while the Certificates are Outstanding and unpaid such that the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 8 and 9 of

this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Registered Owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 32. PAYMENT OF ATTORNEY GENERAL FEE. The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Certificates or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The Pricing Officer is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Certificates.

IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, finally passed, approved and effective on this 7th day of September, 2017.

THE CITY OF HUTTO, TEXAS

By: Mayor
City of Hutto, Texas

ATTEST:

City Secretary
City of Hutto, Texas

APPROVED AS TO FORM:

City Attorney
City of Hutto, Texas

EXHIBIT "A"

DEFINITIONS

As used in this Ordinance, the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"*Authorized Denominations*" means the denomination of \$5,000 or any integral multiple thereof with respect to the Certificates.

"*Bond Insurer*" or "*Insurer*" means the provider of a municipal bond insurance policy for the Certificates as determined by the Pricing Officer in the Pricing Certificate or any other entity that insures or guarantees the payment of principal and interest on any Certificates.

"*Book-Entry-Only System*" means the book-entry system of bond registration provided in Section 6, or any successor system of book-entry registration.

"*Cede & Co.*" means the designated nominee and its successors and assigns of The Depository Trust Company, New York.

"*City*" means the City of Hutto, Texas, and where appropriate, the City Council.

"*City Council*" means the governing body of the City.

"*City Manager*" means the city manager of the City or any individual appointed to serve in such capacity for the City.

"*Chief Financial Officer*" means the chief financial officer of the City or any individual appointed to serve in such capacity for the City.

"*Defeasance Securities*" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding certificates or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding certificates or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificates.

"DTC" means The Depository Trust Company, New York, New York and its successors and assigns.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

"Fiscal Year" means the twelve-month accounting period used by the City in connection with the operation of the System, currently ending on September 30 of each year, which may be any twelve consecutive month period established by the City, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

"Registered Owners" means any person or entity in whose name a Certificate is registered in the Security Register, for any Parity Obligation.

"Initial Certificate(s)" means the Certificate(s) authorized, issued, and initially delivered as provided in Section 4 of this Ordinance.

"Insurance Policy" means an insurance policy issued by any Insurer guaranteeing the scheduled principal of and interest on the Certificates when due.

"Interest and Sinking Fund" means the special fund maintained by the provisions of Section 8 of this Ordinance.

"Interest Payment Date" means a date on which interest on the Certificates is due and payable.

"Issuance Date" means the date of delivery of the Certificates.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" means this ordinance finally adopted by the City Council on September 7, 2017.

"Outstanding", when used with respect to Certificates, means, as of the date of determination, all Certificates theretofore delivered under this Ordinance, except:

- (1) Certificates theretofore cancelled and delivered to the City or delivered to the Paying Agent/Registrar for cancellation;
- (2) Certificates deemed paid pursuant to the provisions of Section 11 of this Ordinance;
- (3) Certificates upon transfer of or in exchange for and in lieu of which other Certificates have been authenticated and delivered pursuant to this Ordinance

(4) Certificates under which the obligations of the City have been released, discharged or extinguished in accordance with the terms thereof.

"*Permitted Investments*" means any security or obligation or combination thereof permitted under the Public Funds Investments Act, Chapter 2256, Texas Government Code, as amended or other applicable law.

"*Pricing Certificate*" means the Pricing Certificate of the City's Pricing Officer to be executed and delivered pursuant to Section 4 hereof in connection with the issuance of one or more series of Certificates.

"*Pricing Officer*" means the City Manager of the City, acting as the designated pricing officer of the City to execute the Pricing Certificate but in his absence, the Chief Financial Officer may act as the designated pricing officer of the City to execute the Pricing Certificate.

"*Purchase Agreement*" means the Purchase Agreement dated between the City and Mesirov Financial, Inc.

"*Rating Agency*" means any nationally recognized securities rating agency which has assigned, at the request of the City, a rating to the Certificates.

"*Record Date*" means Record Date as defined in the Pricing Certificate.

"*Register*" or "*Registration Books*" means the registry system maintained on behalf of the City by the Registrar in which are listed the names and addresses of the Registered Owners and the principal amount of Certificates registered in the name of each Registered Owner.

"*Replacement Certificates*" means the Certificates authorized by the City to be issued in substitution for lost, apparently destroyed, or wrongfully taken Certificates as provided in Section 12 of this Ordinance.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time.

"*SEC*" means the United States Securities and Exchange Commission.

"*Series*" means a separate series of Certificates as specified by or pursuant to the terms of this Ordinance.

EXHIBIT "B"

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 20 of this Ordinance.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the current notes to the financial statements used in the Official Statement.

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10J. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Seth Gipson, City Secretary

ITEM:

Consideration and possible action on the first reading of an ordinance amending Chapter 2, Article 2.05 Standards of Conduct, Section 2.05.006 Ethics Review Commission of the Code of Ordinances (2014 Edition).

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

The City Council held their annual work session on July 15, 2017, and provided staff direction concerning modifications to the composition and appointment process for City of Hutto Boards and Commissions. Those included adjusting term limits for each board and commission to one year, with the exception of the Planning and Zoning, and making each board consistent with seven members.

This ordinance is being brought to the City Council in order to make those changes to the Ethics Review Commission. This simply expands the board from 5 members to 7, and make their terms one year in length.

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 ordinance and the second reading of the ordinance can be dispensed with.

SUPPORTING MATERIAL:

1. [Ordinance - Amending Article 2.05 Standards of Conduct](#)

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE CHAPTER 2, ARTICLE 2.05 STANDARDS OF CONDUCT, SECTION 2.05.006 ETHICS REVIEW COMMISSION OF THE CODE OF ORDINANCES (2014 EDITION), AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, REPEALING CLAUSE, OPEN MEETING CLAUSE, AND PENALTY CLAUSE AND EFFECTIVE DATE.

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

SECTION 1

That Chapter 2, Article 2.05 Standards of Conduct, Section 2.05.006 Ethics Review Commission, of the code of ordinances is hereby amended to read as follows:

ARTICLE 2.05 STANDARDS OF CONDUCT

Sec. 2.05.006 Ethics review commission

- (a) An ethics review commission (commission) is hereby established, to be composed of ~~five~~ ~~(5)~~ seven members, all of whom shall reside in the city.
- (b) Each commission member shall be appointed by the city council and shall occupy a position on the commission, such positions being numbered 1 through ~~5~~ 7.
- (c) The commission members shall be appointed to a ~~two~~ one-year ~~staggered~~ terms. ~~Positions 1, 3, and 5 shall expire on July 31, 2008, with successive two-year terms, and positions 2 and 4 shall expire on July 31, 2009, with successive two-year terms.~~
- (d) All vacancies shall be filled for the unexpired term. A member shall hold office until his successor has been appointed by the city council.
- (e) The commission shall elect a chairman and a vice-chairman to one-year terms. The vice-chairman shall act as chairman in the absence of the chairman.
- (f) Three (3) or more members of the commission shall constitute a quorum, but no action of the commission shall be of any force or effect unless it is adopted by the favorable vote of four (4) or more members.
- (g) The commission shall meet at least once a year to review this article and may make recommendations to the city council for amendments thereto.
- (h) The commission shall render advisory opinions on potential conflicts of interest or violation of this article at the request of a city official subject to the terms of this article. Such advisory

opinion shall be rendered within a reasonable time, but in no event later than thirty (30) days after a request therefor is received by the commission.

(i) It shall be a defense to an alleged violation of this article that the person accused previously requested an advisory opinion of the commission and acted on such opinion in good faith, unless material facts were omitted or misstated by the person requesting the opinion. Such advisory opinion shall also be binding on the commission in any subsequent charges concerning the person requesting the opinion.

(j) Independent legal counsel shall be utilized to advise the commission and participate in hearings. The city council shall annually designate and retain independent counsel, who shall be a duly licensed attorney in the state.

SECTION II. Publication Clause

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

SECTION III. Severability Clause

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

SECTION IV. Repealing Clause

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

SECTION V. Open Meeting Clause

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

SECTION VI. Effective Date

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

READ and APPROVED the first reading on the **7th day of September, 2017.**

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for the reading of this ordinance on two separate days was dispensed with.

READ, APPROVED and ADOPTED on the first reading of ordinance this **7th** day of **September, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 10K. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Seth Gipson, City Secretary

ITEM:

Consideration and possible action on the first reading of an ordinance amending the composition and miscellaneous provisions of Chapter 2, Article 2.02 Boards, Commissions, and Authorities of the Hutto Code of Ordinances (2014 Edition).

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

The City Council held their annual work session on July 15, 2017, and provided staff direction concerning modifications to the composition and appointment process for City of Hutto Boards and Commissions. Those included adjusting term limits for each board and commission to one year, with the exception of the Planning and Zoning, making each board consistent with seven members, and adjusting the term expiration to September 30 of each year.

This ordinance is being brought to the City Council in order to make those changes to each board and commission. Boards and Commissions are being expanded to 7 members, term limits are being reduced to one year, with the exception of the Planning and Zoning Commission, the terms are being amended so that they will run October 1-September 30th of each year.

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 first reading of the ordinance. The City Council may dispense with the second reading of the ordinance.

SUPPORTING MATERIAL:

Ordinance.

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE COMPOSITION AND MISCELLANEOUS PROVISIONS OF CHAPTER 2, ARTICLE 2.02 BOARD, COMMISSIONS AND AUTHORITIES OF THE CODE OF ORDINANCES (2014 EDITION), AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, REPEALING CLAUSE, OPEN MEETING CLAUSE, AND PENALTY CLAUSE AND EFFECTIVE DATE.

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

SECTION 1

That Chapter 2, Article 2.02 boards, commission, and authorities, of the code of ordinances is hereby amended to read as follows:

ARTICLE 2.02 BOARDS, COMMISSIONS AND AUTHORITIES

Division 1. Generally

Sec. 2.02.001 Qualifications of members

(a) Each candidate for an appointment as a member of any board or commission shall meet the following requirements:

- (1) Be a registered voter of the city;
- (2) Shall reside within the corporate limits of the city including territory annexed prior to appointments and individuals appointed; and
- (3) Provided however, the members of the Hutto Economic Development Board of Directors shall reside within Williamson County, Texas.

(b) Current city councilmembers that are currently serving on the Hutto Economic Development Corporation Board of Directors are not required to resign from the Hutto Economic Development Corporation Board of Directors when running for re-election.

Sec. 2.02.002 Attendance

(a) Any member of a city board, commission, and the board of directors of the Hutto Economic Development Corporation who is absent for two (2) or more consecutive meetings or 25 percent or more of the meetings of such board, commission, or corporation within a 12-month period shall become eligible to be removed from said board, commission, or corporation.

(b) A written notice shall be sent to a member, the board, commission, or corporation staff liaison, city manager, and city council when it appears that an individual has violated the attendance policy. The designated council committee will review each case and make a recommendation to the city council. If a member is removed from a board, commission, or corporation, that position shall be considered vacant and a new member shall be appointed by the city council.

Sec. 2.02.003 Appointments; vacancies

(a) The city council or designated city council committee shall make annual appointments to the boards, commissions, or corporations that have terms expiring on ~~December 31st~~ **September 30th** of each year. The city council, if interim vacancies occur, may appoint a successor for the remainder of such term.

(b) The chair and vice-chair for each city board, commission, or corporation shall be elected from the membership of the board or commission by an affirmative majority vote of the members. The city council will appoint the chair and/or vice-chair if:

- (1) The board or commission cannot agree by majority vote amongst themselves by the end of the 2nd regularly scheduled meeting of the board or commission; or
- (2) The chair or vice-chair is removed from the board or commission and a successor is not appointed at the next regularly scheduled meeting of the board of commission.

~~(c) Terms for each board or commission shall consist of staggered terms.~~

Sec. 2.02.004 Meetings

Each board, commission, or corporation must hold regular meetings at a predefined time. Special called meetings may be made at the request of the chair or notice from city staff for consideration of business.

- (1) Meetings must be posted in accordance to the Open Meetings Act and open to the public.
- (2) A quorum shall consist of a majority of the membership of the board.
- (3) Any issue to be voted on shall be resolved by a majority of those present.
- (4) Written records of meetings must be kept and made available to the public, showing its action on each case.

Secs. 2.02.005–2.02.030 Reserved

Division 2. Planning and Zoning Commission*

Sec. 2.02.031 Creation

There is here by created by the city an advisory commission to be known as the planning and zoning commission of the city.

Sec. 2.02.032 Composition; terms of members

There shall be a city planning and zoning commission, which shall consist of seven members that serve a two-year term.

Sec. 2.02.033 Powers and duties

The commission shall have the power and be required to:

- (1) Be responsible to act as an advisory body to the city council;
- (2) Recommend to the council for its action an official zoning map and recommend any changes to the map zoning change requests;
- (3) Study plats and plans of proposed subdivision and insure that all plats and plans conform to the city's subdivision and development ordinances;
- (4) Annually recommend an annexation plan to the city council;
- (5) Annually review the general (master) plan for the city and recommend to the city council any change;
- (6) Perform such other functions as may be duly delegated to them from time to time by the city council; and
- (7) Make an annual report to the city council showing the activities of the commission for the current year.

Secs. 2.02.034–2.02.060 Reserved

Division 3. Parks Advisory Board

Sec. 2.02.061 Creation

The city parks advisory board shall make recommendations to the city council concerning planning, development and operations of parks and trails, assist in preparing grants, and meet with other interested persons with park development knowledge. It shall also hold meetings to receive public input.

Sec. 2.02.062 Composition; terms of members

The board shall consist of seven members that serve a ~~three~~ **one** -year term.

Sec. 2.02.063 Powers and duties

The board shall have the following powers, duties and responsibilities:

- (1) Make recommendations to the city council regarding policies, rules and regulations relating to the administration of public parks, trails, recreation facilities, and programs.
- (2) Review budget recommendations developed by staff.
- (3) Receive information and comments from citizens pertaining to the city's parks and recreation facilities.
- (4) Make recommendations with staff regarding the dedication of parkland by developers during the concept plan phase, the acquisition of park sites and the availability of grants to the city council.
- (5) Cooperate with the public schools, citizens and city staff in the development of parks and recreational facilities and programs.
- (6) Recommend changes in parks and recreation related ordinances to the city council.
- (7) Supply reports to the city council regarding the status of any park, trail, recreational facility and/or programs as deemed appropriate by the city council.
- (8) Participate in fundraising activities, including but not limited to the acquisition of grant funding, in-kind third-party donations to the city for the benefit of park acquisition and development and/or recreational activities.
- (9) Develop, manage and maintain guidelines for operating the board, which may not be in conflict with the city charter and must be approved by the city council for adoption.
- (10) Make an annual report to the city council showing the activities of the commission for the current year.

Secs. 2.02.064–2.02.090 Reserved

Division 4. Library Advisory Board

Sec. 2.02.091 Creation

The city library advisory board shall make recommendations to the city council concerning planning, development and operations of the city library, assist in preparing grants, and meet with other interested persons with library development knowledge. It shall also hold meetings to receive public input.

Sec. 2.02.092 Composition; terms of members

The board shall consist of ~~five~~ **seven** members that serve a ~~three~~ **one**-year term.

Sec. 2.02.093 Powers and duties

The board shall have the following powers, duties and responsibilities:

- (1) To make recommendations to the city council regarding policies, rules and regulations relating to the administration of the public library system, its facilities and programs.
- (2) To review budget recommendations developed by staff.
- (3) To receive information and comments from citizens pertaining to the city's library and its related facilities and programs.
- (4) To make recommendations with staff regarding the planning of facilities during the concept plan phase, and the availability of grants to the city council.
- (5) To cooperate with the public schools, citizens and city staff in the development of library facilities and programs.
- (6) To supply reports to the city council regarding the status of any library facility and/or programs as deemed appropriate by the city council.
- (7) To participate in fundraising activities, including but not limited to the acquisition of grant funding and in-kind third-party donations to the city for the benefit of library development.
- (8) Make an annual report to the city council showing the activities of the commission for the current year.

Secs. 2.02.094–2.02.120 Reserved

Division 5. Zoning Board of Adjustment

Sec. 2.02.121 Composition, terms of members

The zoning board of adjustment members shall consist of ~~five~~ **seven** regular members and two alternate members that serve a ~~two~~ **one**-year term.

Sec. 2.02.122 Powers and duties

The zoning board of adjustment will:

- (1) Consider numerical variance requests for: use, site design, subdivision, SmartCode and special exceptions, subject to variance approval criteria, recommendation of development services staff, and state law.

- (2) Consider administrative appeals that allege error in an order, requirement, decision, or determination made by an administrative official in the enforcement of the city development codes.
- (3) Consider special exceptions to the terms of the city development codes.
- (4) Consider, in specific cases, a variance from the terms of the city development codes if the variance is not contrary to the public interest and, due to special conditions, a literal enforcement of the city development codes would result in unnecessary hardship, and so that the spirit of the city development codes are observed and substantial justice is done.
- (5) Consider appeals to development services staff's interpretation of the city development codes.
- (6) Consider other matters, as authorized by the city development codes.

Sec. 2.02.123 Initiation of requests

Development services staff, the city manager, city council, and the planning and zoning commission may make a request requiring zoning board of adjustment consideration.

Sec. 2.02.124 Appeals

The zoning board of adjustment is a quasi-judicial body. The applicant or city may appeal decisions to the district court.

Secs. 2.02.125–2.02.150 Reserved

Division 6. Historic Preservation Commission

Sec. 2.02.151 Creation

- (a) The historic preservation commission members shall consist of ~~five~~ **seven** members that serve a ~~two~~ **one**-year term.
- (b) The city will designate a member of development services staff to act as liaison of the historic preservation commission. The liaison may in an advisory capacity participate in discussions, but has no right to vote. The liaison of the historic preservation commission will also serve as the local preservation officer and fulfill all duties as may be required under any certified local government agreement with the state historical commission.
- (c) Historic preservation commission members should, to the extent reasonably possible, have a demonstrated outstanding interest in the historic traditions of the city and have experience in the preservation of the historic character of the city. City council will try, to the extent reasonably possible, to appoint members from the following categories:

- (1) Architect, planner or design professional; historian.
- (2) Licensed real estate broker/appraiser; attorney at law.
- (3) Archaeologist or member of a related scholarly discipline.
- (4) Member of chamber of commerce (either the chamber president or a member designated by the chamber president).

(d) Texas Secretary of the Interior Standards for Rehabilitating Historic Buildings, approved by the state historical commission, serves as a guideline for decisions made by the historic preservation commission.

Sec. 2.02.152 Powers and duties

The historic preservation commission will:

- (1) Adopt rules and procedures for its governance.
- (2) Establish committees as needed.
- (3) Consider and recommend designation of a historic district or historic landmark.
- (4) Consider and render decisions on certificates of appropriateness and demolition requests in designated historic districts.
- (5) Conduct and administer historic resource surveys.
- (6) Develop public outreach/education/awareness programs.
- (7) Recommend acquisition of endangered historic resources to city council when necessary.
- (8) Recommend acceptance of donations of preservation easements.
- (9) Submit an annual report to city council and the mayor on the status of preservation in the community and on the work of the historic preservation commission.
- (10) Recommend tax or other financial incentives to encourage preservation of historic resources.
- (11) Prepare and promote design guidelines for historic landmark districts.
- (12) Make an annual report to the city council showing the activities of the commission for the current year.

Sec. 2.02.153 Initiation of requests

Development services staff, the city manager, city council, and the planning and zoning commission may make a request requiring historic preservation commission consideration.

Sec. 2.02.154 Appeals

The historic preservation commission is an administrative body. The applicant or city may appeal decisions to city council.

Secs. 2.02.155–2.02.180 Reserved

Division 7. Building and Standards Commission

Sec. 2.02.181 Creation

The city hereby implements chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.031 et. seq.). Pursuant to such subchapter, the city council shall provide for the appointment of a building and standards commission, and the regulations and restrictions adopted shall be pursuant to the provisions of applicable statutory requirements for a building standards commission under state law.

Sec. 2.02.182 Composition; terms of members

The commission shall consist of ~~five~~ **seven** members that serve a ~~two~~ **one**-year term. To the extent possible, the city council shall appoint members to the commission who have experience or expertise in the building trade.

Sec. 2.02.183 Powers and duties

(a) The commission shall have the powers and duties as set forth in chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.031 et. seq.) to hear and determine cases concerning alleged violations of ordinances.

(b) The commission has the power to hear appeals and render decisions upon rulings and refusals of ruling by the building official when requests for a modification or a variation from the provisions of this division have been made. Whenever the building official rejects or refuses to approve the mode or manner of work proposed to be followed or materials to be used in the proposed construction, or when it is claimed that the provisions of this code do not apply, or that any equally good or more desirable form of installation can be employed in any specific case, or when it is claimed that the true intent and meaning of this code or any of the regulations thereunder have been misconstrued or wrongly interpreted, the owner of such building or structure, or his duly authorized agent, may appeal the decision of the building official to the commission. Notice of the appeal shall be in writing and filed within 30 days after the decision is rendered by the building official.

(c) The commission shall have the power and duty to act as the fire code board of appeals as set forth in chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.032(2)).

(d) The commission shall adopt its rules of procedure by majority vote of the entire commission, provided that such rules not are in conflict with laws applicable to the commission or any provisions of the city charter.

Sec. 2.02.184 Variance of provision

The commission, after hearing an appeal, may vary the application of any provision of this code to any particular case, when it has [been] determined that the enforcement thereof would do manifest injustice and would be contrary to the spirit and purpose of this code or public interest.

Sec. 2.02.185 Decision to be final

Every decision of the commission shall be final, subject however to such remedy as any aggrieved party might have at law or in equity.

Sec. 2.02.186 Building official ruling effective pending appeal

During the pendency of an appeal to the commission, the ruling or refusal of the building official shall be in full force and effect.

SECTION II. Publication Clause

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

SECTION III. Severability Clause

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

SECTION IV. Repealing Clause

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

SECTION V. Open Meeting Clause

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

SECTION VI. Effective Date

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

READ and **APPROVED** the first reading on the **7th day of September, 2017.**

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for the reading of this ordinance on two separate days was dispensed with.

READ, APPROVED and **ADOPTED** on the first reading of ordinance this **7th day of September, 2017.**

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 11A. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Michel Sorrell, Chief Financial Officer

ITEM:

Consideration and possible action on a resolution authorizing an increase to the not to exceed amount for legal services provided by McGinnis Lochridge for personnel, real estate and economic development matters.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

On April 6, 2017, the City Council approved a resolution authorizing the City to engage McGinnis Lochridge to provide legal services for personnel, real estate and economic development matters, with a cap of \$200,000.

In May 2017 and July 2017, there were reimbursement resolutions taken to Council that included legal fees for bond funded projects. The legal fees associated with certain projects have not yet been reimbursed due to the fact that the 2017 Certificates of Obligation will not fund until the beginning of October 2017.

On July 29, 2017, the Hutto Economic Development Corporation Type A and Type B (HEDC) entered into an agreement with the City to provide administrative and legal services. Currently there is an outstanding amount from the HEDC to be reimbursed to the City.

Total expenditures, including those previously authorized by Council to be reimbursed by bond proceeds and those to be reimbursed by HEDC, have exceeded the \$200,000 cap. Legal services paid to date total \$425,451.77, the City is required by fiscal and budgetary policy to pay timely when invoiced so invoices have been paid as they come into Finance. The amount that belongs to the General Fund for City legal services is \$199,333.95 and the amount that is to be refunded by bond proceeds and the HEDC reimbursement totals \$226,117.82.

Staff seeks approval from the City Council to increase the cap by \$50,000, or \$250,000 in total for General Fund legal services, which is more in keeping with what staff was administering regarding the \$200,000 cap. This increase should cover any outstanding General Fund legal issues for the remainder of this fiscal year, which ends September 30, 2017. Many of the legal costs that occurred in Fiscal Year 2017 are considered non-recurring, or one-time expenses. Future legal expenses will be appropriately capped pursuant to the adopted budget.

BUDGETARY AND FINANCIAL SUMMARY:

Staff is requesting Council approval for an increase in legal services costs provided by McGinnis Lochridge in the amount of \$50,000.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends Council approve the request to increase expenditures in the amount of \$50,000 for legal services provided by McGinnis Lochridge.

SUPPORTING MATERIAL:

1. [Resolution - Authorizing an increase in the agreement for legal services with McGinnis Lochridge](#)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF HUTTO, TEXAS AUTHORIZING THE CITY TO INCREASE THE AMOUNT FOR LEGAL SERVICES PROVIDED BY MCGINNIS LOCHRIDGE NOT TO EXCEED A TOTAL OF \$250,000.

WHEREAS, the City of Hutto (“City”) and McGinnis Lochridge have a mutual intent and understandings with respect to the provision of legal services for personnel, real estate and economic development matters for the City, and

WHEREAS, the City and McGinnis Lochridge wish to continue the Agreement outlining their mutual understanding and agreement to work cooperatively and in good faith in respect to legal services for the City by McGinnis Lochridge.

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

That the City Manager is hereby authorized and directed to execute on behalf of the City an Agreement with McGinnis Lochridge for Legal Services.

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 **6th** day of the month **April, 2017**.

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Seth Gipson, City Secretary

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 12A. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Matt Rector, City Engineer

ITEM: Consideration and possible action on the TxDOT TAP Limmer Loop Sidewalk Project.

STRATEGIC GUIDE POLICY: Infrastructure & Growth

ITEM BACKGROUND:

The City of Hutto applied for a TxDOT Transportation Alternatives Program (TAP) grant in 2015. In 2016 an Advanced Funding Agreement (AFA) was approved. The AFA was based on the 2015 estimate for the project. The design has been completed and the 100% Opinion of Probable Cost (OPC) indicates that the project will exceed the AFA budget and the 2015 estimate.

BUDGETARY AND FINANCIAL SUMMARY:

The AFA specifies that the total project cost was estimated at \$1,041,159. Of that amount the federal government is scheduled to provide \$126,400 for engineering, \$557,280 for construction, and \$102,552 for state fees. The state is scheduled to contribute \$58,369 toward state fees. The City is scheduled to contribute \$31,600 for engineering, \$139,320 for construction, \$25,638 for state fees, utility costs, and any cost overruns.

The 100% design OPC is \$1,200,840. Adding in the utility costs the construction costs are \$1,253,530. Subtracting the \$557,280 leaves \$696,250 for the city. That is \$556,930 more than the AFA.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

At this point staff recommends proceeding with the bidding process to determine how close the OPC is to actual bids. Once the bid information is available staff will bring the information back to Council for award or project cancellation.

SUPPORTING MATERIAL:

1. [AFA Cost Breakdown](#)
2. [100% OPC](#)

CSJ: 0914-05-189 Fed. # STP: {enter STP}
 Code Chart 64#: 20250
 Project: Limmer Loop Sidewalk
 FHWA CFDA #: 20.205
 Not Research and Development

ATTACHMENT C

PROJECT ESTIMATE AND SOURCE OF FUNDS

(State or LG) Performs PE Work or Hires Consultant / (State or LG) Lets Project to Construction

Work Performed by Local Government ("LG")							
Description of Project Costs to be Incurred	Total Project Cost Estimate	Federal Participation		State Participation		Local Government (LG) Participation	
		Includes additional percentage for TDC apportionment where applicable				Includes any EDC reduction where applicable	
		%	Cost	%	Cost	%	Cost
Planning/Maps/Education/Non-CST	\$0	0%	\$0	0%	\$0	0%	\$0
Preliminary Engineering	\$158,000	80%	\$126,400	0%	\$0	20%	\$31,600
Environmental Cost	\$0	0%	\$0	0%	\$0	0%	\$0
Right of Way	\$0	0%	\$0	0%	\$0	0%	\$0
Utilities	\$0	0%	\$0	0%	\$0	0%	\$0
Construction	\$696,600	80%	\$557,280	0%	\$0	20%	\$139,320
In-kind donation Value (Add to Total Project Cost - 20% Maximum value)	\$0	0%	\$0	0%	\$0	0%	\$0
Work by LG Subtotal	\$854,600		\$683,680		\$0		\$170,920
Work Performed by the State (Local Participation paid up front by LG to TxDOT)							
Preliminary Engineering ¹	\$0	0%	\$0	0%	\$0	0%	\$0
Environmental Cost ¹	\$0	0%	\$0	0%	\$0	0%	\$0
Right of Way ³	\$0	0%	\$0	0%	\$0	0%	\$0
Utilities ²	\$0	0%	\$0	0%	\$0	0%	\$0
Construction ²	\$0	0%	\$0	0%	\$0	0%	\$0
Work by State Subtotal	\$0		\$0		\$0		\$0

CSJ: 0914-05-189 Fed. # STP: {enter STP}
 Code Chart 64#: 20250
 Project: Limmer Loop Sidewalk
 FHWA CFDA #: 20.205
 Not Research and Development

Direct and Indirect State Costs Incurred for Review, Inspection, Administration & Oversight							
Description of Project Costs to be Incurred	Total Project Cost Estimate	Federal Participation <small>Includes additional percentage for TDC apportionment where applicable</small>		State Participation		Local Government (LG) Participation <small>Includes any EDC reduction where applicable</small>	
		%	Cost	%	Cost	%	Cost
Preliminary Engineering ¹	\$16,024	80%	\$12,819	0%	\$0	20%	\$3,205
Environmental Cost ¹	\$16,024	80%	\$12,819	0%	\$0	20%	\$3,205
Right of Way ¹	\$16,024	80%	\$12,819	0%	\$0	20%	\$3,205
Utilities ¹	\$16,023	80%	\$12,819	0%	\$0	20%	\$3,204
Construction ²	\$64,095	80%	\$51,276	0%	\$0	20%	\$12,819
Direct State Costs Subtotal	\$128,190	80%	\$102,552	0%	\$0	20%	\$25,638
Indirect State Cost	\$58,369		\$0		\$58,369		\$0
TOTAL PARTICIPATION	\$1,041,159		\$786,232		\$58,369		\$0
In-kind Contribution Credit Applied						0%	\$0
TOTAL REMAINING PARTICIPATION AFTER IN-KIND CONTRIBUTION							\$196,558

The estimated total participation by Local Government is \$196,558, plus 100% of overruns.

Total estimated payment by Local Government to State is \$25,638.

¹Local Government's first payment of \$12,819 is due to State within 30 days from execution of this contract.

²Local Government's second payment of \$12,819 is due to State within 60 days prior to the Construction contract being advertised for bids.

³If ROW is to be acquired by State, Local Government's share of property cost will be due prior to acquisition.

The eligible percent of required local match is stated in the nomination and must be 20% or greater, unless In-Kind, EDC adjustments or TDCs are applied.

This is an estimate, the final amount of Local Government participation will be based on actual costs.

Maximum federal TAP funds available for Project are \$786,232.

HIGHWAY:		Limmer Loop				Bid Set
COUNTY:		WILLIAMSON				
CSJ:		0914-05-189				
DESCRIPTION:		Limmer Loop				
LIMITS:		Cottonwood Creek Elementary to FM 1660 North				
LENGTH:		2,200 Feet				
ESTIMATE BY:		Emily Truman				
DATE:		8/23/2017				
ITEM	SP NO.	DESCRIPTION	UNITS	EST. QTY.	PROJECT UNIT COST	AMOUNT
Limmer Loop Sidewalk Project						
500 6001		MOBILIZATION (10%)	LS	1	\$109,167.23	\$109,167.23
100 6001		PREPARING ROW	STA	22.0	\$1,100.00	\$24,200.00
100 6010		PREP ROW (ABANDON 48" RCP PIPE IN PLACE)	EA	2	\$2,000.00	\$4,000.00
104 6009		REMOVING CONC (RIPRAP)	SY	587	\$9.78	\$5,740.27
104 6021		REMOVING CONC (CURB)	LF	10	\$13.00	\$130.00
104 6036		REMOVING CONC (SIDEWALK OR RAMP)	SY	44	\$23.10	\$1,016.40
105 6011		REMOVE STAB BASE & ASPH PAV (2"-6")	SY	420	\$3.85	\$1,617.00
110 6001		EXCAVATION (ROADWAY)	CY	577	\$13.20	\$7,616.40
132 6001		EMBANKMENT (FINAL) (ORD COMP) (TY B)	CY	2,012	\$12.05	\$24,234.54
161 6017		COMPOST MANUF TOPSOIL (4")	SY	2,150	\$1.35	\$2,908.95
164 6066		DRILL SEEDING (PERM) (WARM OR COOL)	SY	2,150	\$0.17	\$354.75
166 6001		FERTILIZER	AC	0.4	\$872.30	\$383.81
168 6001		VEGETATIVE WATERING	MG	53	\$13.53	\$721.15
260 6015		LIME TREATMENT (ROAD-MIXED) (8")	SY	2,077	\$4.68	\$9,709.98
416 6002		DRILL SHAFT (24 IN)	LF	56	\$275.00	\$15,400.00
420 6013		CL C CONC (ABUT)	CY	14	\$1,100.00	\$15,400.00
422 6015		APPROACH SLAB	CY	8	\$880.00	\$7,040.00
423 6004		RETAINING WALL (CONC BLOCK)	SF	2,907	\$69.30	\$201,455.10
432 6001		RIPRAP (CONC) (4 IN)	CY	9	\$495.00	\$4,455.00
450 6045		RAIL (TY PR3)	LF	342	\$88.00	\$30,096.00
450 6048		RAIL (HANDRAIL)(TY B)	LF	342	\$66.37	\$22,699.91
464 6005		RC PIPE (CL III) (24 IN)	LF	74	\$96.57	\$7,146.11
464 6007		RC PIPE (CL III) (30 IN)	LF	522	\$78.28	\$40,860.07
464 6008		RC PIPE (CL III) (36 IN)	LF	12	\$148.14	\$1,777.64
464 6010		RC PIPE (CL III) (48 IN)	LF	804	\$269.50	\$216,678.00
465 6120		INLET (COMPL) (PAZD) (FG) (4FTX4FT-4FTX4FT)	EA	3	\$5,200.00	\$15,600.00
465 6160		INLET (COMPL) (PAZD) (FG) (5FTX5FT-4FTX4FT)	EA	2	\$6,000.00	\$12,000.00
467 6005		SET (REMOV & REINSTALL)	EA	7	\$3,960.00	\$27,720.00
467 6395		SET (TY II) (24 IN) (RCP) (6:1) (P)	EA	2	\$1,258.00	\$2,516.00
467 6417		SET (TY II) (30 IN) (RCP) (3:1) (C)	EA	1	\$2,596.01	\$2,596.01
467 6448		SET (TY II) (36 IN) (RCP) (3:1) (C)	EA	1	\$3,850.00	\$3,850.00
467 6475		SET (TY II) (48 IN) (RCP) (3:1) (P)	EA	1	\$5,280.00	\$5,280.00
496 6005		REMOV STR (WINGWALL)	EA	1	\$1,100.00	\$1,100.00
496 6006		REMOV STR (HEADWALL)	EA	1	\$1,090.00	\$1,090.00
496 6007		REMOV STR (PIPE)	LF	67	\$15.79	\$1,057.60
502 6001		BARRICADES, SIGNS AND TRAFFIC HANDLING	MO	8	\$1,650.00	\$13,200.00
506 6002		ROCK FILTER DAMS (INSTALL) (TY 2)	LF	81	\$22.00	\$1,782.00
506 6011		ROCK FILTER DAMS (REMOVE)	LF	81	\$12.10	\$980.10
506 6038		TEMPORARY SEDIMENT CONTROL FENCE INSTL	LF	2,096	\$2.20	\$4,611.20
506 6039		TEMPORARY SEDIMENT CONTROL FENCE REMOV	LF	2,096	\$0.11	\$230.56
529 6002		CONC CURB (TY I)	LF	171	\$0.00	\$0.00
529 6030		CONC CURB & GUTTER (VALLEY GUTTER)	LF	56	\$583.00	\$32,648.00
530 6004		DRIVEWAYS (CONC)	SY	85	\$137.50	\$11,687.50
531 6002		CONC SIDEWALKS (4")	SY	2,077	\$48.40	\$100,526.80
531 6010		CURB RAMPS (TY 7)	EA	4	\$1,705.00	\$6,820.00
556 6008		PIPE UNDERDRAIN (TY 8) (6")	LF	248	\$26.07	\$6,465.36
644 6004		IN SM RD SN SUP&AM TY10BWG(1)SA(T)	EA	3	\$495.00	\$1,485.00
644 6068		RELOCATE SM RD SN SUP&AM TY 10BWG	EA	3	\$356.00	\$1,068.00
666 6048		REFL PAV MRK TY 1 (W) 24" (SLD) (100MIL)	LF	223	\$7.70	\$1,717.10
COH 0001		PREFAB PED BRG SPAN (190 FT)	LS	1	\$190,000.00	\$190,000.00
Subtotal						\$1,200,839.54
PROJECT TOTAL (ROUNDED)						\$1,200,840

HIGHWAY:	Limmer Loop					Bid Set
COUNTY:	WILLIAMSON					
CSJ:	0914-05-189					
DESCRIPTION:	Limmer Loop					
LIMITS:	Cottonwood Creek Elementary to FM 1660 North					
LENGTH:	2,200 Feet					
ESTIMATE BY:	Emily Truman					
DATE:	8/23/2017					
ITEM	SP NO.	DESCRIPTION	UNITS	EST. QTY.	PROJECT UNIT COST	AMOUNT
Limmer Loop Sidewalk Project						
Limmer Loop Sidewalk Project (CITY ITEMS)						
COH 0002		ADJUSTING MANHOLES (WATER VALVE BOX)	EA	5	\$450.00	\$2,250.00
COH 0003		ADJUST WASTEWATER MAIN PIPE (PVC)(12IN)	LF	10	\$350.00	\$3,500.00
COH 0004		ADJUST WATER MAIN PIPE (PVC)(16IN)	LF	40	\$500.00	\$20,000.00
COH 0005		ADJUST WATER MAIN PIPE (PVC)(UNKNOWN)	LF	50	\$350.00	\$17,500.00
COH 0006		ADJUST WASTEWATER MAIN PIPE (PVC) (8IN)	LF	10	\$350.00	\$3,500.00
COH 0007		FIRE HYDRANT RELOCATE AND RECONNECT	EA	1	\$900.00	\$900.00
COH 0008		REMOVE EXIST FIRE HYDRANT	EA	1	\$250.00	\$250.00
Subtotal						\$47,900.00
		CONTINGENCY (10%)	LS	1		\$4,790.00
		CITY TOTAL (ROUNDED)				\$52,690

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 12B. **AGENDA DATE:** September 07, 2017

PRESENTED BY: Helen Ramirez, Executive Director of Business/Development Services

ITEM: Consideration and possible action on extending the submittal due date for the Facade Improvement Grant Program to September 15, 2017.

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

Per Ordinance No. 0-16-08-18-8B, the application deadline for the Facade Improvement Grant Program is September 1st. Due to recent extreme weather events, residents in the designated Historic District of the City of Hutto may need additional time to submit to the program. For this year only, the proposed application submittal deadline is September 15th.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

STAFF RECOMMENDATION:

Staff recommends approval of the two week extension for new applications.

SUPPORTING MATERIAL:

1. [Ordinance 0-16-08-18-8B](#)

ORDINANCE NO. O-16-08-18-8B

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS ADOPTING THE DOWNTOWN FAÇADE IMPROVEMENT GRANT PROGRAM, PROVIDING FOR A SAVINGS CLAUSE AND REPEALING CONFLICTING ORDINANCES.

WHEREAS, the City of Hutto desires to enhance economic development activity within the City's historic center by creating a Downtown Façade Improvement Grant Program for building improvements that are highly visible from a public street, and;

WHEREAS, the Program would be available to all properties located within the City's Historic District, including both commercial and residential, and;

WHEREAS, the City will dedicate funds to reimburse eligible property owners at fifty (50) percent of the cost for eligible improvements upon satisfactory completion of said improvements, and;

WHEREAS, the investment for the City is \$10,000 per year and the Program is a three (3) year pilot program, which may be renewed or discontinued at the end of three (3) years, and;

WHEREAS, the City Council determines that the amendments provided for herein promotes health and safety, and protects and preserves the general welfare of the community, and;

WHEREAS, each and every requirement set forth in Chapter 211, Sub-Chapter A., Texas Local Government Code, concerning public notices, hearings, and other procedural matters has been fully complied with.

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

SECTION I.

That Chapter 1, Article 1.06, Division 2, Code of Ordinances (2014 edition) of the City of Hutto, Texas entitled Downtown Incentive Programs, is hereby amended to read as follows:

Section 1.06.033 – Downtown Façade Improvement Grant Program

Eligibility

The Downtown Façade Improvement Grant Program is available to all properties located within the City's Historic District, including commercial and residential, provided that the improvements are visible from a public right-of-way.

Qualifying Improvements

Qualifying expenses eligible for reimbursement shall include repairs and improvements to the exterior of the building which are visible from a public-right-of-way. Qualifying improvements may include, but are not limited to, repairs to exterior siding or roofing, repointing brick, restoring original wood windows, fresh paint, and historically appropriate signage.

Application Review

The Downtown Façade Improvement Grant Program application shall be reviewed by a four (4) member committee to include: one (1) member of the Historic Preservation Commission, the Historic Preservation Officer, the Downtown Manager, and the Director of Development Services. Application deadline for projects is September 1st of each year. Priority will be given to:

- Projects that demonstrate the greatest overall need/urgency.
- Contributing structures.
- Owner occupied buildings.
- Permanent structures.
- Buildings with high visibility or large frontages.
- Buildings with no outstanding code violations.

Reimbursement

The Façade Improvement Grant Program is a 50/50 matching grant. Upon satisfactory completion of the approved work, grant recipients shall be reimbursed at a rate of fifty (50) percent of the cost of eligible building improvements.

Maximum City match of funds is as follows:

- Façade restoration (brick and/or siding): up to \$5,000.
- New paint: up to \$2,500.
- Signage: up to \$750.

Qualifying improvements shall meet the following requirements upon completion:

- Prior to beginning work, the project shall be reviewed by the Historic Preservation Officer.
- All work must comply with Chapter 6 of the Unified Development Code (UDC) and the Secretary of the Interior's Standards for Rehabilitation.
- Paint colors shall be chosen from the approved list of historically appropriate paint colors.
- The applicant must provide receipts for all work.

SECTION II. Publication Clause

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

SECTION III. Severability Clause

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

SECTION IV. Repealing Clause

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

SECTION V. Open Meeting Clause

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

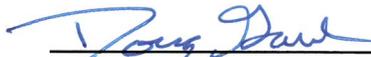
SECTION VI. Effective Date

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

READ and **APPROVED** on first reading on this the 4th day of **August, 2016** at a meeting of the Hutto, Texas City Council; there being a quorum present.

READ, PASSED and **ADOPTED** on first reading of ordinance this 18th day of **August, 2016** at a meeting of the Hutto, Texas City Council; there being a quorum present.

CITY OF HUTTO, TEXAS



Doug Gaul, Mayor

ATTEST:



Seth Gipson, City Secretary



<u>Advisory Board Review</u>	
Approved:	_____
Denied:	_____
Date:	_____

Old Town Façade Improvement Grant Application

SECTION 1:

Applicant Name: _____ Date: _____

Applicant Address: _____

Business Name (if applicable): _____

Property Address: _____

Phone: _____ Email: _____

Building Owner (if different than applicant): _____

Building Owner Address: _____

Type of work (check all that apply):

- | | | |
|--|---|--|
| Fresh Coat of Paint <input type="checkbox"/> | Siding: Repair / Replacement <input type="checkbox"/> | Masonry: Cleaning / Paint Removal <input type="checkbox"/> |
| Masonry: Repointing <input type="checkbox"/> | Roof Repair / Replacement <input type="checkbox"/> | Window Repair / Replacement <input type="checkbox"/> |
| Awning or Canopy Repair / Replacement <input type="checkbox"/> | New Sign <input type="checkbox"/> | Other (please describe below) <input type="checkbox"/> |

SECTION 2:

What is the current use of the property? _____

What year was the structure built? (if known) _____

What is the assessed value of the structure? (see Williamson County Appraisal District) _____

	YES	NO
Is the property a designated contributing structure?	<input type="checkbox"/>	<input type="checkbox"/>
Is the property currently owner-occupied?	<input type="checkbox"/>	<input type="checkbox"/>
Is the property owner currently receiving or planning to submit an application for any other City initiated financial incentives?	<input type="checkbox"/>	<input type="checkbox"/>
Are there any outstanding code violations for this property?	<input type="checkbox"/>	<input type="checkbox"/>
Is the property owner currently eligible for, or receiving any Federal Assistance?	<input type="checkbox"/>	<input type="checkbox"/>

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 8B. **AGENDA DATE:** August 18, 2016

PRESENTED BY: Helen Ramirez, AICP, Director,
Development Services

ITEM: Consideration and possible action on the second and final reading of an ordinance adopting the Downtown Façade Improvement Grant Program.

STRATEGIC GUIDE POLICY: Growth Guidance

ITEM BACKGROUND:

At the meeting on May 24, 2016, the Historic Preservation Commission voted to recommend approval of three proposed financial incentives for the Historic District. On June 2, 2016, the proposed incentives were presented to City Council for final approval. At that meeting, the Council voted to approve the proposed amendment to the Tax Rebate Program and the proposed Historic Preservation Tax Freeze Program. However, Council noted some questions regarding the proposed Façade Improvement Grant Program and voted to table the proposal pending more information. It was requested that staff provide additional information about how the program will be structured and how decisions will be made regarding how funds will be distributed. It was also requested that the Historic Preservation Commission have the opportunity to review the updated proposal before it is presented to Council.

Since that time, staff has prepared additional guidelines for the Façade Improvement Grant Program, which we hope will address the Council's concerns. Changes to the proposed program were presented to the Historic Preservation Commission on June 28th and include amending the review committee to include a member of the Historic Preservation Commission.

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

Lastly, staff is proposing to implement an application deadline, which will allow the review committee to more equitably evaluate the grant requests when making decisions regarding how the funds will be distributed. Decisions about how funds will be allocated will be based primarily on the greatest overall need and/or urgency of a proposed project. Other factors that will be considered in the decision making process include whether the property is contributing structure, whether it is

occupied by the owner, whether there are any outstanding code violations, and whether the applicant is currently receiving any other City initiated financial incentives.

The proposed facade improvement grant program is a three-year pilot program, which may either be renewed or discontinued at the end of three years. The allocated amount approved by the City Council is \$10,000 per year, for a total of three years.

BUDGETARY AND FINANCIAL SUMMARY:

The proposed City investment is in the amount of \$10,000 per year, with a second and third renewal in the amount of \$10,000 each. The program includes matching grants of up to \$5,000 for major facade repair projects, up to \$2,000 for fresh paint, and up to \$500 for new signage. If approved, the proposed facade improvement grant program would be a three-year pilot program, which may either be renewed or discontinued at the end of three years.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The proposed incentive program was reviewed by the Growth Guidance Committee on March 21, 2016, and the Committee was supportive of the proposal.

The proposed incentive program was reviewed by the Historic Preservation Commission May 24, 2016 and June 28, 2016. The Commission was supportive of the proposal and is recommending that the City Council consider gradually increasing the total amount of available funds allotted to the Façade Improvement Program to \$10,000 for the First Year, \$12,500 for the Second Year, and \$15,000 for the Third Year.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends that the Council approve the second and final reading of the ordinance.

SUPPORTING MATERIAL:

1. [Ordinance - Downtown Facade Improvement Grant Program](#)
2. [Facade Improvement Grant Application](#)