



**CITY COUNCIL
MEETING MINUTES
MAY 25, 2019**

The Hutto City Council met in a Special Session on Saturday, May 25, 2019, in Council Chambers, City Hall, 500 W. Live Oak, 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 present were Mayor Doug Gaul, Mayor Pro Tem Tom Hines, Councilmember Mike Snyder, Councilmember Peter Gordon, Councilmember Patti Turner and Councilmember Terri Grimm. Councilmember Scott Rose was absent.

Members of staff that were present were Odis Jones, City Manager; Edena Atmore, Assistant City Manager; Byron Frankland, Assistant City Manager/Public Safety Director; Ashley Lumpkin, Executive Director Infrastructure & Development Services; Emily Parks, Public Information Officer; and, Lynn Trumbul, Sr. Assistant City Secretary.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT

There were no comments received.

EXECUTIVE SESSION:

- 5.A. Executive Session, as authorized by Texas Government Code, Section 551.087, regarding Economic Development negotiations, regarding adoption of a Resolution directing the city manager to prepare a service plan relating to the annexation of areas for which the city has previously held a public hearing relating to annexation and for other areas eligible for annexation within the city's extra territorial jurisdiction. (A map of the city's extraterritorial jurisdiction is available at www.huttotx.gov.)

Motion: Councilmember Snyder made a motion to start with item 6A Consideration and possible action regarding adoption of a Resolution directing the city manager to prepare a service plan relating to the annexation of areas for which the city has previously held a public hearing relating to annexation and for other areas eligible for annexation within the city's extraterritorial jurisdiction. At such point if Council was going to get into executive session items, then Council moves to item 5A. Councilmember Grimm seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tern Tom Hines
Councilmember Mike Snyder
Councilmember Peter Gordon
Councilmember Patti Turner
Councilmember Terri Grimm

Action: The motion passed unanimously with 6 ayes, 0 nay.

ACTION RELATIVE TO EXECUTIVE SESSION:

6A. Consideration and possible action regarding adoption of a Resolution directing the city manager to prepare a service plan relating to the annexation of areas for which the city has previously held a public hearing relating to annexation and for other areas eligible for annexation within the city's extraterritorial jurisdiction.

Motion: Mayor Pro Tern Hines made a motion to adopt a Resolution directing the city manager to prepare a service plan relating to the annexation of areas for which the city has previously held a public hearing relating to annexation and for other areas eligible for annexation within the city's extraterritorial jurisdiction. Councilmember Gordon seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro Tem Tom Hines
Councilmember Mike Snyder
Councilmember Peter Gordon
Councilmember Patti Turner
Councilmember Terri Grimm

Action: The motion passed with 6 ayes, 0 nay.

Councilmember Grimm shared that she personally would like to have the discussion before Council approves this item. It has nothing to do with yes or no, or where she is at; she just wants to have the discussion.

City Attorney Michael Shaunessy explained that two years ago the Texas Legislature amended Chapter 43 of the local Government Code. The whole purpose of amending Chapter 43 was to address the fact that some cities, were incredibly aggressive in annexation. There did not seem to be anyway in which people in outside areas wanted to be gobbled up by the city that was coming after them. As someone who was annexed by Austin, and didn't want to be, Mr. Shaunessy identified as that. The concept that was created is, if you are a city of county where the last census was an excess of 500,000 people, you can only annex only certain conditions.

They are by an election of the people that will be taken in, another is an agreement by a sufficient number of land owners. However, it didn't apply to Williamson County. As of the last census, the population was nowhere near a half a million people. Mayor Pro Tem Hines clarified if the census was for cities or counties. City Attorney Mike Shaunessy confirmed that, where an entity is a tier 1 city, it is determined by the County. Hutto is a Tier 1 because the Williamson County census was under a half a million. We knew we were going to become a tier 2 city as soon as we have another census. The cities in LaSalle County were never going to be tier 2 cities. La Salle County is not getting any bigger. We proceeded along the line and, not affected. If the annexation is incomplete, as long as you pass this provision, direct the city manager and city staff to prepare a service plan, then you are under the old law and go through the old law until you have completed the annexation and they are part of the city. Councilmember Turner asked if the service plan was/or all current annexations. City Attorney Mike Shaunessy responded that it was for all current annexations. Councilmember Turner confirmed that it was just the ones that we are working on, if the service plan goes into effect then those are safe too. Executive Director Infrastructure & Development Services Ashley Lumpkin responded that is correct. It would affect the 5 or 6 that have been presented twice to Council. The five step process. Then there were additional tracts at the northeast corner of the Limmer property and the other two that the City Manager Odis Jones mentioned, the small triangular Jonas tract and a small homestead that was part of a larger purchase of the Moore family that is on the Perfect Games site. City Manager Odis Jones asked Executive Director Infrastructure & Development Services Ashley Lumpkin, that all of the ones that Councilwoman Grimm is referring to, those services plans have already been erected. The ones that have not is on the agenda for tonight, correct. Executive Director Infrastructure & Development Services Ashley Lumpkin responded; she believes so. Councilmember Grimm requested the record to reflect that the question was asked and answered. City Attorney Mike Shaunessy further explained that if they are complete than this doesn't affect them. If they are not complete, then the action tonight allows you to go forward without restarting the process. City Manager Odis Jones added, meaning that the service plans were

complete. City Attorney Mike Shaunessy clarified that if the annexation is completed as of tonight then House Bill 347 doesn't affect them. If they are not, as a matter of law, complete before tonight, directing the city manager and city staff prepare a service plan allows you to proceed under the old law and complete that process under the old law as opposed to restart it all over again. Councilmember Snyder clarified if they have already authorized service plans on the current economic things they are working on, correct. Councilmember Grimm responded that the ones she asked about weren't economic. They were growth, where they not? Executive Director Infrastructure & Development Services Ashley Lumpkin confirmed, correct. Councilmember Grimm added that the ones they were working on were for them to keep their Ag exemption. Mayor Pro Tem Hines added that it was until they decided. Councilmember Grimm included it's was until they wanted to be annexed in. Executive Director Infrastructure & Development Services Ashley Lumpkin further clarified that there are two separate questions. To Councilmember Snyder's question, yes, the ones that we are currently working on were for the economic development reasons. We offered 15,000 acres of Ag exempt development agreements in lieu of annexation. We saw where the growth was going so that is when we went through and said here is the bigger growth corridors, here is where we potentially have a growth management weakness, so those are the tracts we were looking at. The 200 development agreements should be okay because HB 347 doesn't affect the developer agreements. Councilwoman Grimm struggles that there could be a loop hole. City Manager Odis Jones clarified that Council worked really hard with the people in the ETJ because they didn't want to be exposed to the growth. They were voluntary annexation agreements that we entered into. Are those exempt from this? If they are not, can the Council have a motion to also execute those service plans at the appropriate time? Mayor Pro Tem Hines added that the first readings have been done for all of those so it would fall under this motion. City Manager Odis Jones thought so too. City Attorney Mike Shaunessy shared that if you are concerned it is not complete, and want to complete it under the old law, then the path to take is to direct the preparation of the service plan. Mayor Pro Tem Hines asked if they should cover all of them anyway. City Attorney Mike Shaunessy responded it should cover anything that is not for a variety of reasons, began the annexation process. In many instances, the annexation process in Hutto was commenced because people outside the city were literally asking, will you bring us into the city and offer us those protections. The people who were living in and around the proposed waste transfer station certainly wish they had some protections. That is one of the reasons we had neighborhoods and groups of people saying, can you annex us? In this Legislative Session, House Bill 347, eliminated the distinction. It said everybody is tier 2. It provides that if you are just starting an annexation, you have to do it just like a tier 2 city had to do it 2 years ago. You have to have an election or have to have consent of a certain percent of the landowners, with other provisions in there. However, 347 provides this; if you started and haven't completed your annexation then you don't have to go back and start all over, and literally spend all of the money and time already spent. As long as before the effective date, you have directed your city

manager to prepare a service plan that covers the areas to be annexed and the ETJ. That is why we are here tonight. The bill is going to be enrolled into the Secretary of State's office, we believe, on Tuesday. The Governor's General Council says that is when the bill will be effective. If you pass this and direct your city manager and staff to prepare the service plan, then you don't have to start over on all of the developments that are in process. At the same time, it doesn't obligate you, if you get further down the road and decide this annexation isn't working for us or those people don't want to be in and we really don't want them, you can still walk away. All this says is that it allows you to keep going forward under the old law, rather than start the whole process over. Does it have implications of economic development, it absolutely does. Some of the annexations that are contemplated directly related to economic development and the related incentives that we are going to have to offer to get some of those businesses. City Attorney Mike Shaunessy concluded by asking if that makes sense.

Mayor Pro Tem Tom Hines responded that it makes perfect sense to him and that is why he thinks Council needs to pass this.

Councilmember Grimm asked how this affects all of the annexations that they just did. Mayor Pro Tem Hines clarified that Councilmember Grimm was referencing the voluntary annexation agreements. City Attorney Mike Shaunessy responded that as long as this annexation is complete, then this has nothing to do with it. Councilmember Grimm followed up by asking if they were complete. City Manager Odis Jones responded that the two parcels this will impact are the Franklin Property which is approximately 50 acres parcel as well as the Jonas property, in the targeted area for Perfect Game. There is another parcel, the Moore Family Farm. Executive Director Infrastructure & Development Services Ashley Lumpkin added that the Development Agreements in lieu of Annexations, in the big packet, those are not affected. This bill doesn't affect the development agreement in lieu of annexations, as she understands it. It more affects the unilateral annexations that we started going through to help then protect the ETJ residents that were most vocal and sensitive to development coming towards their areas. Councilmember Grimm shared that is what she is most concerned about. She wants to make sure this isn't going to screw anything up, because what we did protects them and their Ag exemptions. She doesn't want this to go on as planned then all of a sudden, we find out all the filings we did, the 3 weeks of meetings that she had with Ashley and the staff, was for nothing. Then they can possibly lose it to a different council or city manager ten to twenty years down the road. Executive Director Infrastructure & Development Services Ashley Lumpkin responded that those development agreements are fine. City Attorney Mike Shaunessy added that there is a lot in House Bill 347. If the annexation is complete then it is complete. Councilmember Grimm shared that is the biggest concern, more than anything else, are those people. Mayor Pro Tem Hines added that if there is a loop hole there isn't anything that Council can do about it, other than cover our bases. Councilmember Grimm worked really hard and doesn't want it to dismantle because of the senate and the house. City Attorney Mike

Shaunessy added that if anything changes it is because of the legislature. City Manager Odis Jones shared that this resolution covers all of that. Councilmember Snyder further shared that the Resolution also covers the annexations that haven't been covered yet. It is giving us the ability to create a service plan for the whole ETJ of the City. City Attorney Mike Shaunessy responded that is correct, but it is what the bill calls for. It doesn't mean you can annex the entire ETJ. Councilmember Snyder would like to protect the people we have already spoken to. City Attorney Mike Shaunessy explained that if the bill says if you start the process and provide people the service plan, then continue moving forward. For some reason the Bill said if you direct the City Manager and Staff to develop a service plan for everything you are going to annex and have started, and the whole ETJ. It has to be directed as the whole ETJ. Mayor Gaul clarified that if the Resolution is passed, anything started, we can continue in the process. City Attorney Mike Shaunessy confirmed that is correct. Any in the ETJ that has not started, will have to be under the new law. Councilmember Snyder asked if we keep track of our voluntary and forced annexations. Executive Director Infrastructure & Development Services Ashley Lumpkin responded, that the information is tracked. City Manager Odis Jones added that this started with growth in the ETJ. City Attorney Mike Shaunessy added the example of residents in Star Ranch wanting Hutto to annex, but they can't. Mayor Pro Tern Hines asked in regard to the limited annexation of Star Ranch, after the twenty years is up then will it be automatically annexed. Is it something we would need to follow the new law on? City Attorney Mike Shaunessy responded it will have to be under the new law.

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 6:37 p.m.

Respectfully submitted,

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

City Secretary