



**CITY OF HUTTO, TEXAS
REGULAR CITY COUNCIL MEETING
THURSDAY, SEPTEMBER 20, 2018 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
Patti Turner, Place 5
Terri Grimm, Place 6

AMENDED AGENDA

1. **CALL SESSION TO ORDER**

2. **ROLL CALL**

3. **INVOCATION**

4. **PLEDGE OF ALLEGIANCE**

5. **CITY COUNCIL COMMENTS**

5A. General Comments from City Council

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. **CONSENT AGENDA ITEMS:**

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

- 7A. Consideration and possible action approving the minutes of the September 6, 2018 Regular City Council Meeting and the September 13, 2018 Special Called City Council Meeting. (Lisa Brown)
- 7B. Consideration and possible action on a resolution adopting a Boards, Commissions and Committee Handbook. (Lisa Brown)

REGULAR AGENDA ITEMS

8. ORDINANCES:

- 8A. Consideration and possible action on the second and final reading of an ordinance approving a Specific Use Permit for 6081 FM 1660 North, to allow a car wash in the B-2 (General Commercial) zoning district. (Ashby Grundman)
- 8B. Consideration and possible action on the first reading of an ordinance regarding Atmos Energy Corporation's proposal to increase natural gas rates pursuant to its Statement of Intent filed on or about June 1, 2018. (Edena Atmore)
- 8C. Consideration of a public hearing and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type A. (James Bryson)
- 8D. Consideration of a public hearing and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type B. (James Bryson)
- 8E. Consideration of a public hearing 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 2018-19 Budget. (James Bryson)
- 8F. Consideration of a public hearing 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 2018-19 Budget. (James Bryson and Daniel Thornton)
- 8G. Consideration and possible action on the second and final 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 2018. (James Bryson)
- 8H. Consideration and possible action on the second and final reading of an ordinance ratifying an Ad Valorem tax increase for the 2018-19 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2018. (James Bryson)

- 8I. Consideration and possible action on the second and final reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2018 through September 30, 2019, and adopting the annual budget of the City of Hutto for Fiscal Year 2018-19. (James Bryson)
- 8J. Consideration of a public hearing and first reading of an ordinance of the City Council of the City of Hutto, Texas accepting and approving a service and assessment plan and assessment roll for Hutto Co-Op Public Improvement District; making a finding of special benefit to the property in the master improvement area of the district; levying special assessments against property within the district and establishing a lien on such property; providing for the method of assessment and the payment of the special assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (City Attorney)
- 8K. Consideration of a public hearing and first reading of an ordinance relating to development of the Co-Op District in the City of Hutto, Texas including dedicating a portion of ad valorem taxes collected on property located within Reinvestment Zone No. 1, City of Hutto, Texas; approving a loan agreement in connection with financing of projects within the Reinvestment Zone No. 1; authorizing the city manager to enter into a Public Improvement District administrative services agreement for Reinvestment Zone No. 1; approving the City of Hutto Economic Development Corporation Type B dedication of a portion of sales tax collected by the corporation to the Reinvestment Zone no. 1; approving a financing plan for the tax increment Reinvestment Zone No. 1 for the Co-Op District; and authorizing the city manager to enter into certain agreements relating to the Reinvestment Zone No. 1 and to approve amendments to those agreements.(City Attorney)

9. **RESOLUTIONS:**

- 9A. Consideration and possible action on a resolution regarding River Creek Development Corporation interlocal agreement, construction contract, consent letter with the Public Finance Authority and loan agreement. (City Attorney)
- 9B. Consideration and possible action on a resolution of the City of Hutto, Texas consenting to the issuance of certain bonds issued by the Public Finance Authority and authorizing the execution of continuing disclosure agreement relating to said bonds; and containing other matters related thereto. (City Attorney)

10. **OTHER BUSINESS:**

- 10A. Consideration and possible appointments to City Boards and Commissions, including Economic Development Corporations, and possible changes to terms for current and future appointees. (Lisa Brown)

- 10B. Presentation by the Planning and Zoning Commission Chairperson to provide an update on the Comprehensive Plan, as required by the City Charter. (Ashley Lumpkin and Jessica Romigh)
- 10C. Discussion and possible action on Capital Area Council of Governments (CAPGOC) involvement.
- 10D. Discussion and possible action on appointment process when a council member resigns.
- 10E. Presentation of the City Financials for the Month of August as well as investment reports as required by the fiscal and budgetary policy. (James Bryson)

11. **EXECUTIVE SESSION:**

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].

- 11A. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney regarding attorney services.
- 11B. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney regarding Eminent Domain.
- 11C. Executive Session, as authorized by Texas Government Code, Section 551.087, Deliberations regarding Economic Development pertaining to the Co-Op, Project South Asia, Project Music Play and Project Hospitality.

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

- 12A. Consideration and possible action relating to Eminent Domain.

13. **ADJOURNMENT**

CERTIFICATION

I certify that this notice of the September 20, 2018 Hutto City Council meeting was posted on the City Hall bulletin board of the City of Hutto on September 17, 2018 at _____.

Original Agenda Signed

Lisa L. Brown, 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 lisa.brown@huttotx.gov for assistance.

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 7A. **AGENDA DATE:** September 20, 2018

PRESENTED BY: Lisa Brown, City Secretary

ITEM:

Consideration and possible action approving the minutes of the September 6, 2018 Regular City Council Meeting and the September 13, 2018 Special Called City Council Meeting. (Lisa Brown)

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

Meeting minutes have been prepared and are presented for Council approval for the September 6 and September 13, 2018 City Council meetings.

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.

SUPPORTING MATERIAL:

1. [September 6, 2018 Minutes](#)
2. [September 13, 2018 Minutes](#)



**CITY COUNCIL
MEETING MINUTES
SEPTEMBER 6, 2018**

The Hutto City Council met in a regular session on Thursday, September 6, 2018, 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 present were Mayor Doug Gaul, Mayor Pro-tem Tom Hines, Councilmember Scott Rose, Councilmember Tim Jordan, Councilmember Patti Turner and Councilmember Terri Grimm. Councilmember Nathan Killough was absent.

Members of staff that were present were Odis Jones, City Manager; Helen Ramirez, Assistant City Manager; Byron Frankland, Chief of Police; Paul Hall, Assistant Chief of Police; Matt Rector, Executive Director of Public Works and Engineering; Eliska Padilla, Executive Director of Communications; Reena O'Brien, Director of Communications; Edena Atmore, Chief Financial Officer; James Bryson, Director of Finance; Ashley Lumpkin, Executive Director Business Development, Ashby Grundman, Director of City Planning; Jessica Bullock, Director of Economic Development; Allison Hosgood, Executive Director of Human Resources; Scot Stromsness, Executive Director of Community Services; Anthony Host, Director of Public Works and Construction; Suzanne Glass, Community Resource Officer; and Lisa Brown, City Secretary.

INVOCATION

The invocation was given by Pastor Fred B. Warren, Jr. – Little Ebenezer Baptist Church.

PLEDGE OF ALLEGIANCE

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

PROCLAMATION

Mayor Gaul presented a proclamation to Officer Suzanne Glass proclaiming Tuesday, October 2, 2018 as National Night Out in Hutto.

Officer Glass remarked that the first meeting to organize National Night Out was held the evening before and there were 17 neighborhoods participating this year.

OFFICIAL PROCLAMATION

WHEREAS, the National Association of Town Watch (NATW) is sponsoring a unique, nationwide crime, drug, and violence prevention program on October 2, 2018 entitled “National Night Out”; and

WHEREAS, the “35th Annual National Night Out” provides a unique opportunity for the City of Hutto to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and

WHEREAS, the citizens of Hutto play a vital role in assisting the Hutto Police Department through joint crime, drug and violence prevention efforts in the City of Hutto and is supporting “National Night Out 2018” locally; and

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

WHEREAS, police-community partnerships, neighborhood safety, awareness, and cooperation are important themes of the “National Night Out” program;

NOW THEREFORE, I, DOUG GAUL, Mayor of the City of Hutto do hereby call upon all citizens of Hutto to join the Hutto Police Department and the National Association of Town Watch in supporting the “35th Annual National Night Out” on October 2nd, 2018;

FURTHER, LET IT BE RESOLVED THAT, I, MAYOR DOUG GAUL, do hereby proclaim Tuesday, October 2nd, 2018 as “National Night Out” in Hutto.

PROCLAIMED this 6th day of September, 2018

CITY COUNCIL COMMENTS

There were no comments from Council.

PUBLIC COMMENT

Todd Milster – 105 Paddington Way – wanted to express his concern to the Council about drivers speeding and running the stop sign at Decker and Paddington Way and endangering the children and adults who may be walking or playing in or near the cul-de-sac.

Mr. Jones requested Matt Rector address the situation.

CONSENT AGENDA

Motion: Councilmember Grimm made a motion to pull Item 8B from the Consent Agenda. Mayor Pro-tem Hines seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

Motion: Mayor Pro-tem Hines made a motion to pull Item 8C from the Consent Agenda. Councilmember Rose seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

8A. Consideration and possible action approving the minutes of the August 9, 2018 Special Called City Council Meeting, August 16, 2018 Regular City Council Meeting, August 23, 2018 Special Called City Council Meeting, and Amended Minutes for the May 17, 2018 Regular City Council Meeting.

8D. Consideration and possible action on a resolution authorizing the City Manager to enter into a purchase agreement for a pavement striping.

8E. Consideration and possible action on a resolution authorizing the City Manager to delay the project and terminate contracts for the design and construction of the Limmer Loop Sidewalk as part of the Transportation Alternatives Program.

Motion: Councilmember Rose made a motion to approve Items 8A, 8D and 8E on the Consent Agenda. Mayor Pro-tem Hines seconded the motion.

Vote: Ayes Mayor Doug Gaul

Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

- 8C. Consideration and possible action on the second and final reading of an ordinance amending the Code of Ordinances (2014 Edition), Chapter 16, Article 16.02 Unified Development Code (UDC) Chapter 2 Section 10.202: Definitions, Chapter 3 Sections 10.304.9: Temporary Uses and 10.310: Temporary Uses, and Chapter 4 Section 10.403.5: Setback encroachments and exceptions.

Ashby Grundman, Director of City Planning, presented the ordinance with the amendments from the previous meetings. Councilmember Grimm requested clarification regarding the language in Section 10.310.53 where it mentions streets in the historic district overlay that about the Co-Op District that no longer exists. It was suggested that portion of the sentence be removed.

Motion: Mayor Pro-tem Hines made a motion to approve the ordinance with the amendments as stated. Councilmember Rose seconded the motion.

Vote:

Ayes	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Patti Turner Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

- 8B. Consideration and possible action on a resolution approving the proposed City of Hutto and Williamson County Interlocal Agreement on Subdivision Platting in the Extraterritorial Jurisdiction.

Ashley Lumpkin, Executive Director of Development Services, advised the Council that the City would like to take the lead on the Plat review process for project in the City's ETJ. It recently came to Mrs. Lumpkin's attention that several plats that were submitted to the County for review and comment were approved without being forwarded to the City for review first. In one instance the project was approved to use a septic system instead of being required to connect to the City's wastewater system.

Mayor Pro-tem Hines wanted to know the County's position on the agreement and was informed the Commissioners' Court has been provided with a draft but has not responded with any comments

Mr. Jones remarked that the County has not been notifying the City when plats are filed with them first and it is creating a difficult situation for the City. The County is not living up to the spirit of the agreement.

Councilman Jordan and Mayor Gaul wanted to know if we take control of the process would the County have overriding authority. Mrs. Lumpkin stated yes, but the County does have the ability to comment.

Motion: Councilmember Grimm made a motion to approve the resolution approving the proposed interlocal agreement. Councilmember Turner seconded the motion.

Vote:

Ayes	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Patti Turner Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

REGULAR AGENDA ITEMS

ORDINANCES

- 9A. Consideration and possible action on the first reading of an ordinance approving a Specific Use Permit for 6081 FM 1660 North, to allow a car wash in the B-2 (General Commercial) zoning district.

Mr. Grundman, presented the project for a car wash at the corner of Limmer Loop and FM 1660 North that had previously been brought before Council where there were concerns expressed about whether or not TxDot would need a right-of-way when they fixed the intersection.

Matt Rector, Executive Director of Engineering & Public Works addressed the Council and advised the Council the parties have worked out a solution.

Motion: Mayor Pro-tem made a motion to approve the ordinance as written. Councilmember Turner seconded the motion.

Vote: Ayes Mayor Doug Gaul
 Mayor Pro-tem Tom Hines
 Councilmember Scott Rose
 Councilmember Patti Turner
 Councilmember Terri Grimm
 Nays Councilmember Tim Jordan

 Absent Council Member Nate Killough

Action: The motion passed 5 ayes, and 1 nays

9B. Consideration and possible action on the first reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type A.

Motion: Mayor Pro-tem Hines made a motion to accept the ordinance as written.
 Councilmember Grimm seconded the motion.

Vote: Ayes Mayor Doug Gaul
 Mayor Pro-tem Tom Hines
 Councilmember Scott Rose
 Councilmember Tim Jordan
 Councilmember Patti Turner
 Councilmember Terri Grimm
 Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9C. Consideration of a public hearing and possible action on the first reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type B.

A public hearing was opened at 7:31 p.m. and with no public comment the hearing was closed at 7:32 p.m.

Motion: Mayor Pro-tem Hines made a motion to accept the ordinance as written.
 Councilmember Rose seconded the motion.

Vote: Ayes Mayor Doug Gaul
 Mayor Pro-tem Tom Hines
 Councilmember Scott Rose
 Councilmember Tim Jordan
 Councilmember Patti Turner
 Councilmember Terri Grimm
 Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9D. Consideration of a public hearing and possible action on the first reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type A Fiscal Year 2018-19 Budget.

James Bryson, presented the ordinance for Hutto Economic Development Corporation Type A Board budget for 2018-19 to Council for comment.

A public hearing was opened at 7:30 p.m. and with no public comment the hearing was closed at 7:30 p.m.

Motion: Mayor Pro-tem Hines made a motion to accept the ordinance as written. Councilmember Grimm seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9E. Consideration of a public hearing and possible action on the first reading of an ordinance concerning the adoption of the Hutto Economic Development Corporation - Type B Fiscal Year 2018-19 Budget.

Mr. Bryson, presented the amended budget for 2018 to Council for comment.

A public hearing was opened at 7:33 p.m., and with no public comment the hearing was closed at 7:34 p.m.

Motion: Councilmember Rose made a motion to accept the ordinance as written. Councilmember Grimm seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm

Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9F. Consideration of and possible action on the second reading of an ordinance of the City of Hutto, Texas amending the fiscal year 2017-2018 budget to beginning fund balances to audited amounts, organizational restructure, merit distributions and other miscellaneous adjustments.

Mr. Bryson, presented the amended budget for 2018 to Council for comment.

Motion: Mayor Pro-tem Hines made a motion to approve the ordinance as presented. Councilmember Jordan seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9G. Consideration of a public hearing 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 2018-2019.

Mr. Bryson presented the ordinance for the Fiscal Year 2018-2019 Budget to the Council setting the tax rate at .515171, the same as last year.

A public hearing was opened at 7:37 p.m., and there being no public comment, the hearing was closed at 7:37 p.m.

Motion: Mayor Pro-tem Hines made a motion to accept the first reading of the ordinance levying Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2018-2019. Councilmember Jordan seconded the motion.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner

Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9H. Consideration of a public hearing and possible action on the first reading of an ordinance ratifying an Ad Valorem tax increase for the 2018-19 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2018.

Mr. Bryson presented an ordinance to the Council ratifying the Ad Valorem tax increase for the Fiscal Year 2018-19.

A public hearing was opened at 7:40 p.m., and there being no public comment, the hearing was closed at 7:40 p.m.

Motion: Councilmember Jordan made a motion to accept the first reading of the ordinance ratifying an Ad Valorem tax increase for the 2018-19 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2018. Mayor Pro-tem seconded the motion.

Vote:

Ayes	Mayor Doug Gaul
	Mayor Pro-tem Tom Hines
	Councilmember Scott Rose
	Councilmember Tim Jordan
	Councilmember Patti Turner
	Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

9I. Consideration of a public hearing regarding the proposed Fiscal Year 2018-19 Budget 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, 2018 through September 30, 2019, and adopting the annual budget of the City of Hutto for the Fiscal Year 2018-19.

Mr. Bryson presented an ordinance regarding the proposed Fiscal Year 2018-19 Budget.

A public hearing was opened at 7:43 p.m., and there being no public comment, the hearing was closed at 7:44 p.m.

Motion: Mayor Pro-tem Hines made a motion to accept the first reading of the ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2018 through September 30, 2019, and adopting the annual budget

of the City of Hutto for the Fiscal Year 2018-19. Councilmember Jordan seconded the motion.

Vote:

Ayes	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Patti Turner Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

- 9J. Consideration of a public hearing and possible action regarding an ordinance of the City Council of the City of Hutto, Texas accepting and approving a service and assessment plan and assessment roll for Hutto Co-Op Public Improvement District; making a finding of special benefit to the property in the master improvement area of the district; levying special assessments against property within the district and establishing a lien on such property; providing for the method of assessment and the payment of the special assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date.

A public hearing was opened at 7:45 p.m., and there being no public comment, the hearing was closed at 7:45 p.m.

- 9K. Consideration of a public hearing and possible action regarding an ordinance relating to development of the Co-Op District in the City of Hutto, Texas including dedicating a portion of ad valorem taxes collected on property located within Reinvestment Zone No. 1, City of Hutto, Texas; approving a loan agreement in connection with financing of projects within the Reinvestment Zone No. 1; authorizing the city manager to enter into a Public Improvement District administrative services agreement for Reinvestment Zone No. 1; approving the City of Hutto Economic Development Corporation Type B dedication of a portion of sales tax collected by the corporation to the Reinvestment Zone no. 1; approving a financing plan for the tax increment Reinvestment Zone No. 1 for the Co-Op District; and authorizing the city manager to enter into certain agreements relating to the Reinvestment Zone No. 1 and to approve amendments to those agreements.

A public hearing was opened at 7:46 p.m., and there being no public comment, the hearing was closed at 7:46 p.m.

The Council recessed at 7:46 p.m. to an Executive Session as authorized by Texas Government Code, Section 551.71, consultation with attorney to discuss Items 9J and 9K. The meeting was reconvened at 8:13 p.m.

9J Motion: Councilmember Rose made a motion to accept the first reading of the ordinance accepting and approving a service and assessment plan and assessment roll for Hutto Co-Op Public Improvement District; making a finding of special benefit to the property in the master improvement area of the district; levying special assessments against property within the district and establishing a lien on such property; providing for the method of assessment and the payment of the special assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. Councilmember Jordan seconded the motion.

Vote:

Ayes	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Patti Turner Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

9K Motion: Mayor Pro-tem Hines made a motion to accept the first reading of the ordinance relating to development of the Co-Op District in the City of Hutto, Texas including dedicating a portion of ad valorem taxes collected on property located within Reinvestment Zone No. 1, City of Hutto, Texas; approving a loan agreement in connection with financing of projects within the Reinvestment Zone No. 1; authorizing the city manager to enter into a Public Improvement District administrative services agreement for Reinvestment Zone No. 1; approving the City of Hutto Economic Development Corporation Type B dedication of a portion of sales tax collected by the corporation to the Reinvestment Zone no. 1; approving a financing plan for the tax increment Reinvestment Zone No. 1 for the Co-Op District; and authorizing the city manager to enter into certain agreements relating to the Reinvestment Zone No. 1 and to approve amendments to those agreements. Councilmember Rose seconded the motion.

Vote:

Ayes	Mayor Doug Gaul Mayor Pro-tem Tom Hines Councilmember Scott Rose Councilmember Tim Jordan Councilmember Patti Turner Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays

RESOLUTIONS

10A. Consideration and possible action on a resolution approving the proposed Hutto Annexation Policy and Program Plan 2018-2020.

Jessica Romigh, Chair of the Planning and Zoning Commission advised the Council that the Commission reviewed the plan and voted to 7-0 to recommend the annexation policy. The Commission would also like to have at least one work session to review the plan and discuss the direction of the City.

Councilmember Jordan asked if they wanted a work session with Council – Yes, but to also have one where the Commission can learn more about SB6 and the growth corridors.

Ashley Lumpkin remarked that 3 of the commissioners are attending the State conference where SB6 and the changes in annexation in the State. Ms. Lumpkin also provided an overview of the proposed annexation policy and how it will benefit those in the ETJ and will allow the City to better plan its growth.

Councilmember Grimm remarked that this was really good to have this policy going forward.

Motion: Mayor Pro-tem Hines made a motion to approve the resolution approving the Hutto Annexation Policy and Program Plan for 2018-2020. Councilmember Grimm seconded the resolution.

Vote:

Ayes	Mayor Doug Gaul
	Mayor Pro-tem Tom Hines
	Councilmember Scott Rose
	Councilmember Tim Jordan
	Councilmember Patti Turner
	Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

10B. Consideration and possible action regarding authorization of the formation of a special purpose corporation to assist the City with development and financing of improvements to benefit citizens of the City and approval of the bylaws related to the corporation.

Bill Bingham, City Attorney, presented a resolution for the formation of a financial mechanism to fund the infrastructure in the Co-Op. A mechanism for the developer to pay for the utilities at the Co-Op.

Councilmember Grimm wanted more information on the River Creek Corporation. She wanted to know how we got here with so little conversation by the Council.

Mr. Bingham remarked that this mechanism was recommended by the City's financial advisors and tax counsel as a way for the developer to finance the project. It is very similar to what was discussed with the Council in the past just in a little bit different structure. It will be useful for other projects in the future.

Councilmember Grimm wanted to know how we already have bylaws and 3 Board of Directors. She stated she has never discussed this here or in executive session.

Mr. Jones replied that it was a recommendation from tax counsel.

Councilmember Grimm remarked that if the Council approves it those directors will be set in place, yes or no?

Councilmember Jordan stated that if the Council approves it yes, but it's just a recommendation and we're here to discuss it.

Councilmember Grimm wanted to know how it is she is just now finding out about the corporation.

Mr. Jones stated that we [the Council and staff] have been discussing this transaction for a year and a half and the Council has taken 5 actions to date. This item is being proposed to allow the City to have more flexibility, in not only financing, but to structure it in a way that the City is not financially on the hook and it also provides an avenue for the City to do future deals as well. This is a basic corporation. In order to propose this to the Council corporation documents had to be filed. Mr. Jones suggested the three board members, but if the council so chooses they can appoint different board members. Also, the County has delayed the project by some of their actions and this action is on schedule to close with the bonds. If we cannot close on the bonds then the project will have to come to a halt because we cannot pay for or finance the remaining infrastructure.

Councilmember Grimm has no problem with the corporation. She believes it is a good idea, but does not believe that it is a good idea to have three council members as the board of directors starting out. She does not agree with the three council members on the board. Has not had enough time to go over the bylaws.

Mayor Pro-tem Hines believes the board members can go over the bylaws and make any necessary changes at a later time. Questioned if the recommendation of council members as board members came from the tax counsel?

Mr. Jones stated he randomly picked three council members, but was advised by tax counsel that they should be council members.

Mr. Bingham stated that they need to be Council members but there must be a minimum of three directors.

Councilmember Grimm wanted to know where is the line for conflict of interest? How is having council members on the board not a conflict of interest?

Mr. Jones stated there is no conflict – Councilmember Jordan sits on the EDC Board and Councilmember Killough sits on the TIRZ Board. At the end of the day, whatever action is taken by the board still has to be ratified by the Council.

Councilmember Grimm stated that she did not agree with a councilmember sitting on the TIRZ Board.

The statute permits and it is the advice of counsel that councilmembers be appointed as directors of the board.

Mr. Bingham stated it is set up under the Texas Transportation Code which gives authority, states service as a board member of this local government corporation is not a conflict with a public servant serving in another capacity such as the City Council.

Councilmember Grimm still needs more time to read the bylaws and does not agree with councilmembers sitting on the board.

Councilmember Jordan asked who should sit on the board. Councilmember Grimm does not know but thinks the Council should talk about it some more. It is not a decision they can just sit up there and make. We don't go through the applications for other boards and just throw them up there.

Councilmember Jordan believes this is different than other boards. Its taking money from the PID money that's being taken in same as the TIRZ Board Money being taken in for a specific reasons Corp allows you to do bonds and advance financing and pay it back.. This is just a shell.

Mr. Jones stated this is a sub-board to the Council and will operate the same as the EDC does.

Councilmember Grimm remarked we don't have any other board except the EDC until just recently that has a council member appointed.

Councilmember Jordan stated we don't have any other board that has a check book and that's the difference.

Councilmember Grimm stated doesn't have a problem with a councilmember on the board, what she has a problem with is all three directors being council members. She would like to see the law that says they must be council members.

Mr. Bingham remarked the law says you must have 3 board directors and 3 incorporators. The council has control of the bylaws

Mr. Jones Council can always decide later that if they want to change the directors later they can. The reason he is recommending this now is to keep the project on schedule. There are tenants that are listening and people that have pledged to invest hundreds of millions of dollars towards this project.

Councilmember Jordan stated we have had boards and commissions on our agenda for the last three months and we can't even fill those positions, he doesn't know where we would find seven people to fill this board. We can't sit around and wait on insignificant stuff like this.

Motion: Mayor Pro-tem Hines made a motion authorization of the formation of a special purpose corporation to assist the City with development and financing of improvements to benefit citizens of the City and approval of the bylaws related to the corporation. Councilmember Jordan seconded the motion

Vote:

Ayes	Mayor Doug Gaul
	Mayor Pro-tem Tom Hines
	Councilmember Scott Rose
	Councilmember Tim Jordan
	Councilmember Patti Turner
Abstain	Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 5 ayes, and 0 nays, 1 abstention

OTHER BUSINESS

11A. Discussion on and consideration of a Boards, Commissions and Committee Handbook.

Lisa Brown, City Secretary, presented a proposed handbook for the Council to consider presenting to the boards and commissions that outlines their responsibilities and policy and procedures.

Mayor Pro-tem Hines wanted to thank Ms. Brown and Eliska Padilla for all their work on in putting this together. He believes this is something that has been needed for a long time. It has a lot of good information for newer members.

Mayor Gaul echoed the Mayor Pro-tem's comments. He asked the Council to review the handbook and if they had any recommendations or changes that they send them to Ms. Brown.

The handbook will be on the agenda on the 20th again and hopefully it can be presented to the board and commission members at the joint meeting on September 22.

11B. Consideration and possible action regarding appointments of new members to the Boards and Commissions.

Motion: Councilmember Grimm made a motion to amend the term of Rose McMillian on the Parks Advisory Board to end in June 2019. Councilmember Jordan seconded the amendment.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

Motion: Councilmember Grimm made a motion to amend the term of Patricia Elsasser on the Library Advisory Board to end in June 2019. Mayor Pro-tem Hines seconded the amendment.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

Motion: Councilmember Grimm made a motion to amend the term of Maureen Rooker on the Building & Standards Commission to end in June 2019. Mayor Pro-tem Hines seconded the amendment.

Vote: Ayes Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm
Absent Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

Councilmember Jordan asked if the Council could do all the amendment of terms by one motion.

Discussion ensued on the proper procedure on how to amend all the existing terms in one motion.

The Council adjourned to executive session at 11:07 p.m. and reconvened at 12:14 a.m.

EXECUTIVE SESSION

12A. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney on the proposed mediation settlement agreement regarding the CCN.

12B. Executive Session, as authorized by Texas Government Code, Section 551.087, Deliberations regarding Economic Development pertaining to Project Music Play.

12C. Executive Session, as authorized by Texas Government Code Section 551.087, deliberations regarding Economic Development, as it relates to Project Butterfly

No action was taken in Executive Session.

ACTION RELATIVE TO EXECUTIVE SESSION:

13A. Consideration and possible action on the proposed mediation settlement agreement on the CCN.

Motion: Mayor Pro-tem Hines made a motion to authorize the City Attorney or the City Manager to execute a mediation settlement agreement regarding the CCN. Councilmember Grimm seconded the

Vote:

Ayes	Mayor Doug Gaul
	Mayor Pro-tem Tom Hines
	Councilmember Scott Rose
	Councilmember Tim Jordan
	Councilmember Patti Turner
	Councilmember Terri Grimm
Absent	Council Member Nate Killough

Action: The motion passed 6 ayes, and 0 nays.

13B. Consideration and possible action relating to Project Butterfly.

No action

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 9:59 p.m.

CITY OF HUTTO

Doug Gaul, Mayor

ATTEST:

Lisa L. Brown, City Secretary



**CITY COUNCIL SPECIAL CALLED
MEETING MINUTES
SEPTEMBER 13, 2018**

The Hutto City Council met in a special session on Thursday, September 13, 2018, in the Hutto City Council Chamber, 401 W. Front Street, Hutto, TX 78634.

CALL SESSION TO ORDER

Mayor Pro-tem Hines called the session to order at 7:00 p.m.

ROLL CALL

Members of the City Council present were Councilmember Scott Rose, Mayor Pro-tem Tom Hines, Councilmember Patti Turner. Councilmember Terri Grimm and Mayor Doug Gaul were absent.

Members of staff that were present were Odis Jones, City Manager; Byron Frankland, Helen Ramirez, Assistant City Manager; Chief of Police; Eliska Padilla, Executive Director of Communications; James Bryson, Director of Finance; Ashley Lumpkin, Executive Director Business Development, Matt Rector, Executive Director of Engineering and Public Works; Scot Stromsness, Executive Director of Community Services and Lisa Brown, City Secretary.

INVOCATION

The invocation was provided by Pastor James Skorzewski of Christ the Rock Church, Hutto, Texas

PUBLIC COMMENT

There were no public comments.

PUBLIC HEARINGS

- 4A. Open and conduct the second and final public hearing regarding the proposed ad valorem tax rate.

The Mayor Pro-tem opened the public hearing at 7:01 p.m., there being no public comment, the public hearing was closed at 7:02 p.m.

- 4B. Open and conduct a second and final public hearing regarding the levying of Ad Valorem taxes for the use and support of the municipal government for the City of Hutto for the Tax Year 2018-19.

A public hearing was opened at 7:02 pm, there being no public comment, the hearing was closed at 7:02 pm.

4C. Open and conduct a second and final hearing regarding the proposed City of Hutto Budget for Fiscal Year October 1, 2018 through September 30, 2019

A public hearing was opened at 7:02 pm, there being no public comment, the hearing was closed at 7:02 pm.

ADJOURNMENT

There being no further business to be heard, the meeting was adjourned at 7:03 p.m.

CITY OF HUTTO

Tom Hines, Mayor Pro-tem

ATTEST:

Lisa L. Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 7B. **AGENDA DATE:** September 20, 2018

PRESENTED BY: Lisa Brown, City Secretary

ITEM: Consideration and possible action on a resolution adopting a Boards, Commissions and Committee Handbook. (Lisa Brown)

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

The City of Hutto has numerous boards, commissions and committees, which are an integral part of citizen participation in local government, and serve in an advisory capacity to the City Council on a variety of topics and projects.

The handbook defines the purpose, duties and responsibilities of each board, commission and committee, and will serve as a guide for appointees.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends the handbook be accepted and the resolution passed.

SUPPORTING MATERIAL:

1. [B&C Handbook](#)
2. [Resolution](#)



BOARDS, COMMISSIONS AND COMMITTEE HANDBOOK

MAYOR
Doug Gaul

MAYOR PRO TEM
Tom Hines

COUNCIL MEMBERS
Scott Rose, Place 1
Nathan Killough, Place 3
Tim Jordan, Place 4
Patti Turner, Place 5
Terri Grimm, Place 6

CITY MANAGER
Odis Jones

September 2018

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WELCOME

Welcome to the City of Hutto! Your selection as an active member of a board or commission provides you with a valuable opportunity for genuine public service and we thank you for your contribution. Although specific duties of each board and commission vary widely, there are certain responsibilities common to all board and commission members. These guidelines will assist you in maximizing your contribution to our community.

The City of Hutto relies on the energy and community oriented citizens of the City. Without the help of committed citizens, the City would not be able to function. Each board, commission and committee plays a vital and significant role and helps to keep Hutto vital, responsive and responsible. This commitment is reflected in the service the citizens provide by serving on the various boards by volunteering the time necessary to improve the quality of life for everyone in Hutto.

The City Council appoints members of the community to boards and commissions to act as advisors on a wide variety of topics and projects. The boards and commissions act in an advisory capacity to the City Council, the City Manager or to departments of the City of Hutto. The tasks vary depending upon the type of organizations, but generally include reviewing long-range plans and suggesting changes, modifications or additions to the plans. The advisory groups are not responsible for day-to-day operations of departments, operating policies of departments or the business decisions of the City.

All City of Hutto boards, commissions, committees, and task forces serve at the pleasure of the City Council. Each of these entities was created for a different reason and has a different relationship with both the City Council and the City support staff. Each appointed body has a specific scope of authority as provided by City Ordinance and/or State Statute.

These advisory bodies are an integral part of citizen participation in local government and an important asset to the city for proper growth and development and the long-term stability of our city.

CHAPTER I

INTRODUCTION TO CITY GOVERNMENT

1.01 City Charter

The City of Hutto is a Home Rule form of government. Home Rule municipalities operate under a charter approved by the voters in accordance with Article XI, Section 5 of the Texas Constitution and the Local Government Code Chapter 9.

The City of Hutto Charter was first adopted by the voters of the City at an election held on February 7, 2004 and last updated in the May 6, 2017 General Election.

The City of Hutto operates under a "City Council - Manager" form of government. The City Council enacts local legislations, adopts budgets, determines policies and appoints the City Manager. The City Manager is responsible to the City Council for the execution of the laws and the administration of the government of the City.

The City of Hutto Charter may be located on the City website:
http://www.huttotx.gov/government/city_secretary/city_charter.php under the City Secretary's principal documents.

1.02 City Council

The Hutto City Council is composed of six councilmembers who are elected at-large and who are elected on a non-partisan basis for a term of three years, and a Mayor who is elected at large for a three year term. The Mayor Pro-tem is chosen from among the entire Council and serves a one year term.

The City Council serves as the community's legislative body and has the responsibility of enacting ordinances, appropriating funds to conduct City business, and providing policy direction. By provision of the Charter, City Councilmembers are specifically prohibited from giving direction to any of the City staff members, except for the City Manager, City Attorney, and Municipal Judge.

1.03 Mayor

The Mayor is the ceremonial head of the City government and serves as the chairman of, and presides over City Council. The Mayor signs all official documents such as ordinances, resolutions, conveyances, grant agreements, official plats, contracts, bonds, except for those documents which the City Manager is authorized to sign documents.

1.04 City Manager

The City Manager is the chief executive officer of the City and is responsible for the overall management of City operations.

Functions of the City Manager include:

- Implementing policy decisions and legislative actions taken by the City Council
- Making recommendations to City Council
- Overseeing the operations of the City of Hutto
- Prepares the City budget

1.05 City Secretary

The City Secretary is the local official who maintains the integrity of the election process, ensures transparency and access to city records, facilitates the legislative process, and is the recorder of local history. The City Secretary acts as the compliance officer for federal, state, and local statutes, including the Open Meetings Act and the Public Information Act, and serves as the filing authority for campaign finance reports and financial disclosure statements. The City Secretary also serves as a liaison to the City Council.

1.06 Boards and Commissions

Boards and commissions are created by City ordinance and appointed by the City Council to advise the Council on various issues and perform such functions as the Council may designate. The ordinance establishing each board or commission prescribes the powers, duties, and operating procedures of the board or commission; and establishes the terms of office of the board or commission members, including initial overlapping terms

Each board is unique in its purpose, mission and role. It is especially important that members be familiar with their board's governing statutes or other authorizing directives so they understand the framework within which the board must operate.

1.07 Types of Boards

- a. **Advisory Boards.** The members serve as advisers on policy matters to the appointing authority responsible for administering policy. Advisory boards may study policy and make recommendations for changes or implementation. Advisory boards do not have authority to enforce policy or create rules, but their analysis and recommendations can play an important role in furthering the effective operation of state government.
- b. **Policy-Making Boards.** These boards generally receive their authority by statute. Policies are created through careful analysis and interpretation of legislative intent, as set forth in law. Policy-making boards often serve as governing boards for an agency. The boards may be responsible for directing the agency, approving budgets, creating and implementing agency policy, or appointing the agency director. Members of these boards have final decision-making authority.
- c. **Regulatory Boards.** These boards may have some of the responsibilities of the advisory and policy boards, depending on the statute or order under which they were created. Usually, these boards are created by the Legislature, and perform rule-making or quasi-judicial functions. In fulfilling these functions, the board may operate as a legislative body or as a review and appeals body. As an appeals body, regulatory boards hear individual cases and issue rulings; board decisions, however, are subject to judicial appeal.

CHAPTER 2

GENERAL INFORMATION

2.01 General Provisions

Details about the boards and commissions may be found in Article 12, Boards and Commissions and Article 13, Section 13.03, Ethics of the City Charter. The City Council may, by ordinance, establish appointive boards and commissions to advise the Council on various issues and perform such functions as the Council may designate. The ordinance establishing each board or commission prescribes the powers, duties, and operating procedures of the board or commission; and establishes the terms of office of the board or commission members, including initial overlapping terms.

All board and commission members are subject to removal by the Council with or without cause. Any vacancy during the unexpired term of any member is filled by the Council for the remainder of the term. Each board and commission shall choose its own officers from among its members. The Council may change any or all of the powers, duties and procedures of any board or commission and may abolish any board or commission, which is not required by charter or law.

2.02 Responsibilities

To be selected as a City board or commission member is a high honor and provides an unusual opportunity for genuine public service. Although specific duties of each vary widely with the purpose for which they are formed, there are certain responsibilities that are common to all members. The following is a summary of those responsibilities.

- Understand the role and scope of responsibility. Be informed of the individual board or commission's scope of responsibility and operating procedures.
- Be careful to represent the majority views of your individual board or commission. Individual "opinions" to the public and press are discouraged and, if given, should be identified as such.
- Members should represent the public interest and not special interest groups.

- Members are in a unique position of serving as a liaison between the City and its citizens and can help to reconcile contradictory viewpoints and to build a consensus around common goals and objectives.
- Do your homework and be thorough in recommendations. View situations under consideration prior to the meeting in order to be fully prepared to discuss, evaluate, and act on all matters scheduled for consideration. Conclusions based on careful preparation will strengthen the value of the group's recommendations.
- Participate in continuing education opportunities offered by the City or related affiliate organizations.
- Supportive relationships with the City Council and City staff are basic for successful operation of any board or commission. In contacting City personnel on items of consideration, the proper channel is through the designated City staff person providing staff support for your group.
- Establish a good working relationship with fellow group members. Respect individual viewpoints, allow other members time to present their views fully before making comments, be open and honest, welcome new members, and strive to minimize political action on issues.
- Council appointments to boards or commissions are made without regard to political party affiliation. Members are not restricted from participating in political activities; however, members should not use or involve their membership in the conduct of political activities.

2.03 Attendance Policy

Upon application for and acceptance of appointment, board and commission members demonstrate their intention and ability to attend meetings. If a member experiences recurring attendance problems, the chairperson of the board or commission (or if the chair is the person experiencing the attendance problems, then the vice chair) should contact either the City Staff Liaison or the City Secretary's Office, so that he or she can work with the Council to address the issue.

Any member of a city board, commission or corporation who is absent for 25 percent or more of the meetings, within a 12-month period, may become eligible to be removed from said board, commission or corporation board unless prior written notification of the absence has been submitted to the City Staff Liaison, chair or the vice chair.

A written notice shall be sent to the member by the City Staff Liaison, and City Council when it appears that an individual has violated the attendance policy. The council will review each case and decide on removal or other action. If a member is removed from a board, commission, or corporation board, that position shall be considered vacant and a new member shall be appointed by the city council.

In the event that a vacancy occurs by reason of this policy, the City Staff Liaison and the chair of the affected board or commission shall immediately notify the City Secretary so that the vacancy can be filled by the Council.

2.04 Resignations.

If you are unable to complete your term, it is important to inform your Councilmember and the appropriate City Staff Liaison for your board. A letter of resignation should be sent to the Councilmember and City Staff Liaison indicating the date your resignation is effective and whether you are able to serve until a replacement is named.

2.05 Vacancies

City Staff Liaisons are responsible for notifying the City Secretary's Office when a member resigns or a vacancy exists for other reasons. The City Secretary's Office will notify the City Council and begin the process of filling the vacancy.

2.06 City Staff Liaison Functions.

The primary function of the City Staff Liaison is to carry out the rules, policies and programs developed by the board. In addition, City Staff Liaisons notify board members of pertinent issues and legislative activity. They also arrange meetings, prepare meeting materials, compile background information and conduct research.

The City Staff Liaison is responsible for the following:

- Prepare the agenda and review it with the chairperson prior to distribution.
- Distribute the agenda packet or necessary documents that are on the agenda.
- Ensure the recording and distribution of meeting minutes.
- Ensure new members are oriented to the board, including procedures and projects.
- Prepare bi-annual attendance record and submit to City Secretary when requested.
- Ensure the appointment of officers is held during the first meeting of the year (July).
- Inform the City Secretary's office of the results of each appointment of officers.
- Advise the City Secretary's office of the following:
 - o Attendance problems
 - o Resignations
 - o Meeting schedule/location changes
 - o Name/address/phone number changes for board members

It should be noted the City Staff Liaisons are not authorized to:

- o Serve as a resource for projects not on the board's work plan.
- o Serve as a communications link between the City Council and board members.

2.07 Quorum.

A quorum is the number of members who must be present to conduct official business. If a quorum is not present, any business transaction is null and void. The quorum protects against unrepresentative actions by a small number of individuals. At meetings where a quorum is not present, the only actions that may be legally taken are to fix a time for adjournment, adjourn, recess or take measures to obtain a quorum (such as contacting absent members).

2.08 Membership Limitations

For the purpose of this provision, the balance of an unexpired term served by a person appointed to fill a vacancy shall be considered a "complete term" if such unexpired term exceeds 24 months. This limitation does not apply to committees deemed to be temporary in nature.

All persons appointed, or reappointed, to any board or commission shall be a registered voter and shall have resided within the City of Hutto for at least one year. Any

member serving on a board or commission who relocates outside the Hutto city limits during his or her term of service on a board or commission, regardless of his or her date of appointment or reappointment, shall resign his or her membership. The only exception is a member of the Economic Development Corporation, who according to the City Charter must live within the county.

2.09 City Secretary's Role

To take the lead in filling vacancies, reviewing applications, and maintaining the minutes for the board or commission. Serve as the primary informal City Council contact for boards or commissions. To facilitate the training of new board and commission members by providing suggestions and relevant information to the City Staff Liaison members responsible for providing such training.

2.10 Orientation and Training

City Staff provides yearly training with regard to the structure and operation of City government and the legal and ethical duties and responsibilities of board and commission members. All members of City boards and commissions are required to complete the open meetings training by viewing the Open Meetings Act Training video provided on the website of the Attorney General of Texas at <https://www.texasattorneygeneral.gov/og/open-government-training>. This requirement must be fulfilled within three months (90 days) of the appointment of any member. A certificate acknowledging this training shall be submitted to the City Secretary.

Record of compliance with this requirement will be maintained in the office of the City Secretary and retained for at least two years following the expiration of each board and commission member's term of office.

Additionally, the City Secretary shall provide orientation and training for all newly appointed board members and provide pertinent materials, which will assist new members in becoming fully functioning members of the board. Established board members are encouraged to share their experience and knowledge with new members.

2.11 Preparation.

Adequate preparation is another requisite for effective board membership. Your board's City Staff Liaisons will provide reports, proposals and other information to help you make informed decisions. Do not hesitate to request additional information you need to make thoughtful and appropriate decisions.

In a nutshell, effective board members:

- Attend all board meetings.
- Are well prepared for meetings.
- Recognize that serving the public interest is the top priority.
- Recognize that the board must operate in an open and public manner.
- Are knowledgeable about the legislative process and issues affecting the board.
- Examine all available evidence before making a judgment.
- Communicate well and participate in group discussions.
- Are aware that authority to act is granted to the board as a whole, not to individual members.
- Exhibit a willingness to work with the group in making decisions.
- Recognize that compromise may be necessary to reach consensus. Do not let personal feelings toward other board members or staff interfere with good judgment.

2.12 Social Media

The City of Hutto depends on an environment of tolerance and respect for the achievement of its goals in serving the citizens of the City. The City urges appointed members of the boards, commissions and committees ("Members") to use social media in a responsible manner and to avoid uses that can: (1) breach confidentiality by revealing protected information about the City, its citizens, or its employees; (2) expose the City to liability for behavior that may be harassing, offensive, or maliciously false; or (3) interfere with productivity and/or ability to perform the duties and responsibilities as representatives of the City.

While the City understands Members may maintain and use personal web pages and websites, blogs, microblogs, social networking sites and other forms of social media, they should be mindful of their position as representatives of the City.

The City also recognizes that Members may choose to express themselves by posting personal information upon electronic media sites through personal web pages and websites, blogs, microblogs, social networking sites, chat rooms or other electronic means or by making comments upon electronic sites hosted by other persons, groups or organizations, but this right of expression should not interfere with the operation of the City. That is, although the City acknowledges its Members have the First Amendment right to free speech, the right is not absolute and only extends to matters of public concern. Therefore, Members should exercise caution with respect to comments they post, particularly those concerning the City and business of the City.

Members must not reveal any confidential information about the City, its constituents or its contractors. Members must be particularly careful to protect against inadvertent disclosure of confidential information. Members must be honest and accurate when posting information or news, and if they make a mistake must correct it quickly. Members should also not post any information or rumors they know to be false about the City, its employees, constituents, officials, suppliers, vendors, contractors or any other individuals or entities.

Members may express only their personal opinions and should never represent themselves as a spokesperson for the City, their board, commission or committee unless designated to do so. Any Member posting comments on social media should make it clear they are not speaking on behalf of the City.

Members must also recognize that posting content regarding City-related matters may result in a violation of the Open Meetings Law and/or may be subject to the Public Information Act.

Beyond the above general provisions, Members are strongly encouraged to consider the impact of their statements before making them. The City strives to be professional in its operations and processes. Posts that suggest a likelihood of more or less favorable treatment toward any individual or group of individuals, reflects poorly on the individual making an inappropriate statement as well as the City and its citizens. Members are strongly encouraged to carefully consider their comments before posting them.

CHAPTER 3

BOARD AND COMMISSION MEETINGS

3.01 Election of a Chair/Officers

A chair and vice chair (or officers) should be elected during the first meeting of the board or commission following the annual appointment of new members. City Staff Liaisons must notify the City Secretary's Office when new officers or chairs are elected.

3.02 Conduct of Meetings

It is important that boards and commissions conduct their meetings in a manner that is procedurally correct. It is recommended that boards and commissions follow the procedures for the conduct of meetings as established in Robert's Rules of Order, Newly Revised, provided, however, that the chairpersons of City boards and commissions shall be permitted to participate in the debate of matters presented to such boards and commissions, and shall also be permitted to vote on all motions made by members of such boards and commissions, to the same extent and with the same effect as other members. These rules of procedure may also be further modified by each board or commission, upon majority vote, if the board or commission believes that such modification would enable it to better meet its responsibilities under the Code or Charter and fulfill its functions. Additionally, in those instances where Robert's Rules of Order may be inconsistent with the provisions of the City Charter, the ordinances of the City, or this Manual, the Charter, ordinances, and this Manual shall take precedence.

3.03 Public Input

Each board or commission shall, at or near the beginning of each of its regular meetings, afford members of the public an opportunity to speak to any matter coming within the purview of the board or commission, regardless of whether such matter is scheduled for consideration at that particular meeting. Time limitations may be imposed by

the chairperson of the board or commission on such public input as necessary to conduct the business of the board or commission in a timely and efficient manner.

3.04 Open Meetings

The City Code specifically requires that all meetings of a board or commission, and all meetings of any committee of a board or commission, shall be open to the public at all times.

The term "meeting" is defined as a gathering of a quorum or four or more members, whichever is fewer, of any board or commission, or any committee of such board or commission, at which any public business is discussed or at which any formal action may be taken. It is important to remember that the open meeting requirements apply to more than just in-person gatherings. They also apply to telephone conference calls, electronic "chat room" conferences, or any other means of communication where conference-like communication can occur. However, the term "meeting" does not include a chance meeting or social gathering at which the discussion of public business is not the central purpose.

3.05 Notice Requirements

The notice requirement for meetings is slightly different from the public openness requirement. Full and timely notice to the public must be given prior to the holding of any meeting of a board or commission (or committee of a board or commission) at which a majority or quorum is in attendance or is expected to be in attendance or at which formal action could be taken. Therefore, a gathering of three members of a seven member board to discuss board business would be open to the public but there would be no notice requirement if a quorum of the board was not expected to be in attendance and no formal action to occur.

The City Code defines full and timely notice for regularly scheduled meetings as providing a statement with the City Secretary's Office with the regular meeting dates,

times and locations. For special meetings, regularly scheduled meetings, or rescheduled meetings, notice of the meeting must be filed with the City Secretary's Office and posted on the board at the front of City Hall West, 401 W. Front Street, Hutto, Texas 78634 at least 72 hours before the time of the meeting. The City Code provides that the City Secretary is responsible for the posting.

3.06 Quorum Requirements

In order for a board or commission to conduct any business or take any formal action, it is necessary that a quorum of the membership be present at the meeting. A quorum consists of the majority of the total number of members specified by the City Code to comprise the board or commission. This quorum requirement does not change even if a position on the board or commission is vacant and the City Council has not appointed a replacement. In the event that a quorum is not present for a meeting, those present can adjourn the meeting to a later date and time. Unless otherwise provided in the board or commission bylaws or City Code, presence at the meeting by speaker phone shall be counted toward establishing a quorum, and may participate in discussions, but voting in the meeting is not permissible.

3.07 Minutes

Minutes must be taken at any meeting of a board or commission (or committee of a board or commission) at which the adoption of any proposed policy, position, rule, regulation, or formal action occurs or could occur. The minutes must be open to public inspection and a copy must be filed on the City's website on the appropriate page upon approval. Approval of minutes should occur no later than the next regular meeting of the board, commission or committee. State law and City Code do not prescribe the level of detail to be contained in the minutes. At a minimum, the minutes of a meeting should contain the following information:

- Date, time and location of the meeting.

- Listing of the members present.
- Public comments should include the name of the individual and their address or who they represent.
- General outline of each major topic discussed, considered, and the outcome.
- Comments of individual board members which illustrate the individual's viewpoints and opinions.
- Verbatim (to the extent possible) recital of all motions along with the recording of how each member voted on each motion.
- Statements made by individual board members in explanation of their vote.
- (Note: it is especially important that board members state, and the minutes reflect, reasons for dissenting opinions).
- Detailed recital of all formal action taken.
- The time of opening and closing a public hearing should be noted.
- If a motion is made to go into executive session, the minutes must reflect the topic for the executive session in as much detail as possible without compromising the purpose for which the executive session is held. The specific citation to the provision of the City Code that authorizes the board or commission to meet in executive session, as well as the vote on the motion, must be carefully documented.
- Additionally, the time of convening and adjourning the executive session should be noted.
- Time of adjournment.

In situations where the board or commission is acting in a quasi-judicial manner or is otherwise conducting an important or controversial meeting, the minutes of a meeting may not be sufficient to adequately record the events of the meeting. In those situations, City Staff or the City Attorney may recommend that the meeting be electronically recorded or recorded with the assistance of a court reporter. Even in this situation, minutes should still be taken as the electronic recording or stenographer's notes may never be transcribed.

3.08 Approval of Minutes

Any additions, deletions, or corrections to the minutes should be presented by board and staff members. A motion should be made and seconded to approve the minutes of the last meeting as amended. The approved minutes should be signed by the chairperson and secretary of the board or commission. The signed minutes shall be filed with the City Secretary as soon as possible thereafter.

3.09 Discussion Items

While the minutes should be as accurate as possible, the secretary is not required to record every remark made at the meeting. The secretary should not make the minutes a verbatim transcript.

The minutes should include a description of each item being discussed. Listing questions and answers during discussion of each item is not necessary; however, comments that summarize board member positions on each item should be included as support for each board member's vote on each issue. The exact wording of any motion made should be included in the minutes, and the maker and second of the motion should be noted. If the motion is approved or defeated unanimously, such should be noted. If the vote on a motion is split, the record should reflect those voting in favor of the motion and those voting against the motion. (NOTE: Special matters such as annexation and zoning hearings may require considerably more detail. Items being forwarded for City Council consideration should also include more detail.)

3.10 Adjournment

Recording adjournment of a meeting in the minutes is advisable, since it indicates whether the meeting was finally adjourned, or adjourned to another time prior to the next regular meeting. The adjournment should specify the time the meeting was adjourned to a later date and hour.

3.11 Filing and Distribution of Minutes

Written minutes of board and commission meetings requires boards and commissions to file the minutes, which become official records of the municipality, with the City Secretary after the minutes have been approved and signed.

Such minutes shall be open to public inspection and shall be filed appropriately upon approval by such board, commission or committee. Such approval shall occur no later than the next regular meeting of the board, commission or committee, except in those instances when an audio or video recording has been made and maintained by the City of the board, commission or committee meeting, which is the subject of the minutes. The minutes of a meeting during which an executive session is held shall reflect the general topic of the discussion at the executive session.

CHAPTER 4

CONFLICT OF INTEREST GUIDELINES

4.01 General.

The members of City boards and commissions are subject to certain rules of ethical conduct established by the City Charter and Code. The following summary highlights the primary areas of concern addressed by these rules. When in doubt, a board or commission member should consult with the City Staff Liaison for clarification of any applicable regulations. Also, a board or commission's liaison can submit an inquiry to the City Manager on whether an advisory opinion or recommendation is required from the Ethics Review Commission on behalf of a board or commission member. Ultimately, each member is responsible for his or her own compliance with all applicable laws and regulations.

4.02 Conflicts of Interest

A board or commission member should refrain from voting on or attempting to influence any decision in which he or she has a financial or personal interest. Additionally, when a conflict exists under the rules contained in the City Charter, the member should file with the City Staff Liaison a written statement of disclosure as soon as the conflict interest is discovered. The form (attached here as Appendix A) is available the office of the City Secretary.

Generally, a board or commission member has a financial interest in a decision when the decision entails some foreseeable, measurable financial benefit to the individual member or relative. Even if a member does not have a financial interest in a decision or recommendation, a personal interest may also create a conflict of interest. The test for a personal interest is whether, in the judgment of a reasonably prudent person, the board or commission member would realize or experience some direct and substantial benefit or detriment different in kind from that experienced by the general public. In applying this test in a business context, a board or commission member should check with the City Staff Liaison before participating in any decision, which directly and substantially benefits a business in which he or she has a substantial financial interest or is engaged as a

consultant or representative. Or, if a decision by the City might directly and substantially affect a particular business to its economic detriment; and a board or commission member has a substantial interest in a competing firm, the member should also exercise caution in deciding whether to participate in the decision. Certain exceptions to the general rules pertain to financial and personal conflicts of interest are contained in Article 1, Section 13.03 of the City Charter.

The following questions are suggested when examining a potential conflict of interest or question of ethical conduct. If the answer to the question is “yes,” the board or commission member should avoid participating in the decision of engaging in the proposed transaction:

- ❖ **Sales to the City:** Will I or my relative receive some foreseeable, measureable financial benefit? Am I involved in the procurement or supervision?
- ❖ **Financial Interest in a Decision:** Will I or my relative receive some foreseeable financial benefit?
- ❖ **Personal Interest:** Would a reasonably prudent person believe that I or my relative will realize or experience some direct and substantial benefit or detriment from this decision that is different in kind from that experienced by the general public? Will the business that either of us represents directly and substantially benefit? Will a competing firm be directly and substantially harmed?
- ❖ **Gifts or Favors:** Is this gift or favor being offered to me because of a decision I have made or am about to make? Would a reasonably prudent person think that this gift or favor would impair my independence of judgment?
- ❖ **Confidences:** Am I about to use or disclose a confidence which, in the judgment of a reasonably prudent person, would injure the financial interests of the City? Will I be using it for private gain, either for myself or for another person?

4.03 Contracts with the City of Hutto

Board and Commission members and their relatives are prohibited from having a financial interest in sales to the City, but only if they exercise, directly or indirectly, any decision-making or supervisory authority with regard to the goods or services to be sold to the City.

As to purchases from the City, such purchases are permitted only when the property is offered for sale at an established price and not by bid or auction, and the purchase must be on the same terms and conditions as would be available to all members of the general public.

4.04 Disclosure of Confidences

Board and commission members sometimes receive confidential information from City Staff. Such information should not be used for the private benefit of the board or commission member or any other individual. Additionally, disclosure of the information is prohibited if a reasonable person would consider that the disclosure would injure the financial interests of the City.

4.05 Gifts and Favors

The acceptance of honoraria (compensation for speech or participation in public events as an official of the City) is prohibited. The acceptance of any other gift or favor from persons doing business with the City or desiring to do business with the City is also prohibited if the gift or favor might reasonably be construed as compensation for an official decision or as something that would tend to impair the board or commission member's independence of judgment in the performance of his or her official duties. The following specific items are excluded from the definition of prohibited gifts or favors and may be accepted:

- Non-monetary awards for public service.
- Reimbursement for expenditure for attending job-related conferences or other meetings.
- Invitations to social functions or meetings, which are not extraordinary when viewed in the light of the position held by the board or commission member.
- Perishable or nonpermanent items that are insignificant in value, such as meals, lodging, travel expenses, tickets to sporting, recreation, educational or cultural events.
- Salary from outside employment.

CHAPTER 5

POLICY AND PROCEDURES

5.01 Purpose of the Boards and Commissions

Boards and commissions are established for the purpose of reviewing information and making recommendations to the City Council on City policy issues. There is no difference between a board and commission. Specific duties and functions are established individually for each board or commission. The majority of boards and commissions are advisory to the City Council and/or City Administration. These boards and commissions do not have decision-making powers. The advisory boards are as follows:

- Economic Development Corporation Board
- Parks and Recreation Advisory Board
- Library Advisory Board
- Charter Review Commission

Various boards and commissions are quasi-judicial and have decision-making powers within their areas of expertise. Their decisions are subject to appeal to the City Council or the courts. The following are quasi-judicial boards:

- Planning and Zoning Commission
- Historic Preservation Board
- Building and Standards Commission
- Zoning Board of Adjustment
- Ethic Review Commission

5.02 Representation of a Board or Commission

As an individual member of a board or commission, you must not represent your own views or recommendations as those of the board or commission unless the majority of the body has officially voted to approve such action. Board or commission members making recommendations or expressing views which have not been approved by a majority of the board should indicate they are expressing individual opinions and are not speaking on behalf of the board or the City.

5.03 Public Statements

Public statements should contain no promises that may be construed to be binding on a board or commission, City Staff or the City Council. When making a public statement, members should remind listeners that board actions are recommendations (unless otherwise provided by law) and that final action will be taken by the City Council. Remember that your actions and statements as a board or commission member assume special significance, and if not responsibly discharged, could result in a situation detrimental to the City's best interest. In general, responses should be referred to and handled by the City's Public Information Officer

Although board and commission members may be selected, in part, on the basis of representing specific interest groups, each member should represent the overall public good and not that of an exclusive group or interest.

5.04 Relationship with Other Members

On many occasions, the success or failure of the efforts of a board or commission is dependent upon the degree of cooperation evident among the individual members of the body. We encourage you to keep the following points in mind in your interactions with other members:

- Show respect for another's viewpoint.
- Allow others adequate time to present their views fully before making comments.
- Be open and honest. Welcome new members and help them become acquainted with their duties.
- Strive to minimize political action among members.

5.05 Rules of Procedure

Upon an affirmative vote, rules of procedure, and any amendments thereto, shall be forwarded to the City Council for their review and approval. Upon the City Council's approval, the rules of procedure or any amendments thereto, shall become effective.

5.06 Policy Directives

The City Council is ultimately responsible for the establishment of the City's policies. The boards and commissions should be cognizant of the City Council's primary responsibility to establish, approve, disapprove, or modify the City's policies. The boards and commissions shall ensure that any policy directive initiated is reported to and approved by the City Council before issuance of any such policy directive.

CHAPTER 6

APPOINTMENT PROCESS

6.01 Application Process

Citizens interested in serving on a board, commission or committees obtain an application from the City Secretary's office at City Hall. The application is also located on the City of Hutto website, www.huttotx.gov. The completed application should be submitted to the City Secretary's office. Applications will be valid for one year and will expire in June the year after they are submitted.

6.02 Procedure for Appointment

Each seat on a board, commission or committee is associated with a Council place with a term to run concurrent with that seat. During a regularly scheduled meeting of the City Council a Councilmember may nominate or re-appoint an applicant(s) to fill a seat on a board or commission during an open session. Each appointment to a board, commission or committee shall require an affirmative vote by a simple majority of the City Council.

6.03 Notice of Appointment

All applicants will be notified of the selected appointment to the board, commission, or committee in writing by the City Secretary within five business days of the appointment.

CHAPTER 7

RESPONSIBILITIES

7.01 Appointment of Officers

Annually, each board, commission or committee appointed by the City Council shall be responsible for selecting its chairperson and vice chairperson following regular appointments to such board, commission or committee.

7.02 Report to Council

The chairperson or delegate member, of each board, commission, and committee shall report to the City Council on the activities of the board, commission or committee bi-annually at a regularly scheduled City Council meeting following action of the board, commission or committee.

7.03 Regular Meetings

Each commission, board, or committee appointed or authorized by the City Council shall establish a meeting time. The City Secretary shall have the responsibility to maintain and coordinate a central calendar for such commissions, boards and committees. Public notice of all regular meetings of such commissions, boards and committees shall be given as required by the Texas Open Meetings Act, Section 551.001 et seq. of the Government Code.

7.04 Special Meetings

Each commission, board, or committee appointed or authorized by the City Council may hold special meetings on such dates and at such times as called by the chairperson or, in his/her absence, the vice chairperson of the commission, board or committee. Public notice of all special meetings shall be given as required by the Texas Open Meetings Act, Section 551.001 et seq. of the Government Code.

7.05 Work Sessions

Each commission, board, or committee appointed or authorized by the City Council may hold work sessions on such dates and at such times as may be necessary or beneficial. Public notices of such work sessions shall be given as required by the Texas Open Meetings Act, Section 551.001 et seq. of the Government Code.

7.06 Retreats, Seminars and Conferences

Each commission, board or committee appointed or authorized by the City Council may hold retreats on such dates and at such times as may be necessary or beneficial. Public notice of such retreats shall be given as required by the Texas Open Meetings Act, Section 551.001 et seq. of the Government Code.

7.07 Joint Meetings

Each commission, board or committee appointed or authorized by the City Council may hold joint meetings with the City Council or other boards, commissions and committees on such dates and at such times as may be necessary or beneficial. Public notice of all joint meetings shall be given as required by the Texas Open Meetings Act, Section 551.001 et seq. of the Government Code.

7.08 Delivery of Minutes to City Secretary

Each commission, board and committee appointed or authorized by the City Council shall promptly deliver to the City Secretary all signed minutes of regular meetings, special meetings, joint meetings, work sessions, and retreats upon approval thereof.

7.09 Rules of Procedure

Each commission, board and committee appointed or authorized by the City Council shall adopt rules of procedure as may be necessary or beneficial, provided that the City Council shall review and approve such rules of procedure before such rules take effect.

7.10 Reports to the City Council

The chairperson, or delegated member, of each board, commission and committee shall report to the City Council on the activities of the board, commission or committee on a annual basis, or as needed.

CHAPTER 8

OPEN MEETINGS ACT

8.01 Open Meetings

The Government Code Chapter 551, as amended, provides for open meetings of all governmental bodies in Texas. This law, commonly referred to as the Open Meeting Law, has stringent rules that must be adhered to. Each board, commission or taskforce member should be acquainted with the laws regarding open meetings.

The City of Hutto mandates that all boards, commissions and committees will comply with the legal requirements of Government Code 551. Compliance is mandatory with regards to Notice of Meetings and Record of Meetings.

8.02 Definitions

- a. **Deliberation** - is defined as a verbal exchange during a meeting between a quorum of a governmental body or between a quorum of a governmental body and any other person concerning any issue within the jurisdiction of the governmental body or any public business.
- b. **Governmental Body** - is defined as any board, commission, department, committee, or agency within the executive or legislative branch of the state, which is under the direction of one or more elected or appointed member; every deliberative body having rule-making or quasi-judicial power and classified as a department, agency, or political subdivision of a county or municipality.
- c. **Meeting** - is defined as any deliberation between a quorum of members of a governmental body or between a quorum of members and any other person at which public business or public policy over which the governmental body has supervision or control is discussed or considered, or at which the members of the governing body receive information from, give information

to, ask questions of, or receive questions from any third person, including an employee of the governmental body, about the public business or public policy over which the governmental body has supervision or control, or at which formal action is taken.

- d. **Quorum** - is defined as a majority of the governing body.
- e. **Notice of Meetings** - All meetings must be posted for 72 hours prior to the meeting. All notices will be posted on the bulletin board located at City Hall, 401 W. Front Street, Hutto, Texas. This is a strict requirement and must be met, or the meeting will not be conducted. Requirements for the agenda should be clarified with the City Secretary. Only those matters posted on the agenda can be discussed and acted on by the board, commission or committee.
- f. **Record of Meetings** - Each board, commission and taskforce must prepare and approve minutes from each meeting. The minutes must state the subject of each deliberation and indicate each vote, order, decision or other action taken. Minutes from the meetings should be approved by the board, commission or committee at the next regularly scheduled meeting. Minutes must be recorded with the City Secretary's Office. Boards that meet infrequently must submit a draft of the minutes as soon as available to the City Secretary.
- g. **Closed Sessions** - The State of Texas allows for certain governmental bodies to conduct closed session, otherwise known as Executive Sessions. There are strict laws pertaining to conducting any such session. Any consideration for an Executive Session should be discussed with the City Attorney prior to being held for the legal requirements for holding such a session.
- h. **Penalties of Act** - A member of a governing body may be fined \$100-\$500 or confined in the County Jail for one to six months, or both, for participating or

aiding in calling or organizing an illegal closed meeting. An action taken by a governmental body in violation of the Open Meetings Act is voidable and is subject to judicial invalidation. An offense is also committed if any member knowingly conspires to circumvent the act by meeting in numbers less than a quorum for the purpose of secret deliberations.

CHAPTER 9

PUBLIC INFORMATION ACT

9.01 Public Information

The Public Information Act (formerly known as the Open Records Act) was passed to ensure that information is made available to the public to the greatest extent possible. Public information includes any information that is collected, assembled, or maintained by or for a governmental entity. The Act applies to records regardless of their format. It includes information that is maintained in paper, tape, microfilm, video, electronic data held in a computer memory, as well as other mediums specified by law.

The Public Information Act is extremely complicated. All requests should be forwarded to the City Secretary.

Members of boards, commissions, and committees must be aware that emails sent and received pertaining to their official capacity as a member is subject to the Public Information Act. This applies to all email accounts regardless of their location, which includes home and work.

CHAPTER 10

LEGAL LIABILITY

10.01 Personal Liability

Board, commission, or committee members cannot be held personally liable for erroneous acts while honestly exercising the functions of their office in good faith. The only time a member can be held personally liable is when they act outside the scope of their office and in bad faith. When members of the city boards, commissions, or committees are acting in good faith and within the bounds allowed by the City, State and Federal law, the City will provide a defense for such members to the greatest extent permissible. However, if a board, commission or committee member acts fraudulently, maliciously, or in violation of a criminal law while serving in his/her official capacity, the City generally will not provide that member a defense.

10.02 Board Liability

A city, its officers, and members of boards, commissions or committees, as a governmental entity, must treat all individuals or groups in the same manner unless there is a compelling governmental interest to treat someone or some group differently. Therefore, the City Attorney should be consulted concerning whether or not an individual or group can be treated differently. If an officer or board, commission or committee member illegally discriminates against an individual or group, that individual or group can seek damages from the City and the individual officer for a violation of rights under the state and federal civil rights statutes.

The above is by no means intended to be a comprehensive and complete discussion of legal liabilities to which the City or Board, Commission or Committee member may be subjected.

10.03 Non-Disclosure of Personal Information for Board Members

The Texas Government Code, Section 552.024 deals with the disclosure of personal information for board members. Each employee or official of a governmental body and each former employee or official of a governmental body shall choose whether to allow public access to the information in the custody of the governmental body that relates to the person's home address, home telephone number, or social security number, or that reveals whether the person has family members.

An Election for Non-Disclosure Form is available for board and commission members if they chose to elect non-disclosure of the aforementioned information. This form must be filed within 14 days after the first meeting of the board member's appointment.

The form (attached as Appendix B) is available through the office of the City Secretary.

The information given to the public will include: City Hall, 401 W. Front Street, Hutto TX 78634. Phone 512-750-4030 FAX 512-846-2653.

CHAPTER II

AGENDA PREPARATION

11.01 Preparation of the Agenda

The chairperson or, in his/her absence, the vice-chairperson is responsible for coordinating with the City Staff Liaison to prepare or ensure the preparation of the agenda for each meeting or work session.

11.02 Agenda Categories for Board Meetings

For each board, commission or committee meeting, the agenda may contain any of the following categories:

1. Call to Order;
2. Role Call;
3. Approval of Minutes;
4. Director's Report
5. Citizen Communication;
6. Board Members' Opening Comments;
7. Discussion and Action/Recommendation on_____;
8. Discussion and Possible Action/Recommendation on Policy and Procedures;
9. Department Staff Presentations;
10. Executive Session;
11. Possible Action on Executive Session Matters;
12. Board Members' and Staff Closing comments; and
13. Adjournment.

The categories listed above are demonstrative and not meant or intended to be exclusive.

11.03 Placement of Agenda Items by Board Member

Any board or commission member may request the placement of any item on the agenda. Any agenda item so requested shall bear the requesting board member's name on each occasion at which the item appears on the agenda. A board member may request the placement of any item on the agenda: (a) during Board Members' Opening Comments or Board Members' and City Staff Closing Comments; or (b) in writing directed to the board or commission chairperson and distributed to the board or commission.

11.04 Public Availability of Agenda

In addition to the requirements of the Texas Open Meetings Act, Section 551.001, et seq. of the Government Code, the board or commission agenda and supporting materials, excluding exempt materials, shall be made available to any member of the public who requests same. However, any member of the public requesting the board or commission agenda and supporting materials, excluding exempt materials, shall pay all costs associated with the reproduction of the agenda and/or supporting materials, excluding exempt materials, in accordance with the standards established by the City Secretary. A copy of the packet distributed to the board or commission prior to a regular or special meeting, excluding exempt materials, shall be made available to the public in the City of Hutto's internet website at <http://www.huttotx.gov>.

11.05 Agenda Items

For each agenda item requiring consideration and/or action by the board or commission, excluding items on the Executive Session Agenda, the agenda shall (a) reflect a brief substantive description of the matter for consideration and/or action, (b) identify the staff resource person(s) responsible for the item, and (c) if appropriate, provide a staff recommendation or proposal for action.

CHAPTER 12

MEETINGS PROCEDURES

12.01 Chair

The Chairperson or, in his/her absence, the Vice Chairperson shall preside over and conduct all board meetings.

12.02 Rules of Order

Except as specifically modified by the rules of procedure, Robert's Rules of Order shall govern the conduct of the board's meetings.

12.03 Third-Party Discussions

Individual board members shall not meet with or discuss issues subject to the authority of the board or commission with members of the public, including applicant, except within the confines of properly posted and noticed meetings. Individual board members are allowed to meet or have discussions with any employee of the City of Hutto, so long as a quorum of board or commission members is not present.

A proponent, or his/her agent, of any agenda item shall give any presentation necessary before the board considers such agenda item. Unless modified by the board, such presentation shall precede any presentation made by City Staff.

12.04 Public Presentation

During any presentation by a proponent, or his/her agent, and City Staff, any other member of the public who desires to address the board or commission may do so, provided that (a) he/she limits such presentation to three (3) minutes, and (b) he/she fills out and delivers to the board's secretary a registration card for each agenda item prior to addressing the board.

12.05 Citizen Communications

Any member of the public who desires to address the board or commission during Public Comment may do so, provided that (a) he/she limits such presentation to three (3) minutes, and (b) he/she fills out and delivers to the board's secretary a registration card identifying the topic on which he/she desires to address the board. The chair may limit the number of public comments on an issue if multiple individuals sign up to speak on an issue and their comments may be duplicative.

12.06 Registration Card

The registration card referred to in Sections 12.04 and 12.05 shall include the following information: (a) full name; (b) business or residential address; (c) business or residential telephone number; (d) representation; (e) agenda item or topic; and (f) brief statement of position [e.g. for or against an agenda item or summary of communication].

12.07 Time Keeper

The Board's Chair, or his/her designee, shall serve as time keeper for any public presentation made to the board.

12.08 Board Vote

The City Staff Liaison, or his/her designee, shall maintain, and the minutes shall reflect, the votes made by the Board in open meeting.

12.09 Executive Session: Certified Agenda

All executive sessions shall be recorded by certified agenda in conformity with Section 551.001, et seq. of the Government Code.

CHAPTER 13

BOARDS AND COMMISSIONS

13.01 Boards and Commissions

The City Council shall have authority to establish by ordinance such boards and commissions as it may deem necessary for the conduct of City business and management of municipal affairs. The authority, functions and responsibilities of such boards and commissions shall be such as is spelled out in the ordinance establishing them. All existing boards and commissions heretofore established shall be continued in accordance with the ordinance or other acts under which they have been created, or until the City Council shall by ordinance abolish, modify or alter the ordinance or acts under which they exist.

Notwithstanding any other provision of this Charter the elected City Council shall have paramount authority over all matters affecting the budgets, appropriation of funds, expenditures, purchases and sale of properties and procedures for accounting therefore, consistent with the express provisions of this Charter and applicable provisions of the state constitution and laws of this state.

13.02 Economic Development Corporation

In May 1996 the citizens of Hutto approved the adoption of an additional sales and use tax for the promotion and development of new and expanded business enterprise. At that time a Type A Economic Development Board was formed. In August 2017, the City chose to change the focus of economic development and formed a Type B Economic Development Board in addition to the Type A Board the citizens of Hutto again approved a sales and use tax for the promotion and development of new and expanded business. The corporation is responsible for promoting, assisting and enhancing economic development activities for the City of Hutto. The Board of Directors manages the affairs of the Corporation. The daily operations are maintained and overseen by the City's Economic Development Director.

The Boards meets on the first Monday of every month at 6:30 p.m. in the Council Chambers located at 401 W. Front Street in Hutto. The meetings are held in the evening and are approximately 1-3 hours in duration. Additional time is required to read relevant

reports and documentation. Special meetings or work sessions with City Council are scheduled on an as needed basis.

The Boards are comprised of seven (7) members appointed by the City Council. Each Board member serves a three-year staggered term.

13.03 Ethics Review Commission

The Ethics Review Commission was established by City of Hutto Ordinance 07-001-00 in 2000. The Ethics Review Commission renders advisory opinions on potential conflicts of interest or violations at the request of a city official to the terms of the ordinance. The Commission meets on an “as needed basis,” but must meet at least once a year. Meeting time is unexpected and will be relative to the need of the business before the commission. Meetings are held in the Council Chambers located at 401 W. Front Street in Hutto.

The Commission is comprised of seven (7) members appointed by the City Council. Each Commissioner serves a three-year staggered term.

a. Duties and Powers:

- (1) 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 the commission receives a request.

13.04 Historic Preservation Commission

The City of Hutto Ordinance No. 7-19-04C established the Historic Preservation Commission in 2004. The Commission is charged with protecting, enhancing and perpetuating resources that represent distinctive and significant elements of the City's historical, social, cultural, architectural and archaeological heritage for present and future residents.

Meetings are held on the 4th Tuesday of the month at 7 p.m. in Council Chambers located at 401 W. Front Street in Hutto. The meetings are held in the evening and are approximately 1-3 hours in duration. Additional time is required to read relevant reports and

documentation. Special meetings or work sessions with the City Council are scheduled on an as needed basis.

The commission is comprised of seven (7) members who are appointed by the City Council. Each Commission member serves a three-year staggered term.

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. The City Council will try, to the extent reasonably possible, to appoint members from the following categories:

- Architect, planner or design professional; historian.
- Licensed real estate broker/appraiser; attorney at law.
- Archaeologist or member of a related scholarly discipline.
- Member of chamber of commerce (either the chamber president or a member designated by the chamber president).

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.

a. Duties of the Commission:

- (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; and
- (12) Make an annual report to the city council showing the activities of the commission for the current year.

13.05 Library Advisory Board

The City of Hutto Ordinance No. 10-004-00 established the Library Advisory Board in 2010. The 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.

Meetings are held quarterly on the second Monday of the month at 6 p.m. in Council Chambers located at 401 W. Front Street in Hutto. The meetings are held in the evening and are approximately 1-3 hours in duration. Additional time is required to read relevant reports and documentation. Special meetings or work sessions with the City Council are scheduled on an as needed basis.

The commission is comprised of seven (7) members who are appointed by the City Council. Each Commission member serves a three-year staggered term.

Powers and Duties:

- (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; and
- (8) Make an annual report to the city council showing the activities of the commission for the current year.

13.06 Parks Advisory Board

The City of Hutto Ordinance No. O-95-8-24 established the Parks Advisory Board in 1995. The Board is an advisory board to the City Council. The charge of the Board is to advise in the planning and development of park and recreation facilities. The Board will evaluate and recommend to the City Council on matters concerning establishment, maintenance and operations of all parks within the City of Hutto.

The Board will also research and evaluate necessary regulations and or ordinances governing the use of such facilities. The Board also evaluates programs that may be incorporated within the scope of Parks and Recreation.

Meetings are held on the second Wednesday of each month at 7 p.m. in the City Council Chambers at 40-1 W. Front Street, Hutto, TX 78634. Special meetings are held as needed. The meetings are held in the evening and are approximately 1-3 hours in duration. Additional time may be required for outside meetings to visit sites, and to read relevant reports and documentation. Special meetings and work sessions with the City Council are scheduled on an as needed basis.

The Board is comprised of seven members appointed by the City Council and serve a three-year staggered term.

13.07 Planning and Zoning Commission.

The City of Hutto Ordinance No. 88-03-07 established the Planning and Zoning Commission in 1988. The Planning and Zoning Commission serves a review body to make recommendations to the City Council regarding land use issues, including zoning requests, subdivision plats, changes to the Zoning Ordinance, amendments to and updates of the Comprehensive Master Plan and other items included in the physical development of City of Hutto.

Meetings are held the first Tuesday of the month at 7 p.m. in the Council Chambers located at 401 W. Front Street in Hutto. Special meetings are held as needed. The meetings are held in the evening and are approximately 1-3 hours in duration. Additional time is required to read relevant reports and documentation. Special meetings and work sessions with the City Council are scheduled on an as needed basis.

The Commission is comprised of seven members appointed by the City Council. Members must be residents of the City of Hutto. Each Commission Member serves a staggered three-year term.

Members are required to complete a Real Property Statement within thirty (30) days of their appointment to the Commission and every year thereafter while serving on the Commission. The form (attached as Appendix C) is available through the City Secretary's office.

The Commission's duties and powers are as follows:

- (1) Be responsible to act as an advisory body to the City Council;
- (2) Annually recommend to the City 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 Capital Improvement 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.

Commission members may participate in the following training sessions during their tenure:

- 1) **State or National APA Conference**, or other Planning and Zoning Commission approved planning conference: Every member should attend at least one (1) conference every two (2) Years;
- 2) **Legislative Update**: Every member should attend one (1) special training meeting every two (2) years following completion of the Legislative Session for an update on planning, zoning, development, or other land use legislation passed; and
- 3) **Local training**: Every member should attend one (1) local training conference or seminar every year.

13.08 Zoning Board of Adjustment

The City of Hutto Ordinance No. 6-20-05C established the Planning and Zoning Commission in 2005. The Zoning Board of Adjustment was created for the purpose on interpreting or modifying zoning regulations in particular cases as circumstances may require. This Board is in charge of approving variances to building setbacks and special exceptions to other ordinances. Since its determinations in this respect are that of a quasi-judicial body, its judgments and decrees are afforded a presumption of legality by state law.

The Board may additionally hear and determine cases concerning alleged violations of the ordinances of the City of Hutto regarding the preservation of public safety as it relates to materials or methods used to construct a building, or the safety of a building. The Board is also charged with hearing and deciding appeals that allege errors in an order, requirement, decision, or determination by code interpretations made by the Chief Building Official or Fire Marshal.

The Board meets on an “as needed” basis. Meetings are held in the evening and are approximately 1-3 hours in duration. Additional time is required to read relevant reports and documentation. Special meetings and work sessions with the City Council are scheduled on an as needed basis.

Members are required to complete a Real Property Statement within thirty (30) days of their appointment to the Commission and every year thereafter while serving on the Commission. The form (attached as Appendix C) is available through the City Secretary's office.

The Board is comprised of five (5) regular members and two (2) alternates appointed by the City Council. Each Board member serves a three-year staggered term.

13.09 Building and Standards Commission

The City of Hutto Ordinance No. O-14-10-16-8A established the Building and Standards Commission in 2014. The Commission was created for the purpose of hearing and making decisions on cases concerning alleged violations of City Ordinances. The Commission hears appeals and renders decisions upon rulings and refusals of rulings by the Building Official concerning requests for a modification or a variation from the provisions of the building regulations chapter that have been made. The Commission also hears appeals 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 the 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 the Code or regulations have been misconstrued or wrongly interpreted. The Commission also addresses and determines whether or not conditions exist that render a building or structure unsafe under the provisions of the Code. The Commission determines if the building or structure should be demolished in order to protect the public health, safety and welfare.

The Commission meets on an “as needed” basis. Meetings are held in the evening and are approximately 1-2 hours in duration. Additional time is required to read relevant reports and documentation.

The Commission is comprised of seven (7) members appointed by the City Council for a three-year term.

13.10 Charter Review Commission

The City of Hutto Ordinance No. 9-19-05E first established a Charter Review Commission in 2005 and a second Commission in 2016 under Ordinance No. O-16-07-07-9D. The Commission is created every four (4) years pursuant to the City Charter, Article 13, Section 13.12.

The duties of the Commission are as follows:

1. Inquire into the operation of the City Government under the Charter provisions and determine whether any such provisions require revision. To this end public hearings may be held; and the Commission shall have the power to compel the attendance of any officer or employee of the City and require the submission of any of the City records which it may deem necessary to the conduct of such hearing;.
2. Propose any recommendations it may deem desirable to insure compliance with the provisions of the Charter by the departments of the City;
3. Propose, if it deems desirable, amendments to the Charter to improve the effective application of the Charter to current conditions; and
4. Report its findings and present its proposed amendments, if any, to the City Council.

The Commission is comprised of seven (7) citizens of the City appointed by each member of the governing body (Council) for a term of six (6) months or less depending on when a report is presented to the City Council. If during the six (6) month period no report is presented to the City Council, then all records of the proceedings of the Commission shall be filed with the City Secretary and shall become public record.

13.11 River Creek Development Corporation

The City of Hutto created the River Creek Development Corporation by resolution R-18-09-06-10B on September 6, 2018. River Creek is a non-profit special use corporation formed to assist the City with development and financing of improvements to benefit

citizens of the City. The corporation is authorized under Subchapter D, Chapter 431, of the Texas Transportation Code.

The Board consists of three (3) persons appointed by the City Council for a term of three (3) years. The board meets on an “as needed” basis, but must meet at least once a year.

CHAPTER 14

ROBERTS RULES OF ORDER

In most instances and except as changed by the deliberative body, the rules to be followed are Robert's Rules of Order, Newly Revised (Robert's Rules). General Henry M. Robert first established these rules in 1876. The latest edition of Robert's Rules is the 11th edition. A complete copy of Robert's Rules is nearly 700 pages. Even abridged versions often run 200 pages. This guide will be much shorter.

Robert's Rules defines the role of the chair, of members of the body, and establishes rules and procedures. These rules have been crafted and adjusted over the years to assist in effective meetings, and to balance carefully the rights of the majority to be heard, and in some cases, prevent action.

14.01 Proper Notice and Agenda for a Meeting.

While Robert's Rules require that there be an order of business for a meeting, the major law governing notice and agenda for meetings is the Texas Open Meetings Law, Government Code Chapter 551. This manual is not a complete analysis of the Open Meetings Law, but those conducting a meeting should know some of the basic rules. They are:

1. All meetings must be preceded by adequate notice. This is generally 72 hours, although it may be at least two (2) hours in the case of an emergency. The giving of the notice should be coordinated through the City Secretary's Office.
2. The notice must include all items to be taken up at the meeting in such a manner as to apprise the public of the nature of the public business. Broad items such as "Report of the Chair" should be avoided.
3. Except for meetings that provide for public comment, there can be no

discussion of any item not on the agenda. Nor can there be action on any item not on the agenda. A "Public Comment" section allows the public to talk about anything, and the board may question him or her, but no further action or discussion is allowed.

4. There may be action on any item on the agenda, unless the agenda explicitly states something to the effect of "for information only - no action."
5. Special rules govern when a body may go into closed session.

14.02 Common Motions.

This section will summarize some of the provisions of Robert's Rules.

- A. Proceed by Motion. The most basic element of Robert's Rules is that matters come before the body by motion. A member makes a motion simply by saying "I move that" or "Move adoption of _____, " or "Move referral of _____," or "I move to amend_____." It is not the form of the motion, but the substance of it that governs.
- B. Role of the Chair. It is the obligation of the Chair to run an orderly meeting. Members of the body are not to speak until the Chair has recognized them. Except for a limited class of motions, a member may not interrupt another member when they have the floor. The Chair also rules on any votes and rules on any questions of proper procedure. In the event of a disruption in the meeting, the Chair may call to return the meeting to order. Generally, under Robert's Rules, the Chair does not participate in debate or vote unless the chair's vote affects the outcome of the motion. Some committees have changed this by rule to always allow the chair to vote.
- C. Types of Motions. Under Robert's Rules, motions generally fall into one of four classes. These are:

1. The Main Motion: This is the matter that is before the body at that moment. Nearly all other motions bear some relation to the main motion.
2. Subsidiary Motions: These are a series of motions, which propose to do something to or with the main motion. Examples include amendment, referral, laying on the table, calling the question. These motions are all subject to an order of precedence, which will be discussed below.

Note that what is the "main motion" for application of the rules of precedence may change during the course of consideration of a matter. For example, if the main motion is to adopt a resolution, and a member offers a subsidiary motion to amend the resolution, the proposal for amendment becomes the main motion for purposes of consideration of the order of precedence of other motions. That is, the motion to amend is subject to further amendment, referral, laying on the table, etc. It is only when that motion has been disposed of that the motion to adopt is then back before the body for consideration.

3. Incidental Motions: Incidental motions relate to the pending matter, but generally relate to it in a procedural way such that the incidental motion must be dealt with before the body may return to either the main or subsidiary motion before it. Incidental motions take precedence over whatever motion is before the body, and in some instances, may be made when the mover does not have the floor. Examples of incidental motions are a point of order or procedure, appeal of a ruling on a point of order or procedure, a point of information, call for a roll call (division of the assembly), or a suspension of the rules.
4. Privileged Motions: These are very few motions that take precedence

over all other motions. They include motion to recess, question of privilege, and a motion to adjourn.

D. Common Motions. An almost limitless number of motions may be made. Robert's Rules lists at least 84 potential motions. This section will discuss some common motions; the reader is also referred to the accompanying "cheat sheet" attached as Appendix C.

1. Adjourn: To end the meeting. Not debatable.
2. Adoption: This is to adopt the matter before the body.
3. Amendment: To modify the main motion before the body.
4. Division of Assembly / Roll Call: A call for division is the same as calling for a roll call vote. Any member may do this and the motion need not be seconded; it is simply granted when asked for. It is not debatable.
5. Division of the Question / Separation: This is a request to have separate votes on different paragraphs or portions of the proposal before the body. It is not debatable, but does require a second.
6. Lay on the Table / Take off the Table: This is a motion to temporarily defer consideration of a matter and then to ask that the matter be taken up again. It is often used, when, for some reason, a member of the board or some information necessary for consideration is temporarily unavailable. Motions to lay on the table or take off the table are not debatable. The motion is often made simply as a motion to "table." The motion should not be used if the intent is essentially to kill a proposal.
7. Place on File/Postpone Indefinitely: This is a common motion used in proceedings of the City Council and is the equivalent of a motion to postpone or defer indefinitely. This is the motion to be used if the intent is to not adopt the matter before the board, without explicitly voting it down.
8. Point of Information: This is an incidental motion in which a member of the board desires some information prior to proceeding to a vote on the

matter before the body. It does not require a second and no vote is actually taken on the point of information. A member simply says "I rise to a point of information" or "Point of Information?" It is proper when another has the floor.

9. Point of Order or Procedure: This is another incidental motion and again is not subject to a second or a debate. It raises a question about the procedure being followed by the body. The ruling on the Point of Procedure is committed to the Chair of the body. If a member of the body disagrees with the ruling, they may appeal the ruling of the Chair to the full body. An appeal does require a second, and a majority of the body must disagree with the Chair's ruling for it to be reversed.
10. Point of Privilege: This is one of the privileged motions, and again does not require a second, nor is it debatable. This normally relates to some personal matter or something relating to the operation of the body, such as a room that is too hot, too cold, too loud, some confidential information which should not be discussed before the body, etc.
11. Previous Question: This is a motion requesting that the body immediately vote on whatever matter is otherwise before it; it cuts off debate and proceeds to an immediate vote. The motion can be made either by "calling the question", "moving the previous question," or simply stating "Question." The motion requires a second and is non-debatable and requires a two-thirds vote.
12. Recess: The motion asks that the body take a short break. The length of time of the recess should be established. This is a privileged motion, in that it takes precedence over almost all other pending motions. It requires a second, it is not debatable, and requires a majority vote.
13. Reconsideration: A motion for reconsideration asks that the body reconsider something it has already acted upon. It must be made either at the same meeting at which the matter was considered, or at the next succeeding meeting. Once made, the motion may be referred to a later meeting. In order to act on the motion for reconsideration, either the

original matter or the motion on the matter must be on the official agenda of the meeting to comply with the Open Meetings law.

- A motion to reconsider may only be made by a member who voted on the winning side of the prior question. This normally will be a member in the majority, but if a matter fails because it does not reach the required majority, it may be that the motion for reconsideration may be made by a member who actually is less than a majority. For example, if a matter needing a 2/3 vote falls one vote short of 2/3, reconsideration may only be moved by a member of the minority. If the motion to reconsider is approved, the prior proposal is then again before the body.

14. Motion to Refer/Commit: This is a subsidiary motion, which asks that a matter be referred to another body, or to another meeting of the same body. Called a motion to commit in Robert's Rules.
15. Suspension of the Rules: This is an incidental motion because it relates to the manner in which the body will take up an issue. It requires a two-thirds majority, but is not debatable.

E. Debate. Once a debatable motion is before the body, members of the body proceed to debate. In both the making of motions and in debating the motions, members should wait to be recognized by the Chair. The standing rules of the board limit the number of times and length of time that a member of the body may participate in debate.

F. Unanimous Consent. Asking for unanimous consent is a quick way to dispose of non- controversial items. The board does this by proposing a "consent agenda" near the beginning of every meeting. Items that no member of the body objects to are disposed of by unanimous approval. The Chair may ask for unanimous consent, or a member may ask for it on any pending matter. The Chair may do this by asking: "Is there any objection to recording a unanimous vote on item ____?"

14.03 Precedence of Motions.

Some common motions are listed in descending order of precedence, that is, a motion is not in order if it has a higher number than the pending matter.

Undebatable Motions

1. Adjourn
2. Recess
3. Question of Privilege
4. Lay on the Table
5. Previous Question
6. Limit or Extend Debate

Debatable Motions

1. Postpone to a Definite Time
2. Refer or Commit
3. Amend
4. Postpone Indefinitely / Place on File
5. Main Motion

Incidental Motions (e.g., Point of Order, Point of Information, Suspend the Rules, Division of the Assembly or of the Question) normally take precedence over whatever matter is pending.

APPENDIX A

CONFLICT OF INTEREST



AFFIDAVIT
(Recusal Statement)

STATE OF TEXAS §

CITY OF HUTTO §

COUNTY OF WILLIAMSON

I, _____ (Name) as a member of the City of Hutto's _____
_____ make this affidavit and hereby on oath state the
following:

I, and/or a person or persons related to me, have a substantial interest in a business entity
that would be peculiarly affected by a vote or decision of the Board or Commission as
those terms are defined in Chapter 171, Local Government Code.

The business entity is: _____ (Name)

Date of Meeting: _____ Agenda Item Number: _____

_____ ("I" or name of relative & relationship) (have/has) a
substantial interest for the following reasons (check all which are applicable):

_____ Ownership of 10% or more of the voting or shares of the business entity.

_____ Ownership of \$15,000 or more of the fair market value of the business
entity.

_____ Funds received from the business entity exceed 10% of _(my, her, his) income for the previous year.

_____ Real property is involved and _ (I, he, she) have an equitable or legal ownership with a fair market value of at least \$2,500.00.

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by a decision of the public body of which I am a member.

Upon filing of this affidavit with the City Secretary, I affirm that I will abstain from voting on any decision involving this business entity and from any further participation on this matter whatsoever.

Signed this _____ day of _____, 20__.

Signature of Official

Title

BEFORE ME, the undersigned authority, this day personally appeared _____ and on oath stated that the facts herein-above stated are true to the best of _____ (his/her) knowledge or belief.

Sworn to and subscribed before me on this ____ day of _____, 20__.

Notary Public, State of Texas

Printed Name: _____

My Commission Expires: _____

APPENDIX B

Election for Non-Disclosure of Personal Information



CITY OF HUTTO, TEXAS
PUBLIC ACCESS OPTION FORM

DATE: _____

ELECTED / APPOINTED TO: _____

TERM EXPIRES: _____

I, _____, am submitting in writing my wishes regarding the release of the following information to the public. (Please circle preference)

Home Address:	Yes	No
---------------	-----	----

Home Phone:	Yes	No
-------------	-----	----

Business Address:	Yes	No
-------------------	-----	----

Business Phone:	Yes	No
-----------------	-----	----

Cell Phone #:	Yes	No
---------------	-----	----

Email Address:	Yes	No
----------------	-----	----

Information concerning family members:	Yes	No
--	-----	----

Signature: _____

Print Name: _____

Public Access Option Forms for Elected and Appointed Officials are filed with the City Secretary.

APPENDIX C

Real Property Statement for Planning and Zoning and Zoning Board of Adjustments





REAL PROPERTY STATEMENT FOR ____ YEAR

A. Name of Planning and Zoning Commission Member: _____

Appointed on: _____

Residence Address: _____

Business Address: _____

Telephone Number: (Home) _____

(Cell) _____

(Work) _____

(Email) _____

B. Name of Zoning Board of Adjustments Member: _____

Appointed on: _____

Residence Address: _____

Business Address: _____

Telephone Number: (Home) _____

(Cell) _____

(Work) _____

(Email) _____

- A.** Identify by street address and legal description, all real property located within the City of Hutto or its extraterritorial jurisdiction in which you have a substantial interest.

1. Identification of property: _____

2. Identification of property: _____

3. Identification of property: _____

4. Identification of property: _____

5. Identification of property:_____

(Attach separate page if necessary)

VERIFICATION

STATE OF TEXAS COUNTY OF
WILLIAMSON

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____, known to me, and after being duly sworn, stated on oath that the foregoing and annexed Real Property Statement for _____ Year is within the knowledge of affiant and is true and correct.

(Signature) _____

(Print or type name) _____

SWORN TO AND SUBSCRIBED TO BEFORE ME on this ____ day of 20____.

Notary Public, State of Texas

[SEAL]



APPENDIX D

Robert's Rules of Order

Cheat Sheet



"Cheat Sheet" for Robert's Rules						
Motion	In Order When Another has the Floor?	Second Required?	Debatable?	Amendable?	Vote Required for Adoption	Can be reconsidered?
Main Motion	N	Y	Y	Y	Majority unless other spec'd by Bylaws	Y
Adjournment	N	Y	N	Y	Majority	N
Recess (no question before the body)	N	Y	N	Y	Majority	N
Recess (question before the body)	N	Y	Y	Y	Majority	N
Accept Report	N	Y	Y	Y	Majority	Y
Amend Pending Motion	N	Y	If motion to be amended is debatable	Y	Majority	Y
Amend an Amendment of Pending Motion	N	Y	See above	N	Majority	Y
Change from Agenda to Take a Matter out of Order	N	Y	N	N	Two-thirds	N
Limit Debate Previous Question / Question	N	Y	N	Y	Two-thirds	Yes, but not if vote taken on pending motion.
Limit Debate or extend limits for duration of meeting	N	Y	Y	Y	Two-thirds	Y
Division of Assembly (Roll Call)	Y	N	N	N	Demand by a single member compels division	N
Division of Ques/ Motion	N	Y	N	Y	Majority	N
Point of Information	Y	N	N	N	Vote is not taken	N
Point of Order / Procedure	Y	N	N	N	Vote is not taken	N
Lay on Table	N	Y	N	N	Majority	N
Take from Table	N	Y	N	N	Majority	N
Suspend the Rules as applied to rules of order or, take motion out of order	N	Y	N	N	Two-thirds	N
Refer (Commit)	N	Y	Y	N	Majority	Neg. vote only

FOOTNOTES TO TABLE OF ROBERT'S RULES OF ORDER

1. An affirmative vote on this motion cannot be reconsidered.
2. Undebatable when the motion to be amended, reconsidered, or rescinded is undebatable.
3. Constitutions, By-Laws, and Rules of Order before adoption are in every respect main motions and may be amended by majority vote. After adoption they require prior notice and 2/3 vote for amendment.
4. Standing Rules may be amended at any time by a majority vote if previous notice has been given, or by a 2/3 vote for amendment.
5. If resolutions or propositions relate to different subjects which are independent of each other, they must be divided on the request of a single member, which may be made when another has the floor. If they related to the same subject and yet each part can stand alone, they may be divided only on a regular motion and vote.
6. Undebatable if made when another question is before the assembly.
7. The objection can be made only when the question is first introduced, before debate. A 2/3 vote must be opposed to the consideration in order to sustain the objection.
8. Negative vote on this motion cannot be reconsidered.
9. Cannot be reconsidered after a vote has been taken under it.

RESOLUTION NO. R-

A RESOLUTION FOR THE ADOPTION OF A BOARDS, COMMISSIONS AND COMMITTEE HANDBOOK FOR THE CITY OF HUTTO, TEXAS.

WHEREAS, the City Council of the City of Hutto has numerous boards, commissions and committees, which are an integral part of citizen participation in local government, and serve in an advisory capacity to the City Council on a wide variety of topics and projects; and

WHEREAS, the City Council desires to provide guidance to the boards, commissions, and committees in performing their functions; and

WHEREAS, the City Council desires to adopt a handbook that defines the purpose, duties and responsibilities of each board, commission and committee; and

WHEREAS, the City Council has determined it is in the best interest that the City adopt the Boards, Commissions and Committee Handbook to serve as a guide for appointees to Hutto boards, commissions and committees,

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

the Hutto City Council hereby accepts and approves the creation of a Hutto Boards, Commissions and Committee Handbook to be used as a guide for appointed board and commission members.

CONSIDERED and RESOLVED by the City Council of the City of Hutto on this
the _____ day of _____, 2018.

THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Lisa L. Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8A. **AGENDA DATE:** September 20, 2018

PRESENTED BY: Ashby Grundman, Director of Planning,
Business & Development Services

ITEM:

Consideration and possible action on the second and final reading of an ordinance approving a Specific Use Permit for 6081 FM 1660 North, to allow a car wash in the B-2 (General Commercial) zoning district. (Ashby Grundman)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

Property Owner: Tactical Nightmare LLC, Najib Wehbe

Current Land Use: Vacant

Proposed Land Use: Convenience Store with Car Wash

Future Land Use Designation: Commercial (Current); Commercial (Proposed Map)

Current Zoning: B-2 General Commercial

Surrounding Land Use and Zoning:

North: Vacant land; Hutto Development Agreements

South (Across Limmer Loop): Vacant land; Zoned PUD Planned Unit Agreement

East: Vacant land; Hutto Development Agreements

West (across FM 1660): Vacant land; B-2

Summary of Request

The property is approximately 2.59 acres of land, described as Lot 1, Block A of the Canutillo Corner Subdivision, located at 6081 FM 1660. It is located on the northeast corner of FM 1660 at Limmer Loop.

The applicant is requesting a specific use permit (SUP) for a car wash at a proposed convenience store/gas station development in a B-2 (General Commercial) zoning district. Car washes are

considered subject to specific use permit review in the B-2 district, as outlined in Unified Development Code (UDC) Section 10.304.6.

A Specific Use Permit request is evaluated with the following criteria:

- The proposed use conforms to this code and is consistent with the comprehensive, neighborhood and other applicable land use and development plans.
 - The current Future Land Use Map identifies this area as Commercial. The requested use is in compliance.
- The proposed use is compatible with existing and permitted uses in the surrounding area and would not adversely affect property near the site.
 - The property will be required to come into compliance with current development standards.
- The site is a legal building lot.
 - The property is a legally platted and appropriate for development.

Details of building orientation are provided as conceptual. Site plan, building plans and landscaping will be reviewed for code compliance during the permitting process. After the last meeting, staff met with both TXDOT and the applicant to discuss the intersection and potential right-of-way dedications that may be necessary. Per the UDC, a specific use permit approval does not run with the land, and expires with the end of the approved use.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Planning and Zoning Commission recommended approval on July 17, 2018.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends that the Council approve the second reading of the ordinance.

SUPPORTING MATERIAL:

1. [Ordinance - 6081 FM 1660 North](#)

ORDINANCE NO.

AN ORDINANCE GRANTING A SPECIFIC USE PERMIT TO ALLOW A CAR WASH ON 2.590 ACRES, MORE OR LESS, OF LAND, KNOWN AS 6081 FM 1660 NORTH, LOT 1, BLOCK A OF THE CANUTILLO CORNER SUBDIVISION, BEING MORE PARTICULARLY DESCRIBED IN EXHIBIT "A", ATTACHED HERETO AND INCORPORATED HEREIN; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, REPEALING CLAUSE, OPEN MEETING CLAUSE, PENALTY CLAUSE AND EFFECTIVE DATE.

WHEREAS, a request has been made to the City Council of the City of Hutto, Texas to grant a Specific Use Permit to allow a car wash on the property known as 6081 FM 1660 North, Lot 1, Block A of the Canutillo Corner Subdivision, described in Exhibit "A", being attached hereto and incorporated herein, and;

WHEREAS, on the 17th day of July, 2018, after proper notification, the Planning and Zoning Commission held a public hearing on the proposed Specific Use Permit request, and;

WHEREAS, the Planning and Zoning Commission recommended approval of the proposed Specific Use Permit request on the 17th day of July, 2018, and;

WHEREAS, on the 19th day of July, 2018, after proper notification, the City Council held a public hearing on the proposed Specific Use Permit request, and;

WHEREAS, the City Council determines that the regulations provided for herein promotes the health, safety, morals and protects and preserves the general welfare of the community, and;

WHEREAS, each and every requirement set forth in Chapter 211, Sub-Chapter A., Texas Local Government Code, and Article 14.02.002, Code of Ordinances (2007 Edition), City of Hutto, Texas concerning public notices, hearings, and other procedural matters has been fully complied with, Now therefore

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

SECTION I.

1.

In accordance with the Unified Development Code Sections 10.203.18 and 10.204.2, the City Council has considered and made findings on the following matters regarding the proposed Specific Use Permit request:

10.203.18.3 Criteria

- The proposed use conforms to the Unified Development Code and is consistent with the comprehensive, neighborhood and other applicable land use and development plans.
- The proposed use is compatible with existing and permitted uses in the surrounding area and would not adversely affect property near the site.
- The site is a legal building lot.

10.203.18.5 Conditions

- The Planning and Zoning Commission and/or City Council may impose conditions on a specific use permit.
- Specific use permit approval does not run with the land, and expires with the end of the approved use.

10.203.18.6 Amendments

- Technical or engineering considerations during construction may call for minor deviations from approved specific use permits. Development Services staff may approve minor deviations if they conform to City regulations, and are consistent with the intent of the original specific use permit approval.
- Changes to approved specific use permits that Development Services staff finds are not minor deviations, including Planning and Zoning Commission imposed conditions, require approval through specific use permit review process, requiring a new application.

10.204.2 Effective date and expiration

- Specific use permits expire one (1) year from the date of approval by City Council.

2.

This Specific Use Permit request is subject to the conditions as identified by the City Council and incorporated herein. No permits shall be issued unless all of the following requirements are satisfied:

- Any future development, other than the use specified for this request, on the lot is required to obtain City Council approval prior to permitting.

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 **6th** day of **September, 2018** at a meeting of the Hutto, Texas City Council; there being a quorum present.

READ, PASSED and **ADOPTED** on second reading of ordinance this **20th** day of **September, 2018** at a meeting of the Hutto, Texas City Council; there being a quorum present.

THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

Attest:

Lisa L. Brown, City Secretary

Canutillo Corner (2.590 acres)

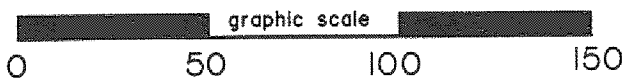


This map was produced for the sole purpose of aiding the City of Hutto in planning purposes and is not warranted for any other use. No warranty is made by creator or city regarding its accuracy or completeness.

CANUTILLO CORNER

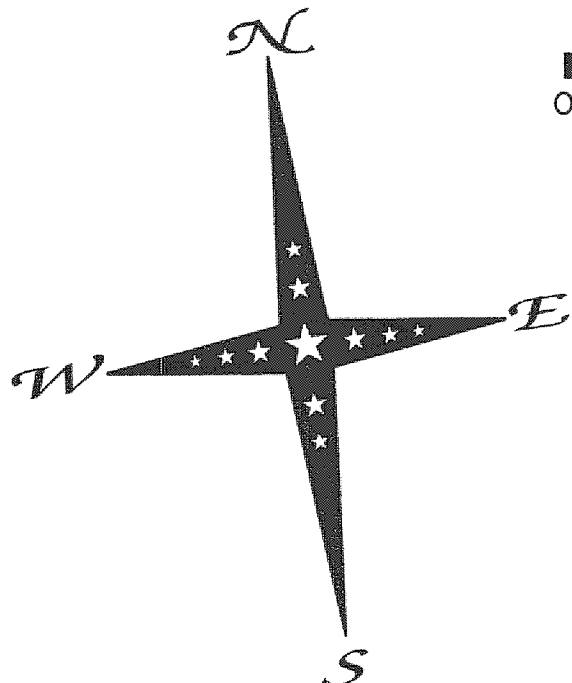
City of Hutto
Williamson County, Texas

SCALE: 1" = 50'

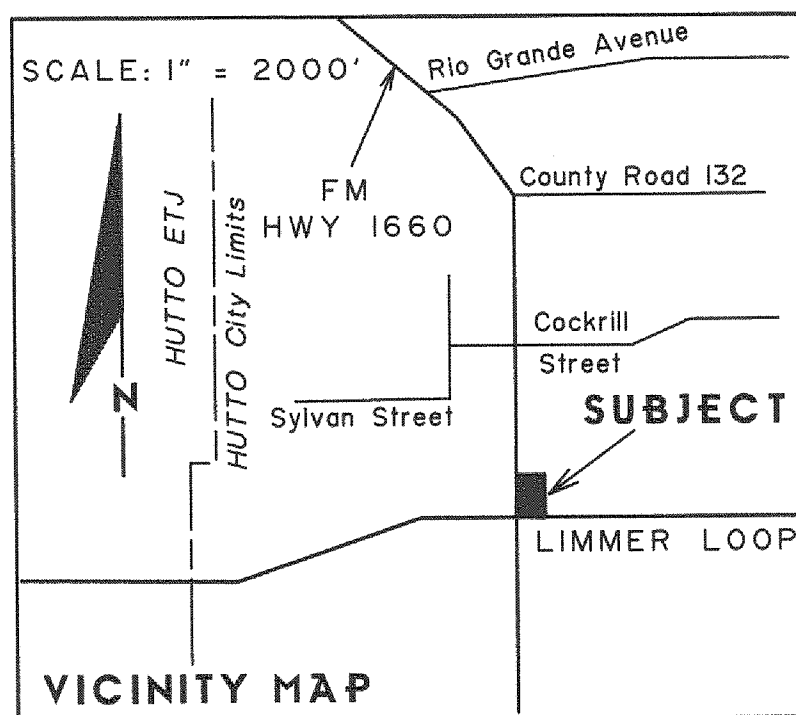


Legend

- ⊙ 1/2" Iron Rod Found
 - ⊕ 1/2" Capped Iron Rod Found
 - 1/2" Iron Rod Set with plastic cap imprinted with "Holt Carson, Inc."
- (Record Bearing and Distance)



KEITH ALAN OLANDER, et al
"Tract Two"
(59.945 Acres) remainder
Partition Deed
Document No. 2008002364



PLAT INFORMATION

AREA OF SUBDIVISION: 2.590 Acres

LINEAR FEET OF NEW STREETS: none

NUMBER OF BLOCKS: 1

NUMBER OF LOTS: 1

Total Area of Lots = 2.386 Acres

LOT Usage = Commercial

SURVEY:

Canutillo Colony Ditch Co. Survey
Abstract No. 693

REMAINDER OF
HUGH S. DAVENPORT SR. AND BILLIE B. DAVENPORT
VOLUME 1079 PAGE 938
WILLED TO
HUGH S. DAVENPORT JR.

F.M. HIGHWAY 1660 (80' R.O.W.)

This area is hereby dedicated
for additional right-of-way.

BEARING BASIS
N07°29'00"E 421.32'

N07°29'00"E 415.05'

LOT 1
BLOCK A
2.385 ACRES

S82°29'40"E 258.43'

15.00'

243.43'

425.25'

435.25'

S07°16'00"W

30' Oil Pipeline Easement per Doc. 2017003560

Electric Line Easement
and Right-of-Way
per Document No. 2011041560

calculated point
currently inaccessible
to set

N82°31'00"W

79.82'

N37°52'08"W

21.18'

N07°29'00"E 119.87'

144.79'

N13°43'25"W

70.66'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

N07°29'00"E 119.87'

21.25'

N5°37'28"E

144.79'

LOT 1
BLOCK A
NORTHTOWN COMMONS
BLOCK A, LOT 1
Cabinet G-G SLIDE 298

CANUTILLO COLONY DITCH CO. SURVEY
ABSTRACT NO. 693

KEITH ALAN OLANDER, et al
"Tract Two"
(59.945 Acres) remainder
Partition Deed
Document No. 2008002364

JOYCE COLLIN OLANDER, Testamentary Trustee
"Tract One" (40.000 Acres)
Document No. 2008029956

PLACE OF BEGINNING

N82°43'08"W

1601.16'

Point of
Reference

"SAM Inc."

LIMMER LOOP (90' R.O.W.)

N82°43'19"W

1537.95'

PK Nail
found

PROPERTY OWNERS:
Janet Lynn Olander Barnard
Karen Ann Olander
Keith Alan Olander
Timothy Edward Barnard
Brian Anthony Barnard
Elizabeth Barnard Davis

ENGINEER:
Mirza Tahir Baig
Professional StruCivil Engineers, Inc.
Registered Engineering Firm F-4951
1270 Research Boulevard Suite 390
Austin, Texas 78759
(512) 238-6422

SURVEYOR:
Holt Carson RPLS 5166
Holt Carson, Inc.
1904 Fortview Road
Austin, Texas 78704
Firm Registration 10050700
(512) 442-0990

989056

SHEET 1 of 2

CANUTILLO CORNER

City of Hutto
Williamson County, Texas

FIELD NOTE DESCRIPTION OF 2.590 ACRES OF LAND OUT OF THE CANUTILLO COLONY DITCH Co. SURVEY ABSTRACT No. 693 IN WILLIAMSON COUNTY, TEXAS, BEING A PORTION OF THAT CERTAIN (59.945 ACRE) TRACT OF LAND DESCRIBED AS "TRACT TWO" IN DEED TO JOYCE COLLIN OLANDER AS TESTAMENTARY TRUSTEE AND RECORDED IN DOCUMENT No. 2008029956 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING FOR REFERENCE at a capped iron rod found (marked "SAM, Inc.") in the North right-of-way line of Limmer Loop for the Southeast corner of that certain (59.945 acre) tract of land described as "Tract Two" and for the Southwest corner of that certain (40.000 acre) tract of land described as "Tract One" in Deed to Joyce Collin Olander as Testamentary Trustee as recorded in Document No. 2008029956 of the Official Public Records of Williamson County, Texas.

THENCE with the North right-of-way line of Limmer Loop and with the South line of said Olander (59.945 acre) tract, N 82 deg. 43' 08" W 1601.16 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Southeast corner and PLACE OF BEGINNING of the herein described tract of land.

THENCE continuing with the North right-of-way line of Limmer Loop and with the South line of said Olander (59.945 acre) tract, the following two (2) courses:

- 1) N 82 deg. 43' 08" W 245.00 ft. to a capped iron rod found (marked "Capital Surveying")
- 2) N 37 deg. 52' 08" W 21.18 ft. to a calculated point of intersection in the East right-of-way line of F.M. Highway 1660 for the Southwest corner of said Olander (59.945 acre) tract and being the Southwest corner of this tract.

THENCE with the East right-of-way line of F.M. Highway 1660 and with the West line of said Olander (59.945 acre) tract, N 07 deg. 29' 00" E 421.32 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Northwest corner of this tract, and from which a capped iron rod found (marked "SAM, Inc.") in the East right-of-way line of F.M. Highway 1660 for the Northwest corner of said Olander (59.945 acre) tract bears N 07 deg. 29' 00" E 965.38 ft..

THENCE leaving the East right-of-way line of F.M. Highway 1660 and entering the interior of said Olander (59.945 acre) tract with the North line of this tract, S 82 deg. 29' 40" E 258.43 ft. to a 1/2" iron rod set with a plastic cap imprinted with "Holt Carson, Inc." for the Northeast corner of this tract.

THENCE continuing across the interior of said Olander (59.945 acre) tract with the East line of this tract, S 07 deg. 16' 00" W 435.25 ft. to the PLACE OF BEGINNING, containing 2.590 acres of land.

DEDICATION
STATE OF TEXAS
COUNTY OF WILLIAMSON
KNOW ALL MEN BY THESE PRESENTS THAT WE, JANET LYNN OLANDER BARNARD, KAREN ANN OLANDER, KEITH ALAN OLANDER, TIMOTHY EDWARD BARNARD, BRIAN ANTHONY BARNARD AND ELIZABETH BARNARD DAVIS, OWNERS OF ALL OF THAT CERTAIN (40.000 ACRE) TRACT OF LAND OUT OF THE CANUTILLO COLONY DITCH Co. SURVEY ABSTRACT No. 693 AND THE JOSIAS B. BEALE SURVEY ABSTRACT No. 97 IN WILLIAMSON COUNTY, TEXAS, AS CONVEYED TO US BY VIRTUE OF PARTITION DEED RECORDED IN DOCUMENT Nos. 2008002364 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS, DO HEREBY SUBDIVIDE A 2.590 ACRE TRACT OF LAND AND DO HEREBY JOIN, APPROVE AND CONSENT TO ALL DEDICATIONS AND PLAT NOTE REQUIREMENTS SHOWN HEREON. WE DO HEREBY APPROVE THE RECORDATION OF THIS SUBDIVISION PLAT AND DEDICATE TO THE PUBLIC USE FOREVER ANY EASEMENTS AND ROADS THAT ARE SHOWN HEREON.
THIS SUBDIVISION IS TO BE KNOWN AS "CANUTILLO CORNER".

Keith Alan Olander
KEITH ALAN OLANDER
Individually and as Power of Attorney for
KAREN ANN OLANDER
TIMOTHY EDWARD BARNARD
BRIAN ANTHONY BARNARD
ELIZABETH BARNARD DAVIS

Janet Lynn Olander Barnard
JANET LYNN OLANDER BARNARD

ACKNOWLEDGEMENT
THE STATE OF GEORGIA
COUNTY OF Hutto

ACKNOWLEDGEMENT
THE STATE OF TEXAS
COUNTY OF Harris

BEFORE ME, THE UNDERSIGNED AUTHORITY, DID HEREBY APPEAR KEITH ALAN OLANDER, KNOWN TO ME TO BE THE PERSON WHOSE NAME SUBSCRIBED TO THE FOREGOING STATEMENT, AND HE ACKNOWLEDGED BEFORE ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS STATED THEREIN.

NOTARY PUBLIC: Ramona Dadda

PRINTED NAME: Ramona Dadda

COMMISSION EXPIRES: March 13, 2018

BEFORE ME, THE UNDERSIGNED AUTHORITY, DID HEREBY APPEAR JANET LYNN OLANDER BARNARD, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING STATEMENT, AND SHE ACKNOWLEDGED BEFORE ME THAT SHE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS STATED THEREIN.

NOTARY PUBLIC: Cheryl White

PRINTED NAME: Cheryl White

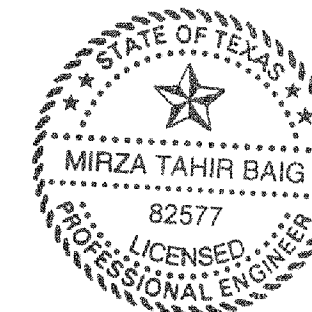
COMMISSION EXPIRES: 03/27/19

ENGINEER'S CERTIFICATION

NO PORTION OF THIS TRACT OF LAND IS WITHIN THE 100 YEAR FLOOD PLAIN AS SHOWN ON FLOOD INSURANCE RATE COMMUNITY PANEL No. 48491C 0520 E, DATED SEPTEMBER 26, 2008 FOR WILLIAMSON COUNTY, TEXAS. THIS TRACT IS NOT LOCATED IN THE EDWARDS AQUIFER RECHARGE ZONE.

Mirza Tahir Baig
MIRZA TAHIR BAIG
PROFESSIONAL ENGINEER No. 82577

7 November 2017
DATE

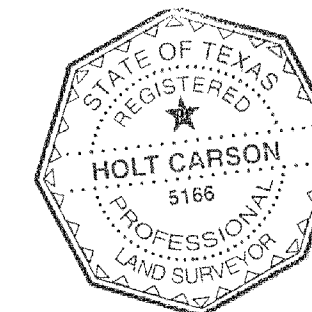


SURVEYOR'S CERTIFICATION

I, HOLT CARSON, DO HEREBY CERTIFY THAT I PREPARED THIS PLAT FROM AN ACTUAL AND ON THE GROUND SURVEY OF THE LAND SHOWN HEREON AND THAT THE CORNER MONUMENTS SHOWN HEREON WERE PROPERLY PLACED UNDER MY SUPERVISION.

Holt Carson
HOLT CARSON
REGISTERED PROFESSIONAL LAND SURVEYOR No. 5166

10-22-2017
DATE



APPROVAL
CITY OF HUTTO

THIS PLAT WAS APPROVED FOR RECORDING BY THE CITY COUNCIL ON THE 6TH DAY OF July 2017.

Ray Gavel
MAYOR CITY OF HUTTO

Joe
CITY SECRETARY

STANDARD PLAT NOTES:

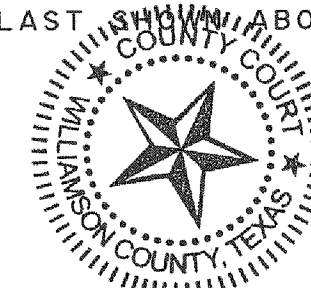
1. NO BUILDINGS, FENCING, LANDSCAPING OR STRUCTURES ARE ALLOWED WITHIN ANY DRAINAGE OR WASTEWATER EASEMENT UNLESS EXPRESSLY PERMITTED BY THE CITY OF HUTTO.
2. BUILDING SETBACKS SHALL CONFORM TO CITY CODES AND REGULATIONS.
3. A TEN (10) FOOT PUBLIC UTILITY EASEMENT (PUE) IS HEREBY DEDICATED ALONG AND ADJACENT TO ALL STREET SIDE PROPERTY LINES.
4. A FIVE (5) FOOT PUBLIC UTILITY EASEMENT (PUE) IS HEREBY DEDICATED ON EACH SIDE OF ALL REAR LOT LINES.
5. A FIVE (5) FOOT PUBLIC UTILITY EASEMENT (PUE) IS HEREBY DEDICATED ON EACH SIDE OF ALL SIDE LOT LINES.
6. NO LOT IN THIS SUBDIVISION SHALL BE OCCUPIED UNTIL CONNECTION IS MADE TO PUBLIC WATER AND WASTEWATER UTILITIES.
7. AN ARTERIAL FENCE SHALL BE CONSTRUCTED PER CITY CODES AND REGULATIONS.
8. STREET LIGHTING SHALL BE PROVIDED BY THE DEVELOPER IN CONFORMANCE WITH CITY CODES AND REGULATIONS.
9. NO PORTION OF THIS TRACT OF LAND IS ENCROACHED BY THE ULTIMATE 1% ANNUAL CHANCE FLOODPLAIN.
10. NO PORTION OF THIS TRACT OF LAND IS ENCROACHED BY ANY 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 No. 48491C 0520 E, EFFECTIVE DATE SEPTEMBER 26, 2008, FOR WILLIAMSON COUNTY, TEXAS.
11. ALL SUBDIVISION CONSTRUCTION SHALL CONFORM TO THE CITY OF HUTTO CODES AND REGULATIONS, CONSTRUCTION STANDARDS AND GENERALLY ACCEPTED ENGINEERING PRACTICES.
12. ALL EASEMENTS ON PRIVATE PROPERTY SHALL BE MAINTAINED BY THE PROPERTY OWNER OR HIS OR HER ASSIGNS.
13. UTILITY PROVIDERS:
Water: Jonah Special Utility District
Wastewater: Jonah Special Utility District
Electric: Oncor
Gas: Atmos
Telephone: Spectrum

STATE OF TEXAS
COUNTY OF WILLIAMSON
KNOW ALL MEN BY THESE PRESENTS THAT I, NANCY 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 27th DAY OF November 20 17 A.D. AT 2:00 O'CLOCK, P M. AND DULY RECORDED ON THE 27th DAY OF November 2017 A.D., AT 2:24 O'CLOCK, P M. IN THE OFFICIAL PUBLIC RECORDS OF SAID COUNTY IN DOCUMENT No. 2017108840

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 RISTER, CLERK, COUNTY COURT
WILLIAMSON COUNTY, TEXAS

BY: Connie Phelps
DEPUTY Connie Phelps

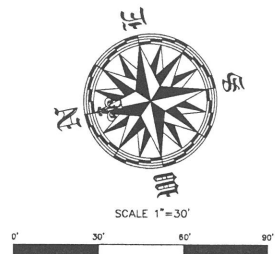


SITE INFORMATION TABLE			
LOT AREA	112,835.11 SF	2.59 ACRES	
IMPERVIOUS COVER EXISTING	0.00	SF 0.0 ACRES	(0.0%)
IMPERVIOUS COVER PROPOSED	57,945.52 SF	1.33 ACRES	(51.35%)
TOTAL IMPERVIOUS COVER	57,945.52 SF	1.33 ACRES	(51.35%)
ZONING	B-2		
PROPOSED USAGE	RETAIL SALES & SERVICE, GAS STATION, CAR WASH		
ALLOWABLE IMPERVIOUS COVER	80%		
LIMIT OF CONSTRUCTION	2.27 ACRES		
IMPERVIOUS COVER TABLE			
BUILDING	9,770.69 SF	(8.66%)	
PARKING	43,108.34 SF	(38.21%)	
SIDEWALK	8,265.49 SF	(7.34%)	
TOTAL	57,945.52 SF	1.33 ACRES	51.35%
BUILDING INFORMATION TABLE			
BUILDING COVERAGE	9,770.69 SF (8.66%)		
NUMBER OF STORIES	1		
TYPE OF CONSTRUCTION	II-B (STEEL STRUCTURE)		
MAX. BUILDING HEIGHT	25'-0"		
ALLOWABLE BUILDING HEIGHT	N/A		
ALLOWABLE STRUCTURE COVERAGE	N/A		
OCCUPANCY CLASSIFICATION	M		
PARKING TABLE			
TOTAL PARKING SPACES REQUIRED	19(min.)-39(max.)		
GENERAL RETAIL	7,700/200sf=39		
GENERAL RETAIL	7,700/400sf=19		
TOTAL PARKING SPACES PROVIDED	31		
SUMMARY OF PARKING SPACES			
PROVIDED STANDARD SPACES	29		
PROVIDED HANDICAP VAN	1		
PROVIDED STANDARD HANDICAP	1		
PROVIDED LOADING SPACE	0		

BUILDING INFORMATION TABLE	
BUILDING COVERAGE	9,770.69 SF (8.66%)
NUMBER OF STORIES	1
TYPE OF CONSTRUCTION	II-B (STEEL STRUCTURE)
MAX. BUILDING HEIGHT	25-0"
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ALLOWABLE STRUCTURE COVERAGE	N/A
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PROVIDED HANDICAP VAN	1
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SUMMARY OF PARKING SPACES	
PROVIDED STANDARD SPACES	29
PROVIDED HANDICAP VAN	1
PROVIDED STANDARD HANDICAP	1
PROVIDED LOADING SPACE	0



ACCESSIBLE SITE PLAN NOTE:

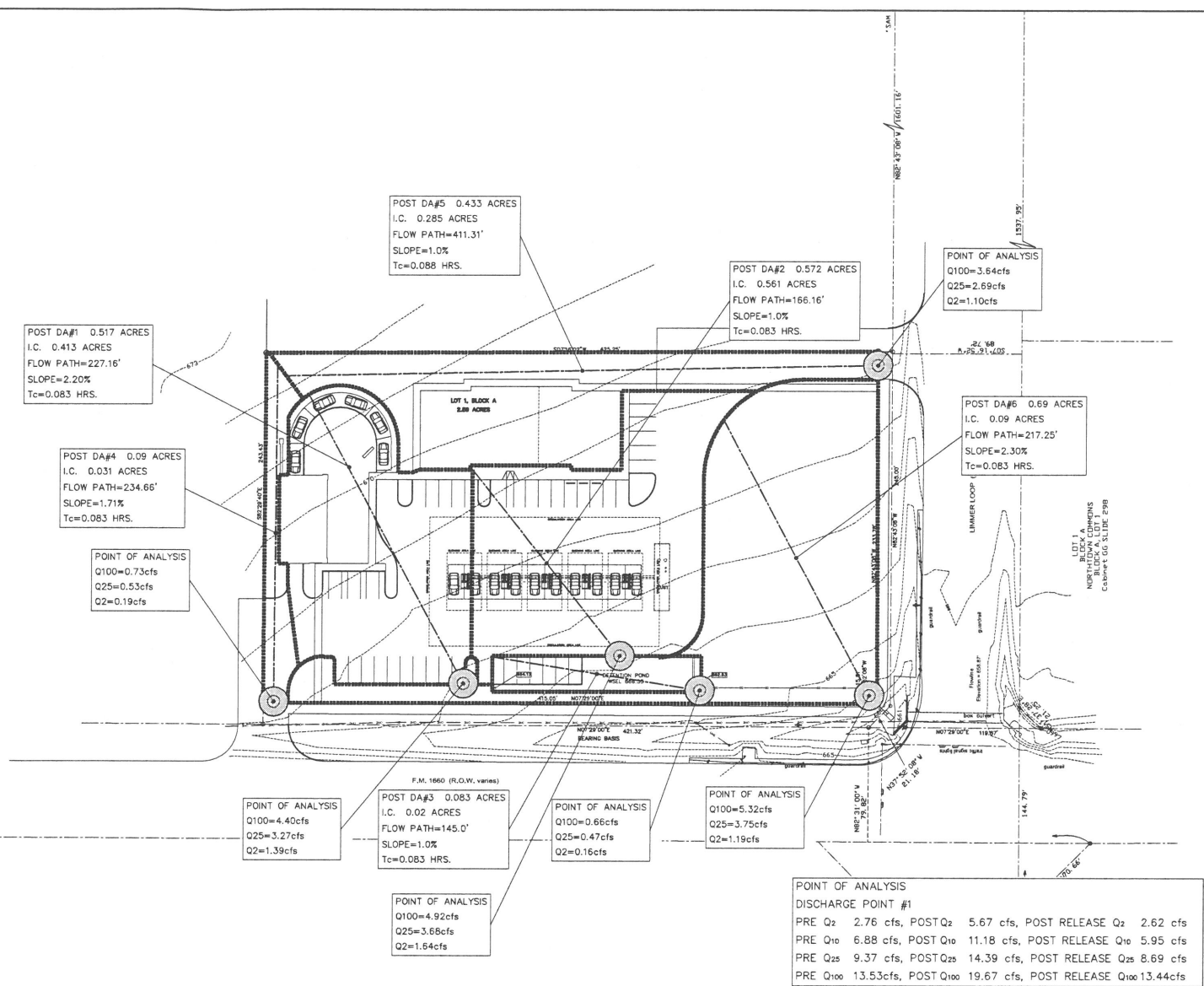
- 1) ACCESSIBLE ROUTES WITHIN THE BOUNDARY OF THE SITE MUST BE PROVIDED FROM PUBLIC TRANSPORTATION STOPS, ACCESSIBLE PARKING AND PASSENGER LOADING ZONES, AND PUBLIC STREETS OR SIDEWALKS TO THE ACCESSIBLE BUILDING ENTRANCE THEY SERVE. [IBC1104.1]
- 2) ACCESSIBLE ROUTES MUST HAVE A CROSS-SLOPE NO GREATER THAN 1:50. [ANSI 403.3]
- 3) OUTDOOR RAMPS AND THEIR APPROACHES MUST BE DESIGNED SO THAT WATER WILL NOT ACCUMULATE ON WALKING SURFACES. [ANSI 405.10]
- 4) CHANGES IN LEVEL GREATER THAN 1/2 INCH MUST BE ACCOMPLISHED BY MEANS OF A CURB RAMP, RAMP, ELEVATOR, OR PLATFORM LIFT. STAIRS SHALL NOT BE PART OF AN ACCESSIBLE ROUTE. [ANSI 405.9]
- 5) GROUND SURFACES ALONG ACCESSIBLE ROUTES MUST BE STABLE, FIRM, AND SLIP RESISTANT. [ANSI 302.1] SURFACE TEXTURE SHALL BE PROVIDED.
- 6) PARKING ACCESS AISLES MUST BE PART OF THE ACCESSIBLE ROUTE TO THE BUILDING OR FACILITY ENTRANCE AND MUST HAVE A RUNNING SLOPE NO GREATER THAN 1:20 AND A CROSS SLOPE NO GREATER THAN 1:50. [ANSI 502.5]
- 7) PARKED VEHICLE OVERHANGS MUST NOT REDUCE THE CLEAR WIDTH OF AN ACCESSIBLE CIRCULATION ROUTE TO LESS THAN 36". WIDEN THE SIDEWALK TO A MINIMUM OF 5 FEET OR PROVIDE WHEEL STOPS 1.5 FEET FROM THE CURB. [ANSI 403.5, TABLE 403.5]
- 8) CURB RAMPS MUST BE PROVIDED WHEREVER AN ACCESSIBLE ROUTE CROSSES A CURB. [ANSI 406.1]
- 9) IF A CURB RAMP IS LOCATED WHERE PEDESTRIANS MUST WALK ACROSS THE RAMP, IT MUST HAVE FLARED SIDES. IF THE LEVEL LANDING AT THE TOP OF THE RAMP IS LESS THAN 48" WIDE, THE SLOPE OF THE FLARE MAY NOT EXCEED 1:12; OTHERWISE, THE MAXIMUM SLOPE OF THE FLARE IS 1:10. CURB RAMPS WITH RETURNED CURBS MAY BE USED WHERE PEDESTRIANS WOULD NOT NORMALLY WALK ACROSS THE RAMP. [ANSI 406.3, FIG. 406.3, TCM FIG. 4-1, 4-5]
- 10) CURB RAMPS AT MARKED CROSSINGS MUST BE WHOLLY CONTAINED WITHIN THE MARKINGS, EXCLUDING ANY FLARED SIDES.[ANSI 406.6]
- 11) EVERY ACCESSIBLE PARKING SPACE MUST BE IDENTIFIED BY A SIGN, CENTERED AT THE HEAD OF THE PARKING SPACE. THE SIGN MUST INCLUDE THE INTERNATIONAL SYMBOL OF ACCESSIBILITY AND STATE RESERVED, OR EQUIVALENT LANGUAGE. CHARACTERS AND SYMBOLS ON SUCH SIGNS MUST BE LOCATED 60" MINIMUM ABOVE GROUND SO THAT THEY CANNOT BE OBSCURED BY A VEHICLE PARKED IN THE SPACE.
- 12) APPROVAL OF THESE PLANS BY THE CITY OF HUTTO INDICATES COMPLIANCE WITH APPLICABLE CITY REGULATIONS ONLY. COMPLIANCE WITH ACCESSIBILITY STANDARDS SUCH AS THE 2010 STANDARDS FOR ACCESSIBLE DESIGN OR THE 2012 TEXAS ACCESSIBILITY STANDARDS WAS NOT VERIFIED. THE APPLICANT IS RESPONSIBLE FOR COMPLIANCE WITH ALL APPLICABLE ACCESSIBILITY STANDARDS.
- 14) ALL SIDEWALK AND ACCESSIBLE ROUTE SHALL BE CONCRETE FINISH.

LOT 1
BLOCK A
NORTHTOWN COMMONS
BLOCK A, LOT 1
Cabinet GG SLIDE 298

PROFESSIONAL STRUCTURAL ENGINEERS, INC.
CONSULTING CIVIL AND STRUCTURAL ENGINEERS

Project :
FM 1660 GAS STATION
6081 FM 1660, HUTTO, TEXAS 78634

DIMENSIONAL SITE PLAN



COMPOSITE OUTFLOW SUMMARY TABLE			
ELEVATION	ORIFICE-1	WEIR-1	TOTAL Q
ft	cfs	cfs	cfs
662.50	0.0	0.0	0.0
663.00	0.07	0.0	0.07
663.50	0.10	0.0	0.10
664.00	0.12	0.0	0.12
664.50	0.15	0.0	0.15
665.00	0.16	0.0	0.16
665.50	0.18	0.35	0.53
666.00	0.19	1.00	1.19
666.50	0.21	1.84	2.04
667.00	0.22	2.83	3.05
667.50	0.23	3.95	4.18
668.00	0.24	5.19	5.44
668.50	0.26	6.54	6.80

DETENTION ELEVATION FT	POND AREA ACRES	& VOLUME AC-FT
662.50	0.00	0.00
662.87	0.039	0.005
663.25	0.079	0.027
664.00	0.079	0.086
665.00	0.079	0.165
666.00	0.079	0.243
667.00	0.079	0.322
668.00	0.079	0.401
668.50	0.079	0.440

2, 10, 25, & 100YRS. ELEVATIONS & VOLUME		
EVENTS	POND VOLUME	ELEVATION
	AC-FT	FT
2YRS.	0.166	665.02
10YRS.	0.261	666.23
25YRS.	0.310	666.84
100YRS.	0.380	667.74

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

8B.

AGENDA DATE: September 20, 2018

PRESENTED BY:

Edena Atmore, Assistant City Manager

ITEM:

Consideration and possible action on the first reading of an ordinance regarding Atmos Energy Corporation's proposal to increase natural gas rates pursuant to its Statement of Intent filed on or about June 1, 2018. (Edena Atmore)

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

On or about June 1, 2018, Atmos Energy Corporation ("Atmos" or "Company") filed a Statement of Intent with members of the coalition of cities known as the Atmos Texas Municipalities ("ATM") comprised of about 50 cities, of which the City is a member, to increase rates by approximately \$4.5 million, which equates to an increase of about 8% in annual non-gas-cost revenue in the ATM cities. On a system-wide basis, Atmos' proposed increase would be the equivalent of about \$46.0 million; this equates to an increase in annual revenue of about 7.3%.

The City, as part of the ATM coalition of cities, engaged the law firm of Herrera Law & Associates as Special Counsel to review Atmos' application. On behalf of ATM, Herrera Law & Associates engaged rate experts to assist in reviewing Atmos' application.

Special Counsel and the consulting firms of the Garrett Group, LLC; GDS and Associates, Inc.; and J. Randall Woolridge, Ph.D., recommend that the City deny Atmos' request to increase rates by \$46 million (system wide), and instead approve the rates shown in "**Exhibit A**" to this Agenda Information Sheet and a corresponding increase of about \$12.81 million, the details of which are presented in the schedules attached as "**Exhibit B**" to this Agenda Information Sheet.

Atmos proposed an effective date of July 6, 2018 for its change in rates. In prior action the City suspended Atmos's proposed effective date for the statutory time period of 90 days, to October 4, 2018.

The City must take final action on Atmos' proposed rates and must do so by no later than October 4, 2018.

BUDGETARY AND FINANCIAL SUMMARY:

ATMOS failed to establish that its requested increase in revenue of about \$46 million, and its proposed changes in rates as set forth in its Statement of Intent submitted to the City on about June 1, 2018, result in just and reasonable rates, and are therefore, hereby **DENIED**.

An increase of about \$12.81 million as shown in **Exhibit A**, and as detailed in **Exhibit B** to this Ordinance, each of which is hereby incorporated by reference, and the rates shown, are proposed for **APPROVAL**.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not Applicable.

CITY ATTORNEY REVIEW:

City Attorney has reviewed to form.

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. [Atmos Midtex 2018 Ordinance Exhibits A and B](#)
2. [Atmos MidTex 2018 SOI Ordinance](#)

EXHIBIT A

EXHIBIT A

Atmos Proposed Increase in Annual Revenue (System Wide – MidTex Division)	ATM City Approved Increase in Annual Revenue (System Wide – MidTex Division)
\$45,993,529	\$12,807,858

Customer Class/Rate	CURRENT	ATMOS: PROPOSED RATE	ATM CITY APPROVED RATE
Rate R - Residential			
Customer Charge per month	\$18.35	\$20.21	\$17.89
Consumption Charge (per CCF)	\$ 0.13734	\$0.15701	\$0.16052
Rate C - Commercial			
Customer Charge per month	\$41.95	\$41.85	\$37.85
Consumption Charge (per CCF)	\$0.08746	\$0.07729	\$0.10081
Rate I & T – Indus. & Transp.			
Customer Charge per month	\$752.00	\$752.00	\$619.85
Consumption Chrg - First 1,500 MMBTU	\$0.3172	\$0.2390	\$0.3655
Consumption Chrg - Next 3,500 MMBTU	\$0.2322	\$0.1901	\$0.2908
Consumption Chrg - Over 5,000 MMBTU	\$0.0498	\$0.0498	\$0.0761

Cost of Capital and Capital Structure			
	Atmos Requested	ATM City Approved	
Return on Equity	10.50%	9.80%	
Cost of Long-Term Debt	5.45%	5.45%	
Cost of Short-Term Debt	1.68%	1.68%	

Capital Structure Ratios		
	Atmos Requested	ATM City Approved
Equity	60.18%	53.81%
Long-Term Debt	39.82%	7.21%
Short-Term Debt	0.0%	38.98%

Weighted Average Cost of Capital (aka, Rate of Return)		
	Atmos Requested	ATM City Approved
Weighted Cost	8.3876%	7.5189%
Pre-Tax Weighted Cost	10.0674%	8.9207%

EXHIBIT B

REVENUE REQUIREMENT SCHEDULES

ATMOS ENERGY CORP., MID-TEX DIVISION
ATM COALITION REVENUE REQUIREMENT SUMMARY
TEST YEAR ENDING DECEMBER 31, 2017

Line No.	Description (a)	Ref. (b)	Atmos Proposed (Note a)		ATM Adjustments (See Schedule B) (e)	ATM Proposed Operating Income (f)	Δ	COS
			Rate Base / ROR (c)	Operating Income (d)				
1	Test Year Revenue Requirement:							
2	Revenue at Present Rates	Schedule A		\$ 1,494,918,603	\$ -	\$ 1,494,918,603	-	1,494,918,603
3								
4	GCR			\$ 816,965,570		\$ 816,965,570	-	816,965,570
5								
6	Operation and Maintenance Expenses	Schedule F-1		\$ 188,642,689	\$ (1,299,845)	\$ 187,342,844	-	187,342,844
7								
8	Taxes Other than Income Tax - Non-Revenue Related	Schedule F-5		43,711,991		\$ 43,711,991	-	43,711,991
9								
10	Revenue Related Taxes			96,255,692	(2,054,831)	\$ 94,200,861	-	94,200,861
11								
12	Depreciation and Amortization Expense	Schedule F-3		144,321,772		\$ 144,321,772	-	144,321,772
13								
14	Interest on Customer Deposits	Schedule F-7		117,764		\$ 117,764	-	117,764
14a								
15	Rate Base	Schedule B	\$ 2,573,504,828		(830,856)	2,572,673,972	-	2,572,673,972
16	Atmos Rate of Return	Schedule G	8.388%					
17	ATM Rate of Return					7.5189%	0.00%	7.52%
18	Return Requirement			\$ 215,855,775	\$ (22,418,528)	\$ 193,437,246	-	193,437,246
19								
20	Income and Other Taxes	Schedule F-6		47,913,915	(7,396,426)	40,517,489	-	40,517,489
21								
22	Revenue Requirements	L. 3... L. 20		<u>\$ 1,553,785,168</u>	<u>\$ (33,169,630)</u>	<u>\$ 1,520,615,538</u>	-	1,520,615,537
25								
26	Base Revenue Deficiency (excluding revenue taxes)	L. 22 - L. 2		<u>\$ 58,866,565</u>	<u>\$ (33,169,630)</u>	<u>\$ 25,696,934</u>	<u>\$ -</u>	<u>\$ 25,696,934</u>
27								
28	Amortization of Excess ADIT - with Revenue Taxes			<u>12,873,035</u>	<u>16,041</u>	<u>12,889,076</u>	-	12,889,076
29								
30	Proposed Cost of Service - Systemwide Adjusted for Excess ADIT			<u>\$ 45,993,529</u>	<u>(33,185,671)</u>	<u>\$ 12,807,858</u>	<u>\$ -</u>	<u>\$ 12,807,858</u>

Exhibit MG-2 Summary

ATMOS ENERGY CORP., MID-TEX DIVISION
ATM RECOMMENDATION SUMMARY
TEST YEAR ENDING DECEMBER 31, 2017

Line No.	Description	Equity/ ROE	Reference	Rate Base	Pre-Tax ROR	Rate Change
	Requested Amounts			\$ 2,573,504,828	10.0674%	\$ 45,993,529
	Pension and OPEB Regulatory Asset		MG-2.4	\$ (20,861)	10.0674%	(2,100)
	Cash Working Capital		MG-2.1	\$ (66,472)	10.0674%	(6,692)
	Adjustment to ADIT - SEBP Adjustment		MG-2.4	(464,794)	10.0674%	(46,792)
	SEBP EDIT Liability Net Adjustment		MG-2.4	(278,730)	10.0674%	(28,061)
	Excess ADIT Liability, Net of ADIT				10.0674%	-
	NOL ADIT Regulatory Adjustment				10.0674%	-
	NOL EDIT Liability Net Adjustment				10.0674%	-
	Total Rate Base Adjustments			\$ (830,856)		\$ (83,645)
	Capital Structure and ROE	53.81%	MG-2.10	\$ 2,572,673,972	-1.1467%	(29,499,831)
		9.80%				-
	Total Cost of Capital Adjustments					(29,499,831)
	Incentives - Restricted Stock Units		MG-2.2			(306,458)
	Incentives - Annual Incentive Plan		MG-2.3			(488,558)
	Non-Qualified Retirement Plans		MG-2.4			(37,089)
	Injuries and Damages		MG-2.5			(216,667)
	Bad Debt Expense		MG-2.1			(251,073)
	Taxes Other Than Income Tax		MG-2.1			(2,054,831)
	Gross Margin Tax		MG-2.1			(231,477)
	EDIT Amortization SEBP		MG-2.4			(15,047)
	EDIT Amortization @ 12-31-17					-
	EDIT Amortization NOL					-
	EDIT Amortization Flow Through		MG-2.1			(994)
	Total Revenue and Expense Adjustments					\$ (3,602,194)
	Total Revenue Requirement Adjustments					\$ (33,185,671)
	Rate Incease (Decrease)					\$ 12,807,858

Exhibit MG-2.10

ATMOS ENERGY CORP., MID-TEX DIVISION
 COST OF CAPITAL
 TEST YEAR ENDING DECEMBER 31, 2017

Atmos Cost of Capital (Schedule G)

Line No.		Capital Structure	Cost of Capital	Weighted Cost	Tax Gross Up	Pre-Tax Weighted Cost
1	Debt	39.82%	5.20%	2.0686%	1	2.0686%
2	Equity	<u>60.18%</u>	10.50%	<u>6.3190%</u>	1.2658228	<u>7.9988%</u>
3		100.00%		8.3876%		10.0674%

ATM Recommended Capital Structure

		Capital Structure	Cost of Capital	Weighted Cost	Tax Gross Up	Pre-Tax Weighted Cost
4	LT Debt	38.98%	5.45%	2.1244%	1	2.1244%
5	ST Debt	7.21%	1.68%	0.1211%	1	0.1211%
6	Equity	<u>53.81%</u>	9.80%	<u>5.2734%</u>	1.2658228	<u>6.6752%</u>
7		100.00%		7.5189%		<u>8.9207%</u>
8	Difference					<u><u>-1.1467%</u></u>

ATM Recommended ROE and Capital Structure

		Capital Structure	Cost of Capital	Weighted Cost	Tax Gross Up	Pre-Tax Weighted Cost
4	LT Debt	38.98%	5.45%	2.1244%	1	2.1244%
5	ST Debt	7.21%	1.68%	0.1211%	1	0.1211%
6	Equity	<u>53.81%</u>	9.80%	<u>5.2734%</u>	1.2658228	<u>6.6752%</u>
7		100.00%		7.5189%		<u>8.9207%</u>
8	Difference					<u><u>0.0000%</u></u>

COST ALLOCATION AND RATE DESIGN SCHEDULES

ATMOS ENERGY CORP - MID-TEX DIVISION
COMPARISON OF BASE RATE CHARGES

Line No.	Rate Description	Current Rate	Atmos Proposed (See Note 1)			ATM Proposed (See Note 1)		
			Rate	Incr./ (Decr.) from Current - \$	Incr./ (Decr.) from Current - %	Rate	Incr./ (Decr.) from Current - \$	Incr./ (Decr.) from Current - %
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Rate R - Residential							
2	Customer Charge (per Bill)	\$ 18.35	\$ 20.21	\$ 1.86	10.14%	\$ 17.89	\$ (0.46)	-2.52%
3	Consumption Charge (per Ccf)	0.13734	0.15701	0.01967	14.32%	0.16052	0.02318	16.88%
4	Rate C - Commercial							
5	Customer Charge (per Bill)	\$ 41.95	\$ 41.85	\$ (0.10)	-0.24%	\$ 37.85	\$ (4.10)	-9.78%
6	Consumption Charge (per Ccf)	0.08746	0.07729	(0.01017)	-11.63%	0.10081	0.01335	15.26%
7	Rates I and T - Industrial & Transportation							
8	Meter Charge	\$ 752.00	\$ 750.07	\$ (1.93)	-0.26%	\$ 619.85	\$ (132.15)	-17.57%
9	Consumption Charge - 0 to 1,500 MMBtu	0.3172	0.2390	(0.0782)	-24.65%	0.3655	0.0483	15.21%
10	Consumption Charge - Next 3,500 MMBtu	0.2322	0.1901	(0.0421)	-18.13%	0.2908	0.0586	25.23%
11	Consumption Charge - All Additional MMBtu	0.0498	0.0498	-	0.00%	0.0761	0.0263	52.90%

Note 1: All proposed charges exclude gas costs, riders and Atmos' proposed Rate Case Expense Surcharge

ATMOS ENERGY CORP., MID-TEX DIVISION
ATM RECOMMENDED RATE CASE EXPENSE SURCHARGE

	Costs Incurred to Date
ATM Consulting	
Garrett Group	\$ 43,050
GDS Associates, Inc.	33,753
J. Randell Woodridge	2,600
Total ATM Consulting	79,403
ATM Legal	
Herrera Law & Associates, PLLC	36,654
Total ATM Legal	36,654
Total Rate Case Expenses to be Recovered	\$ 116,057
Recovery Period (Years)	5
Annual Recovery	\$ 23,211

Rate Class	ATM Base Rate Revenue Req.	ATM RCE Allocation	Volumetric Billing Determinants (1)	RCE Surcharge	Average Monthly Usage	Average Monthly Bill Impact
Residential	\$ 497,923,762	\$ 18,825	63,441,015	\$ 0.00030	34.60	\$ 0.01
Commercial	103,088,213	3,897	35,426,746	0.00011	273.30	\$ 0.03
Industrial and Transportation	12,932,750	489	3,554,341	0.0001	4,114.00	\$ 0.57
Total	\$ 613,944,726	\$ 23,211				

(1) Residential and Commercial volumetric billing determinants are Ccf, I&T determinants are MMBtu.

ATMOS ENERGY CORP - MID-TEX DIVISION
COMPARISON OF REVENUE DISTRIBUTION TO CUSTOMERS

Line No.	Rate Description	Current Revenue	Atmos Proposed			ATM Proposed		
			Revenue	Incr./ (Decr.) from Current - \$	Incr./ (Decr.) from Current - %	Revenue	Incr./ (Decr.) from Current - \$	Incr./ (Decr.) from Current - %
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Rate R - Residential	\$ 447,851,269	\$ 497,926,227	\$ 50,074,958	11.18%	\$ 458,255,829	\$ 10,404,560	2.32%
2	Rate C - Commercial	108,705,970	103,089,082	(5,616,888)	-5.17%	109,855,273	1,149,303	1.06%
3	Rates I and T - Industrial & Transportation	14,243,218	12,932,618	(1,310,600)	-9.20%	14,703,776	460,559	3.23%
4	Total	\$ 570,800,457	\$ 613,947,927	\$ 43,147,470	7.56%	\$ 582,814,879	\$ 12,014,422	2.10%

ATMOS ENERGY CORP - MID-TEX DIVISION
COMPARISON OF MONTHLY BASE RATE BILL IMPACTS

Line No.	Rate Description & Usage Level (a)	Current Base Rate Bill Total (b)	Atmos Proposed (See Note 1)			ATM Proposed (See Note 1)		
			Base Rate Bill Total (c)	Incr./Decr. from Current - \$ (d)	Incr./Decr. from Current - % (e)	Base Rate Bill Total (f)	Incr./Decr. from Current - \$ (g)	Incr./Decr. from Current - % (h)
1	Rate R - Residential							
2	0 Ccf	\$ 18.35	\$ 20.21	\$ 1.86	10.14%	\$ 17.89	\$ (0.46)	-2.52%
3	20 Ccf	21.10	23.35	2.25	10.68%	21.10	0.00	0.01%
4	50 Ccf	25.22	28.06	2.84	11.28%	25.91	0.70	2.76%
5	70 Ccf	27.96	31.20	3.24	11.58%	29.12	1.16	4.15%
6	100 Ccf	32.08	35.91	3.83	11.93%	33.94	1.86	5.78%
7	120 Ccf	34.83	39.05	4.22	12.12%	37.15	2.32	6.66%
8	160 Ccf	40.32	45.33	5.01	12.42%	43.57	3.25	8.05%
9	180 Ccf	43.07	48.47	5.40	12.54%	46.78	3.71	8.61%
10	200 Ccf	45.82	51.61	5.79	12.65%	49.99	4.17	9.11%
11	Rate C - Commercial							
12	0 Ccf	\$ 41.95	\$ 41.85	\$ (0.10)	-0.24%	\$ 37.85	\$ (4.10)	-9.78%
13	50 Ccf	46.32	45.71	(0.61)	-1.31%	42.89	(3.43)	-7.41%
14	100 Ccf	50.70	49.58	(1.12)	-2.20%	47.93	(2.77)	-5.46%
15	200 Ccf	59.44	57.31	(2.13)	-3.59%	58.01	(1.43)	-2.41%
16	300 Ccf	68.19	65.04	(3.15)	-4.62%	68.09	(0.10)	-0.14%
17	400 Ccf	76.93	72.77	(4.17)	-5.42%	78.17	1.24	1.61%
18	500 Ccf	85.68	80.50	(5.19)	-6.05%	88.25	2.57	3.00%
19	1,000 Ccf	129.41	119.14	(10.27)	-7.94%	138.65	9.24	7.14%
20	1,500 Ccf	173.14	157.79	(15.36)	-8.87%	189.06	15.92	9.19%
21	2,000 Ccf	216.87	196.43	(20.44)	-9.43%	239.46	22.59	10.42%
22	2,500 Ccf	260.60	235.08	(25.53)	-9.79%	289.86	29.26	11.23%

Note 1: All proposed charges exclude gas costs, riders and Atmos' proposed Rate Case Expense Surcharge

ATMOS ENERGY CORP - MID-TEX DIVISION
REVENUE REQUIREMENT ALLOCATION TO CUSTOMER CLASSES - AT CLASS COST OF SERVICE

Line No.	Revenue Requirement Component (a)	Total (b)	Residential (c)	Commercial (d)	I&T (e)
1	Operating and Maintenance Expenses	\$ 187,342,844	\$ 148,585,126	\$ 33,873,802	\$ 4,883,916
2	Depreciation Expense	144,321,772	113,626,539	27,120,191	3,575,042
3	Taxes Other than Income	43,711,991	34,337,668	8,259,964	1,114,360
4	Interest on Customer Deposits	117,764	83,481	34,283	-
5	Return on Investment	193,437,246	151,754,188	36,747,735	4,935,323
6	Income Taxes	40,517,490	31,786,530	7,697,204	1,033,756
7	Total Cost of Service	\$ 609,449,107	\$ 480,173,532	\$ 113,733,178	\$ 15,542,396
8	Revenue Credits	14,543,619	11,458,645	2,714,077	370,897
9	Amortization of AD FIT	(12,090,609)	(9,481,039)	(2,302,608)	(306,962)
10	Total Revenue Requirement	<u>\$ 582,814,879</u>	<u>\$ 459,233,848</u>	<u>\$ 108,716,493</u>	<u>\$ 14,864,538</u>

ATMOS ENERGY CORP - MID-TEX DIVISION
RATE BASE ALLOCATION TO CUSTOMER CLASSES

Line No.	Revenue Requirement Component (a)	Total (b)	Residential (c)	Commercial (d)	I&T (e)
1	Gross Plant	\$ 4,532,029,129	\$ 3,559,151,661	\$ 858,973,880	\$ 113,903,588
2	Accumulated Depreciation	1,323,023,298	1,042,759,772	247,831,547	32,431,979
3	Net Plant	3,209,005,831	2,516,391,889	611,142,333	81,471,609
4	Cash Working Capital	(26,580,445)	(21,081,449)	(4,806,059)	(692,936)
5	Materials and Supplies	1,053,524	835,570	190,490	27,465
6	Prepayments	17,841,836	14,150,695	3,226,015	465,126
7	Pension Expense Regulatory Asset	941,167	746,457	170,174	24,536
8	Customer Deposits	(12,941,103)	(9,173,792)	(3,767,311)	-
9	Injuries and Damages Reserve	(2,002,505)	(1,588,225)	(362,077)	(52,204)
10	ADFIT & Regulatory Liabilities	(603,948,499)	(473,595,620)	(115,019,577)	(15,333,302)
11	Rate Base Adjustments	(10,695,834)	(8,387,305)	(2,036,979)	(271,550)
12	Total Rate Base	<u>\$ 2,572,673,971</u>	<u>\$ 2,018,298,220</u>	<u>\$ 488,737,009</u>	<u>\$ 65,638,742</u>

ORDINANCE NO. O-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS DENYING A PROPOSED INCREASE SOUGHT BY ATMOS ENERGY-MIDTEX DIVISION IN CONNECTION WITH THE RATE INCREASE FILING IT MADE ON ABOUT JUNE 1, 2018; APPROVING AN ALTERNATIVE INCREASE IN RATES; DIRECTING ATMOS TO FILE CONFORMING TARIFFS AND TO REIMBURSE THE CITY’S RATE CASE EXPENSES; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, Atmos Energy (“Atmos Energy,” “Atmos,” or “Company”) filed a Statement of Intent with the City on or about June 1, 2018, to increase its annual revenue by approximately \$4.5 million in the cities known as Atmos Texas Municipalities (“ATM”), which equates to an increase in annual revenue of approximately 8.0 percent, and is the equivalent of an increase of about \$46.0 million on a system-wide basis; and

WHEREAS, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §103.001 et seq. of GURA has exclusive original jurisdiction over Atmos’s rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating Atmos’s rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

WHEREAS, the City, in matters regarding applications by Atmos to change rates, has in the past joined with other local regulatory authorities to form an alliance of cities known as Atmos Texas Municipalities (“ATM”), and hereby continues its participation in ATM; and

WHEREAS, Atmos's rate request consists of a voluminous amount of information including Atmos's rate-filing package, exhibits, schedules, and workpapers; and

WHEREAS, Atmos's rate application is the Company's first general rate case since about 2012, and follows annual increases approved under the now-expired tariff known as the "Rate Review Mechanism" ("RRM"); and

WHEREAS, Atmos proposed July 6, 2018, as the effective date for its requested increase in rates; and

WHEREAS, the City previously suspended Atmos' proposed effective from July 6, 2018, to October 4, 2018; and

WHEREAS, the City, exercising its duties as a local regulatory authority with regard to Atmos' rates, services, and operations, through ATM engaged the law firm of Herrera Law & Associates as Special Counsel and rate experts from the consulting firms of the Garrett Group, LLC, GDS and Associates, Inc., and J. Randall Woolridge, Ph.D, to review Atmos' rate filing package; and

WHEREAS, Atmos failed to establish the need for an increase of about \$46 million and the specific rates Atmos proposed; and

WHEREAS, merits at most an increase of about \$12.81 million, which is approximately an increase of \$1.25 million in the ATM cities, and the specific rates set forth in **Exhibit A** to this Ordinance, and made a part of this Ordinance as if fully set out in its body; and

WHEREAS, Atmos failed to establish the reasonableness of its proposed rate design; and

WHEREAS, a reasonable rate design is as set forth in **Exhibit A**;

WHEREAS, Atmos failed to establish the reasonableness of its proposed cost of capital, including Atmos' proposed capital structure; and

WHEREAS, a reasonable cost of capital and capital structure is as set forth in **Exhibit A** to this Ordinance; and

WHEREAS, pursuant to Gas Utility Regulatory Act § 103.022, cities have a statutory right to recover their reasonable rate case expenses.

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

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. Atmos failed to establish that its requested increase in revenue of about \$46 million, and its proposed changes in rates as set forth in its Statement of Intent submitted to the City on about June 1, 2018, result in just and reasonable rates, and are therefore, hereby **DENIED**.

Section 3. An increase of about \$12.81 million as shown in **Exhibit A**, and as detailed in **Exhibit B** to this Ordinance, each of which is hereby incorporated by reference, and the rates shown below, are hereby **APPROVED**, to wit:

Approved Increase in Annual Revenue (System Wide – MidTex Division)	
\$12,807,858	

Customer Class/Rate	APPROVED RATE
Rate R - Residential	
Customer Charge per month	\$17.89
Consumption Charge (per CCF)	\$0.16052
Rate C - Commercial	
Customer Charge per month	\$37.85

Consumption Charge (per CCF)	\$0.10081
Rate I & T – Indus. & Transp.	
Customer Charge per month	\$619.85
Consumption Chrg - First 1,500 MMBTU	\$0.3655
Consumption Chrg - Next 3,500 MMBTU	\$0.2908
Consumption Chrg - Over 5,000 MMBTU	\$0.0761

Section 4. A rate-case-expense surcharge (“RCE Surcharge”) as shown below to allow Atmos to recover the City’s rate case expenses is hereby **APPROVED**, said surcharge per class to be in effect for a period of five (5) years:

Rate Class	RCE Surcharge
Residential	\$0.00030 per ccf
Commercial	\$0.00011 per ccf
Industrial & Transportation	\$0.0001 per MMbtu

Section 5. Atmos is hereby ordered to submit to the City a report detailing the rate-case expenses recovered through the RCE Surcharges, said report to be filed by October 1 of each year until full recovery of the rate case expenses and in no event is Atmos permitted to recover in excess of the rate case expenses approved by this Ordinance.

Section 6. Atmos’ requested return on equity of 10.50% and its proposed capital structure of 60.18% equity and 39.82% long-term debt, are hereby **DENIED**.

Section 7. A return on equity of 9.80%; a cost of long-term debt of 5.45%; and a cost of short-term debt of 1.68%, are hereby **APPROVED**.

Section 8. A capital structure of 53.81% equity; 38.98% long-term debt; and 7.21% short-term debt, yielding a weighted cost of capital of 7.5189%, are hereby **APPROVED**.

Section 9. Atmos is hereby ordered to reimburse the City’s rate case expenses incurred as a member of the Atmos Texas Municipalities (“ATM”) through August 31,

2018, as set forth in **Exhibit B**, by no later than thirty (30) days from the effective date of this Ordinance.

Section 10. Atmos is hereby ordered to reimburse the City's rate case expenses incurred after August 31, 2018, for the City's reasonable costs associated with the City's continued activities related to this rate review or related to proceedings involving Atmos in proceedings before the City or any ATM city, the Railroad Commission of Texas, or any court of law, and that Atmos shall do so on a monthly basis and within 30 days after submission of the City's invoices to Atmos.

Section 11. Atmos is directed to submit to the City a set of tariffs modified to correspond to the rates approved by this Ordinance and that it do so by no later than fifteen (15) calendar days after the effective date of this Ordinance, said submittal to be accompanied by an affidavit from an officer of Atmos Energy attesting that the rates presented in the modified tariffs are in accordance with the rates approved by this Ordinance.

Section 12. The City shall continue its participation in a coalition of cities known as the Atmos Texas Municipalities ("ATM"), and authorizes intervention in proceedings related to Atmos' Statement of Intent before the Railroad Commission of Texas and related proceedings in courts of law that may have an impact on rates within the City; and

Section 13. Subject to the right to terminate employment at any time, the City continues its engagement of and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of Atmos's rate application in such proceedings and subject to approval by the steering committee of the ATM.

Section 14. Any relief not expressly granted or approved by this Ordinance is expressly denied.

Section 15. A copy of this Ordinance shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Ave., Suite 950, Austin, Texas 78701, and a courtesy copy to Atmos's local representative.

Section 16. Atmos shall implement the rates approved by this Ordinance beginning October 4, 2018, for service rendered on and after that date.

Section 17. To the extent of an inconsistency between this Ordinance and a prior ordinance or resolution related to Atmos' rates, this Ordinance governs and supersedes all prior ordinances or resolutions related to Atmos' rates.

Section 18. The meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 19. This Ordinance shall become effective from and after its passage.

READ, CONSIDERED, PASSED AND ADOPTED on first reading by the City Council of the City of Hutto at a regular meeting on the 20th day of September, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.00, et seq., of the Texas Government Code.

READ, CONSIDERED, PASSED AND ADOPTED on second and final reading by the City Council of the City of Hutto at a regular meeting on the 4th day of October, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et seq., of the Texas Government Code.

THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

Attest:

Lisa L. Brown, City Secretary

(SEAL)

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8C. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration of a public hearing and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type A. (James Bryson)

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The proposed amendment will decrease the FY 2017-18 Budget to zero 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 for the Type A Board.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board approved the amendment at their August 27, 2018 Board Meeting.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance amending the FY 2017-18 Budget.

SUPPORTING MATERIAL:

1. [Ordinance](#)
2. [Type A Amended Budget](#)

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, 2017 THROUGH SEPTEMBER 30, 2018; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation 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 be fixed and determined for said terms in accordance with the expenditures shown in the EDC'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** on first reading on this the **6th** day of September **2018**, 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 **20th** day of **September 2018**, 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:

Lisa Brown, City Secretary

HEDC Type A Budget 2018

Revenues: 0

Expenditures 0

Ending Fund Balance: 0

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8D. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration of a public hearing and possible action on the second and final reading of an ordinance concerning the first amendment to the Fiscal Year 2018 Budget of the Hutto Economic Development Corporation - Type B. (James Bryson)

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

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 increase the budgeted expenditures incurred due to the bond issuance and various land purchases throughout the current year.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Hutto Economic Development Corporation Board approved the amendment at their August 27, and September 4, 2018 Board Meeting.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance amending the FY 2017-18 Budget.

SUPPORTING MATERIAL:

1. [Ordinance](#)
2. [Amended Budget EDC](#)
3. [2018 EDC Budget](#)

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS AMENDING THE APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE FISCAL YEAR OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the Hutto Economic Development Corporation 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 be fixed and determined for said terms in accordance with the expenditures shown in the EDC'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 on first reading on this the **6th** day of September **2018**, 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 23rd day of **September 2018**, 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:

Lisa Brown, City Secretary

EDC Budget for FY 2019 and Forecast of FY 2020-2021

	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY19-20</u>	<u>FY20-21</u>
Revenue				
Sales Tax	1,195,518	1,327,500	1,650,000	2,000,000
Interest & Other	41,061	4,000	4,000	4,000
	<u>1,236,579</u>	<u>1,331,500</u>	<u>1,654,000</u>	<u>2,004,000</u>
<u>EXPENSES</u>				
Payroll related	8,204	-	-	-
Community relations	1,032	-	-	-
Office related	28,819	-	-	-
Administrative Costs	864	1,000	1,000	1,000
Postage	124	250	250	250
Marketing	30,143	30,000	30,000	30,000
Professional Expenses		100,000	100,000	100,000
Audit	8,298			
Legal	235,212			
Appraisal Services	1,800			
Training/Conferences		15,000	15,000	15,000
Membership Dues	9,057	12,000	12,000	12,000
Other	1,517	2,000	2,000	2,000
Cost of Issuance	251,517	-	-	-
Megasite Land Purchase	8,877,963	-	-	-
HMJM Agreement	451,000	-	-	-
Williamson County Higher Education Payment	125,000	125,000	125,000	125,000
Coop District <i>(funds to be paid to PID Bonds)</i>				
Flix			25,000	25,000
Southside BBQ			16,000	16,000
Others			30,000	65,000
AEND	75,000	25,000	25,000	25,000
JRS		25,000	25,000	25,000
Amphitheater Payment	585,000	-	-	-
Projects/Incentives		337,000	337,000	337,000
Total Expenditures	<u>10,690,551</u>	<u>672,250</u>	<u>743,250</u>	<u>778,250</u>
Revenues over expenditures	(9,453,972)	659,250	910,750	1,225,750
<u>OTHER FINANCING SOURCES AND USES</u>				
Bond Revenues	9,155,000			
Debt Service Payment	-	(546,179)	(544,994)	(544,865)
Total Other Financing Sources (Uses)	<u>9,155,000</u>	<u>(546,179)</u>	<u>(544,994)</u>	<u>(544,865)</u>
Net Income	(298,972)	113,071	365,756	680,885
Beginning Fund Balance	928,749	629,777	742,848	1,108,604
Ending Fund Balance	629,777	742,848	1,108,604	1,789,489

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

EXHIBIT "A"

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

8E.

AGENDA DATE: September 20, 2018

PRESENTED BY:

James Bryson, Director of Finance

ITEM:

Consideration of a public hearing 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 2018-19 Budget. (James Bryson)

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 Hutto Economic Development Corporation Type A By-Lays Section 1.3; Annual Corporate Budget. At least sixty (60) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of anticipated revenues and proposed expenditures for the next ensuring fiscal year. The budget shall contain such classifications as shall be in such form as may be prescribed from time to time by the City Council. The budget shall not be effective until same has been approved by the City Council. The Corporation's fiscal year shall start on October 1 and end on September 30th of the following year and may be changed by action of the Board and approval of the City Council.

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 August 27, 2018.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [HEDC Type A Budget](#)
2. [HEDC Type A budget Ordinance](#)

HEDC Type A Budget 2019

Beginning Fund Balance: 0

Revenues: 0

Expenditures 0

Ending Fund Balance: 0

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE FISCAL YEAR OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 AND ADOPTING THE ANNUAL BUDGET OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE 2018-19 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, 2018 through September 30, 2019, 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, 2018 through September 30, 2019 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 2019 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, 2018 through September 30, 2019.

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 **6th** day of **2018.** September,

READ, APPROVED, and **ADOPTED** on the second reading of the ordinance on the **20th** day of **September, 2018.**

CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

ATTEST:

Lisa Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8F. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration of a public hearing 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 2018-19 Budget. (James Bryson and Daniel Thornton)

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 has 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 receives .25 of the City's sales tax.

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 August 27, 2018.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [HEDC Type B final budget](#)
2. [Ordinance to adopt EDC type B budget](#)

EDC Budget for FY 2019 and Forecast of FY 2020-2021

	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY19-20</u>	<u>FY20-21</u>
Revenue				
Sales Tax	1,195,518	1,327,500	1,650,000	2,000,000
Interest & Other	41,061	4,000	4,000	4,000
	<u>1,236,579</u>	<u>1,331,500</u>	<u>1,654,000</u>	<u>2,004,000</u>
<u>EXPENSES</u>				
Payroll related	8,204	-	-	-
Community relations	1,032	-	-	-
Office related	28,819	-	-	-
Administrative Costs	864	1,000	1,000	1,000
Postage	124	250	250	250
Marketing	30,143	30,000	30,000	30,000
Professional Expenses		100,000	100,000	100,000
Audit	8,298			
Legal	235,212			
Appraisal Services	1,800			
Training/Conferences		15,000	15,000	15,000
Membership Dues	9,057	12,000	12,000	12,000
Other	1,517	2,000	2,000	2,000
Cost of Issuance	251,517	-	-	-
Megasite Land Purchase	8,877,963	-	-	-
HMJM Agreement	451,000	-	-	-
Williamson County Higher				
Education Payment	125,000	125,000	125,000	125,000
Coop District			71,000	106,000
AEND	75,000	25,000	25,000	25,000
JRS		25,000	25,000	25,000
Amphitheater Payment	585,000	-	-	-
Projects/Incentives		337,000	337,000	337,000
Total Expenditures	<u>10,690,551</u>	<u>672,250</u>	<u>743,250</u>	<u>778,250</u>
Revenues over expenditures	(9,453,972)	659,250	910,750	1,225,750
<u>OTHER FINANCING SOURCES AND USES</u>				
Bond Revenues	9,155,000			
Debt Service Payment	-	(546,179)	(544,994)	(544,865)
Total Other Financing Sources (Uses)	<u>9,155,000</u>	<u>(546,179)</u>	<u>(544,994)</u>	<u>(544,865)</u>
Net Income	(298,972)	113,071	365,756	680,885
Beginning Fund Balance	928,749	629,777	742,848	1,108,604
Ending Fund Balance	629,777	742,848	1,108,604	1,789,489

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8F. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration of a public hearing 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 2018-19 Budget. (James Bryson and Daniel Thornton)

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 has 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 receives .25 of the City's sales tax.

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 August 27, 2018.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. [HEDC Type B final budget](#)
2. [Ordinance to adopt EDC type B budget](#)

EDC Budget for FY 2019 and Forecast of FY 2020-2021

	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY19-20</u>	<u>FY20-21</u>
Revenue				
Sales Tax	1,195,518	1,327,500	1,650,000	2,000,000
Interest & Other	41,061	4,000	4,000	4,000
	<u>1,236,579</u>	<u>1,331,500</u>	<u>1,654,000</u>	<u>2,004,000</u>
<u>EXPENSES</u>				
Payroll related	8,204	-	-	-
Community relations	1,032	-	-	-
Office related	28,819	-	-	-
Administrative Costs	864	1,000	1,000	1,000
Postage	124	250	250	250
Marketing	30,143	30,000	30,000	30,000
Professional Expenses		100,000	100,000	100,000
Audit	8,298			
Legal	235,212			
Appraisal Services	1,800			
Training/Conferences		15,000	15,000	15,000
Membership Dues	9,057	12,000	12,000	12,000
Other	1,517	2,000	2,000	2,000
Cost of Issuance	251,517	-	-	-
Megasite Land Purchase	8,877,963	-	-	-
HMJM Agreement	451,000	-	-	-
Williamson County Higher				
Education Payment	125,000	125,000	125,000	125,000
Coop District			71,000	106,000
AEND	75,000	25,000	25,000	25,000
JRS		25,000	25,000	25,000
Amphitheater Payment	585,000	-	-	-
Projects/Incentives		337,000	337,000	337,000
Total Expenditures	<u>10,690,551</u>	<u>672,250</u>	<u>743,250</u>	<u>778,250</u>
Revenues over expenditures	(9,453,972)	659,250	910,750	1,225,750
<u>OTHER FINANCING SOURCES AND USES</u>				
Bond Revenues	9,155,000			
Debt Service Payment	-	(546,179)	(544,994)	(544,865)
Total Other Financing Sources (Uses)	<u>9,155,000</u>	<u>(546,179)</u>	<u>(544,994)</u>	<u>(544,865)</u>
Net Income	(298,972)	113,071	365,756	680,885
Beginning Fund Balance	928,749	629,777	742,848	1,108,604
Ending Fund Balance	629,777	742,848	1,108,604	1,789,489

ORDINANCE NO.

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B FOR THE FISCAL YEAR OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 AND ADOPTING THE ANNUAL BUDGET OF THE HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE A FOR THE 2018-19 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, 2018 through September 30, 2019, 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, 2018 through September 30, 2019 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 2019 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, 2018 through September 30, 2019.

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 **6th** day of September **2018**, 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 **20th** day of **September 2018**, 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:

Lisa Brown, 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.: 8G. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration and possible action on the second and final 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 2018. (James Bryson)

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 the same as the current rate of \$0.515171. The proposed tax rate is also lower than the rollback rate of \$0.54898. The proposed tax rate is 8.1% higher than the effective rate of \$0.4765410. 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 \$0.389299 on each \$100 valuation of property; debt service on bonds sold for the support of general government, a rate of \$0.12587 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 remain the same by the adoption of the tax rate of \$0.515171, which is the current 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. [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 2018; 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 \$0.3892996 on each \$100.00 valuation of property and
2. For debt service on bond sold for the support of general government, a rate of \$0.1258715 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 11.9% AND WILL LOWER TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 BY APPROXIMATELY \$27.18.

SECTION III.

That the Taxes levied under this ordinance shall be due October 1, 2018, and if not paid on or before January 31, 2019, 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 **6th** day of **September, 2018**, 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 **20th** day of **September, 2018** 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:

Lisa Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8H. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Consideration and possible action on the second and final reading of an ordinance ratifying an Ad Valorem tax increase for the 2018-19 Fiscal Year for the use and support of the municipal government for the City of Hutto for the Tax Year 2018. (James Bryson)

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 raise more total property taxes than last year's budget by \$1,014,995, or 11.93%, and of that amount \$309,734 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 second reading of the Ordinance.

SUPPORTING MATERIAL:

1. [Ordinance Ratifying](#)

ORDINANCE NO. _____

AN ORDINANCE RATIFYING A PROPERTY TAX INCREASE FOR THE FISCAL YEAR 2019 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 \$1,014,959 or 11.9%, and of that amount \$309,734 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.

The taxable value on the 2018 certified appraisal roll totals \$1,848,642,234 compared to \$1,651,628,160 in 2017.

SECTION III.

That the proposed Fiscal Year 2018-2019 Budget and tax levy shall be adopted in separate ordinances and will become effective October 1, 2018, and end September 30, 2019.

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 **6th** day of **September 2018**, 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 **20th** day of **September 2018**, 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:

Lisa Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

8I.

AGENDA DATE: September 20, 2018

PRESENTED BY:

James Bryson, Director of Finance

ITEM:

Consideration and possible action on the second and final reading of an ordinance making appropriations for the support of the City of Hutto for Fiscal Year October 1, 2018 through September 30, 2019, and adopting the annual budget of the City of Hutto for Fiscal Year 2018-19. (James Bryson)

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The proposed Fiscal Year 2018-19 Budget was presented to the City Council on August 3, 2018. The required Public Hearing was held on September 6 and September 13, 2018. 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 2018-19 Budget establishes appropriations for the 2018-2019 Fiscal Year. The proposed Fiscal Year 2018-19 Budget is predicated on a tax rate of \$0.515171. Exhibit A, Proposed Fiscal Year 2018-19 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 FY 2018-2019](#)
2. [Ordinance](#)



PUBLIC HEARING NOTICE

PUBLIC HEARINGS ON PROPOSED FISCAL YEAR 2018-19 BUDGET

As per the requirements of Chapter 102 of the Texas Local Government Code and Section 8.05 of the City Charter of the City of Hutto, notice is hereby given that the Hutto City Council will conduct a public hearing on the proposed 2018-19 Budget.

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,014,959, which is a 11.9 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$309,734."

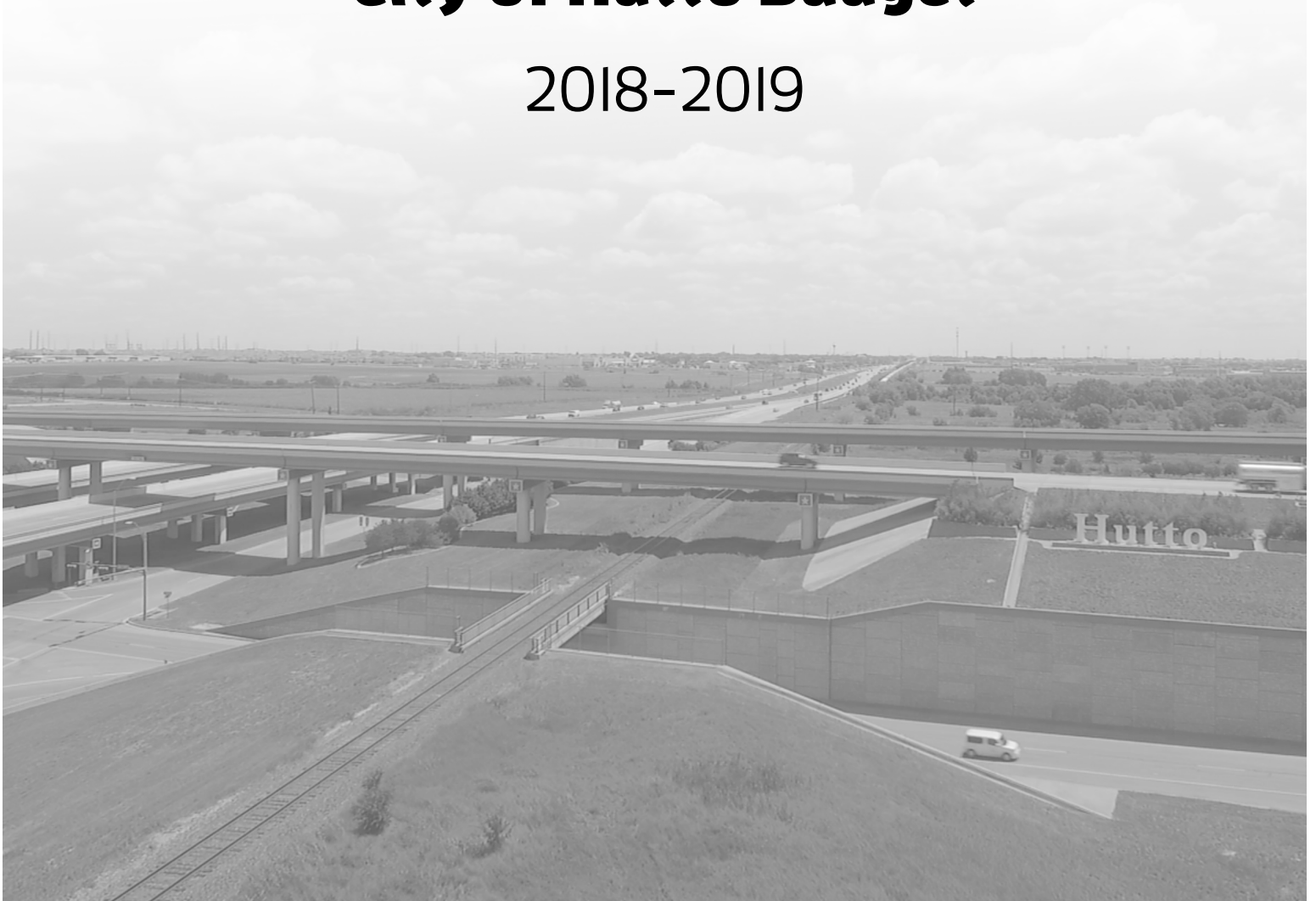
The First meeting will be held on the 6st of September 2018 and the Second meeting will be held on the 13th of September 2018 both beginning at 7:00 pm at the Hutto City Council Chambers, 401 W. Front St. Hutto, Williamson County, Texas 78634.

A copy of materials related to this item will be available in the Hutto City Hall building located at 401 W. Front St. Hutto, Texas between the hours of 8:00 am and 5:00 pm Monday through Friday. The proposed budget can also be found on the City's website (www.HuttoTX.gov). For further information

contact Edena Atmore, Chief Financial Officer, at 512-759-4053.



PROPOSED
City of Hutto Budget
2018-2019



ANNUAL BUDGET FOR FISCAL YEAR

October 1, 2018 through September 30, 2019

MAYOR

Doug Gaul

MAYOR PRO TEM

Tom Hines

COUNCIL MEMBERS

Scott Rose, Place 1
Nathan Killough, Place 3
Tim Jordan, Place 4
Patti Turner, Place 5
Terri Grimm, Place 6

CITY MANAGER

Odis Jones

ASSISTANT CITY MANAGER

Helen Ramirez

STAFF

City Secretary	Lisa Brown
Chief of Police	Byron Frankland
Executive Director of Communication, Marketing & PIO	Eliska Padilla
Executive Director of Community Services	Scot Stromsness
Executive Director of Development Services	Ashley Lumpkin
Executive Director of Public Works & Engineering	Matt Rector
Executive Director of Human Resources	Allison Hosgood

CITY ATTORNEY

McGinnis Lochridge



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Hutto
Texas

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morill

Executive Director

The City of Hutto has been awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) since Fiscal Year 2007.

The award is given for budgets that meet specific criteria as a policy document, financial plan, operations guide and a communications device.

The Proposed Fiscal Year 2018-2019 Budget has been created according to the guidelines set forth by the Government Finance Officers Association.

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Mayor
Doug Gaul

Mayor Pro-tem
Tom Hines

Council Members
Scott Rose, Place 1
Tom Hines, Place 2
Nate Killough, Place 3
Tim Jordan, Place 4
Patti Turner, Place 5
Terri Grimm, Place 6

City Manager
Odis Jones

Mayor and City Council,

It is my honor to present the 2018-19 budget for your consideration. The 2018-19 budget is carefully crafted to enable a strategic and thoughtful response to the growing needs of the Hutto community. The 2018-19 budget continues to follow Hutto's conservative financial approach, while balancing the focus on economic development, an aging infrastructure, and the desire to grow and expand programs and services.

Hutto has turned the corner in its growth and development. The decisions we make today regarding our strategic plan – creating a well-balanced and diversified economy, public safety, fiscal responsibility, quality of life and services, and infrastructure and growth – will no doubt shape the future of Hutto for generations to come. The Strategic Plan adopted by Council and the proposed budget and business plans are formulated to enable City staff to work toward planning and driving positive results for each strategic goal, and to set the City of Hutto on a course for continued prosperity.

The City is experiencing phenomenal growth. Hutto is in the midst of the largest economic boom in its 105-year history. The City has added more than 2,150 homes within the last six years, and expects to add more than 400 in 2018 alone. These 400 homes will add approximately 1,200 new residents who need services. This remarkable residential expansion is not expected to slow, as new subdivisions continue to develop. While such growth results in numerous positive results, it also brings about challenges to our roadways with regards to congestion as well as other added demands on the City infrastructure. For example, there are more people in need of services from public safety, library, parks and recreation and animal control services. New subdivisions brought about by development are increasing the workload of Development Services and Public Works who are responsible for the upkeep of City infrastructure. Support service staff is also being stretched with increased projects, heightened financial complexity and transparency to manage.

As the City continues to grow and expand its infrastructure, it is imperative that a long-term plan, including strategies and funding sources, be developed. The City Council accomplished this by adopting a new Strategic Plan in May 2017, and revised the plan in March 2018. With the

exception of Farley Street and East Street, which were updated in 2018, much of the infrastructure in Hutto's historic Downtown has not been updated, while infrastructure in subdivisions that have developed in the last 10-15 years are also now in need of maintenance.

As the community continues to grow, the City must keep a steady pace to increase staffing levels needed to serve the expanding population. The City of Hutto had 102.50 FTEs, or "full-time equivalents," at the beginning of the year, which resulted in Hutto holding a staffing ratio of 3.69 staff per 1,000 residents. This is the lowest staffing ratio among all of Hutto's benchmark cities, with the average ratio being 7.14 per 1,000 residents. To keep up with the growing needs of the community, the City has been adding staff and resources to support programs and services in the community, as well as to maintain the City's investment in its infrastructure. During the 2017-18 budget year, the number of FTEs rose to 135.75, and with a population of approximately 27,833, the staffing ratio is now 4.85 staff per 1,000 residents. The proposed 2018-19 budget continues to add employees for a total addition of 12 FTEs, which includes two police officers, a warrant officer, a building inspector, two recreation programmers, an administrative assistant for police, a criminal investigation sergeant, an additional janitorial staff member, a building maintenance supervisor, and two streets and drainage technicians. These, of course, will be added throughout the year to ensure appropriate timing of cash flows is met. Following next fiscal year, we should not see any immediate need for additional staff outside of continued normal growth.

City	Population Estimate as of 7/1/2017	Full Time Equivalents (FTE) Beginning of FY 2018	FTE Ratio per 1,000 Citizens
Average			7.14
Hutto	27,833	135.75	4.85
Belton	21,734	171.5	7.97
Cedar Park	75,704	484.50	6.39
Cibolo**	29,249	137.275	4.73
Georgetown	70,685	690	9.76
Kyle***	43,480	228	5.24
Leander***	49,234	252.25	5.42
Little Elm***	46,548	266.7	6.73
Pflugerville***	63,359	372.5	5.88
Round Rock	123,678	956	7.72
Seguin	28,983	373	12.87
Taylor***	16,982	149	8.77

* Population estimates below referenced from the Texas State Library and Archives Commission; the last population estimate was for 2010-2017, with one to be conducted soon.

* FTEs taken from annual FY18 budgets for each respective city, or from FY17 annual report.

** Similar to Hutto in regard to having only water/wastewater, sewer, and drainage funds for utility funds.

*** Similar to Hutto in regard to having the same utility funds; however, they may include other employee functions such as fire, etc.

Economic Outlook

Hutto is poised for a prosperous future. Hutto's location at the intersection of US Highway 79 and Texas State Highway 130 makes Hutto a convenient location with easy accessibility. Because of this, Hutto also benefits from growth that is occurring regionally. The Innovation Business Park, Hutto Park at Brushy Creek purchase and development, The Landing Development and the Co-Op Entertainment District in Hutto are all expected to have a positive

impact on Hutto businesses. Job growth in the Austin-Hutto MSA has gained strength month-over-month, and unemployment is a low 2.9% as of May 2018.

The economic indicators in Hutto point toward a vibrant local economy. As mentioned previously, residential growth has been phenomenal, 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 area, continue to provide a tremendous boost to Hutto's sales tax revenue and spur further economic growth in the area. Other development projects include Innovation Business Park, the Co-Op Entertainment District, The Landing, The Crossings at Carmel Creek and NewQuest -

Townwest Commons. Each offer great opportunities for future retail and commercial growth.

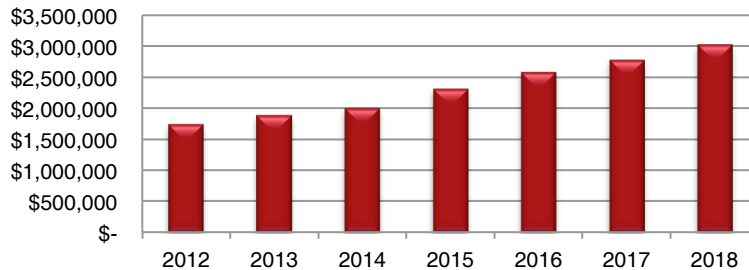
Sales tax collections continue to climb and new records are reached each year. As of June 2018, collections were 19% over the prior year. Sales tax collections are conservatively projected to rise 10.6% in the 2018-19 budget year. The development of future housing and retail will continue to drive sales tax growth, which has consistently climbed over the last two years at a 21% average growth.

Home values are also experiencing steady increases in appraised values, which are confirmed by strong sales numbers and low inventory. Average home values in Hutto have steadily risen from \$164,745 in 2015 to \$183,267 in 2016, \$191,695 in 2017, and are currently \$207,816 (as per Williamson Central Appraisal District (WCAD), an increase of 8.4% over the prior year.

Budget Priorities

The City Council began working on a new Strategic Plan in the first quarter of 2017. Both the City Council and City staff participated in several retreats, as well as meetings with Boards and Commissions, and informal and formal public meetings gathering insight and feedback from stakeholders for the purpose of developing the new Strategic Plan & Execution Guide, which was then updated in March 2018. The Proposed 2018-19 Budget aligns with the Strategic Plan & Execution Guide. The Vision Statement, Values, Strategic Focus Areas, and Objectives from the Strategic Plan & Execution Guide are shown below.

SALES TAX GROWTH



VALUES

RESPONSIBLE

We expect those acting on behalf of the City to consistently demonstrate responsibility. Being responsible entails possessing a trustworthiness 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 City to consistently have a high regard for the safety of all individuals, including our residents, visitors, volunteers, employees, and their property. The value of safety includes actions taken to promote the safety of the public (e.g. police services, fire services, emergency medical services, etc.), as well as the 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 every possible extent.

AUTHENTIC

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

PROGRESSIVE

We expect those acting on behalf of the City 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 further and faster than it would under the status quo.

Vision Statement

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

STRATEGIC FOCUS AREAS

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



OBJECTIVES

Objectives within this plan are defined as the primary areas in which the City is intending to noticeably make changes in the relative short term with the purpose of advancing 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 in such a way that if the organization makes significant progress toward meeting them, it will have made significant progress toward achieving the Vision as well.

Generate a strategic path forward for enhancing the public safety apparatus, including police, fire, and emergency medical services.	Create an aggressive, progressive economic development strategy for the community.	Create an "open for business" culture throughout the organization.	
Maintain a positive and inspired workforce	Enhance mobility within the City	Implement a quality city-wide customer service program.	Enhance the overall governance of the community.
Construct and maintain infrastructure at the desired levels of service.	Ensure responsible fiscal stewardship through transparency and reporting.	Maintain an environment and quality of life that encompasses a safe, friendly, and entertaining atmosphere for all ages.	

FY 2018-19 BUDGET CALENDAR

DATE	DESCRIPTION
July 12, 2018	Special City Council Work Session (Thursday) – Budget Overview, Council's Budget Goals & Objectives, Tax Rate Scenarios, FY 18 Year-End Budget and Proposed FY 19 Budget; Review of Outside Agency Funding Applications
July 25, 2018	Deadline for Williamson County Appraisal District to Certify Tax Roll
August 2, 2018	City Council Meeting – Budget Presentation with CIP (Overview), Record Vote on Tax Publication
August 23, 2018	Special City Council Meeting – 1 st Public Hearing on Setting of Tax Rate, 1 st Budget Public Hearing (pending Council approval)
Sept. 6, 2018	1 st Reading of Ordinance approving Ad Valorem Taxes; 1 st reading of Ordinance approving the budget
Sept. 13, 2018	Special Called – 2 nd Public Hearing on Setting of Tax Rate (if necessary), 2 nd Budget Public Hearing (pending Council approval)
Sept. 20, 2018	2 nd Reading of Ordinance approving Ad Valorem Taxes; 2 nd reading of Ordinance approving the budget.
Oct. 1, 2018	Budget New Year Begins

Budget Process

The City of Hutto uses a priority-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 14 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 meeting 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.



Gather Information

The City Council is consulted throughout the year, and their response and feedback are considered during budget review and analysis of budget requests. The Council annually adopts budget priorities. Following 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 in the updated Strategic Plan and Execution Guide adopted in May 2017 and updated in March 2018.

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 and updated the guide in March 2018. 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 extend until the budget is adopted based upon the receipt of new information.

Budget Development

The budget is prepared to promote fiscal responsibility and to ensure superb service delivery to Hutto citizens. In preparing the budget, departments review existing programs, make cuts where appropriate, and 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 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 regard 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 at 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.

General Fund

The General Fund is the largest fund for the City and accounts for the general service and operations. The General Fund is where services such as police, planning, public works, parks and recreation, and administration are budgeted. A majority of the City's employee salaries are funded out of the General Fund.

	2016-17	2017-18	Proposed 2018-19	Change
O&M Rate	.429335	.416482	.3892996	-6.53%
Debt Rate	.091108	.098689	.1258715	27.54%
Total Tax Rate	.520443	.515171	.515171	0.0%

The General Fund revenue budget totals \$15.3 million, which is an increase over the prior year's amended budget of \$12.9 million. Expenses are also increased to \$15.6 million in 2018-19 over the prior year's amended budget of \$13.0 million. The General Fund budget is based on the ad valorem rate of \$0.515171 per \$100 of valuation, which is less than the rollback tax rate, the maximum ad valorem rate of \$0.548980, because the City Manager is proposing a budget that is fiscally conservative.

If the City were to decide to use the rollback tax rate, the highest rate that the City may propose without an election petition, it could produce approximately an additional \$625,000 of revenue. However, the City Manager is proposing that the current tax rate level remain the same, as this rate will continue to produce additional revenue to cover the new debt service requirements; hence, the increase in the I & S, or debt portion of the ad valorem tax rate, and an increase in operational revenues by approximately \$330,000. Additional commercial and multi-use development, along with residential growth, is planned for the City, and this will continue to grow and diversify the tax base, eventually easing the burden on Hutto residents.

General Fund personnel enhancements for 2018-19 include: two additional patrol police officers; a warrant officer to serve as a bailiff and to track warrants; a building inspector to keep up with the increased activity and construction; two program recreation coordinators to help service the parks and new programs that will occur; one administrative assistant for police; one sergeant for the criminal investigation division; and a 3% merit, which aligns with the Council-adopted Strategic Plan.

General Fund equipment and other enhancements for 2018-19 include information technology and software upgrades, increases for new equipment, radio replacements, parks and recreation programs, facilities, and equipment, and vehicle and police equipment additions.

Utility Fund

The Utility Fund is the second major operating fund for the City. It accounts for the City's water and wastewater system. The Utility Fund budgeted operational revenues total \$12 million. A utility rate study was conducted in 2017, and wastewater rates were increased by 25% in fiscal year 2017-18. The effective date for the rate increase was March 1, 2018. The rate increase was essential for maintaining Utility Fund reserve requirements, investing in new infrastructure to allow expansion of the tax base, and meeting debt service obligations for recent utility projects such as the new Hutto South Wastewater Treatment Plant. Additionally, there is a one-time transfer in of \$1.5 million in impact fees that will be utilized to service the debt payments.

The Utility Fund budgeted operational expenses are proposed to total \$5 million, with an additional \$7,308,666 to be spent on debt service requirements through a transfer out to the Debt Service Fund. A majority of expenses in the Utility Fund are allocated for payroll and maintenance costs. The City contracts operation and maintenance of the wastewater treatment plants with the Brazos River Authority. The cost of wastewater treatment has increased steadily with population growth, and as the new two million gallon per day South Wastewater Treatment Plant has become operational.

Utility Fund equipment and other enhancements for 2018-19 include water and wastewater facility maintenance, equipment purchases such as meter inventory and vehicle replacements.

Streets, Drainage and Grounds Maintenance Fund

The Streets, Drainage and Grounds Maintenance Fund is a newly formed fund in fiscal year 2018, which provides major drainage preventative maintenance and roadway improvements. The fund should elevate the quality of Hutto's streets and drainage, and create long-term savings for the City through the systemic use of preventative maintenance. The fund began through the use of certificate of obligation bond monies that were issued in the beginning of fiscal year 2017-2018. In addition, a \$4 drainage fee was implemented in 2018 to help fund manpower and purchase the resources needed to improve the roadways in the City. The fund will also utilize the remaining bond monies from the prior year in the current budgeted year to continue operations, with eventual impact fees and other revenues covering any additional needed funding until the drainage fee is able to self sustain this fund.

The Streets, Drainage and Grounds Maintenance Fund budgeted expenses total \$1.84 million, which is a decrease of \$492,820 from the prior year. Additional personnel, materials, and equipment are included in this budget, as the fund will be considered a full-scale construction fund, but large, one-time equipment purchases have been removed.

Streets, Drainage and Grounds Maintenance Fund personnel enhancements for 2018-19 budget include two additional street technicians as well as material needed to complete infrastructure projects. Streets and drainage projects require a particular skill set specific to those who possess specialized training and experience.

Streets, Drainage and Grounds Maintenance Fund equipment and other enhancements for 2018-19 include a water truck.

Capital Projects

The 2018-19 capital projects budget for the General Capital Improvements Fund includes \$3.8 million for capital projects and the Utility Fund includes \$6.5 million for capital projects. The projects, and their respective funding sources, are included in the table below.

Fund	Project	Cost	Funding Sources
General CIP	Current City Hall reconstruction for Police	\$200,000	2017 Bonds
	Co-Op Improvements	\$3,125,000	2017 Bonds
	CR II9 Extension Payment	\$250,000	Cash
	TAP Limmer Loop Sidewalk Project w/ TxDOT	\$295,950	Grant
Subtotal		\$3,870,950	
Utility Fund CIP	Shiloh Tank	\$675,000	2017 Bonds
	Generators for Water Tanks	\$250,000	2017 Bonds
	Creeside/Cottonwood Drainage Improvements	\$50,000	2017 Bonds
	Permit Capacity Increase	\$200,000	2017 Bonds
	Relocation of FM I660 Utilities	\$450,000	Cash
	Tank Rehabs	\$1,100,000	2017 Bonds
	Lakeside Lift Station Abandonment	\$500,000	2017 Bonds
	Carmel Crossings Wastewater Interceptor	\$181,851	Cash
	Innovation Business Park Water Line	\$1,500,000	2017 Bonds
	Innovation Business Park Wastewater	\$1,500,000	2017 Bonds
	In point Meters	\$25,000	
	Water Tank Maintenance	\$101,000	
Subtotal		\$6,532,851	
Grand Total		\$10,403,801	

Internal Service Fund

The Internal Service Fund is a fund to account for any activity that services other funds in the government. The Internal Service Fund will account for the new fleet manager and for building maintenance and janitorial staff. The amounts will be allocated to each department at year-end based on either number of vehicles or square footage.

The Internal Service Fund budget is \$285,152 for fiscal year 2018-19. The enhancements for the budget propose adding one janitorial staff member and one building maintenance supervisor.

Conclusion

This 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.

Fiscal year 2018-19 will be a tight budget year as we continue to experience growth. It is the City Manager's responsibility to fulfill and complete the objectives identified in this budget, which identifies resources and strategies that are in place to ensure the success of the organization, not just for the current fiscal year, but also for subsequent years.

Lastly, I would like to thank the City Council and the City staff for their consideration of the proposed 2018-19 annual budget.

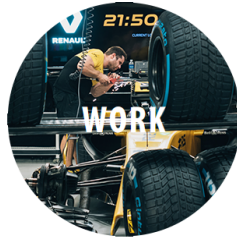
Sincerely,

Odin Jones
City Manager

2018-19 BUDGET OVERVIEW



2018-19 Budget Overview



Budget Overview

The proposed 2018-19 budget for the City totals \$24,662,067 in operating expenses, approximately \$10,403,801 for capital projects, and \$9,641,023 for debt services associated with past and ongoing capital projects. Operating revenues total \$33,580,153. The ongoing operating expenses, in addition to the associated debt service payments and cash funded capital projects, exceed the proposed ongoing revenues for the City in the current fiscal year, making the proposed 2018-19 budget a year in which the city will utilize \$1,426,738 out of the fund balance for the operating expenses. However, we will continue to be in compliance with our reserve balance requirement according to the City Charter. This scenario is to be expected during years of growth while the City prepares itself by spending excess reserves hiring necessary staff, while expanding the infrastructure needed to drive economic growth.

Below is a summary of projected revenues and expenses:

Revenues

- Operational revenues: \$33,580,153 (including grant revenues to be received)
 - Bond proceeds from bonds issued in prior years to be used on CIP: \$9,100,000
 - Streets and Drainage Fund: \$600,000
 - Fund Balance Contribution: \$1,426,738
- Total: \$44,706,891**

Expenses

- Operational expenses: \$24,662,067
 - Capital projects: \$10,403,801
 - Debt service payment: \$9,641,023
- Total: \$44,706,891**

GENERAL FUND SUMMARY



GENERAL FUND SUMMARY

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BASE	2018-19 ENHANCE	2018-19 BUDGET
Revenues							
Property Taxes	6,283,376	6,824,740	6,824,740	6,824,740	7,161,491	-	7,161,491
Sales Taxes	3,284,784	3,097,198	3,297,198	4,372,538	4,838,905	-	4,838,905
Franchise Fees	850,686	834,655	834,655	917,120	981,768	-	981,768
Building & Development	991,050	908,575	949,075	1,810,428	1,656,685	-	1,656,685
Fines	290,260	347,163	347,163	285,036	312,977	-	312,977
Interlocal	219,261	-	-	-	-	-	-
Charges for Services	221,206	272,850	275,850	207,758	236,223	-	236,223
Other	310,381	361,250	450,266	145,099	148,329	-	148,329
Total Revenues	12,451,004	12,646,431	12,978,946	14,562,718	15,336,378	-	15,336,378
Expenses							
City Administration	2,338,515	2,215,618	2,635,575	2,338,367	3,037,166	55,000	3,092,166
Communications	1,225,187	992,256	1,648,298	1,686,592	1,767,052	-	1,767,052
Financial Services	1,067,331	1,648,022	1,064,195	1,089,378	1,400,839	80,400	1,481,239
Business & Development Services	898,718	1,827,100	1,370,728	1,117,883	1,289,781	55,000	1,344,781
Engineering & Public Works	2,118,603	818,849	723,811	433,226	854,419	12,000	866,419
Community Services	508,240	-	928,629	755,486	1,625,646	141,753	1,767,399
Police	3,888,264	4,898,942	4,713,359	4,581,749	5,056,842	246,576	5,303,418
Non-Departmental	(17,660)	-	-	-	-	-	-
Total Expenditures	12,027,199	12,400,787	13,084,595	12,002,681	15,031,746	590,729	15,622,475
Other Financing Sources							
Transfers In	458,728	435,000	185,000	185,000	318,000	-	318,000
Transfers Out	(86,421)	(680,000)	(220,000)	(1,483,958)	(761,876)	-	(761,876)
Total Other Financing Sources (Uses)	372,307	(245,000)	(35,000)	(1,298,958)	(443,876)	-	(443,876)
Net Change In Fund Balance	796,113	645	(140,648)	1,261,079	(139,244)	(590,729)	(729,973)
Beginning Fund Balance	3,946,535	4,432,936	4,742,648	4,432,936	5,694,015	-	5,694,015
Ending Fund Balance	4,742,648	4,433,581	4,602,000	5,694,015	5,554,772	-	4,964,043
Contingency Reserves	3,006,800	3,126,097	3,271,149	3,000,670	3,006,349	-	3,124,495
Unreserved Ending Fund Balance	1,735,848	1,829,276	1,330,851	2,693,345	2,548,422	-	1,839,548
Reserves	25%	20%	20%	20%	20%	-	20%

Fund Description

The General Fund is the general operating fund, and is the largest fund for the City as it includes all traditional government services such as public safety, streets 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

The General Fund revenues are budgeted to total \$15,336,378, an increase of 11.5% from prior 2017-18 projected year-end actuals. Property taxes make up a significant portion of the revenues, followed by sales tax. A diverse revenue base is essential for maintaining a sound financial system. Increased commercial and residential development is slated for the upcoming year and beyond. This new development will reduce the City's reliance on residential property tax revenue as more sales tax is collected and the tax base continues to diversify.

Property Tax

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 issued debt in 2017-18 (Operations and Maintenance - \$0.3892996 + Interest and Sinking - \$0.1258715), 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 \$0.4755410 per \$100 valuation. Home values have also experienced steady increases in appraised values, which are confirmed by strong sales numbers and low inventory. Average home values in Hutto have steadily risen from \$164,745 in 2015 to \$183,267 in 2016, \$191,695 in 2017, and are currently \$207,816 (as per Williamson Central Appraisal District (WCAD)), an increase of 8.4% over the prior year. Property tax makes up the largest percentage of General Fund revenues at 46%. A total of \$7,161,491 is budgeted for collection, which is a 4.93% increase over the 2017-18 projected year-end actuals.

Sales Tax

Sales tax is the second largest revenue source for the General Fund, accounting for 31% of revenues. Sales tax is budgeted at 4,838,905, a 10.6% increase over the prior 2017-18 projected year-end actuals. Sales tax collections have remained strong as a result of continued residential growth and new commercial growth.

Franchise Fees

Franchise fees are fees collected for private utilities such as electricity, gas, and telecommunications located in the public right-of-way, totaled \$981,768. This fee is generally based on a percentage of a company's gross revenues collected within the City's limits. Due to customer growth, franchise fees are expected to increase 17.6% over prior 2017-18 projected year-end actuals.

Development Fees

Development fees are budgeted to total \$1,656,685. Development fees account for 8% of revenues. 2018-19 revenue increased over the prior 2017-18 amended budget due to significant permits and inspections anticipated with projects such as Innovation Business Park, the Co-Op

Entertainment District, The Landing, The Crossings at Carmel Creek and NewQuest - Townwest Commons.

General Fines

General fines are budgeted to total \$236,223. General fines are collected through municipal court. Citations are issued by the police department and settlement of those citations is completed through the court.

Transfers In

Transfers in are transfers from different funds into the General Fund. During the 2018-19 fiscal budget year, there will be one transfer in the amount of \$318,000 from the General Capital Replacement Fund.

Parks Revenue

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

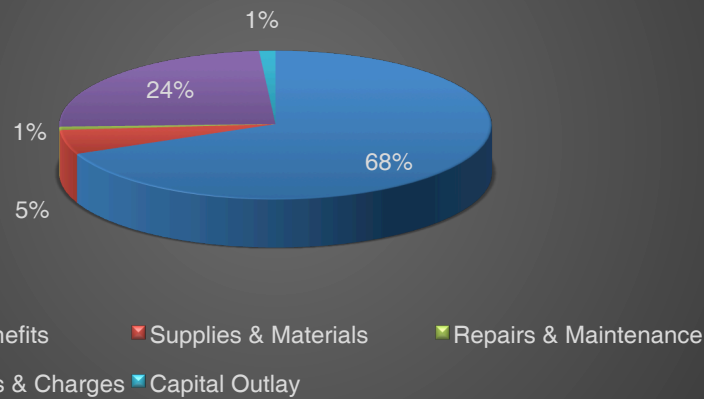
Other Revenue

Other revenue includes interest, miscellaneous fees and taxes, donations, grants and other minor revenue sources. Other revenue is budgeted to total \$148,329 in 2018-19.

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 contained in a separate fund paid for with a bond issuance). General Fund expenses, outside of transfers, total \$15,622,475 which is an increase of 20% over the projected year-end 2017-18 actuals. Police, making up a majority of City employees, comprise the largest percentage of General Fund expenses at 32%, with a total budget of approximately \$5 million. Administration and quality of life services make up the next largest percentages at 20% and 12%, respectively.

General Fund 2018-19 Budget Expenditures



Salaries and benefits make up a majority of General Fund expenses at 68% of the budget. All Hutto employees, (with the exception of utility and streets and drainage employees), 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 2017-18 projected year-end actuals and the 2018-19 budget. Expenses are broken down into five categories:

	2017-18 PROJECTED	2018-19 BASE	2018-19 ENHANCEMENT	2018-19 BUDGET	%CHANGE PROJECTED
Salaries & Benefits	7,989,952	10,312,879	410,396	10,723,275	34.3%
Supplies & Materials	693,933	865,528	-	865,528	24.7%
Repairs & Maintenance	109,696	106,200	-	106,200	-3.2%
Other Svs & Charges	2,836,586	3,376,207	55,000	3,431,207	21.0%
Capital Outlay	372,515	370,932	125,333	496,265	46.3%
Total	12,002,682	15,031,746	590,729	15,622,475	30.6 %
Transfers out	1,483,958	761,876	-	761,876	54.6%

Salaries & Benefits

Salaries & Benefits will increase approximately \$2.7 million over the 2017-18 projected year-end actuals. The largest portion of the increase can be attributed to those who were hired in the prior year now earning a full year salary plus benefits. However, there are several newly created positions in the General Fund as detailed below.

Newly created positions for 2018-19 include two police officers, increased to meet staffing requirements and provide more efficiency within the Hutto Police Department. The total for new patrol positions, plus TMRS and benefits, totals \$106,416. An administrative assistant has also been added to increase efficiency. This position will be stationed at the front desk, giving

citizens access to the department after hours when police are out on patrol. The position will cost \$31,200, plus TMRS and benefits. Total enhancements for this category are \$137,616.

A criminal investigation sergeant has also been budgeted at a salary of \$66,660, including associated TMRS and other benefits. This will help to fill out the division, and provide the resources needed for the department to function adequately.

A building inspector is also budgeted in 2018-19 at a cost of \$55,000, plus benefits, TMRS, and a City vehicle to facilitate a growing need in the community. With all the new growth the City is experiencing, our current building inspector is at capacity. The addition of another building inspector will also increase the City's inspection revenue. The expansion of the City into newly annexed territory brings an increased need for inspections, which in turn will fill City coffers.

There is also a warrant officer position included in the 2018-19 budget at \$60,000, plus TMRS and benefits. The warrant officer will also serve as the bailiff at the City Hall. Additionally, the warrant officer should generate revenue as they track down warrants (of which there is close to \$1 million outstanding). This position is one that will be continually assessed with regard to revenue generation, and, should it not prove to be financially fruitful, it will be evaluated for removal, with replacement by a police officer to serve as bailiff.

An additional two recreational programmer positions are budgeted for 2018-19 at the cost of \$70,720, plus TMRS and benefits. These two new positions are to support the strategic focus of the City as there is a transition to quality of life services and parks. These two individuals will help to coordinate recreational programs and other such activities at the parks.

Supplies & Materials

Supplies & Materials will increase by 24.7%, or \$171,595, over the prior year 2017-18 projected year-end actuals. This increase is due to the growth of the City and the increasing need for certain supplies and materials such as new computers.

Repairs & Maintenance

Repairs & Maintenance costs will see a decrease of 3.2% over 2017-18 projected year-end actuals as a new ISF was created to handle building repair and maintenance costs. Overall building and repair maintenance costs for the City will increase due to construction of new buildings; however, the increase is small given new additions will require less in repairs than some aging buildings. As such, on a City-wide basis, the repair and maintenance expenses will stay relatively flat.

Other Services & Charges

Other Services & Charges make up the second largest expense of the General Fund. Fiscal year 2018-19 will reflect an increase of 21% over 2017-18 projected year-end actuals. Increases are expected in this category due to increases in the overall needs of the City, such as more personnel, and an ever-increasing demand on infrastructure, to include more information technology. Additionally, more contracted services will be needed as the City continues to grow, and until such services can be brought in-house. Also included in this category is the City Council stipend that was added this year, which will see a full year in 2018-19.

Capital Outlay

Capital Outlay costs see an increase of 33.2% or approximately \$123,750 over 2017-18 projected year-end actuals. A majority of the capital outlay costs are a result of the lease/purchase of six new police vehicles, as well as an additional vehicle to be leased for the building inspector. The police vehicles will be for new patrol and CID. New leases are in addition to the existing ones.

Transfers Out

Transfers Out consist of transfers to the Debt Service Fund in the amount of \$12,837, to the Streets & Drainage Fund in the amount of \$38,863, to the General Capital Replacement Fund in the amount of \$20,000, Internal Service Fund in the amount of \$142,576, General Capital Improvement Fund in the amount \$477,600 and to the Utility Fund in the amount of \$70,000 for completion of projects. Totaling in the amount of \$761,876 in transfers out.

Department Enhancements – General Fund

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. The following is a list of enhancements by department, a brief description, and departmental justification for the enhancement.

City-Wide

Description: All employee increase 3% in merit/market pay.

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

Municipal Court

Description: Warrant Officer

Justification: A warrant officer is needed to collect on outstanding warrants, as well as to serve as bailiff at the future City Hall. In order to be conservative, no revenue was budgeted; however, with expected collection on outstanding warrants, this position is anticipated to pay for itself. Additionally, this position includes increases for all associated expenses (e.g. clothing, fuel, mileage, etc.).

Building Inspection

Description: Building Inspector

Justification: With the tremendous growth of the City, our single building inspector has reached capacity. Furthermore, the City is anticipating that additional duties related to taking on certain inspections within the extraterritorial jurisdiction enhances justification for the need of an additional building inspector. This position will generate sufficient revenue to offset the costs of the position.

Engineering

Description: Two Vehicles (leased)

Justification: As the Engineering Department has expanded there is a greater need for more vehicles. Some individuals will relinquish their vehicle stipend and received a City vehicle instead.

Parks & Recreation

Description: Two Lift Mowers

Justification: As the parks are expanding and new grounds are being acquired, it logically follows that more equipment will be needed for maintenance. As such, two lift mowers are being proposed.

Description: Two Recreation Programmers

Justification: The City is expanding, and to enhance the quality of life, we propose hiring two more recreation programmers in order to organize new programs and recreational activities for the City.

Public Safety

Description: Administrative Assistant

Justification: We propose this position to be stationed at the front desk, giving citizens access to the department after hours when police are out on patrol.

Description: Two Additional Police Officers

Justification: To address the growing needs of the City and to stay ahead of increasing criminal activity as a result of said growth. Included with this enhancement are the associated costs (e.g. fuel and mileage, uniforms, capital lease for the police vehicle, etc.).

Description: Increased Training Budget

Justification: To address the needs of the increasing number of police officers, and to ensure they are adequately trained to handle all emergency needs.

Description: Radio Replacement

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

Description: Three (3) Replacement & New Vehicles

Justification: Lease a total of three vehicles to be provided to the additional new Patrol Officers, and the Criminal Investigations Sergeant.

GENERAL DEBT SERVICE FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Property Taxes	1,336,787	1,614,814	1,614,814	1,614,814	2,329,857
Interest & Other	37,592	36,979	36,979	6,879	2,500
Total Revenues	1,374,379	1,651,793	1,651,793	1,621,693	2,332,357
Expenditures					
Debt Service					
Principal Reduction	715,536	884,250	884,250	884,250	1,136,341
Interest	539,054	1,137,143	1,137,143	1,137,143	1,193,516
Paying Agent Fees	-	1,750	1,750	1,750	2,500
Total Debt Service	1,254,590	2,023,143	2,023,143	2,023,143	2,332,357
Transfers In	-	-	-	377,155	12,837
Net Change In Fund Balance	119,789	(371,350)	(371,350)	(24,295)	12,837
Beginning Fund Balance	98,869	218,658	218,658	218,658	194,363
Ending Fund Balance	218,658	(152,693)	(152,692)	194,363	207,200

Fund Description

The General Debt Service Fund tracks revenue from the ad valorem property tax levy for 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 2018-19 interest and sinking (I&S) portion of the tax rate will be \$.1258715 per \$100 valuation. This rate will generate \$2,329,857 in property tax revenue, and is an increase over the 2017-18 revenues due to an increase in taxable property and the issuance of additional debt of \$25 million. The interest and sinking tax rate is calculated based on annual debt service requirements.

Expenses

Expenditures include principal and interest payments for the bond obligations. Debt service payments will increase in coming years as a result of bonds issued in prior years. This increase is due to the need for debt issuance in order to provide infrastructure for a rapidly growing community.

Budget Variances

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

GENERAL CAPITAL REPLACEMENT FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Sale Of Assets	19,106	2,500	2,500	-	-
Interest & Other	-	-	-	-	-
Total Revenues	19,106	2,500	2,500	-	-
Expenditures					
YMCA Building Repair & Maintenance	1,071	70,000	70,000	2,621	20,000
Machinery & Equipment	-	-	-	-	-
Total Expenditures	1,071	70,000	70,000	2,621	20,000
Transfers					
Transfers In	64,166	70,000	70,000	20,000	20,000
Transfers Out	-	-	-	-	(318,000)
Total Transfers	64,166	70,000	70,000	20,000	(298,000)
Net Change In Fund Balance	82,201	2,500	2,500	17,379	-
Beginning Fund Balance	398,997	481,198	483,698	481,198	498,577
Ending Fund Balance	481,198	483,698	483,698	498,577	180,577

Fund Description

The Capital Replacement Fund sets aside funds to replace aging equipment and worn capital assets, including vehicles and equipment. Proceeds from the sale of capital assets are 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.

Revenues

Revenues represent transfers in from the General Fund. Pursuant to our contract with the YMCA, the City of Hutto is required to set aside \$20,000 for YMCA Building Repair and Maintenance.

Expenses

The only allocated expenses are related to the YMCA Building Repair and Maintenance. The remaining fund balance, outside of the \$20,000 building repair and maintenance fund, is being transferred back to the General Fund to help meet fund balance and debt service requirements.

Budget Variances

As revenues for the City increase, the fund balance will continue to grow over the next couple of years, and monies will begin to be set aside once again.

GENERAL CAPITAL IMPROVEMENTS FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Interest & Other	272	300	300	80,556	300
Bond Interest	44,970	3,000	3,000	-	3,000
Contributions	-	-	-	-	-
Grants	-	1,479,750	1,479,750	1,256,692	147,975
Parkland Fees	-	-	-	-	-
Bond Proceeds	3,490,871	12,515,215	15,500,000	15,500,000	-
Total Revenues	3,536,113	13,998,265	16,983,050	16,837,248	151,275
Expenditures					
<i>Administration</i>					
City Manager's Office	5,500	-	-	-	-
Current City Hall Reconstruction for Police					200,000
Co-Op Improvements	241,514	5,300,000	7,300,000	3,981,500	3,125,000
<i>Public Works</i>					
Fencing	5,000	-	700	700	-
FM 685 (Chris Kelley Blvd)	37,620	-	-	-	-
FM 1660 N Sidewalks	1,521,116	-	8,306	8,306	-
Public Works Parking	-	142,350	142,350	-	-
East St. Reconstruction	403,982	1,030,215	1,034,800	1,034,800	-
Pavement Management	-	-	709,515	709,515	-
Limmer Loop Improvements	100,000	100,000	100,000	100,000	-
Railroad Quiet Zones	-	-	-	-	-
Tap Limmer Loop Sidewalks	228,399	1,479,750	1,480,800	1,196,312	295,950
CR 119 (Ed Schmidt) Extension	-	500,000	500,000	500,000	250,000
Innovation Business Park	714,478	4,225,000	3,398,401	3,394,043	-
Drainage Master Plan	-	150,000	150,000	148,163	-
<i>Parks</i>					
Fritz Park Improvements	2,829,236	110,000	143,183	194,092	-
Fritz Park & Creekside Park TPW Grant	-	-	-	-	-
Pollard Park	174,143	1,809,325	3,902,509	5,031,962	-
<i>Other Services & Charges</i>					
Land	-	-	-	-	-
Animal Shelter Expansion	-	214,000	263,523	-	-
Bond Issuance Costs	74,174	75,000	171,696	171,696	-
Other Expenses	-	275,000	275,000	-	-
<i>Debt Services</i>					
Total - Capital Improvements	6,335,161	15,410,640	19,580,781	16,471,089	3,870,950
Transfers					
Transfers In	39,917	610,000	610,000	610,000	477,600
Transfers Out	-	-	-	-	(1,020,000)
Total Transfers	39,917	610,000	610,000	610,000	542,400
Net Change In Fund Balance	(2,759,131)	(802,375)	(1,987,731)	976,160	(4,262,075)
Beginning Fund Balance	6,045,046	3,285,915	3,285,915	3,285,915	4,262,075
Ending Fund Balance	3,285,915	2,483,540	1,298,183	4,262,075	0

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

Total Revenues are \$151,275, which includes grants in the amount of \$147,975 funding the TAP Limmer Loop project. Other revenues include interest and bond interest of \$3,300.

Expenses

Ongoing expenses total \$3,870,950 and include current City Hall reconstruction for police, Co-Op Improvements, CR II9 extension payment and TAP Limmer Loop sidewalk project with TxDOT.

Budget Variances

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

STREETS & DRAINAGE CONSTRUCTION FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BASE	2018-19 ENHANCE MENT	2018-19 BUDGET
Revenues							
Bond Proceeds	-	3,000,000	3,000,000	3,000,000	600,000	-	600,000
Late Fees	-	-	-	6,000	7,000	-	7,000
Drainage Fee	-	-	-	196,000	336,000	-	336,000
Total Revenues	-	3,000,000	3,000,000	3,202,000	943,000	-	943,000
Total Expenditures		2,567,661	2,567,661	2,329,665	1,732,358	104,487	1,836,845
Other Financing Sources (Uses)	-	-	-	-	-	-	38,863
Transfers In							
Total Other Financing Sources							
Net Change In Fund Balance	-	432,339	432,339	872,335	(789,358)	(104,487)	(854,982)
Beginning Fund Balance	-	-	-	-	872,335	-	872,335
Ending Fund Balance	-	432,339	432,339	872,335	82,977	(104,487)	17,353

Fund Description

The Streets, Drainage and Grounds Construction Fund was a newly created fund for the 2017-18 budget. 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 determines which streets will be reconditioned.

Revenues

This is a new fund created to address streets, drainage, and park issues that are considered more than simple maintenance. Revenues will come from bond proceeds issued for road improvements, as well as a \$4 drainage fee charged to all sewer customers for drainage improvements.

Expenses

Expenses include personnel and materials needed to fund the repair for streets and drainage areas. The specialized type of work required for the construction and maintenance of streets and drainage requires someone with expertise in the field and special supplies that are costly.

Budget Variances

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

Department Enhancements – Streets & Drainage

Description: Two Additional Street Maintenance Technicians

Justification: Additional personnel will be needed to address the needs of the growing City.

Description: Leasing of a Water Truck

Justification: The water truck will be needed (as it is currently being contracted out), as it would be a cost savings to acquire one for the City.

SOLID WASTE FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Solid Waste Franchise	34,051	25,000	25,000	30,000	32,500
Late Fees	25,984	30,000	30,000	26,964	30,000
Solid Waste User Fees	1,299,944	1,250,000	1,250,000	1,339,939	1,380,138
Miscellaneous Income	6,950	-	-	-	-
Total Revenues	1,366,929	1,305,000	1,305,000	1,396,904	1,442,638
Expenditures					
Waste Management	1,220,140	1,270,000	1,270,000	1,287,651	1,326,281
Bad Debt	-	7,500	7,500	2,000	7,500
Other Expenses	-	-	-	-	-
Capital Leases	-	-	-	-	-
Total Expenditures	1,220,140	1,277,500	1,277,500	1,289,651	1,333,781
Transfers					
Transfers In					
Transfers Out	(82,500)	(90,000)	(90,000)	(90,000)	(445,000)
Total Transfers	(82,500)	(90,000)	(90,000)	(90,000)	(445,000)
Net Change in Fund Balance	64,289	(62,500)	(62,500)	17,252	(335,843)
Beginning Fund Balance	255,547	319,836	319,836	319,836	337,089
Ending Fund Balance	319,836	257,336	257,336	337,089	1,246

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 a 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

\$445,000 is budgeted in 2018-2019 in transfers out to help pay for the utility debt service payment.

UTILITY FUND



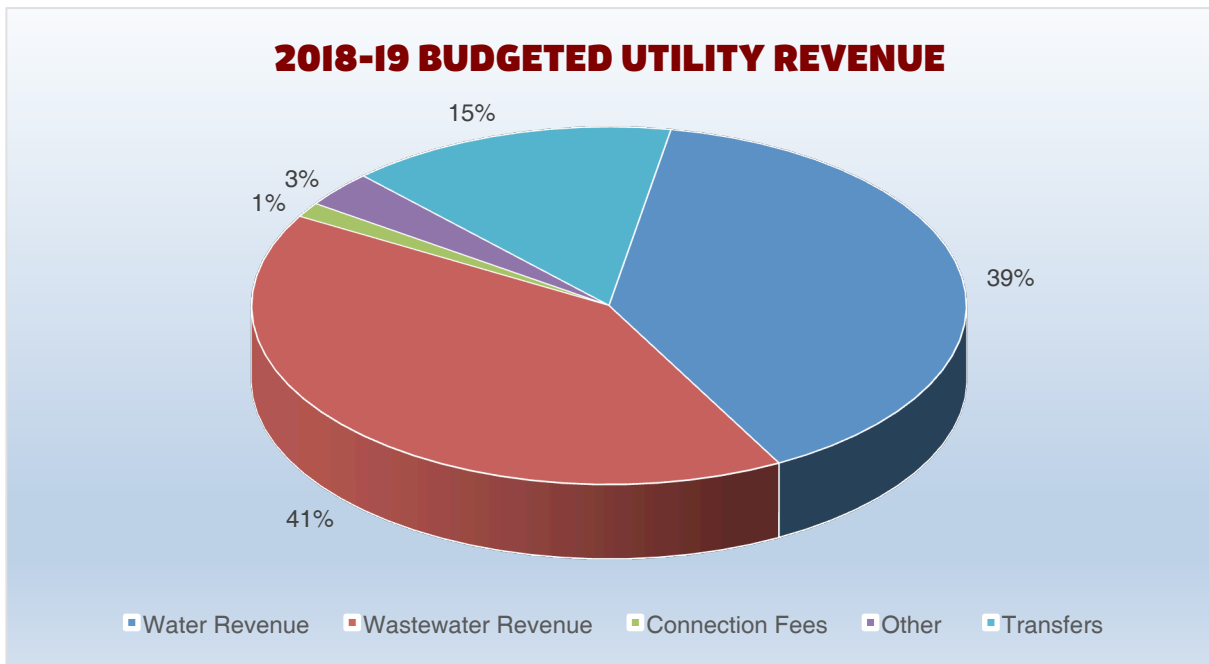
UTILITY FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BASE	2018-19 ENHANCE	2018-19 BUDGET
Revenues							
Water	4,695,863	4,482,500	4,482,500	4,637,664	5,163,260	-	5,163,260
Wastewater	3,805,506	4,655,000	4,655,000	4,619,154	5,406,276	-	5,406,276
Connection Fees	114,137	175,000	175,000	125,563	175,461	-	175,461
Water Development Proceeds					850,000		850,000
Other	250,013	454,750	354,750	488,758	428,117	-	428,117
Total Revenues	8,865,519	17,140,590	73,229,092	79,773,459	12,023,114	-	12,023,114
Expenditures							
Public Works							
Water Services	5,060,703	2,114,661	2,079,122	2,251,792	1,713,608		1,713,608
Wastewater Services	3,575,756	2,344,476	2,344,476	2,367,552	2,402,787		2,402,787
Total Public Works	8,636,459	4,459,137	4,423,597	4,619,343	4,116,395		4,116,395
General Services							
Utility Billing	541,789	870,447	870,447	752,665	973,990		973,990
Total General Services	541,789	870,447	870,447	752,665	973,990		973,990
Utility Fund CIP							
Water Capital Outlay System							
Front St. Waterline	201,976	1,186,640	1,186,640	1,206,129	-	-	-
Co-Op Water Line Improvements	-	300,000	300,000	300,000	-	-	-
Innovation Business Park Water Line	-	470,000	470,000	470,000	-	-	-
East Street Water Line	-	67,753	67,753	-	-	-	-
Tank Rehab	-	-	-	1,400,000	1,100,000	-	1,100,000
Hot Purchase Wastewater Capital Outlay System	-	-	55,389,831	61,847,147	975,000	-	975,000
Lakeside Estates Abandoned Lift Station	-	500,000	500,000	-	500,000	-	500,000
Endpoint Meters						25,000	25,000
Avery Lake WW Interceptor	46,400	5,576,221	511,200	511,700	-	-	-
Hutto south WWTP – Permit Cap	3,308,147	-	-	-	200,000		200,000
Carmel Crossings	181,851	181,851	181,851	181,851	181,851	-	181,851
WW North of Limmer Loop	-	3,000,000	3,000,000	-	3,000,000	-	3,000,000
Co-Op WW Improvements	-	400,000	400,000	400,000	-	-	-
FM 1660 Relocation of Utilities	-	-	-	-	450,000		450,000
Innovation Business Park WW	-	430,000	430,000	430,000	-	-	-
Water Tank Maintenance						101,000	101,000
Total UF CIP	3,738,374	12,112,465	62,437,275	66,746,326	6,406,851	126,000	6,532,851
NON-DEPARTMENTAL							
	32,599	54,238	689,672	1,159,125	69,738		69,738
Total Expenses	12,949,221	17,496,287	70,620,991	73,277,460	11,566,974	126,000	11,692,974

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BASE	2018-19 ENHANCE	2018-19 BUDGET
Transfers							
Transfers In	885,982	1,200,000	1,200,000	2,086,803	3,739,800	-	3,739,800
Transfers Out	(229,167)	(4,099,822)	(4,099,822)	(6,603,145)	(4,149,822)	(3,208,844)	(7,501,242)
Total Transfers (Expenses)	656,815	(2,899,822)	(2,899,822)	(4,516,342)	(410,022)	(3,208,844)	(3,761,442)
Net Change in Working Capital	(3,822,194)	(255,519)	(291,721)	1,979,657	46,118	(3,334,844)	(3,431,302)
Beginning Working Capital	7,627,681	3,805,487	3,805,487	3,805,487	5,785,144		5,785,144
Contingency Reserves	2,993,781	3,174,466	3,165,581	2,302,473	2,246,369		2,338,595
Ending Available Working Capital	811,706	375,502	348,184P	3,482,671	3,584,893		15,247

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 20% of the operating budget per the Fiscal and Budgetary Policy.



Revenues

Utility operational revenues total \$12.0 million, which is 13% above the 2017-18 projected year-end actuals. The increase is a result of customer growth due to new home, business, and commercial construction, as well as a 25% increase in the wastewater rates that was implemented March 1, 2018. 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 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 11% for both water and wastewater during the next year.

Water Revenues

Water revenues make up the 2nd largest majority of the Utility Fund operating revenue, totaling \$5,163,260. Water revenue is revenue collection for the provision of water to utility customers. This is an increase of 11% over the 2017-18 projected year-end actuals and is due to anticipated customer growth and average use.

Wastewater Revenues

Wastewater revenues are the largest share of the Utility Fund revenue and are budgeted to total \$5,406,276, a 17.0% increase over 2017-18 projected year-end actuals. The City implemented a rate increase of 25% in March 2018. The City has more wastewater connections than water connections because water may be provided by Jonah SUD depending on the 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

Impact Fees (shown as "Transfers In") help cover the impact of new growth 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 infrastructure for new growth from existing customers to the new growth that is prompting the infrastructure improvements. Collections are expected to total \$1,504,800 based on new construction trends, anticipated growth, and the utility rate model.

Connection Fees

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 2017-18 projected year-end actuals. 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 service areas.

Other Revenue

Other revenue is made up of interest, miscellaneous income, and account administrative and late fees. The City had received \$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; however, this agreement of payment was cancelled in 2017-2018. Additionally, no future bonds are expected for the Utility Fund.

The number of City water customers has grown an average of 4.58% over the past five years. The number of total accounts is expected to grow by 6% in the 2018-19 budget year as a result of the new commercial and residential customers. The City continues to provide wholesale wastewater service to approximately 1,030 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 Hutto customers. The Utility Fund includes eleven full-time water and wastewater employees whose salary and benefit costs are evenly split between the two divisions, as well as two meter technicians, five customer service personnel, a general services manager. The 2018-19 Utility Fund operating budget totals \$5,090,385. When including the capital improvement budget of \$6,532,851, to the Utility Fund, expenses subtotal \$11,623,236 plus non-departmental expenses of \$69,738 for total expenses of \$11,692,974. There is an additional transfer out of \$7,501,242, which is offset by a transfer in of \$3,739,800 from the Impact Fee Fund, Park Fund and Solid Waste Fees. This number will fluctuate based on the growth of the City.

Water services, totaling \$1.7 million, and wastewater services, totaling \$2.4 million, make up the largest portion of operating expenses because of water supply agreements. The 2018-19 water service budget will decrease over 20% from the 2017-18 projected year-end actuals due to the cancellation of the Manville water contract, while the wastewater service budget will increase 3.8% due to overall growth.

Enhancements include in point meters and water tank maintenance. All enhancements included in the Utility Fund are for increased productivity and investment in infrastructure.

Budget Variances

The enhancements for the in point meters and water tank maintenance are the difference between the FY 2018-19 Budget and the 2017-18 projected year-end actuals amounts. Additionally, the City currently purchases treated water from the City of Taylor and Manville, with the Manville contract ending at the end of fiscal year 2017-18.

Transfers Out

There is a total transfer out of \$7,501,242 of which includes \$7,308,666 for utility debt service, \$50,000 to the Utility Capital Replacement Fund and 142,576 for internal service fund.

Utility Fund Enhancements

Description: In Point Meters

Justification: Replacement of meters and new meters to keep up with the population growth.

Description: Water Tank Maintenance

Justification: Maintenance required for compliance with TCEQ regulations.

UTILITY DEBT SERVICE FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Interest & Other	6,628	2,500	2,500	2,065	2,500
Total Revenues	6,628	2,500	2,500	2,065	2,500
Expenditures					
Debt Service					
Principal Reduction	2,204,050	2,446,350	2,446,350	2,430,750	2,600,934
Interest	1,657,881	1,768,651	1,768,651	1,756,887	4,702,732
Paying Agent Fees	1,796	5,000	5,000	5,000	5,000
Total Debt Service	3,863,727	4,220,001	4,220,002	4,192,637	7,308,666
Transfers					
Transfer In	3,863,727	4,192,637	6,616,164	6,616,164	7,308,666
Transfers Out	-	-	-	-	-
Total Transfers	3,863,727	4,192,637	6,616,164	6,616,164	7,308,666
Net Change In Fund Balance	6,628	(24,863)	(24,863)	2,065	2,500
Beginning Fund Balance	50,000	56,628	56,628	56,628	58,693
Ending Fund Balance	56,628	31,764	31,764	58,693	61,193

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 \$7,308,666, which is an increase from the 2017-2018 budget. A portion of the debt service is paid using impact fees that are received from eligible capital projects. The majority of the 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 of \$2,600,934 and interest of \$4,702,732 on existing obligation. The increase in overall expenses for the proposed budget year 2018-2019 over 2017-18 is due to the increase in payments for the 2017 bonds that were issued to purchase the Heart of Texas Water System.

Budget Variances

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

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 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 to begin setting aside funds to replace aging equipment. A portion of the 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 2018-19.

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 is expected to increase over the next few years as the City sets aside funds to replace aging assets.

IMPACT FEES FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Water Impact Fees	285,340	635,391	635,391	551,654	782,496
Wastewater Impact Fees	600,642	564,609	564,609	648,349	722,304
Total Revenues	885,982	1,200,000	1,200,000	1,200,003	1,504,800
Transfers					
Transfers In	-	-	-	-	-
Transfers Out	(885,982)	(1,200,00)	(1,200,000)	(1,200,003)	(1,504,800)
Total Transfers	(885,982)	(1,200,00)	(1,200,000)	(1,200,003)	(1,504,800)
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 Feb. 2013:

Water - \$3,625 per service unit equivalent

Wastewater - \$2,128 per service unit equivalent

For lots platted after Feb. 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.

COURT FEES FUND

	2016-17 ACTUAL	2016-17 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Court Technology Fees	7,212	7,000	7,000	6,530	7,000
Court Security Fees	5,386	5,100	5,100	3,013	5,100
Court Training Fees	308	500	500	357	500
Total Revenues	12,905	12,600	12,600	9,901	12,600
Expenditures					
Court Technology	3,689	16,190	16,190	11,773	13,000
Court Security	6,498	31,250	31,250	8,594	19,750
Court Training	-	2,000	2,000	-	500
Total Expenditures	10,187	49,440	49,440	20,367	33,250
Net Change In Fund Balance	2,531	(36,843)	(36,843)	(10,466)	(20,647)
Beginning Fund Balance	34,295	37,013	37,013	37,013	26,547
Ending Fund Balance	36,826	170	170	26,547	5,900

Fund Description

The Court Fees Special Revenue Fund tracks fees that are allowed to be collected on certain Class C misdemeanors in municipal court. These fees must only be used for specific purposes outlined in the law, including court security, court technology, and court training.

Revenues

Court fees are special municipal court revenues collected in accordance with state law to enhance court security, technology, and training. A total of \$12,600 has been budgeted for 2018-19.

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. The City is also obtaining a warrant officer for 2018-19 (to be included in the municipal court budget) to help collect warrant that are have been outstanding.

HOTEL TAX FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-2018 PROJECTED	2018-19 BUDGET
Revenues					
Hotel Occupancy Tax	286,540	250,000	250,000	199,887	250,000
Miscellaneous Income	-	-	-	-	-
Total Revenues	286,540	250,000	250,000	199,987	250,000
Expenditures					
Historical Restoration & Museums	-	-	-	-	-
Convention & Visitor's Bureau (10-15%)	3,145	5,000	5,000	5,000	5,000
Promotion of the Arts (>15%)	188,415	163,000	37,500	37,500	-
Sporting Event Promotion	-	-	212,500	212,500	-
Sports Facility Rehabilitation	-	-	-	-	-
Signage	-	-	-	-	-
Total Expenditures	191,560	168,000	255,000	255,000	5,000
Transfers					
Transfers In	-	-	-	-	-
Transfers Out	(78,240)	(95,000)	(95,000)	(95,000)	(250,000)
Total Transfers	(78,240)	(95,000)	(95,000)	(95,000)	(250,000)
Net Change In Fund Balance	7,914	(13,000)	(100,000)	(150,113)	(5,000)
Beginning Fund Balance	209,945	217,859	217,859	217,859	67,746
Ending Fund Balance	217,859	204,859	117,859	67,746	62,746

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.

For FY 2019 \$5,000 will be spent on Convention and Visitor's Bureau programs, the same as was spent in the prior year budget. The fund supports expenses incurred on a 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 2017-18 projected year-end budget and 2018-19 budget (through a transfer to a Special Events Special Revenue Fund), the City has committed \$250,000 to promote the KOKEFEST. The first festival was held in August 2017 and brought more than 7,000 attendees to the City. The City and KOKE FM committed to a seven-year agreement to continue the festival, and it will proceed for six more years. The first year the event was held at the Co-Op, and beginning in 2018 it will continue at the newly acquired park property on Brushy Creek, which will house a new amphitheater for subsequent KOKEFEST events.

PEG FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
PEG Capital Fees	35,282	32,500	32,500	36,500	37,595
Total Revenues	35,282	32,892	32,500	36,500	37,595
Expenditures					
Technology Equipment & Supplies	342	1,200	1,200	500	1,000
Professional Services	-	25,000	25,000	20,000	25,000
Total Expenditures	342	26,200	26,200	20,500	26,000
Net Change In Fund Balance	34,940	6,300	6,300	16,000	11,595
Beginning Fund Balance	46,849	81,790	81,790	81,790	97,790
Ending Fund Balance	81,790	88,090	88,090	97,790	109,385

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 2018-19 revenue of \$37,595 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.

RED LIGHT CAMERA FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
RED LIGHT CAMERAS	41,871	-	-	-	-
Total Revenues	41,871	-	-	-	-
Expenditures					
Attorney Services	530	5,000	5,000	2,278	4,000
Pay to ATS	17,324	-	-	5,491	6,000
Remittance to State	-	-	-	-	-
Total Expenditures	17,854	5,000	5,000	7,769	10,000
Transfers Out	(59,996)	(5,000)	(5,000)	-	-
Net Change In Fund Balance	(35,978)	(5,000)	(5,000)	(7,767)	(10,000)
Beginning Fund Balance	131,925	95,947	95,947	95,947	88,180
Ending Fund Balance	95,947	90,947	90,947	88,180	78,180

Fund Description

The Red Light Camera 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.

INTERNAL SERVICE FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Expenditures					
Fleet Services					
Salaries and benefits	-	-	-	-	100,773
Supplies and materials	-	-	-	-	6,550
Other Service Charges	-	-	-	-	750
Facility Maintenance					
Salaries and Wages	-	-	-	-	111,429
Supplies and Materials	-	-	-	-	15,650
Repairs and Maintenance	-	-	-	-	50,000
Total Expenditures		-	-	-	285,152
Transfer In					285,152
Net Change In Fund Balance	-	-	-	-	(285,152)
Beginning Fund Balance	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-

Fund Description

The Internal Service Fund is being created in 2018-19 and is the fund used to account for fleet and building maintenance. These costs are then allocated to the other departments at year end based on vehicles used and on square footage used by each department.

Revenues

No revenues are associated with this fund as it is an internal service fund that will have its expenses allocated at year end.

Expenses

Expenses consist of janitorial staff, a fleet manager, and associated supplies and materials required to appropriately track the fleet of vehicles and care for the buildings.

SPECIAL EVENTS FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Event Revenue	-	-	-	-	250,000
Total Revenues	-	-	-	-	250,000
Expenditures					
KokeFest	-	-	-	-	250,000
Amphitheater Management Agreement	-	-	-	-	250,000
Total Expenditures	-	-	-	-	500,000
Other Financing Sources					
Transfers In	-	-	-	-	250,000
Total Other Financing Sources	-	-	-	-	250,000
Net Change In Fund Balance					
	-	-	-	-	-
Beginning Fund Balance					
	-	-	-	-	-
Ending Fund Balance					
	-	-	-	-	-

Fund Description

The Special Events Fund is a special revenue fund used to account for the large events that are to be revenue generators at the new amphitheater that is being constructed at the new park at Brushy Creek. These events should be able to self-sustain themselves, and, as such, a new fund was used to track each in order to determine profitability with regard to cash flows for each of the events.

Revenues

Revenues will consist of ticket sales, parking fees, fees charged to vendors and others to sell goods at the events, as well as all other types of revenue associated with events such as concerts. Additionally, the Hotel Occupancy Tax Funds will be transferred over in the amount of \$250,000 to fund the KOKEFest each year.

Expenses

Expenses will be comprised of the necessary costs of concerts and events, including talent acquisition, staging needs, staffing, policing, etc.

PARK IMPROVEMENT FUND

	2016-17 ACTUAL	2017-18 BUDGET	2017-18 AMENDED	2017-18 PROJECTED	2018-19 BUDGET
Revenues					
Interest	916	-	-	1,200	1,200
Parkland Fees	242,672	-	-	192,723	200,000
Total Revenues	243,588	-	-	193,923	201,200
Expenditures					
Park Improvements	-	-	-	-	-
Total Expenditures	-	-	-	-	
Other Financing Sources					
Transfers Out	-	-	-	-	(700,000)
Total Other Financing Sources	-	-	-	-	(700,000)
Net Change In Fund Balance	243,588	-	-	193,923	498,800
Beginning Fund Balance	72,204	315,792	315,792	315,792	509,715
Ending Fund Balance	315,792	315,792	-	509,715	10,915

Fund Description

The Park Improvement Fund is used to account for funds received and expended for purchase of land, improvements, and construction of parks and recreational facilities.

Revenues

Revenues will consist of parkland fees received for use of the parks by large organizations.

Expenses

Expenses will be comprised of the necessary costs associated with purchase of the land, improvements, and construction of parks and recreational facilities.

ENHANCEMENTS



ENHANCEMENTS

The 2018-19 budget includes \$1.28 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 City management, the Finance Department, and department heads to determine if requested increases are in the best interest of the City. General Fund enhancements total \$590,729. Internal Service Fund enhancements include \$91,184 in personnel. Utility Fund enhancements total \$126,000. Streets, Drainage and Grounds Maintenance Fund enhancements total \$104,487.

FUND	DEPARTMENT	DESCRIPTION	COST	NOTES
General Fund	Police Department	Administrative Assistant	\$31,200	New Administrative Assistant
	Police Department	2 New Patrol Officers	\$106,416	New Patrol Officers
	Police Department	3 New Patrol Vehicles	\$42,300	New Patrol Vehicles to accommodate the New Patrol Officers
	Police Department	Criminal Investigator Sergeant	\$66,660	New Criminal Investigator Sergeant
	Economic & Convention	Budget Line Item for Special Events	\$55,000	Red, Whites & Brews-\$25,000; Downtown Christmas Fair \$15,000; Spring-a-Palooza \$10,000; Santa Claus Crawl \$5,000
	Municipal Court	Warrant Officer	\$60,000	New Warrant Officer
	Inspection & Code	Building Inspector	\$55,000	New Building Inspector
	All Departments	3% Merit/Market Increase		
	Finance	Increase Staff Accountant Salary	\$10,000	To accommodate Staff Accountant additional duties
	Finance	Increase Full time Accounting Technician Salary	\$10,400	To accommodate the demand in Accounts Payable
	Public Works/Engineering	2 New Vehicles for Engineering	\$12,000	
	Parks & Recreation	2 Recreation Programmers	\$70,720	New 2 Recreation Programmers
	Parks & Recreation	F150 Ford Truck	\$7,200	
	Parks & Recreation	F250 Ford Truck	\$9,600	
	Parks & Recreation	2-11ft Mowers	\$46,233	
	Parks & Recreation	Trailers for the Mowers	\$8,000	
Subtotal			\$590,729	

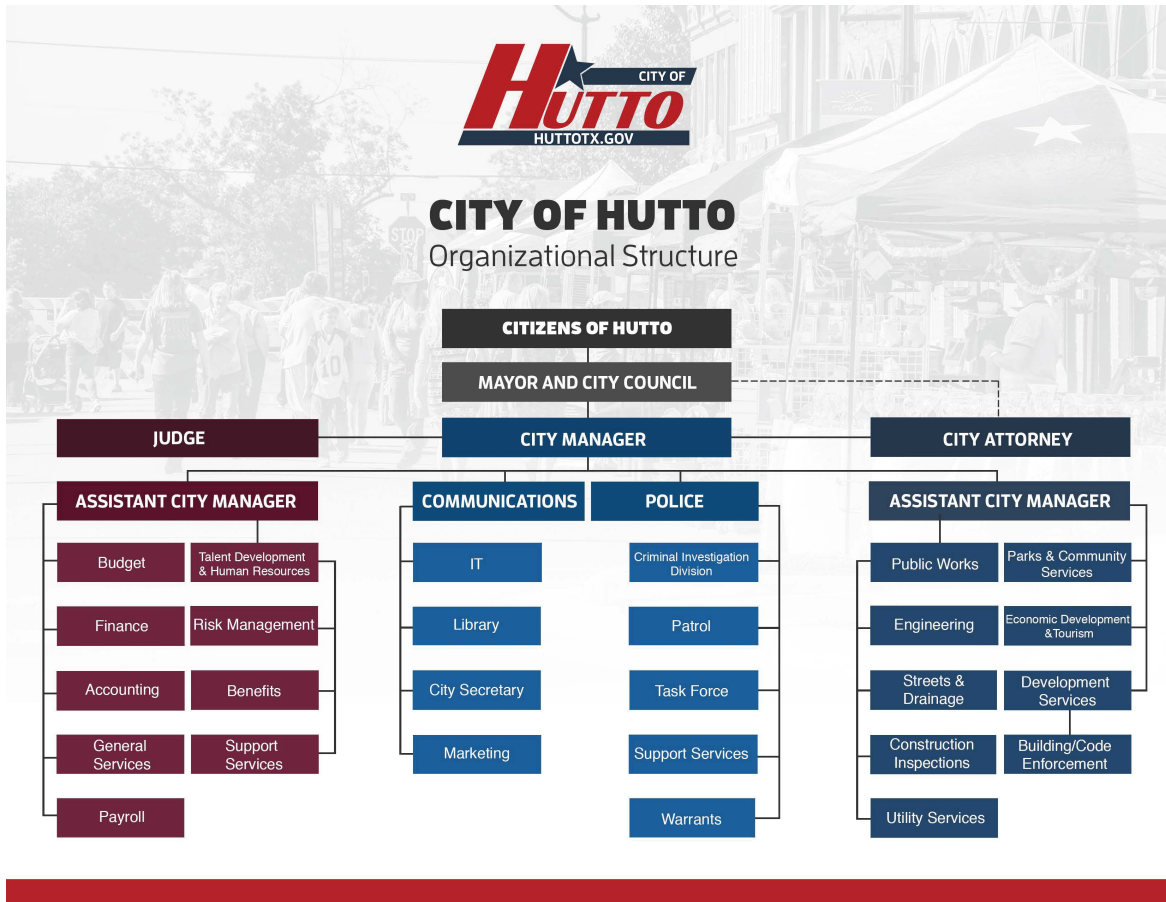
FUND	DEPARTMENT	DESCRIPTION	COST	NOTES
Internal Service Fund	Facility Maintenance	Building Maintenance Manager	\$50,000	New Building Maintenance Manager
	Facility Maintenance	Janitorial Staff	\$41,184	New Janitorial Staff
	Subtotal		\$91,184	
Utility Fund	Utility Billing	End point Meters	\$25,000	
	Water	Water Tank Maintenance	\$101,000	
	Subtotal		\$126,000	
Streets & Drainage	Streets & Drainage	2 Streets and Drainage Technicians	\$83,199	2 Streets and Drainage Technicians
	Streets & Drainage	Water Truck	\$21,288	New Water Truck \$1,774 monthly payment
	Subtotal		\$104,487	
Total			\$912,400	

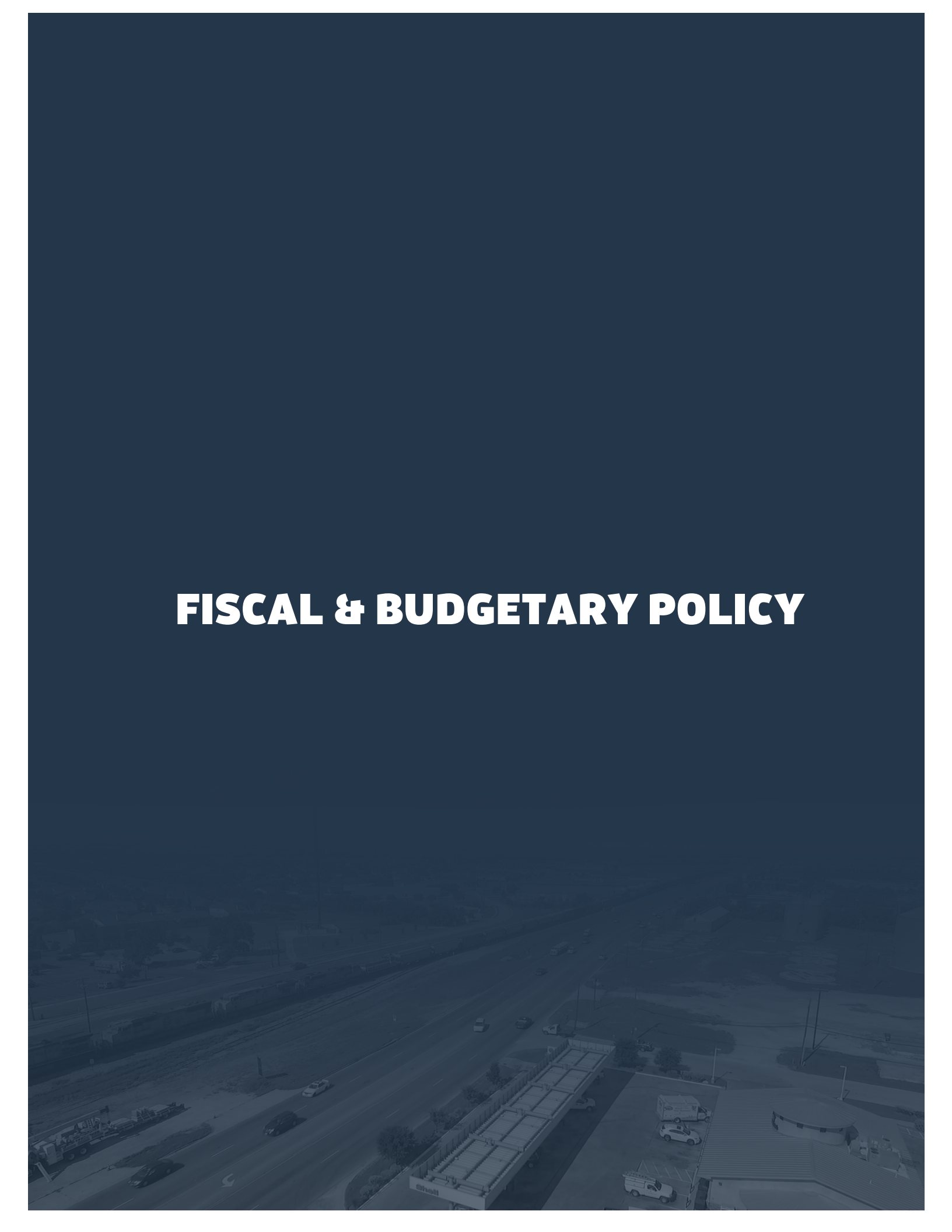
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ORGANIZATIONAL CHART FOR THE CITY



ORGANIZATIONAL CHART FOR THE CITY



An aerial photograph of a highway interchange, featuring a bridge crossing over a road. The surrounding area includes industrial buildings, parking lots with several vehicles, and some trees. The image is dark and serves as a background for the title.

FISCAL & BUDGETARY POLICY

FISCAL AND BUDGETARY POLICY

Amended February 1, 2018

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 Principles (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.
 - I. 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, f.) financial condition of the City, g.) the types, availability and stability of revenues to be pledged for repayment of the debt, h.) type of debt to be issued, and i.) 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.
- I. 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.
 - I. 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:
 - I. 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**

- I. 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.
- 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.

- I. Local Preference - In accordance with Chapter 271.905I 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 -

- I. 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 to be used to fund operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back general obligation bonds. Conditions for issuance of general obligation debt include:
 - When the project will have a significant impact on the tax rate;
 - When the project may be discretionary or nonessential even though it is routine in nature; or
 - When the project falls outside the normal bounds of projects the City has typically done.
2. Certificates of Obligation, Contract Obligations (CO's) - Certificates of obligation or contract obligations may be used to fund capital requirements that are not otherwise covered either by general obligation or revenue bonds.

Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:

- When the proposed debt will have minimal impact on future effective property tax rates;
- When the projects to be funded are within the normal bounds of City capital requirements, such as for roads, parks, various infrastructure and City facilities; and
- When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue; or
- When the project or capital item is determined to be nondiscretionary or essential to the City.

Certificates of obligation will be used with prudent care and judgment by the City Council. Every effort will be made to ensure public participation in decisions relating to debt financing.

3. Self-supporting General Obligation Debt – Refers to general obligation debt including CO's issued for a specific purpose and repaid through dedicated revenues other than ad valorem taxes. The annual debt requirements are not included in the property tax calculation. The Utility Fund issues this type of debt.
 4. Internal Borrowing between City funds – The City can authorize use of existing long-term reserves as "loans" between funds. The borrowing fund will repay the loan at a rate consistent with current market conditions. The loan will be repaid within ten (10) years. The loan will be considered an investment of working capital reserves by the lending fund.
 5. Short-term Borrowing – The City may authorize the issuance of Public Property Finance Contractual Obligations (PPFCOs) or Limited Tax Notes (Notes) which are short-term obligations for the acquisition of personal public property, such as equipment. PPFCOs and Notes are payable from either ad valorem taxes or another dedicated revenue stream. Each issuance will be assessed to ensure cost effectiveness and the repayment schedule will not exceed the useful life of the asset. Multiple equipment acquisitions can and should be grouped in a single PPFCO or Note issue in order to develop economies of scale. Notes are limited to a 7 year term.
 6. Revenue Bonds – Revenue bonds may be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue and will generally be limited to no more than twenty (20) years.
- C. Method of Sale – The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated sale. In such situations, the City will publicly present the reasons for the

negotiated sale. The City will rely on the recommendation of the financial advisor and 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 is mandated to maintain a 10% reserve. Per the Fiscal and Budgetary Policy, the City will maintain emergency reserves at a minimum of 20% 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 20%.
 - 2. Utility Fund – Working capital reserves in these funds should be 20%.

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.

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HUTTO BOARDS & COMMISSIONS



HUTTO BOARDS & COMMISSIONS

Hutto Economic Development Corporation. Voters approved the creation of the 4A Hutto Economic Development Board in May 1996. The 4B Hutto Economic Development Board was then created in July 2017 and makes recommendations to the City Council on the use of a voter approved 1/2 cent 4B Sales Tax to support economic development. All corporate powers are under the authority of the Board of Directors. The Board is appointed by the Council and consists of seven (7) persons for a term of three (3) years. Board members must reside in Williamson County.

Historic Preservation Commission. The Historic Preservation Commission makes recommendations to the Council in regard to designation of historic sites or districts within the City. The seven (7) members Board is appointed by the City Council for staggered terms of three (3) years. A member of City staff shall serve as liaison to the Commission and act as the Local Preservation Officer.

Parks Advisory Board. The Parks Advisory Board makes recommendations to the Council in regard to park and recreational developments. The seven (7) member board is appointed by the City Council to terms of three (3) years at staggered intervals.

Library Advisory Board. The Library Advisory Board makes recommendations to the City Council in regard to the City's Library planning, development and operations, and assist in preparing grants. Members are appointed by the City Council. The Board consists of seven (7) members appointed to staggered terms of three (3) years.

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 Commission also annually makes recommendations to the City Council regarding the City's Five Year Capital Improvements Plan. The seven (7) member Commission serves for a term of three (3) years.

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. The seven (7) members are appointed by the Council and serve a term of three (3) years.

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 seven (7) members appointed by the City Council to staggered terms of three (3) years.

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 variance has been made and denied, and determine cases concerning alleged violations of ordinances. The Commission also serves as the fire code board of appeals. The seven (7) members are appointed for three (3) year staggered terms by the City Council.

GLOSSARY



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.

INTERNAL SERVICE FUND. A fund to account for any service that services other funds in the government.

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 I, 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 I, 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 2I. The Transportation Equity Act 2I 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.

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ACRONYMS & ABBREVIATIONS



ACRONYMS & ABBREVIATIONS

APA	American Planning Association	Jonah SUD	Jonah Service Utility District
AP	Accounts Payable	KHB	Keep Hutto Beautiful Commission
AR	Accounts Receivable	LCRA	Lower Colorado Rivera Authority
ARRA	American Recovery and Reinvestment Act	LS	Lift Station
AWWA	American Water Works Association	MGD	Million gallons per day
BRA	Brazos River Authority	MOU	Memorandum of Understanding
CAFR	Comprehensive Annual Financial Report	O&M	Operations and Maintenance
CAMPO	Capitol Area Metropolitan Planning Organization	ODP	Organizational Development Plan
CAPCOG	Capitol Area Council of Governments	P&Z	Planning and Zoning Commission
CCN	Certificate of Convenience and Necessity (water and wastewater)	PAFR	Popular Annual Financial Report
CDBG	Community Development Block Grant	PO	Purchase Order
CIP	Capital Improvements Plan	PY	Prior Fiscal Year
CMO	City Manager's Office Division	RFP	Request for Proposal
CO BOND	Certificates of Obligation Bond	RFQ	Request for Qualifications
COLA	Cost of Living Adjustment	SCADA	Supervisory Control and Data Acquisition
CTLS	Central Texas Library System	SECO	State Energy Conservation Office
CWSRF	Clean Water State Revolving Fund	TCEQ	Texas Commission on Environmental Quality
EECBG	Energy Efficiency & Conservation Block Grant	TEA 21	The Transportation Equity Act for the 21 st Century
EIS	Executive Information Systems	TIF/TRZ	Tax Increment Financing or Tax Re-investment Zone
ESD#3	Emergency Services District Number 3	TLETS	Texas Law Enforcement Telecommunication System
ETR	The Effective Tax Rate	TML	Texas Municipal League
ETJ	The Extra-Territorial Jurisdiction	TMLIRP	Texas Municipal League Intergovernmental Risk Pool
EWCHEC	East Williamson County Higher Education Center	TMRS	Texas Municipal Retirement System
FTE	Full-time Equivalent	TSLA	Texas State Library Association
FY	Fiscal Year	TWC	Texas Workforce Commission
GO BOND	General Obligation Bond	TWDB	Texas Water Development Board
GAAP	Generally Accepted Accounting Principles	TXDOT	Texas Department of Transportation
GASB	Governmental Accounting Standards Board	UB	Utility Billing
GFOA	Government Finance Officers Association	UCR	Uniform Crime Report
GGP	Growth Guidance Plan	UDC	Unified Development Code
GIS	Geographic Information System	WCCAC	Williamson County Children's Advocacy Center
GPD	Gallons per day	WCCHD	Williamson County and Cities Health District
GPS	Global Positioning System	WILCO	Williamson County
HISD	Hutto Independent School District	WWTP	Wastewater Treatment Plant
HOT	Heart of Texas Water Supply	YAC	Youth Advisory Commission
HPC	Historic Preservation Commission		
HR	Human Resources		
I&S	Interest and Sinking		
ICMA	International City Managers Association		
IT	Information Technology		
ISF	Internal Service Fund		



City of Hutto
Published 2018

ORDINANCE NO. _____

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF HUTTO FOR THE FISCAL YEAR OCTOBER 1, 2018 THROUGH SEPTEMBER 30, 2019 AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF HUTTO FOR THE 2019 FISCAL YEAR; PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND OPEN MEETING CLAUSE.

WHEREAS, the budget for the fiscal year October 1, 2018 through September 30, 2019, 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, 2018 through September 30, 2019 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 2019 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, 2018 through September 30, 2019.

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 **6th** day of **September, 2018** 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 **20th** day of **September, 2018** 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:

Lisa Brown, City Secretary

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

8J.

AGENDA DATE: September 20, 2018

PRESENTED BY:

City Attorney

ITEM:

Consideration of a public hearing and first reading of an ordinance of the City Council of the City of Hutto, Texas accepting and approving a service and assessment plan and assessment roll for Hutto Co-Op Public Improvement District; making a finding of special benefit to the property in the master improvement area of the district; levying special assessments against property within the district and establishing a lien on such property; providing for the method of assessment and the payment of the special assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (City Attorney)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

The ordinance is a revision from the ordinance adopted by the City Council on August 16, 2018 under Agenda Item 10D. The revision is necessary due to changes in the structure of the financing proposed by the developer of the Co-Op project.

BUDGETARY AND FINANCIAL SUMMARY:

The attached Ordinance includes accepting and approving a service and assessment plan and assessment roll for Hutto Co-Op Public Improvement District; making a finding of special benefit to the property in the master improvement area of the district and levying special assessments against property within the district and establishing a lien on such property; providing for the method of assessment and the payment of the special assessments in accordance with Chapter 372, Texas Local Government Code, as amended, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not Applicable.

CITY ATTORNEY REVIEW:

City Attorney has reviewed all documentation.

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. [Co Op Assessment Ordinance](#)
2. [Hutto Co Op SAP](#)

ORDINANCE NO. O-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUTTO, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR HUTTO CO-OP PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE MASTER IMPROVEMENT AREA OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE SPECIAL ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 6, 2018, a petition was submitted and filed with the City Secretary (the "City Secretary") of the City of Hutto, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), requesting the creation of a public improvement district in the extraterritorial jurisdiction of the City; and

WHEREAS, the petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District, as determined by the then current ad valorem tax rolls of Williamson Central Appraisal District and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, on June 7, 2018, after due notice, the City Council of the City (the "City Council") held a public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Section 372.009 of the PID Act and June 7, 2018 made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. R-2018-06-07-9D (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Hutto Co-Op Public Improvement District (the "District") in accordance with its finding as to the advisability of the authorized improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on August 13, 2018, the City Secretary filed the Assessment Roll (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing in a newspaper of general circulation in the City; and

WHEREAS, the City Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known address of the owners of the property liable for the Special Assessments; and

WHEREAS, the City Council convened the Levy and Assessment Hearing on August 16, 2018 at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Assessment Roll, and the proposed Special Assessments, and to

offer testimony pertinent to any issue presented on the amount of the Special Assessments, the allocation of the Costs of the Authorized Improvements (defined below) to be undertaken for the benefit of all property to be assessed within the District (the “Area Improvements”), the purposes of the Special Assessments, the special benefits of the Special Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Special Assessments; and

WHEREAS, the City Council finds and determines that the Assessment Roll and the Hutto Co-Op Public Improvement District Preliminary Service and Assessment Plan (“Plan”), dated September 5, 2018, in a form substantially similar to Exhibit B to the Plan shall be approved by the City Manager and the City’s land use attorney prior to execution (the “Service and Assessment Plan”), and which is incorporated herein for all purposes, should be approved and that the Special Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Assessment Roll attached to the Plan as Appendix A (the “Assessment Roll”); and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Costs of the authorized improvements as described in the Service and Assessment Plan (the “Authorized Improvements”), the Assessment Roll, and the levy of the Special Assessments; and

WHEREAS, in connection with the levy the Special Assessments, the owners (the “Landowners” or the “Assessed Parties”), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, appeared at the public hearing and accepts the Service and Assessment Plan, approves the Assessment Roll, approves this Ordinance and approves the levy of the Special Assessments against their property located within District, agrees to pay the Special Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Williamson County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

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

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

- (a) The apportionment of the Costs of the Authorized Improvements (as reflected in the Service and Assessment Plan, and the Administrative Expenses pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each Assessed Parcel will receive from the construction of the Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

- (b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Major Improvements;
- (c) The Service and Assessment Plan apportions the Cost(s) of Authorized Improvements to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Authorized Improvements;
- (d) All of the real property in the District which is being assessed in the amounts shown in the Assessment Roll will be benefited by the Authorized Improvements proposed to be constructed as described in the Service and Assessment Plan, and each Assessed Parcel will receive special benefits in each year equal to or greater than each annual Special Assessment and will receive special benefits during the term of the Assessments equal to or greater than the total amount assessed;
- (e) The method of apportionment of the Costs of the Authorized Improvements, including the allocation of the Costs thereof to the District, and the Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Costs of the Authorized Improvements and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Costs;
- (f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;
- (g) The Assessment Roll should be approved as the Assessment Roll for the District;
- (h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Special Assessments, interest on Annual Installments, interest and penalties on delinquent Special Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Special Assessments should be approved and will expedite collection of the Special Assessments in a timely manner in order to provide the services and improvements needed and required for the District; and
- (i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Assessment Roll.

The Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Assessment Roll of the District.

Section 5. Levy and Payment of Special Assessments for Costs of the Authorized Improvements.

- (a) The City Council hereby levies an assessment on each Parcel of property (excluding Non-Benefitted Property) located within the District, as shown and described in the Service and Assessment Plan and the Assessment Roll, in the respective amounts shown on the Assessment Roll as a special assessment on the properties set forth in the Assessment Roll.
- (b) The levy of the Special Assessments shall be effective on the date of execution of this Ordinance levying Special Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.
- (c) The collection of the Special Assessments shall be as described in the Service and Assessment Plan and the PID Act.
- (d) Each Special Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.
- (e) Each Special Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.
- (f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.
- (g) The Administrative Expenses for Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the Costs of the Authorized Improvements and the allocation of such costs to the District and the Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Special Assessments.

Delinquent Special Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Special Assessments.

As provided in the Service and Assessment Plan, the owner of any Assessed Property may prepay the Special Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the Landowners intend for the obligations, covenants and burdens on the landowners of Assessed Property, including without limitation such Landowner's obligations related to payment of the Special Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Special Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and

assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Special Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Appointment of Administrator and Collector of Assessments.

(a) **Appointment of Administrator.**

The City of Hutto will appoint and designate an initial Administrator of the Service and Assessment Plan and of Special Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's and City related staff time, fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) **Appointment of Temporary Collector.**

The City Manager is hereby appointed and designated as the temporary collector of the Special Assessments (the "Collector"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by the Williamson County Tax Assessor and Collector, or another qualified collection agent selected by the City.

Section 11. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Special Assessments by the City.

Section 12. Filing in Land Records.

The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Assessment Roll, to be recorded in the real property records of Williamson County. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 13. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Special Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

Section 16. Publication.

This Ordinance or the caption shall be published on two days and become effective in accordance with the laws of the State of Texas on the date of the last publication.

READ, CONSIDERED, PASSED AND ADOPTED on first reading by the City Council of the City of Hutto at a regular meeting on the 20th day of September, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.00, et seq., of the Texas Government Code.

READ, CONSIDERED, PASSED AND ADOPTED on second and final reading by the City Council of the City of Hutto at a regular meeting on the 4th day of October, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et seq., of the Texas Government Code.

THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

Attest:

Lisa L. Brown, City Secretary

(SEAL)

EXHIBIT A

Service and Assessment Plan



Hutto Co-Op Public Improvement District

Preliminary Service and Assessment Plan

September 5, 2018

Section I

PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On June 7, 2018 (the “**Creation Date**”), the City of Hutto City Council approved a Resolution which authorized the creation of the Hutto Co-Op Public Improvement District (the “**PID**”) to finance the Purchase Price of the Authorized Improvements for the benefit of certain property in the PID, all of which is located within the City of Hutto, Texas (the “**City**”).

Chapter 372 of the Texas Local Government Code (as amended, the “**PID Act**”) governs the creation of public improvement districts within counties of the State of Texas. This Service and Assessment Plan (the “**SAP**”) was prepared pursuant to the PID Act. The PID Act requires that a service plan “cover a period of at least five years and ... define the annual indebtedness and the projected costs for improvements.” It also requires the plan “be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan for the PID is described in more detail in **Section V** herein.

The Assessment Roll for the PID is attached hereto as **Appendix A**, and is addressed in **Section IV** of this SAP. The Special Assessments as shown on the Assessment Roll are based on the method for establishing and levying the Special Assessment described in **Sections IV and VI** of this SAP.

B. Definitions

Capitalized terms shall have the meanings ascribed to them as follows:

“**Administrative Expenses**” means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the PID and preparing the Assessment Roll, (iii) computing, levying, collecting and transmitting the Special Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Special Assessments, (v) investing or depositing the Special Assessments or other monies, and (vii) administering the construction of the Authorized Improvements.

“**Administrator**” means an employee of the City or third party designee of the City who shall have the responsibilities provided for herein or in any other agreement approved by the City Council.

“Annual Installments” means, with respect to each Assessed Property, each annual payment of: (i) the Special Assessment (including the principal of and interest on), as shown on the Assessment Roll attached hereto as **Appendix A**, as applicable, or in an Annual Service Plan Update, and calculated as provided in **Section VI** of this SAP and (ii) Administrative Expenses.

“Annual Service Plan Update” has the meaning set forth in **Section V** of this SAP.

“Assessed Value” means the taxable value as determined for a Parcel or Lot by Williamson Central Appraisal District.

“Assessed Property” means property on which Special Assessments have been levied as shown on the Assessment Roll (as the same may be updated each year by the Annual Service Plan Update) and which includes any and all Parcels and Lots within the PID other than Non-Benefited Property.

“Assessment Order” means each order adopted by the City Council approving this SAP (or amendments or supplements to the SAP) and levying the Special Assessments.

“Assessment Plan” means this Hutto Co-Op Public Improvement District Service and Assessment Plan (as such plan is amended and updated from time to time) adopted by the City in the first Assessment Order.

“Assessment Roll” means, as applicable, the Assessment Roll included in this SAP as **Appendix A**, which may be updated, or modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with any Annual Service Plan Update.

“Authorized Improvements” means those improvements authorized under Section 372.003 of the PID Act.

“City” means the City of Hutto, Texas.

“City Council” means the City Council of Hutto, Texas.

“Commissioners Court” means the Commissioners Court of Williamson County, Texas.

“County” means Williamson County, Texas.

“Delinquent Collection Costs” mean interest, penalties, and expenses incurred or imposed with respect to any delinquent installment of a Special Assessment, or an Annual Installment thereof, in accordance with the PID Act, including the costs related to pursuing collection of such delinquent Special Assessment, or an Annual Installment thereof, and the costs related to foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means 79 HCD Development, LLC, their successors and assignees.

“EDC” means the Hutto Economic Development Corporation – Type B.

“EDC Act” means Section 4B of Chapters 501, 502 and 505 of the Texas Government code, as amended.

“EDC Credit” means, for each Parcel, the prorated amount of EDC Revenues calculated pursuant to **Section IV.G** of this Service and Assessment Plan.

“EDC Revenues” means fifty (50) percent of EDC Tax revenues received on sales within the boundary of the PID shall be paid to the City to be used for the benefit of the District.

“EDC Tax” means the one-half of one percent (0.5%) sales and use tax for the benefit of the EDC to be used for economic development to benefit the City.

“Future Authorized Improvements” means those improvements as described in **Table III-B** and authorized under Section 372.003 of the PID Act.

“Future City and Corporation Interlocal Agreement” means the interlocal agreement between the City and the LGC to administer the PID and providing for the installment purchase by the City from the LGC of the Future Authorized Improvements to be funded by the Special Assessment Revenues.

“Future Purchase Price” means the price of the Authorized Improvements purchased by the City under the terms of the Future City and Corporation Interlocal Agreement, currently, \$12,359,550 as described herein.

“Initial Authorized Improvements” means those improvements as described in **Table III-A** and authorized under Section 372.003 of the PID Act.

“Initial City and Corporation Interlocal Agreement” means the interlocal agreement between the City and the LGC to administer the PID and providing for the installment purchase by the City from the LGC of the Initial Authorized Improvements to be funded by the Special Assessment Revenues.

“Initial Purchase Price” means the price of the Authorized Improvements purchased by the City under the terms of the Initial City and Corporation Interlocal Agreement, currently, \$22,260,000 as described herein.

“Interlocal Agreement” means that certain Interlocal Agreement Regarding Tax Increment Financing dated January 18, 2018, as amended from time to time (the “Interlocal Agreement”), pursuant to which the County has agreed to participate in the Zone and has agreed to dedicate 50% of its tax increment, net of the Debt Service and Road and Bridge taxes. collected from the Zone to the payment of a portion of the Public Improvements (i) for maximum term of twenty (20) years from January 18, 2018 or (ii) until the amount of County Tax Increment deposited into the Tax Increment Fund equals \$5,500,000.

“LGC” means the local government corporation created by the City pursuant to Chapter 431, Texas Transportation Code, as amended, for the purpose of administering the PID and to provide for the installment purchase of the Future Authorized Improvements and the Initial Authorized Improvements, among other purposes.

“Lot” means (i) for any portion of the Property for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a “lot” in such subdivision plat excluding any public street, right of way or other publicly owned portions of the Property, and (ii) for any portion of the Property for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat excluding any public street, right of way or other publicly owned portions of the Property.

“Non-Benefited Property” means parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements, including Owner Association Property, Public Property, and easements that create an exclusive use for a public utility provider. Property may be identified as Non-Benefited Property at the time the Special Assessments (i) are levied or (ii) are reallocated pursuant to a subdivision of a parcel. Assessed Property converted to Non-Benefited Property, if the Special Assessments may not be reallocated pursuant to **Section VI.B**, remains subject to the Special Assessments and requires the Special Assessments to be prepaid as provided for in **Section VI.C**.

“Owner(s)” means 420 US 79, Ltd., Williamson County, the City of Hutto and the Hill Country Bible Church Hutto, their successors and assignees.

“Owner’s Association” means a homeowner’s association or property owner’s association.

“Owner’s Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, an Owner’s Association established for the benefit of a group of homeowners or property owners within the PID.

“Parcel” means a property identified by either a tax map identification number assigned by the Williamson Central Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the County.

“PID” means the Hutto Co-Op Public Improvement District created by the City pursuant to a Resolution approved June 7, 2018.

“PID Act” means Chapter 372 of the Texas Local Government Code, as amended.

“Property” means the approximately 35.10 acres of property depicted and described by metes and bounds on Exhibit A to Resolution as adopted by the City on June 7, 2018.

“Public Property” means property, real property, right of way, and easements located within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, the City, a county, a school district, a public utility provider, or any other political subdivision or public agency, whether in fee simple, through an exclusive use easement, plat, or a public utility easement.

“Special Assessment” means the assessment(s) levied against a Parcel or Lot imposed pursuant to the Assessment Order and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel or Lot created by such subdivision or reduction according to the provisions hereof and the PID Act.

“TIRZ” means the Co-Op District, Hutto Tax Increment Reinvestment Zone Number One, City of Hutto, Texas.

“TIRZ Credit” means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to **Section IV.G** of this Service and Assessment Plan.

“TIRZ Ordinance” means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Co-Op District Hutto Tax Increment Reinvestment Zone Number One Preliminary Project Plan and Financing Plan (including amendments or supplements thereto).

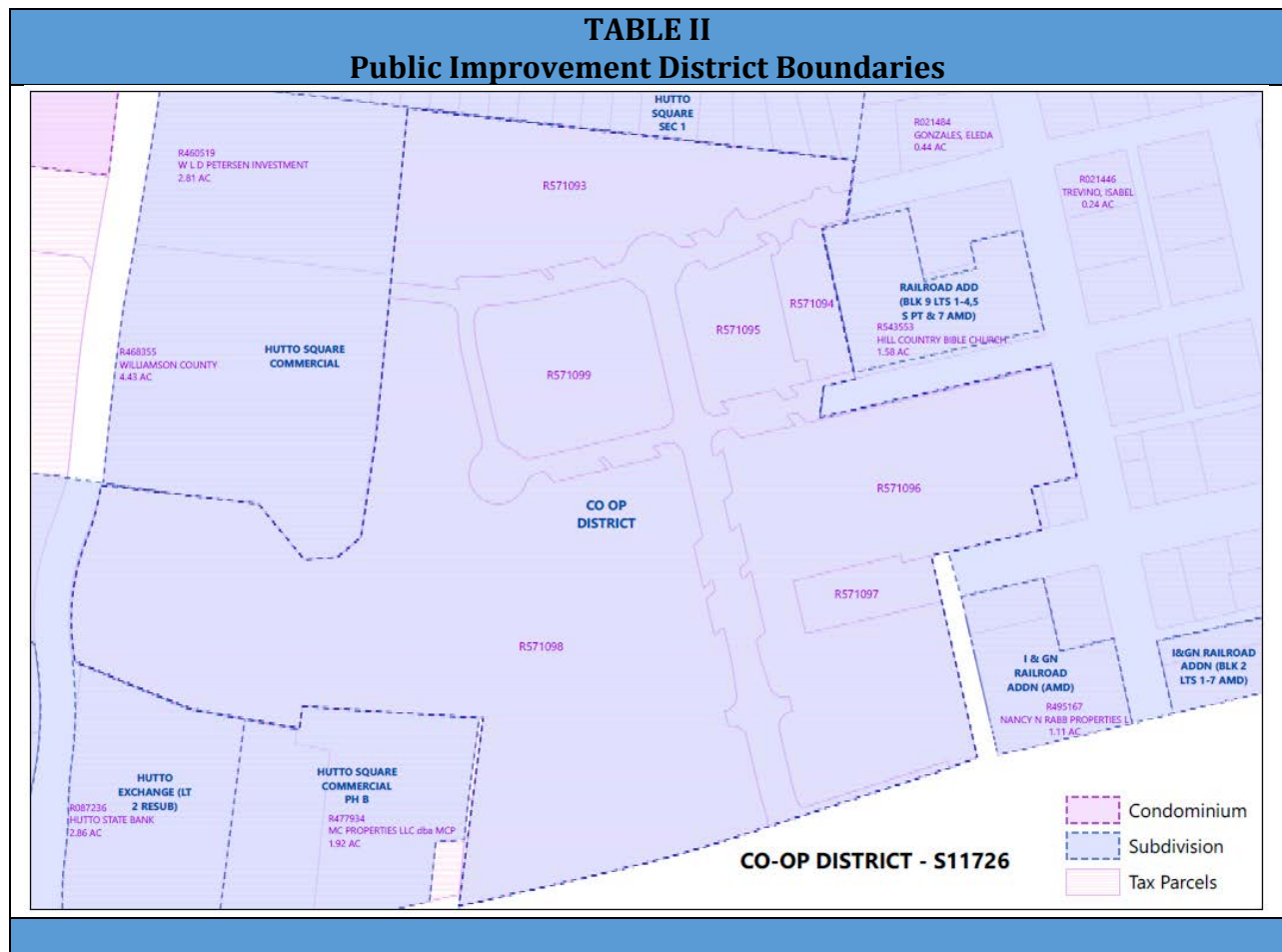
“TIRZ Revenues” mean, for each year, the amounts paid by the City and the County from the TIRZ tax increment fund pursuant to the TIRZ Ordinance and the Interlocal Agreement to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with **Section IV.G** of this Service and Assessment Plan.

Section II

PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID comprises the entire Property. The PID is located entirely within the City. It contains approximately 35.10 acres planned for mixed-use development including the associated rights of way, landscaping, and infrastructure necessary to provide roadways and water and wastewater utilities within and to the Property. A map of the property within the PID is shown in **Table II**. Legal descriptions for the Property within the PID are included in **Appendix B**.



Section III

DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act identifies the authorized improvements that the City may choose to purchase and finance with the establishment of a PID. The Authorized Improvements identified in the PID Act include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian mall;
- (v) acquisition and installment of pieces of art;
- (vi) acquisition, construction or improvement of libraries;
- (vii) acquisition, construction or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement or rerouting of mass transportation facilities;
- (ix) acquisition, construction or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x)
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing.

The City has determined that of the improvements authorized under the PID Act, it will purchase and finance only those Authorized Improvements more particularly described in **Section III.B**. Any change to the list of Authorized Improvements will require the approval of the City.

B. Descriptions and Estimated Costs of Improvements

The Initial Authorized Improvements are described below and the costs of such improvements are shown in **Table III-A**. The Initial Purchase Price for the Initial Authorized Improvements is \$22,260,000. The Special Assessments will only be used to purchase the Initial Authorized Improvements that benefit the Assessed Property. The costs shown in **Table III-A** and the Initial Purchase Price for the Initial Authorized Improvements may be revised through Annual Service Plan Updates.

The Initial Purchase Price for the Initial Authorized Improvements are to be funded from the Special Assessment reimbursements as described herein.

A description of the Initial Authorized Improvements follows:

The Lakes Landscaping

- The central retention pond will serve as an amenity feature for the Property. The pond will be defined by vertical walls with stone veneer and wire cable railing around the majority of the perimeter. An adjacent pedestrian walk will encircle the lake and an enhanced pedestrian bridge crossing will connect visitors between the east and west portions of the project.
- The lake will be maintained at a constant level through the use of on-site wells. The water will be re-circulated through a series of fountains, which will also serve as an aesthetic enhancement. RGB LED lights will illuminate the fountains and pedestrian bridge with varying light displays at night.

Streets - Landscaping

- All streets within the Property will be enhanced with landscaping improvements. The street lights will be upgraded with banner attachments for seasonal promotions. The sidewalks will be constructed with pavers and will be a minimum of 15 feet in width on both sides of the roads. Street trees will be added to the landscape islands or within tree grates along the sidewalk. Concrete planters will be added at the intersections and inside the Co-op Boulevard median. Each pedestrian crossing will be raised at the intersections with enhanced pavers at the crosswalks. The traffic circle at Co-op Boulevard and W. Live Oak Street will be landscaped and irrigated. The project will have enhanced traffic signage and street signage. Speakers will be built in throughout the development for background music. All landscaping will be built in accordance with City standards.

City Hall Landscaping

- All the landscaping and hardscape for City Hall is being constructed. The landscaping will include the sod, shrubs, trees, flower beds and irrigation. The hardscape will include sidewalks constructed out of both concrete and pavers, bike racks and flag poles and decorative planters. All of these improvements will be constructed in accordance with City standards.

Signage and Monumentation

- The Property's primary sign will be located along Highway 79 at Co-op Boulevard. The sign will be approximately 30 feet in height and resemble a stone cistern with a corrugated metal base, reflective of the agricultural history of the site. A second, internal gateway sign will extend over Co-op Boulevard, welcoming visitors to the Property. Smaller, internal directional and directory signs will be located along the sidewalks within the District.
- Multi-tenant signs will be anchored to the re-located silos that front onto highway 79. The primary, major tenants of the development will be recognized on the silo signage. A secondary, multi-tenant sign will be located at the intersection of W. Live Oak and Exchange Boulevard at the western extent of the development.

Town Green

- A centralized town green will serve as the activity heart of the Property. The green will consist of a splash pad plaza and sculptures. It will include more than 20,000 of an event lawn consisting of artificial turf. Seat walls and gentle sloping berms surround the perimeter of the town green, as well as outdoor patio seating, outdoor plaza game areas, enhanced landscape beds and shade trees. There will also be an amphitheater stage platform for hosting outdoor concerts and events and an outdoor digital display screen for use during concerts and for broadcasting during other events such as movies or sporting events. There will be pedestrian scale lighting for maintaining safety and accessibility of the space at night. The green will be easily accessible to the pedestrian bridge, public sidewalks and public parking lots. These improvements will be constructed in accordance with City standards.

Excavation, Water, Sewer, Drainage & Paving

- The excavation and stormwater drainage improvement portion of the improvements consist of the construction of a combined wet pond amenity and detention pond and associated drainage channels and appurtenances to appropriately control and convey storm water runoff through the Property. The storm drainage improvements will be constructed in accordance with City standards.

- The water, sewer and paving improvements consist of the construction of the full distance of West Live Oak Street from Exchange Boulevard through the Property to the intersection with West Street, the construction of the full distance of CO-OP Boulevard from US Highway 79 through the Property to the intersection with West Live Oak Street, as well as the construction of the full distance of Pecan Street from West Street through the Property to the intersection of West Live Oak Street. These improvements will provide road and thoroughfare access to all phases of the Property and consist of the construction of related earthwork, paving, sidewalks, signage, traffic control devices, manholes, water/waste water trunk mains, pipes, valves and associated appurtenances. All improvements will be constructed in accordance with City standards.

Parking Lots

- Multiple public parking lots are being constructed to meet the parking requirements for the Property. All parking lots include drainage, water and sewer connections and will be constructed in accordance with City standards.

Highway 79 Construction & Engineering

- The Property will include a divided section along Highway 79 from Exchange Boulevard to West Street including a left turn lane on the east bound lane of Highway 79 at Co-op Boulevard and West Street. There is also a deceleration lane being added on the west bound lane of Highway 79 at Co-op Boulevard along with a traffic light at the intersection of Highway 79 and Co-op Boulevard. The frontage of Highway 79 will be enhanced through the use of landscape screening along all parking lots. Enhanced plant beds with year-round color as well as shade trees will line the project frontage. These improvements will be constructed in accordance with City standards.
- Four silos that were previously located internal to the site have been relocated to the frontage of highway 79 and serve as a perimeter monument announcing the development to drivers along the highway.

Table III-A Initial Authorized Improvements	
Description	Costs
<i>Authorized Improvements</i>	
The Lakes - Landscaping	\$ 2,971,412
Streets - Landscaping	1,972,340
City Hall Landscaping	833,124
Signage and Monumentation	1,371,001
Town Green	2,986,338
Excavation, Water, Sewer, Drainage & Paving	3,645,895
Parking Lots	4,416,343
Highway 79 Construction & Engineering	1,404,936
Engineering	144,227
Contingency	678,713
Project Management Fee	1,835,672
Total Initial Authorized Improvements	\$ 22,260,000
Source: LandDev Consulting, LLC and SEC Planning, LLC	
Note: The figures shown in Table III-A and the Purchase Price for the Initial Authorized Improvements may be revised in Annual Service Plan Updates, and may be reallocated between line items so long as the Initial Authorized Improvements amount does not change.	

The Future Authorized Improvements are described below and the costs of such improvements are shown in **Table III-B**. The Future Purchase Price for the Future Authorized Improvements is \$12,359,550. The Special Assessments will only be used to purchase the Future Authorized Improvements that benefit the Assessed Property. The costs shown in **Table III-B** and the Future Purchase Price for the Future Authorized Improvements may be revised through Annual Service Plan Updates. The Future Purchase Price for the Future Authorized Improvements are to be funded from the Special Assessment reimbursements as described herein.

A description of the Future Authorized Improvements follows:

Parking Garages #1, #2 and #3

- Structured parking garages will be constructed to provide public parking for all users of the Project. The improvements will be constructed in accordance with City standards and will provide parking spaces as follows:
 - Parking Garage #1 – 300 spaces
 - Parking Garage #2 – 100 spaces
 - Parking Garage #3 – 300 spaces

Excavation, Water, Sewer, Drainage & Paving

- The excavation and stormwater drainage improvement portion of the improvements consist of the construction of a combined wet pond amenity and detention pond and associated drainage channels and appurtenances to appropriately control and convey storm water runoff through the Property. The storm drainage improvements will be constructed in accordance with City standards.
- The water, sewer and paving improvements consist of the construction of the full distance of West Live Oak Street from Exchange Boulevard through the Property to the intersection with West Street, the construction of the full distance of Co-Op Boulevard from US Highway 79 through the Property to the intersection with West Live Oak Street, as well as the construction of the full distance of Pecan Street from West Street through the Property to the intersection of West Live Oak Street. These improvements will provide road and thoroughfare access to all phases of the Property and consist of the construction of related earthwork, paving, sidewalks, signage, traffic control devices, manholes, water/waste water trunk mains, pipes, valves and associated appurtenances. All improvements will be constructed in accordance with City standards.

Landscape, Hardscape, Site Furnishings & Lighting

In connection with the construction of the Future Authorized Improvements, additional landscape, hardscape, site furnishings for the public spaces within the Property and street lighting will be constructed consistent with the Initial Authorized Improvements and in accordance with City standards.

**Table III-B
Future Authorized Improvements**

Description	Costs
<i>Authorized Improvements</i>	
Parking Garage #1	4,567,500
Parking Garage #2	1,522,500
Parking Garage #3	4,567,500
Excavation, Water, Sewer, Drainage & Paving	630,000
Landscape, Hardscape, Site Furnishings, Lighting	155,000
Engineering	250,000
Contingency	78,500
Project Management Fee	588,550
Total Future Authorized Improvements	\$ 12,359,550

Source: LandDev Consulting, LLC and SEC Planning, LLC

Note: The figures shown in Table III-B and the Purchase Price for the Future Authorized Improvements may be revised in Annual Service Plan Updates, and may be reallocated between line items so long as the Future Authorized Improvements amount does not change.

Section IV

ASSESSMENT PLAN

A. Introduction

The PID Act requires the City Council to apportion the cost of the Authorized Improvements based on the special benefits conferred to each lot or parcel by the Authorized Improvements. The PID Act provides that the Purchase Price may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the City Council may establish the methods of assessing the special benefits for various classes of improvements. **Table IV-A** details the estimated allocation of costs of the Authorized Improvements between the Assessed Property and Non-Benefited Property for the Initial Purchase Price.

This section of this Service and Assessment Plan is intended to describe the special benefit conferred to each Parcel within the PID as a result of the Authorized Improvements, to provide the basis and justification for the determination that this special benefit exceeds the amount of the Special Assessments, and to explain the methodologies by which the City Council allocates and reallocates the special benefit for Authorized Improvements to Lots so that there is an equal share of the Purchase Price being apportioned to Lots similarly benefited. The determination by the City Council of the assessment methodology set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer, Owners and all future owners of any Assessed Property.

B. Special Benefit

The Assessed Property must receive a direct and special benefit from the Authorized Improvements, which must be equal to or greater than the amount of the Special Assessments. The Authorized Improvements are provided for the benefit of the Assessed Property.

When the City Council approved this SAP, the Owners owned 100% of the Assessed Property. The Developer has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Special Assessments to pay for the Purchase Price associated therewith. The Developer has ratified, confirmed, accepted, agreed to and approved: (i) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Order; (ii) the SAP and the Assessment Order, and (iii) the levying of Special Assessments on the Assessed Property.

The City Council determined that funding the Purchase Price for the Authorized Improvements through the PID is beneficial to the City. Accordingly, these Authorized Improvements confer a special benefit to the Assessed Property, and such special benefit exceeds the amount of the Special Assessment levied on the Assessed Property. This conclusion is supported by the evidence, information, and testimony provided to the City.

C. Allocation of the Initial Purchase Price of Authorized Improvements

The Authorized Improvements will provide a special benefit only to the Assessed Property. The Initial Purchase Price of the Authorized Improvements is, therefore, allocated entirely to Assessed Property, as shown in **Table IV-A**. The costs detailed in **Table IV-A** and the Initial Purchase Price for the Authorized Improvements is subject to revision through the Annual Service Plan Updates, but may not result in increased Special Assessments except as authorized under this SAP or the PID Act.

Table IV-A		
Allocation of Authorized Improvements to Assessed Property		
Authorized Improvements	Total Cost	% Allocation
The Lakes - Landscaping	\$ 2,971,412	100%
Streets - Landscaping	1,972,340	100%
City Hall Landscaping	833,124	100%
Signage and Monumentation	1,371,001	100%
Town Green	2,986,338	100%
Excavation, Water, Sewer, Drainage & Paving	3,645,895	100%
Parking Lots	4,416,343	100%
Highway 79 Construction & Engineering	1,404,936	100%
Engineering	144,227	100%
Contingency	678,713	100%
Project Management Fee	1,835,672	100%
Total Authorized Improvements	\$ 22,260,000	100%
See Table III-A for details		

D. Special Assessment Methodology

The City Council may assess all or a portion of the Purchase Price against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the amount of the Special Assessments. All or a portion of the Purchase Price may be assessed using any methodology that results in the imposition of equal shares of the Purchase Price on Assessed Property similarly benefited.

For purpose of the Assessment Plan, the City Council has determined that the Initial Purchase Price associated with the Authorized Improvements shall be allocated on the basis of estimated buildout value. The Initial Purchase Price associated with the Authorized Improvements shall be allocated to the Assessed Property by spreading the entire Special Assessment across all Parcels and Lots within the PID based on the ratio of the estimated buildout value of such Parcel or Lot to the estimated buildout value for all Assessed Property within the PID.

Based on the Initial Purchase Price for the Authorized Improvements, the City Council has determined that the benefit to the Assessed Property from the Authorized Improvements is at least equal to the Special Assessments levied on the Assessed Property as subdivided into individual Parcels or Lots.

Table IV-B Special Assessment Allocation													
Planned Building #	Planned Land Use	Lot #	Parcel ID #	Units/ SF/Keys	Projected AV per Unit/SF/Key	% Allocation of Total Special Assessment	Assessed Value at Completion	Total Special Assessment	Average Annual Installment	Special Assessment Per Unit/SF/Key	Average Annual Installment Per Unit/SF/Key	Equivalent Tax Rate (per \$100/AV) Before TIRZ	Equivalent Tax Rate (per \$100/AV) After TIRZ
1	Restaurant	6	R571098	12,000	\$ 400	2.56%	\$ 4,800,000	\$ 568,825	\$ 19,193	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
2	Restaurant	6	R571098	12,000	\$ 400	2.56%	\$ 4,800,000	\$ 568,825	\$ 19,193	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
3	Retail/Office	6	R571098	6,000	\$ 400	1.28%	\$ 2,400,000	\$ 284,412	\$ 9,596	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
4	Bank	6	R571098	3,000	\$ 400	0.64%	\$ 1,200,000	\$ 142,206	\$ 4,798	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
5	Restaurant	4	R571096	5,500	\$ 400	1.17%	\$ 2,200,000	\$ 260,711	\$ 8,797	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
6	Retail/Office	6	R571098	20,000	\$ 400	4.26%	\$ 8,000,000	\$ 948,041	\$ 31,988	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
7	Retail/Office	4	R571096	33,000	\$ 400	7.03%	\$ 13,200,000	\$ 1,564,267	\$ 52,780	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
8	Retail/Office	5	R571097	12,000	\$ 400	2.56%	\$ 4,800,000	\$ 568,825	\$ 19,193	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
9	Multi-Family	4	R571096	132	\$ 165,000	11.59%	\$ 21,780,000	\$ 2,581,041	\$ 87,086	\$ 19,553.34	\$ 659.75	\$ 0.87	\$ 0.40
10	Retail/Office	4	R571096	45,000	\$ 400	9.58%	\$ 18,000,000	\$ 2,133,092	\$ 71,972	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
11	Retail/Office	4	R571096	15,000	\$ 400	3.19%	\$ 6,000,000	\$ 711,031	\$ 23,991	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
12	Retail/Office	6	R571098	40,000	\$ 400	8.52%	\$ 16,000,000	\$ 1,896,082	\$ 63,975	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
13	Hotel	7	R571099	140	\$ 165,000	12.30%	\$ 23,100,000	\$ 2,737,468	\$ 92,364	\$ 19,553.34	\$ 659.75	\$ 0.87	\$ 0.40
14	Retail/Office	7	R571099	36,000	\$ 400	7.67%	\$ 14,400,000	\$ 1,706,474	\$ 57,578	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
15	Retail/Office	3	R571095	32,000	\$ 400	6.81%	\$ 12,800,000	\$ 1,516,865	\$ 51,180	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
16	Multi-Family	Church	R543533	104	\$ 165,000	9.14%	\$ 17,160,000	\$ 2,033,548	\$ 68,614	\$ 19,553.34	\$ 659.75	\$ 0.87	\$ 0.40
17	Municipal	Church	R571093	40,000	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.87	\$ -
18	Entertainment	Williamson County	R468355	39,000	\$ 400	8.30%	\$ 15,600,000	\$ 1,848,680	\$ 62,376	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
19	Restaurant	Williamson County	R468355	4,000	\$ 400	0.85%	\$ 1,600,000	\$ 189,608	\$ 6,398	\$ 47.40	\$ 1.60	\$ 0.87	\$ 0.40
Total						100.00%	187,840,000	22,260,000	751,070			\$ 0.87	\$ 0.40

Note: Estimates based on information available as of xx/xx/18, the date the original SAP was adopted by the City. Although the actual unit counts and estimated assessed value may vary from the estimates shown above, the initial assessment allocation for each Unit/SF will not change unless modified in a Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, the Initial City and Corporation Interlocal Agreement and any other documents associated with the creation of the PID. The above estimate assumes an average 6.4% interest rate, a 40 year term for the PID and an annual administrative expense of \$35,000 increasing at 2.0% per year.

In the event that the City approves the Future City and Corporation Interlocal Agreeent in connection with the Future Purchase Price for the Future Authorized Improvements, a **Table IV-C** will be created to reflect the associated Special Assessments as part of a Service Plan Update.

E. Special Assessment and Annual Installments

The Special Assessments for the PID will be levied on each Lot according to the Assessment Roll. The Annual Installments for the PID will be collected on the dates and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

F. Administrative Expenses

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Lot based on the amount of outstanding assessment remaining on the Lot. The Administrative Expenses shall be collected as part of and in the same manner as the Annual Installments in the amounts shown on the Assessment Roll shown on **Appendix A**, which are subject to revision through Annual Service Plan Updates.

G. TIRZ Credit and EDC Credit

The City has agreed to use TIRZ Revenues generated from each Parcel or Lot within the PID to offset a portion of the Annual Installment on such Parcel or Lot within the Assessed Property (the "TIRZ Credit"). The City has agreed to use EDC Revenues generated within the PID to offset a portion of the Annual Installment for such Parcel or Lot within the Assessed Property (the "EDC Credit") by spreading the entire EDC Credit across all Parcels and Lots within the PID based on the ratio of the Assessed Value of such Parcel or Lot to the Assessed Value for all Assessed Property within the PID. The Annual Installment for each Parcel or Lot shall be calculated by taking into consideration any TIRZ Credit and any EDC Credit applicable to the Parcel or Lot. The TIRZ Credit and EDC Credit attributable to each Parcel or Lot of Assessed Property collected in any given year shall be used to calculate each Parcel or Lot's TIRZ Credit and EDC Credit for such Parcel or Lot in the following year.

Section V

SERVICE PLAN

The PID Act requires the SAP (i) cover a period of at least five years, and (ii) define the annual projected costs for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately 36 months for the Authorized Improvements to be constructed and purchased by the City.

The Initial Purchase Price for the Authorized Improvements and payment of expenses incurred in the establishment, administration and operation of the PID is \$22,260,000 as shown in **Table V-A**. The SAP shall be reviewed and updated at least annually for purposes of determining the annual budget for Administrative Expenses, updating the Purchase Price of the Authorized Improvements, and updating the Assessment Roll shown on **Appendix A**. Any update to this SAP herein is referred to as an “**Annual Service Plan Update**.”

Table V-A summarizes the funds required to purchase the Authorized Improvements, and establish the PID. The funds shown in **Table V-A** shall be updated each year in the Annual Service Plan Update to reflect any revisions to the Purchase Price, if any.

Table V-A Sources and Uses of Funds	
Sources of Funds	
Special Assessment	\$ 22,260,000
Owner Contribution	-
	<u>\$ 22,260,000</u>
Uses of Funds	
Authorized Improvements (a)	<u>\$ 22,260,000</u>
(a) See Table III-A and Table IV-A for details.	

In the event that the City approves the Future City and Corporation Interlocal Agreement in connection with the Future Purchase Price for the Future Authorized Improvements, **Table V-A** will be updated.

The Annual Installments for the first five years after the approval of this SAP are presented in **Table V-B**. The Annual Installments are subject to revision and shall be updated in the Annual Service Plan Update to reflect any change expected for each year.

**Table V-B
Projected Annual Installments**

Year Ending December 31,	Principal Payments	Interest Expense	Administrative Expenses	Projected TIRZ Reimbursements	Annual PID Installments
2019	\$ -	\$ 1,424,640	\$ 35,000	\$ -	\$ 1,459,640
2020	\$ -	\$ 1,424,640	\$ 35,700	\$ 35,700	\$ 1,424,640
2021	\$ 150,000	\$ 1,424,640	\$ 36,414	\$ 191,363	\$ 1,419,691
2022	\$ 160,000	\$ 1,415,040	\$ 37,142	\$ 327,169	\$ 1,285,013
2023	\$ 170,000	\$ 1,404,800	\$ 37,885	\$ 783,133	\$ 829,552
Total	\$ 480,000	\$ 7,093,760	\$ 182,141	\$ 1,337,366	\$ 6,418,536

Note: The Projected Annual Installments are the expenditures associated with the formation of the PID, the costs of formation and repayment of the PID Special Assessments as well as the administration of the PID. The debt service estimates are based on an 6.4% interest rate and a 40 year term for the PID. Administrative expenses are estimated to increase at a rate of 2.0% per year.

In the event that the City approves the Future City and Corporation Interlocal Agreement in connection with the Future Purchase Price for the Future Authorized Improvements, **Table V-B** will be updated.

Section VI

TERMS OF THE SPECIAL ASSESSMENTS

A. Amount of Special Assessments and Annual Installments for parcels

The Special Assessments and Annual Installments for each Assessed Property are shown on the Assessment Roll in **Appendix A-1**. The Special Assessments and Annual Installments shall not be changed except as authorized under the terms of this SAP and the PID Act. The Annual Installments shall be collected in an amount sufficient to cover the Administrative Expenses.

B. Reallocation of Special Assessments for Parcels

1. *Upon Division Prior to Recording of Subdivision Plat*

Upon the division of any Assessed Property (without the recording of a subdivision plat), the Administrator shall reallocate the Special Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C / D)$$

“A” means the Special Assessment for a Parcel or Lot created by a subdivision plat.

“B” means the Special Assessment for the subdivided Parcel or Lot prior to division.

“C” means the Special Assessment for the Land Use applicable to a Parcel or Lot created by a subdivision plat determined by reference to **Table IV-B**.

“D” means the sum of the Special Assessments for all Assessed Property created by a subdivision plat based on the Land Use applicable to each Parcel or Lot.

If Lots are not platted in accordance with the Parcel Map, the Special Assessments for each affected Lot will be allocated in an equitable manner, but in no event will such new allocation increase the Total Assessment for each Lot as identified in **Table IV-B**.

The increase or reallocation of an Assessment for an Assessed Parcel that is a homestead under Texas law may not exceed the Assessment prior to the increase or reallocation. Any increase or reallocation pursuant to this section shall be reflected in a Service and Assessment Plan Update approved by the

City. The division herein shall be considered an administrative action that will not require the City to issue notice and hold a public hearing.

The sum of the Special Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City.

2. *Upon Subdivision by a Recorded Subdivision Plat*

Once a Lot has a Special Assessment applied to it, as shown in **Table IV-B**, and then proceeds to be subdivided again, in no event will the new subdivision cause the sum of the Special Assessments for the subdivided Lots to be greater than the Special Assessment for the Lot prior to its subdivision.

The allocation method used above is to insure there will not be an increase in the Special Assessment for each specific Parcel. If Lots are not platted in accordance with the Parcel Map, the Special Assessments for each affected Lot will be allocated in an equitable manner, but in no event will such new allocation increase the total Special Assessment for each Lot as identified in **Table IV-B**.

3. *Upon Consolidation*

Upon the consolidation of two or more Assessed Properties, the Special Assessment for the consolidated Assessed Property shall be the sum of the Special Assessments for the Assessed Properties prior to consolidation. The reallocation of a Special Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Special Assessment prior to the reallocation. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this SAP approved by the City. The consolidation of any Assessed Property as described herein shall be considered an administrative action and will not require any notice or public hearing by the City.

C. Mandatory Prepayment of Assessments

If Assessed Property or a portion thereof is transferred to a party that is exempt from the payment of the Special Assessment under applicable law, or if an owner causes a Lot or portion thereof to become Non-Benefited Property, the full amount of the Special Assessment for such Lot or portion thereof shall be paid to the City prior to any such transfer or act.

D. Reduction of Special Assessments

1. If, after all Authorized Improvements to be funded have been purchased, the Purchase Price for the Authorized Improvements are less than the Purchase Price used to calculate the Special Assessments, then the City will reduce the Special Assessment securing each Assessed Property pro rata such that the sum of the resulting reduced Special Assessments for all Assessed Properties equals the reduced Purchase Price.

E. Payment of Special Assessments

1. Payment in Full and Partial Pre Payment

- o The Special Assessment for any Parcel may be paid in full at any time in accordance with the PID Act.
- o If an Annual Installment has been billed prior to payment in full of a Special Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount upon payment.
- o Upon payment in full of a Special Assessment, the City shall deposit the payment in accordance with the Installment Sale Contract; whereupon, the Special Assessment for the Lot shall be reduced to zero, and the Lot owner's obligation to pay the Special Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "**Notice of PID Assessment Termination.**"
- o At the option of a Lot owner, the Special Assessment on any Lot may be paid in part in an amount equal to the amount of prepaid Special Assessments, with respect thereto. Upon the payment of such amount for a Lot, the City shall deposit the payment in accordance with the Installment Sale Contract, the Special Assessment for the Lot shall be reduced by the amount of such partial payment, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Lot shall be reduced to the extent the partial payment is made.

2. Payment of Annual Installments

- o The PID Act provides that a Special Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the City to collect interest and collection costs on the outstanding Special Assessment. A Special Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Special Assessment and Administrative Expenses. Pursuant to Section 372.018 of the PID Act, an Assessment bears

interest at the rate specified by the governing body of the municipality or City beginning at the time or times or on the occurrence of one or more events specified by the governing body. The City Council has determined that the Assessments shall be paid in Annual Installments over a forty (40) year period, as shown in the Assessment Roll, with an interest rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City Council and reported in the month prior to the establishment of the Special Assessments and continuing for a period of five years from such date. Such rate shall then adjust and shall not exceed two hundred basis points above the bond index rate described above and shall continue until the Assessments are paid in full. The index approved by the City Council is the Bond Buyer 25 Year Revenue Bond Index for which the average rate on July 27, 2018 was 4.40 percent (4.40%).

- o The Annual Installments as listed on the Assessment Roll have been calculated assuming an interest rate of 6.40%. The Annual Installments may not exceed the amounts shown on the Assessment Roll except pursuant to any amendment or update to this SAP.
- o The Annual Installments shall be reduced to equal the actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

F. Collection of Annual Installments

The Administrator shall, no less frequently than annually, prepare and submit to the City for its approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced by any credits applied. Annual Installments may be collected by the City (or such entity to whom the City directs) in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act. The City may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of Assessed Property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of a Special Assessment, shall be assessed annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Delinquent installments of the Special Assessments shall incur interest, penalties, and attorney's fees in the same manner as delinquent ad valorem taxes. The initial Annual Installments will be due when billed, and will be delinquent if not paid prior to February 1, 2019.

In the event that an Assessed Property has more than one Assessment and the payment made by the property owner is less than the total Annual Installments due, the shortfall will be allocated between each Assessment on a pro-rata basis based on the amount of Assessment outstanding at the time the Annual Installments were due.

G. Summary of City Responsibilities

The City's responsibility under the SAP shall be as follows:

1. The City shall have no responsibility for administration, assessment, collection or payment of any amounts except as specifically provided in the SAP or the Installment Sales Contract.
2. The City's sole obligations are to:
 - o Review and approve the Annual Service Plan Update including the Annual Installments due for the upcoming year;
 - o Contract with the Williamson County Appraisal District or other third party to collect the Assessments;
 - o Establish the assessment account ("Assessment Account") to receive the funds collected from Assessments, TIRZ Revenues and EDC Revenues;
 - o Pay Administrative Expenses as provided herein;
 - o Direct the Administrator to take all reasonable efforts to collect Assessments including foreclosure of any lien securing delinquent Assessments;
 - o Deposit Assessments received, including funds received from foreclosure sales, into the Assessment Account; and,
 - o Pay funds out of the Assessment Account as provided herein and in the Installment Sale Contract.

Section VII

THE ASSESMENT ROLL

A. Assessment Roll

The City has evaluated each Lot (based on numerous factors such as the Public Property, the types of Authorized Improvements, and other development factors deemed relevant by the City) to determine the amount of Assessed Property within the PID.

The Assessed Property will be assessed for the special benefits conferred upon the property resulting from the Initial Authorized Improvements. **Table VII** summarizes the \$22,260,000 in special benefit received by the Assessed Property from the Initial Authorized Improvements and the costs of the PID formation. The expected amount of the planned Special Assessment is \$22,260,000 which is equal to the benefit received by the Assessed Property. Accordingly, the total Special Assessment to be applied to all the Assessed Property is \$22,260,000 plus annual Administrative Expenses. The Special Assessment for each Assessed Property is calculated based on the allocation methodologies described in **Section IV-D**. The Assessment Roll is attached hereto as **Appendix A**.

Table VII Special Benefit Summary	
Special Benefit Summary	Total Cost
Total Public Improvements (a)	\$ 22,260,000
Total Special Benefit	\$ 22,260,000
<i>Special Benefit</i>	
Total Special Benefit	\$ 22,260,000
Projected PID Special Assessment	\$ 22,260,000
Excess Benefit	\$ -
(a) See Table III-A for details.	

B. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City for approval, updates to the Assessment Roll and the Annual Service Plan Update to reflect changes such as (i) the identification of each Parcel (ii) the Special Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Special Assessment is payable in installments); and (iv) payments of the Special Assessment, if any, as provided by **Section VI.E.** of this Service and Assessment Plan.

Section VIII

MISCELLANEOUS PROVISIONS

A. Administrative Review

The City may elect to designate a third party to serve as Administrator of the PID. The City shall notify the Developer in writing upon appointing a third party Administrator.

To the extent consistent with the PID Act, if an owner of the Assessed Property claims that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, that owner must send a written notice describing the error to the Administrator no later than thirty (30) days after the date the invoice or other bill for the Annual Installment is received. If the owner fails to give such notice, such owners shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and, if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property owner, such change or modification shall be presented to the City Manager for approval, to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property (except for the final year during which the Assessment shall be collected), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to City for determination. Any amendments made to the Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

B. Termination of Assessments

Each Special Assessment shall terminate on the date the Special Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of the Special Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable Notice of the PID Assessment Termination.

C. Amendments

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

D. Administration and Interpretation of Provisions

The City shall administer (or cause the administration of) the PID, this SAP, and all Annual Service Plan Updates consistent with the PID Act.

E. Severability

If any provision, section, subsection, sentence, clause or phrase of this SAP, or the application of same to an Assessed Property or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part thereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this SAP is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this SAP and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

Appendix A

Assessment Roll

Appendix A Special Assesment by Property Owner							
Tax Parcel ID	Lot #	Acres	Owner	Special Assessment	Equivalent Tax Rate without TIRZ	Equivalent Tax Rate with TIRZ	
R571093	1	3.3676	420 US 79, Ltd.	\$ -	\$ -	\$ -	
R571094	2	0.5231	420 US 79, Ltd.	\$ -	\$ -	\$ -	
R571095	3	0.9709	420 US 79, Ltd.	\$ 1,516,865	\$ 0.87	\$ 0.40	
R571096	4	5.5130	420 US 79, Ltd.	\$ 7,250,143	\$ 0.87	\$ 0.40	
R571097	5	0.4908	420 US 79, Ltd.	\$ 568,825	\$ -	\$ -	
R571098	6	12.9541	420 US 79, Ltd.	\$ 4,408,390	\$ 0.87	\$ 0.40	
R571099	7	1.7685	420 US 79, Ltd.	\$ 4,443,942	\$ 0.87	\$ 0.40	
R543533	Church	0.4641	Hill Country Bible Church	\$ 2,033,548	\$ 0.87	\$ 0.40	
R468355	Williamson County	4.4341	Williamson County	\$ 2,038,288	\$ 0.87	\$ 0.40	
n/a	Right of Way	4.6159	420 US 79, Ltd.	\$ -	\$ -	\$ -	
		<u>35.1021</u>		\$ 22,260,000	\$ 0.87	\$ 0.40	

Preliminary and subject to change. The lot information is as of 9/5/18 and reflects the plat as approved by the City of Hutto.

Appendix A-1									
Projected Annual Installments - All Parcels									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 1,424,640	\$ 1,424,640	\$ 35,000	\$ -	\$ 1,459,640	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 1,424,640	\$ 1,424,640	\$ 35,700	\$ 35,700	\$ 1,424,640	\$ 3.71	\$ 3.69	
2021	\$ 150,000	\$ 1,424,640	\$ 1,574,640	\$ 36,414	\$ 180,805	\$ 1,430,249	\$ 3.79	\$ 3.70	
2022	\$ 160,000	\$ 1,415,040	\$ 1,575,040	\$ 37,142	\$ 309,119	\$ 1,303,064	\$ 3.79	\$ 3.63	
2023	\$ 170,000	\$ 1,404,800	\$ 1,574,800	\$ 37,885	\$ 737,724	\$ 874,961	\$ 3.79	\$ 3.40	
2024	\$ 180,000	\$ 1,393,920	\$ 1,573,920	\$ 38,643	\$ 756,167	\$ 856,396	\$ 3.79	\$ 3.39	
2025	\$ 190,000	\$ 1,382,400	\$ 1,572,400	\$ 39,416	\$ 775,071	\$ 836,745	\$ 3.79	\$ 3.38	
2026	\$ 205,000	\$ 1,370,240	\$ 1,575,240	\$ 40,204	\$ 794,448	\$ 820,996	\$ 3.79	\$ 3.37	
2027	\$ 215,000	\$ 1,357,120	\$ 1,572,120	\$ 41,008	\$ 814,309	\$ 798,819	\$ 3.79	\$ 3.36	
2028	\$ 230,000	\$ 1,343,360	\$ 1,573,360	\$ 41,828	\$ 834,667	\$ 780,522	\$ 3.79	\$ 3.35	
2029	\$ 245,000	\$ 1,328,640	\$ 1,573,640	\$ 42,665	\$ 855,533	\$ 760,771	\$ 3.80	\$ 3.34	
2030	\$ 260,000	\$ 1,312,960	\$ 1,572,960	\$ 43,518	\$ 876,922	\$ 739,556	\$ 3.80	\$ 3.33	
2031	\$ 275,000	\$ 1,296,320	\$ 1,571,320	\$ 44,388	\$ 898,845	\$ 716,864	\$ 3.80	\$ 3.32	
2032	\$ 295,000	\$ 1,278,720	\$ 1,573,720	\$ 45,276	\$ 921,316	\$ 697,680	\$ 3.80	\$ 3.31	
2033	\$ 315,000	\$ 1,259,840	\$ 1,574,840	\$ 46,182	\$ 944,349	\$ 676,673	\$ 3.80	\$ 3.30	
2034	\$ 335,000	\$ 1,239,680	\$ 1,574,680	\$ 47,105	\$ 967,958	\$ 653,828	\$ 3.80	\$ 3.28	
2035	\$ 355,000	\$ 1,218,240	\$ 1,573,240	\$ 48,047	\$ 992,156	\$ 629,131	\$ 3.80	\$ 3.27	
2036	\$ 380,000	\$ 1,195,520	\$ 1,575,520	\$ 49,008	\$ 1,016,960	\$ 607,568	\$ 3.80	\$ 3.26	
2037	\$ 400,000	\$ 1,171,200	\$ 1,571,200	\$ 49,989	\$ 1,042,384	\$ 578,804	\$ 3.80	\$ 3.24	
2038	\$ 425,000	\$ 1,145,600	\$ 1,570,600	\$ 50,988	\$ 1,068,444	\$ 553,144	\$ 3.80	\$ 3.23	
2039	\$ 455,000	\$ 1,118,400	\$ 1,573,400	\$ 52,008	\$ 824,292	\$ 801,116	\$ 3.80	\$ 3.36	
2040	\$ 485,000	\$ 1,089,280	\$ 1,574,280	\$ 53,048	\$ 844,899	\$ 782,429	\$ 3.80	\$ 3.35	
2041	\$ 515,000	\$ 1,058,240	\$ 1,573,240	\$ 54,109	\$ 866,022	\$ 761,327	\$ 3.80	\$ 3.34	
2042	\$ 550,000	\$ 1,025,280	\$ 1,575,280	\$ 55,191	\$ 887,672	\$ 742,799	\$ 3.80	\$ 3.33	
2043	\$ 585,000	\$ 990,080	\$ 1,575,080	\$ 56,295	\$ 909,864	\$ 721,511	\$ 3.80	\$ 3.32	
2044	\$ 620,000	\$ 952,640	\$ 1,572,640	\$ 57,421	\$ 932,611	\$ 697,450	\$ 3.80	\$ 3.31	
2045	\$ 660,000	\$ 912,960	\$ 1,572,960	\$ 58,570	\$ 955,926	\$ 675,603	\$ 3.80	\$ 3.29	
2046	\$ 700,000	\$ 870,720	\$ 1,570,720	\$ 59,741	\$ 979,824	\$ 650,637	\$ 3.80	\$ 3.28	
2047	\$ 745,000	\$ 825,920	\$ 1,570,920	\$ 60,936	\$ 1,004,320	\$ 627,536	\$ 3.80	\$ 3.27	
2048	\$ 795,000	\$ 778,240	\$ 1,573,240	\$ 62,155	\$ 1,029,428	\$ 605,967	\$ 3.81	\$ 3.26	
2049	\$ 845,000	\$ 727,360	\$ 1,572,360	\$ 63,398	\$ 827,509	\$ 808,249	\$ 3.81	\$ 3.37	
2050	\$ 900,000	\$ 673,280	\$ 1,573,280	\$ 64,666	\$ 848,196	\$ 789,749	\$ 3.81	\$ 3.36	
2051	\$ 960,000	\$ 615,680	\$ 1,575,680	\$ 65,959	\$ 869,401	\$ 772,238	\$ 3.81	\$ 3.35	
2052	\$ 1,020,000	\$ 554,240	\$ 1,574,240	\$ 67,278	\$ 891,136	\$ 750,382	\$ 3.81	\$ 3.33	
2053	\$ 1,085,000	\$ 488,960	\$ 1,573,960	\$ 68,624	\$ 913,415	\$ 729,169	\$ 3.81	\$ 3.32	
2054	\$ 1,155,000	\$ 419,520	\$ 1,574,520	\$ 69,996	\$ 936,250	\$ 708,266	\$ 3.81	\$ 3.31	
2055	\$ 1,225,000	\$ 345,600	\$ 1,570,600	\$ 71,396	\$ 959,656	\$ 682,340	\$ 3.81	\$ 3.30	
2056	\$ 1,305,000	\$ 267,200	\$ 1,572,200	\$ 72,824	\$ 983,648	\$ 661,376	\$ 3.81	\$ 3.29	
2057	\$ 1,390,000	\$ 183,680	\$ 1,573,680	\$ 74,280	\$ 1,008,239	\$ 639,722	\$ 3.81	\$ 3.28	
2058	\$ 1,480,000	\$ 94,720	\$ 1,574,720	\$ 75,766	\$ 1,033,445	\$ 617,041	\$ 3.81	\$ 3.26	
Totals	\$ 22,260,000	\$ 40,379,520	\$ 62,639,520	\$ 2,114,069		\$ 31,424,959			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-2									
Annual Installments - Parcel ID# R571093									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 97,079	\$ 97,079	\$ 2,385	\$ -	\$ 99,464	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 97,079	\$ 97,079	\$ 2,433	\$ 2,433	\$ 97,079	\$ 3.71	\$ 3.69	
2021	\$ 10,221	\$ 97,079	\$ 107,301	\$ 2,481	\$ 12,321	\$ 97,462	\$ 3.79	\$ 3.70	
2022	\$ 10,903	\$ 96,425	\$ 107,328	\$ 2,531	\$ 21,064	\$ 88,795	\$ 3.79	\$ 3.63	
2023	\$ 11,584	\$ 95,727	\$ 107,312	\$ 2,582	\$ 50,271	\$ 59,623	\$ 3.79	\$ 3.40	
2024	\$ 12,266	\$ 94,986	\$ 107,252	\$ 2,633	\$ 51,528	\$ 58,357	\$ 3.79	\$ 3.39	
2025	\$ 12,947	\$ 94,201	\$ 107,148	\$ 2,686	\$ 52,816	\$ 57,018	\$ 3.79	\$ 3.38	
2026	\$ 13,969	\$ 93,372	\$ 107,342	\$ 2,740	\$ 54,136	\$ 55,945	\$ 3.79	\$ 3.37	
2027	\$ 14,651	\$ 92,478	\$ 107,129	\$ 2,794	\$ 55,490	\$ 54,434	\$ 3.79	\$ 3.36	
2028	\$ 15,673	\$ 91,541	\$ 107,214	\$ 2,850	\$ 56,877	\$ 53,187	\$ 3.79	\$ 3.35	
2029	\$ 16,695	\$ 90,538	\$ 107,233	\$ 2,907	\$ 58,299	\$ 51,841	\$ 3.80	\$ 3.34	
2030	\$ 17,717	\$ 89,469	\$ 107,186	\$ 2,965	\$ 59,756	\$ 50,396	\$ 3.80	\$ 3.33	
2031	\$ 18,739	\$ 88,335	\$ 107,075	\$ 3,025	\$ 61,250	\$ 48,849	\$ 3.80	\$ 3.32	
2032	\$ 20,102	\$ 87,136	\$ 107,238	\$ 3,085	\$ 62,781	\$ 47,542	\$ 3.80	\$ 3.31	
2033	\$ 21,465	\$ 85,849	\$ 107,314	\$ 3,147	\$ 64,351	\$ 46,111	\$ 3.80	\$ 3.30	
2034	\$ 22,828	\$ 84,476	\$ 107,304	\$ 3,210	\$ 65,960	\$ 44,554	\$ 3.80	\$ 3.28	
2035	\$ 24,191	\$ 83,015	\$ 107,205	\$ 3,274	\$ 67,609	\$ 42,871	\$ 3.80	\$ 3.27	
2036	\$ 25,894	\$ 81,466	\$ 107,361	\$ 3,340	\$ 69,299	\$ 41,402	\$ 3.80	\$ 3.26	
2037	\$ 27,257	\$ 79,809	\$ 107,066	\$ 3,406	\$ 71,031	\$ 39,442	\$ 3.80	\$ 3.24	
2038	\$ 28,961	\$ 78,065	\$ 107,026	\$ 3,475	\$ 72,807	\$ 37,693	\$ 3.80	\$ 3.23	
2039	\$ 31,005	\$ 76,211	\$ 107,216	\$ 3,544	\$ 56,170	\$ 54,591	\$ 3.80	\$ 3.36	
2040	\$ 33,049	\$ 74,227	\$ 107,276	\$ 3,615	\$ 57,574	\$ 53,317	\$ 3.80	\$ 3.35	
2041	\$ 35,094	\$ 72,112	\$ 107,205	\$ 3,687	\$ 59,013	\$ 51,879	\$ 3.80	\$ 3.34	
2042	\$ 37,479	\$ 69,866	\$ 107,344	\$ 3,761	\$ 60,489	\$ 50,617	\$ 3.80	\$ 3.33	
2043	\$ 39,864	\$ 67,467	\$ 107,331	\$ 3,836	\$ 62,001	\$ 49,166	\$ 3.80	\$ 3.32	
2044	\$ 42,249	\$ 64,916	\$ 107,165	\$ 3,913	\$ 63,551	\$ 47,526	\$ 3.80	\$ 3.31	
2045	\$ 44,974	\$ 62,212	\$ 107,186	\$ 3,991	\$ 65,140	\$ 46,038	\$ 3.80	\$ 3.29	
2046	\$ 47,700	\$ 59,334	\$ 107,034	\$ 4,071	\$ 66,768	\$ 44,336	\$ 3.80	\$ 3.28	
2047	\$ 50,767	\$ 56,281	\$ 107,047	\$ 4,152	\$ 68,437	\$ 42,762	\$ 3.80	\$ 3.27	
2048	\$ 54,174	\$ 53,032	\$ 107,205	\$ 4,235	\$ 70,148	\$ 41,292	\$ 3.81	\$ 3.26	
2049	\$ 57,581	\$ 49,565	\$ 107,145	\$ 4,320	\$ 56,389	\$ 55,077	\$ 3.81	\$ 3.37	
2050	\$ 61,329	\$ 45,879	\$ 107,208	\$ 4,407	\$ 57,799	\$ 53,816	\$ 3.81	\$ 3.36	
2051	\$ 65,417	\$ 41,954	\$ 107,372	\$ 4,495	\$ 59,244	\$ 52,623	\$ 3.81	\$ 3.35	
2052	\$ 69,506	\$ 37,768	\$ 107,274	\$ 4,585	\$ 60,725	\$ 51,133	\$ 3.81	\$ 3.33	
2053	\$ 73,935	\$ 33,319	\$ 107,255	\$ 4,676	\$ 62,243	\$ 49,688	\$ 3.81	\$ 3.32	
2054	\$ 78,705	\$ 28,587	\$ 107,293	\$ 4,770	\$ 63,799	\$ 48,263	\$ 3.81	\$ 3.31	
2055	\$ 83,475	\$ 23,550	\$ 107,026	\$ 4,865	\$ 65,394	\$ 46,497	\$ 3.81	\$ 3.30	
2056	\$ 88,927	\$ 18,208	\$ 107,135	\$ 4,962	\$ 67,029	\$ 45,068	\$ 3.81	\$ 3.29	
2057	\$ 94,719	\$ 12,517	\$ 107,235	\$ 5,062	\$ 68,705	\$ 43,593	\$ 3.81	\$ 3.28	
2058	\$ 100,852	\$ 6,455	\$ 107,306	\$ 5,163	\$ 70,422	\$ 42,047	\$ 3.81	\$ 3.26	
Totals	\$ 1,516,865	\$ 2,751,586	\$ 4,268,451	\$ 144,059		\$ 2,141,394			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-3									
Annual Installments - Parcel ID# R571096									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 464,009	\$ 464,009	\$ 11,400	\$ -	\$ 475,409	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 464,009	\$ 464,009	\$ 11,628	\$ 11,628	\$ 464,009	\$ 3.71	\$ 3.69	
2021	\$ 48,855	\$ 464,009	\$ 512,865	\$ 11,860	\$ 58,889	\$ 465,836	\$ 3.79	\$ 3.70	
2022	\$ 52,112	\$ 460,882	\$ 512,995	\$ 12,097	\$ 100,681	\$ 424,411	\$ 3.79	\$ 3.63	
2023	\$ 55,369	\$ 457,547	\$ 512,917	\$ 12,339	\$ 240,279	\$ 284,977	\$ 3.79	\$ 3.40	
2024	\$ 58,626	\$ 454,004	\$ 512,630	\$ 12,586	\$ 246,286	\$ 278,931	\$ 3.79	\$ 3.39	
2025	\$ 61,884	\$ 450,251	\$ 512,135	\$ 12,838	\$ 252,443	\$ 272,530	\$ 3.79	\$ 3.38	
2026	\$ 66,769	\$ 446,291	\$ 513,060	\$ 13,095	\$ 258,754	\$ 267,401	\$ 3.79	\$ 3.37	
2027	\$ 70,026	\$ 442,018	\$ 512,044	\$ 13,356	\$ 265,223	\$ 260,178	\$ 3.79	\$ 3.36	
2028	\$ 74,912	\$ 437,536	\$ 512,448	\$ 13,624	\$ 271,853	\$ 254,218	\$ 3.79	\$ 3.35	
2029	\$ 79,797	\$ 432,742	\$ 512,539	\$ 13,896	\$ 278,650	\$ 247,785	\$ 3.80	\$ 3.34	
2030	\$ 84,683	\$ 427,635	\$ 512,317	\$ 14,174	\$ 285,616	\$ 240,876	\$ 3.80	\$ 3.33	
2031	\$ 89,568	\$ 422,215	\$ 511,783	\$ 14,457	\$ 292,756	\$ 233,484	\$ 3.80	\$ 3.32	
2032	\$ 96,082	\$ 416,483	\$ 512,565	\$ 14,747	\$ 300,075	\$ 227,236	\$ 3.80	\$ 3.31	
2033	\$ 102,596	\$ 410,333	\$ 512,930	\$ 15,042	\$ 307,577	\$ 220,394	\$ 3.80	\$ 3.30	
2034	\$ 109,110	\$ 403,767	\$ 512,878	\$ 15,342	\$ 315,266	\$ 212,954	\$ 3.80	\$ 3.28	
2035	\$ 115,624	\$ 396,784	\$ 512,409	\$ 15,649	\$ 323,148	\$ 204,910	\$ 3.80	\$ 3.27	
2036	\$ 123,767	\$ 389,384	\$ 513,151	\$ 15,962	\$ 331,227	\$ 197,887	\$ 3.80	\$ 3.26	
2037	\$ 130,281	\$ 381,463	\$ 511,744	\$ 16,281	\$ 339,507	\$ 188,518	\$ 3.80	\$ 3.24	
2038	\$ 138,424	\$ 373,125	\$ 511,549	\$ 16,607	\$ 347,995	\$ 180,161	\$ 3.80	\$ 3.23	
2039	\$ 148,195	\$ 364,266	\$ 512,461	\$ 16,939	\$ 368,474	\$ 260,926	\$ 3.80	\$ 3.36	
2040	\$ 157,966	\$ 354,781	\$ 512,747	\$ 17,278	\$ 275,186	\$ 254,839	\$ 3.80	\$ 3.35	
2041	\$ 167,737	\$ 344,672	\$ 512,409	\$ 17,624	\$ 282,066	\$ 247,966	\$ 3.80	\$ 3.34	
2042	\$ 179,136	\$ 333,936	\$ 513,073	\$ 17,976	\$ 289,117	\$ 241,932	\$ 3.80	\$ 3.33	
2043	\$ 190,536	\$ 322,472	\$ 513,008	\$ 18,336	\$ 296,345	\$ 234,998	\$ 3.80	\$ 3.32	
2044	\$ 201,936	\$ 310,277	\$ 512,213	\$ 18,702	\$ 303,754	\$ 227,161	\$ 3.80	\$ 3.31	
2045	\$ 214,964	\$ 297,354	\$ 512,317	\$ 19,076	\$ 311,348	\$ 220,046	\$ 3.80	\$ 3.29	
2046	\$ 227,992	\$ 283,596	\$ 511,588	\$ 19,458	\$ 319,131	\$ 211,914	\$ 3.80	\$ 3.28	
2047	\$ 242,649	\$ 269,004	\$ 511,653	\$ 19,847	\$ 327,110	\$ 204,390	\$ 3.80	\$ 3.27	
2048	\$ 258,934	\$ 253,475	\$ 512,409	\$ 20,244	\$ 335,287	\$ 197,365	\$ 3.81	\$ 3.26	
2049	\$ 275,219	\$ 236,903	\$ 512,122	\$ 20,649	\$ 269,522	\$ 263,249	\$ 3.81	\$ 3.37	
2050	\$ 293,132	\$ 219,289	\$ 512,422	\$ 21,062	\$ 276,260	\$ 257,224	\$ 3.81	\$ 3.36	
2051	\$ 312,675	\$ 200,529	\$ 513,203	\$ 21,483	\$ 283,166	\$ 251,520	\$ 3.81	\$ 3.35	
2052	\$ 332,217	\$ 180,517	\$ 512,734	\$ 21,913	\$ 290,245	\$ 244,401	\$ 3.81	\$ 3.33	
2053	\$ 353,387	\$ 159,256	\$ 512,643	\$ 22,351	\$ 297,502	\$ 237,492	\$ 3.81	\$ 3.32	
2054	\$ 376,187	\$ 136,639	\$ 512,825	\$ 22,798	\$ 304,939	\$ 230,684	\$ 3.81	\$ 3.31	
2055	\$ 398,986	\$ 112,563	\$ 511,549	\$ 23,254	\$ 312,563	\$ 222,240	\$ 3.81	\$ 3.30	
2056	\$ 425,042	\$ 87,028	\$ 512,070	\$ 23,719	\$ 320,377	\$ 215,412	\$ 3.81	\$ 3.29	
2057	\$ 452,727	\$ 59,825	\$ 512,552	\$ 24,193	\$ 328,386	\$ 208,359	\$ 3.81	\$ 3.28	
2058	\$ 482,040	\$ 30,851	\$ 512,891	\$ 24,677	\$ 336,596	\$ 200,972	\$ 3.81	\$ 3.26	
Totals	\$ 7,250,143	\$ 13,151,720	\$ 20,401,862	\$ 688,558		\$ 10,235,195			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-4									
Annual Installments - Parcel ID# R571097									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 36,405	\$ 36,405	\$ 894	\$ -	\$ 37,299	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 36,405	\$ 36,405	\$ 912	\$ 912	\$ 36,405	\$ 3.71	\$ 3.69	
2021	\$ 3,833	\$ 36,405	\$ 40,238	\$ 931	\$ 4,620	\$ 36,548	\$ 3.79	\$ 3.70	
2022	\$ 4,089	\$ 36,159	\$ 40,248	\$ 949	\$ 7,899	\$ 33,298	\$ 3.79	\$ 3.63	
2023	\$ 4,344	\$ 35,898	\$ 40,242	\$ 968	\$ 18,852	\$ 22,358	\$ 3.79	\$ 3.40	
2024	\$ 4,600	\$ 35,620	\$ 40,219	\$ 987	\$ 19,323	\$ 21,884	\$ 3.79	\$ 3.39	
2025	\$ 4,855	\$ 35,325	\$ 40,181	\$ 1,007	\$ 19,806	\$ 21,382	\$ 3.79	\$ 3.38	
2026	\$ 5,239	\$ 35,015	\$ 40,253	\$ 1,027	\$ 20,301	\$ 20,979	\$ 3.79	\$ 3.37	
2027	\$ 5,494	\$ 34,679	\$ 40,173	\$ 1,048	\$ 20,809	\$ 20,413	\$ 3.79	\$ 3.36	
2028	\$ 5,877	\$ 34,328	\$ 40,205	\$ 1,069	\$ 21,329	\$ 19,945	\$ 3.79	\$ 3.35	
2029	\$ 6,261	\$ 33,952	\$ 40,212	\$ 1,090	\$ 21,862	\$ 19,441	\$ 3.80	\$ 3.34	
2030	\$ 6,644	\$ 33,551	\$ 40,195	\$ 1,112	\$ 22,409	\$ 18,898	\$ 3.80	\$ 3.33	
2031	\$ 7,027	\$ 33,126	\$ 40,153	\$ 1,134	\$ 22,969	\$ 18,318	\$ 3.80	\$ 3.32	
2032	\$ 7,538	\$ 32,676	\$ 40,214	\$ 1,157	\$ 23,543	\$ 17,828	\$ 3.80	\$ 3.31	
2033	\$ 8,049	\$ 32,194	\$ 40,243	\$ 1,180	\$ 24,132	\$ 17,291	\$ 3.80	\$ 3.30	
2034	\$ 8,560	\$ 31,678	\$ 40,239	\$ 1,204	\$ 24,735	\$ 16,708	\$ 3.80	\$ 3.28	
2035	\$ 9,072	\$ 31,130	\$ 40,202	\$ 1,228	\$ 25,353	\$ 16,077	\$ 3.80	\$ 3.27	
2036	\$ 9,710	\$ 30,550	\$ 40,260	\$ 1,252	\$ 25,987	\$ 15,526	\$ 3.80	\$ 3.26	
2037	\$ 10,221	\$ 29,928	\$ 40,150	\$ 1,277	\$ 26,637	\$ 14,791	\$ 3.80	\$ 3.24	
2038	\$ 10,860	\$ 29,274	\$ 40,135	\$ 1,303	\$ 27,303	\$ 14,135	\$ 3.80	\$ 3.23	
2039	\$ 11,627	\$ 28,579	\$ 40,206	\$ 1,329	\$ 21,064	\$ 20,471	\$ 3.80	\$ 3.36	
2040	\$ 12,394	\$ 27,835	\$ 40,229	\$ 1,356	\$ 21,590	\$ 19,994	\$ 3.80	\$ 3.35	
2041	\$ 13,160	\$ 27,042	\$ 40,202	\$ 1,383	\$ 22,130	\$ 19,455	\$ 3.80	\$ 3.34	
2042	\$ 14,055	\$ 26,200	\$ 40,254	\$ 1,410	\$ 22,683	\$ 18,981	\$ 3.80	\$ 3.33	
2043	\$ 14,949	\$ 25,300	\$ 40,249	\$ 1,439	\$ 23,250	\$ 18,437	\$ 3.80	\$ 3.32	
2044	\$ 15,843	\$ 24,343	\$ 40,187	\$ 1,467	\$ 23,832	\$ 17,822	\$ 3.80	\$ 3.31	
2045	\$ 16,865	\$ 23,329	\$ 40,195	\$ 1,497	\$ 24,427	\$ 17,264	\$ 3.80	\$ 3.29	
2046	\$ 17,888	\$ 22,250	\$ 40,138	\$ 1,527	\$ 25,038	\$ 16,626	\$ 3.80	\$ 3.28	
2047	\$ 19,037	\$ 21,105	\$ 40,143	\$ 1,557	\$ 25,664	\$ 16,036	\$ 3.80	\$ 3.27	
2048	\$ 20,315	\$ 19,887	\$ 40,202	\$ 1,588	\$ 26,306	\$ 15,485	\$ 3.81	\$ 3.26	
2049	\$ 21,593	\$ 18,587	\$ 40,180	\$ 1,620	\$ 21,146	\$ 20,654	\$ 3.81	\$ 3.37	
2050	\$ 22,998	\$ 17,205	\$ 40,203	\$ 1,652	\$ 21,675	\$ 20,181	\$ 3.81	\$ 3.36	
2051	\$ 24,532	\$ 15,733	\$ 40,264	\$ 1,685	\$ 22,216	\$ 19,734	\$ 3.81	\$ 3.35	
2052	\$ 26,065	\$ 14,163	\$ 40,228	\$ 1,719	\$ 22,772	\$ 19,175	\$ 3.81	\$ 3.33	
2053	\$ 27,726	\$ 12,495	\$ 40,220	\$ 1,754	\$ 23,341	\$ 18,633	\$ 3.81	\$ 3.32	
2054	\$ 29,514	\$ 10,720	\$ 40,235	\$ 1,789	\$ 23,925	\$ 18,099	\$ 3.81	\$ 3.31	
2055	\$ 31,303	\$ 8,831	\$ 40,135	\$ 1,824	\$ 24,523	\$ 17,436	\$ 3.81	\$ 3.30	
2056	\$ 33,348	\$ 6,828	\$ 40,175	\$ 1,861	\$ 25,136	\$ 16,901	\$ 3.81	\$ 3.29	
2057	\$ 35,520	\$ 4,694	\$ 40,213	\$ 1,898	\$ 25,764	\$ 16,347	\$ 3.81	\$ 3.28	
2058	\$ 37,819	\$ 2,420	\$ 40,240	\$ 1,936	\$ 26,408	\$ 15,768	\$ 3.81	\$ 3.26	
Totals	\$ 568,825	\$ 1,031,845	\$ 1,600,669	\$ 54,022		\$ 803,023			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-5									
Annual Installments - Parcel ID# R571098									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 282,137	\$ 282,137	\$ 6,931	\$ -	\$ 289,068	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 282,137	\$ 282,137	\$ 7,070	\$ 7,070	\$ 282,137	\$ 3.71	\$ 3.69	
2021	\$ 29,706	\$ 282,137	\$ 311,843	\$ 7,211	\$ 35,807	\$ 283,248	\$ 3.79	\$ 3.70	
2022	\$ 31,687	\$ 280,236	\$ 311,922	\$ 7,356	\$ 61,218	\$ 258,060	\$ 3.79	\$ 3.63	
2023	\$ 33,667	\$ 278,208	\$ 311,875	\$ 7,503	\$ 146,099	\$ 173,278	\$ 3.79	\$ 3.40	
2024	\$ 35,647	\$ 276,053	\$ 311,701	\$ 7,653	\$ 149,752	\$ 169,601	\$ 3.79	\$ 3.39	
2025	\$ 37,628	\$ 273,772	\$ 311,399	\$ 7,806	\$ 153,496	\$ 165,710	\$ 3.79	\$ 3.38	
2026	\$ 40,598	\$ 271,364	\$ 311,962	\$ 7,962	\$ 157,333	\$ 162,591	\$ 3.79	\$ 3.37	
2027	\$ 42,579	\$ 268,765	\$ 311,344	\$ 8,121	\$ 161,266	\$ 158,199	\$ 3.79	\$ 3.36	
2028	\$ 45,549	\$ 266,040	\$ 311,590	\$ 8,284	\$ 165,298	\$ 154,575	\$ 3.79	\$ 3.35	
2029	\$ 48,520	\$ 263,125	\$ 311,645	\$ 8,449	\$ 169,431	\$ 150,664	\$ 3.80	\$ 3.34	
2030	\$ 51,491	\$ 260,020	\$ 311,510	\$ 8,618	\$ 173,666	\$ 146,462	\$ 3.80	\$ 3.33	
2031	\$ 54,461	\$ 256,724	\$ 311,186	\$ 8,791	\$ 178,008	\$ 141,968	\$ 3.80	\$ 3.32	
2032	\$ 58,422	\$ 253,239	\$ 311,661	\$ 8,967	\$ 182,458	\$ 138,169	\$ 3.80	\$ 3.31	
2033	\$ 62,383	\$ 249,500	\$ 311,883	\$ 9,146	\$ 187,020	\$ 134,009	\$ 3.80	\$ 3.30	
2034	\$ 66,344	\$ 245,507	\$ 311,851	\$ 9,329	\$ 191,695	\$ 129,485	\$ 3.80	\$ 3.28	
2035	\$ 70,305	\$ 241,261	\$ 311,566	\$ 9,515	\$ 196,488	\$ 124,594	\$ 3.80	\$ 3.27	
2036	\$ 75,256	\$ 236,762	\$ 312,017	\$ 9,706	\$ 201,400	\$ 120,323	\$ 3.80	\$ 3.26	
2037	\$ 79,216	\$ 231,945	\$ 311,162	\$ 9,900	\$ 206,435	\$ 114,627	\$ 3.80	\$ 3.24	
2038	\$ 84,167	\$ 226,876	\$ 311,043	\$ 10,098	\$ 211,596	\$ 109,545	\$ 3.80	\$ 3.23	
2039	\$ 90,109	\$ 221,489	\$ 311,598	\$ 10,300	\$ 163,244	\$ 158,654	\$ 3.80	\$ 3.36	
2040	\$ 96,050	\$ 215,722	\$ 311,772	\$ 10,506	\$ 167,325	\$ 154,953	\$ 3.80	\$ 3.35	
2041	\$ 101,991	\$ 209,575	\$ 311,566	\$ 10,716	\$ 171,508	\$ 150,774	\$ 3.80	\$ 3.34	
2042	\$ 108,922	\$ 203,047	\$ 311,970	\$ 10,930	\$ 175,795	\$ 147,105	\$ 3.80	\$ 3.33	
2043	\$ 115,854	\$ 196,076	\$ 311,930	\$ 11,149	\$ 180,190	\$ 142,889	\$ 3.80	\$ 3.32	
2044	\$ 122,785	\$ 188,662	\$ 311,447	\$ 11,372	\$ 184,695	\$ 138,124	\$ 3.80	\$ 3.31	
2045	\$ 130,707	\$ 180,803	\$ 311,510	\$ 11,599	\$ 189,312	\$ 133,797	\$ 3.80	\$ 3.29	
2046	\$ 138,629	\$ 172,438	\$ 311,067	\$ 11,831	\$ 194,045	\$ 128,853	\$ 3.80	\$ 3.28	
2047	\$ 147,540	\$ 163,566	\$ 311,106	\$ 12,068	\$ 198,896	\$ 124,278	\$ 3.80	\$ 3.27	
2048	\$ 157,443	\$ 154,123	\$ 311,566	\$ 12,309	\$ 203,869	\$ 120,006	\$ 3.81	\$ 3.26	
2049	\$ 167,345	\$ 144,047	\$ 311,392	\$ 12,555	\$ 163,881	\$ 160,066	\$ 3.81	\$ 3.37	
2050	\$ 178,237	\$ 133,337	\$ 311,574	\$ 12,806	\$ 167,978	\$ 156,403	\$ 3.81	\$ 3.36	
2051	\$ 190,119	\$ 121,930	\$ 312,049	\$ 13,063	\$ 172,177	\$ 152,935	\$ 3.81	\$ 3.35	
2052	\$ 202,002	\$ 109,762	\$ 311,764	\$ 13,324	\$ 176,481	\$ 148,606	\$ 3.81	\$ 3.33	
2053	\$ 214,874	\$ 96,834	\$ 311,708	\$ 13,590	\$ 180,893	\$ 144,405	\$ 3.81	\$ 3.32	
2054	\$ 228,737	\$ 83,082	\$ 311,819	\$ 13,862	\$ 185,416	\$ 140,266	\$ 3.81	\$ 3.31	
2055	\$ 242,600	\$ 68,443	\$ 311,043	\$ 14,139	\$ 190,051	\$ 135,131	\$ 3.81	\$ 3.30	
2056	\$ 258,443	\$ 52,917	\$ 311,360	\$ 14,422	\$ 194,802	\$ 130,980	\$ 3.81	\$ 3.29	
2057	\$ 275,277	\$ 36,376	\$ 311,653	\$ 14,711	\$ 199,673	\$ 126,691	\$ 3.81	\$ 3.28	
2058	\$ 293,101	\$ 18,758	\$ 311,859	\$ 15,005	\$ 204,664	\$ 122,199	\$ 3.81	\$ 3.26	
Totals	\$ 4,408,390	\$ 7,996,796	\$ 12,405,186	\$ 418,672		\$ 6,223,427			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-6									
Annual Installments - Parcel ID# R571099									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 284,412	\$ 284,412	\$ 6,987	\$ -	\$ 291,400	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 284,412	\$ 284,412	\$ 7,127	\$ 7,127	\$ 284,412	\$ 3.71	\$ 3.69	
2021	\$ 29,946	\$ 284,412	\$ 314,358	\$ 7,270	\$ 36,096	\$ 285,532	\$ 3.79	\$ 3.70	
2022	\$ 31,942	\$ 282,496	\$ 314,438	\$ 7,415	\$ 61,712	\$ 260,141	\$ 3.79	\$ 3.63	
2023	\$ 33,938	\$ 280,451	\$ 314,390	\$ 7,563	\$ 147,278	\$ 174,676	\$ 3.79	\$ 3.40	
2024	\$ 35,935	\$ 278,279	\$ 314,214	\$ 7,715	\$ 150,960	\$ 170,969	\$ 3.79	\$ 3.39	
2025	\$ 37,931	\$ 275,980	\$ 313,911	\$ 7,869	\$ 154,734	\$ 167,046	\$ 3.79	\$ 3.38	
2026	\$ 40,926	\$ 273,552	\$ 314,478	\$ 8,026	\$ 158,602	\$ 163,902	\$ 3.79	\$ 3.37	
2027	\$ 42,922	\$ 270,933	\$ 313,855	\$ 8,187	\$ 162,567	\$ 159,475	\$ 3.79	\$ 3.36	
2028	\$ 45,917	\$ 268,186	\$ 314,102	\$ 8,351	\$ 166,631	\$ 155,822	\$ 3.79	\$ 3.35	
2029	\$ 48,911	\$ 265,247	\$ 314,158	\$ 8,518	\$ 170,797	\$ 151,879	\$ 3.80	\$ 3.34	
2030	\$ 51,906	\$ 262,117	\$ 314,023	\$ 8,688	\$ 175,067	\$ 147,644	\$ 3.80	\$ 3.33	
2031	\$ 54,900	\$ 258,795	\$ 313,695	\$ 8,862	\$ 179,444	\$ 143,113	\$ 3.80	\$ 3.32	
2032	\$ 58,893	\$ 255,281	\$ 314,174	\$ 9,039	\$ 183,930	\$ 139,284	\$ 3.80	\$ 3.31	
2033	\$ 62,886	\$ 251,512	\$ 314,398	\$ 9,220	\$ 188,528	\$ 135,090	\$ 3.80	\$ 3.30	
2034	\$ 66,879	\$ 247,487	\$ 314,366	\$ 9,404	\$ 193,241	\$ 130,529	\$ 3.80	\$ 3.28	
2035	\$ 70,871	\$ 243,207	\$ 314,078	\$ 9,592	\$ 198,072	\$ 125,598	\$ 3.80	\$ 3.27	
2036	\$ 75,862	\$ 238,671	\$ 314,534	\$ 9,784	\$ 203,024	\$ 121,294	\$ 3.80	\$ 3.26	
2037	\$ 79,855	\$ 233,816	\$ 313,671	\$ 9,980	\$ 208,100	\$ 115,551	\$ 3.80	\$ 3.24	
2038	\$ 84,846	\$ 228,705	\$ 313,551	\$ 10,179	\$ 213,302	\$ 110,429	\$ 3.80	\$ 3.23	
2039	\$ 90,835	\$ 223,275	\$ 314,110	\$ 10,383	\$ 164,560	\$ 159,933	\$ 3.80	\$ 3.36	
2040	\$ 96,824	\$ 217,462	\$ 314,286	\$ 10,590	\$ 168,674	\$ 156,203	\$ 3.80	\$ 3.35	
2041	\$ 102,814	\$ 211,265	\$ 314,078	\$ 10,802	\$ 172,891	\$ 151,990	\$ 3.80	\$ 3.34	
2042	\$ 109,801	\$ 204,685	\$ 314,486	\$ 11,018	\$ 177,213	\$ 148,291	\$ 3.80	\$ 3.33	
2043	\$ 116,788	\$ 197,658	\$ 314,446	\$ 11,239	\$ 181,643	\$ 144,041	\$ 3.80	\$ 3.32	
2044	\$ 123,776	\$ 190,183	\$ 313,959	\$ 11,463	\$ 186,185	\$ 139,238	\$ 3.80	\$ 3.31	
2045	\$ 131,761	\$ 182,261	\$ 314,023	\$ 11,693	\$ 190,839	\$ 134,876	\$ 3.80	\$ 3.29	
2046	\$ 139,747	\$ 173,829	\$ 313,575	\$ 11,927	\$ 195,610	\$ 129,892	\$ 3.80	\$ 3.28	
2047	\$ 148,730	\$ 164,885	\$ 313,615	\$ 12,165	\$ 200,500	\$ 125,280	\$ 3.80	\$ 3.27	
2048	\$ 158,712	\$ 155,366	\$ 314,078	\$ 12,408	\$ 205,513	\$ 120,974	\$ 3.81	\$ 3.26	
2049	\$ 168,694	\$ 145,209	\$ 313,903	\$ 12,657	\$ 165,202	\$ 161,357	\$ 3.81	\$ 3.37	
2050	\$ 179,674	\$ 134,412	\$ 314,086	\$ 12,910	\$ 169,332	\$ 157,664	\$ 3.81	\$ 3.36	
2051	\$ 191,652	\$ 122,913	\$ 314,566	\$ 13,168	\$ 173,566	\$ 154,168	\$ 3.81	\$ 3.35	
2052	\$ 203,631	\$ 110,647	\$ 314,278	\$ 13,431	\$ 177,905	\$ 149,805	\$ 3.81	\$ 3.33	
2053	\$ 216,607	\$ 97,615	\$ 314,222	\$ 13,700	\$ 182,352	\$ 145,570	\$ 3.81	\$ 3.32	
2054	\$ 230,582	\$ 83,752	\$ 314,334	\$ 13,974	\$ 186,911	\$ 141,397	\$ 3.81	\$ 3.31	
2055	\$ 244,557	\$ 68,995	\$ 313,551	\$ 14,253	\$ 191,584	\$ 136,221	\$ 3.81	\$ 3.30	
2056	\$ 260,528	\$ 53,343	\$ 313,871	\$ 14,538	\$ 196,373	\$ 132,036	\$ 3.81	\$ 3.29	
2057	\$ 277,497	\$ 36,670	\$ 314,166	\$ 14,829	\$ 201,283	\$ 127,713	\$ 3.81	\$ 3.28	
2058	\$ 295,464	\$ 18,910	\$ 314,374	\$ 15,126	\$ 206,315	\$ 123,185	\$ 3.81	\$ 3.26	
Totals	\$ 4,443,942	\$ 8,061,286	\$ 12,505,228	\$ 422,049		\$ 6,273,616			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-7									
Annual Installments - Parcel ID# R453533									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 130,147	\$ 130,147	\$ 3,197	\$ -	\$ 133,344	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 130,147	\$ 130,147	\$ 3,261	\$ 3,261	\$ 130,147	\$ 3.71	\$ 3.69	
2021	\$ 13,703	\$ 130,147	\$ 143,850	\$ 3,327	\$ 16,517	\$ 130,659	\$ 3.79	\$ 3.70	
2022	\$ 14,617	\$ 129,270	\$ 143,887	\$ 3,393	\$ 28,239	\$ 119,041	\$ 3.79	\$ 3.63	
2023	\$ 15,530	\$ 128,335	\$ 143,865	\$ 3,461	\$ 67,394	\$ 79,932	\$ 3.79	\$ 3.40	
2024	\$ 16,444	\$ 127,341	\$ 143,784	\$ 3,530	\$ 69,079	\$ 78,235	\$ 3.79	\$ 3.39	
2025	\$ 17,357	\$ 126,288	\$ 143,646	\$ 3,601	\$ 70,806	\$ 76,440	\$ 3.79	\$ 3.38	
2026	\$ 18,728	\$ 125,177	\$ 143,905	\$ 3,673	\$ 72,576	\$ 75,002	\$ 3.79	\$ 3.37	
2027	\$ 19,641	\$ 123,979	\$ 143,620	\$ 3,746	\$ 74,391	\$ 72,976	\$ 3.79	\$ 3.36	
2028	\$ 21,011	\$ 122,722	\$ 143,733	\$ 3,821	\$ 76,250	\$ 71,304	\$ 3.79	\$ 3.35	
2029	\$ 22,382	\$ 121,377	\$ 143,759	\$ 3,898	\$ 78,157	\$ 69,500	\$ 3.80	\$ 3.34	
2030	\$ 23,752	\$ 119,945	\$ 143,697	\$ 3,976	\$ 80,111	\$ 67,562	\$ 3.80	\$ 3.33	
2031	\$ 25,122	\$ 118,424	\$ 143,547	\$ 4,055	\$ 82,113	\$ 65,489	\$ 3.80	\$ 3.32	
2032	\$ 26,950	\$ 116,817	\$ 143,766	\$ 4,136	\$ 84,166	\$ 63,736	\$ 3.80	\$ 3.31	
2033	\$ 28,777	\$ 115,092	\$ 143,868	\$ 4,219	\$ 86,270	\$ 61,817	\$ 3.80	\$ 3.30	
2034	\$ 30,604	\$ 113,250	\$ 143,854	\$ 4,303	\$ 88,427	\$ 59,730	\$ 3.80	\$ 3.28	
2035	\$ 32,431	\$ 111,292	\$ 143,722	\$ 4,389	\$ 90,638	\$ 57,474	\$ 3.80	\$ 3.27	
2036	\$ 34,715	\$ 109,216	\$ 143,931	\$ 4,477	\$ 92,904	\$ 55,504	\$ 3.80	\$ 3.26	
2037	\$ 36,542	\$ 106,994	\$ 143,536	\$ 4,567	\$ 95,226	\$ 52,876	\$ 3.80	\$ 3.24	
2038	\$ 38,826	\$ 104,656	\$ 143,481	\$ 4,658	\$ 97,607	\$ 50,532	\$ 3.80	\$ 3.23	
2039	\$ 41,566	\$ 102,171	\$ 143,737	\$ 4,751	\$ 75,303	\$ 73,185	\$ 3.80	\$ 3.36	
2040	\$ 44,307	\$ 99,510	\$ 143,817	\$ 4,846	\$ 77,185	\$ 71,478	\$ 3.80	\$ 3.35	
2041	\$ 47,047	\$ 96,675	\$ 143,722	\$ 4,943	\$ 79,115	\$ 69,551	\$ 3.80	\$ 3.34	
2042	\$ 50,245	\$ 93,664	\$ 143,909	\$ 5,042	\$ 81,093	\$ 67,858	\$ 3.80	\$ 3.33	
2043	\$ 53,442	\$ 90,448	\$ 143,890	\$ 5,143	\$ 83,120	\$ 65,913	\$ 3.80	\$ 3.32	
2044	\$ 56,640	\$ 87,028	\$ 143,667	\$ 5,246	\$ 85,198	\$ 63,715	\$ 3.80	\$ 3.31	
2045	\$ 60,294	\$ 83,403	\$ 143,697	\$ 5,351	\$ 87,328	\$ 61,719	\$ 3.80	\$ 3.29	
2046	\$ 63,948	\$ 79,544	\$ 143,492	\$ 5,458	\$ 89,511	\$ 59,438	\$ 3.80	\$ 3.28	
2047	\$ 68,059	\$ 75,451	\$ 143,510	\$ 5,567	\$ 91,749	\$ 57,328	\$ 3.80	\$ 3.27	
2048	\$ 72,627	\$ 71,096	\$ 143,722	\$ 5,678	\$ 94,043	\$ 55,358	\$ 3.81	\$ 3.26	
2049	\$ 77,194	\$ 66,447	\$ 143,642	\$ 5,792	\$ 75,597	\$ 73,837	\$ 3.81	\$ 3.37	
2050	\$ 82,219	\$ 61,507	\$ 143,726	\$ 5,907	\$ 77,486	\$ 72,147	\$ 3.81	\$ 3.36	
2051	\$ 87,700	\$ 56,245	\$ 143,945	\$ 6,026	\$ 79,424	\$ 70,547	\$ 3.81	\$ 3.35	
2052	\$ 93,181	\$ 50,632	\$ 143,814	\$ 6,146	\$ 81,409	\$ 68,551	\$ 3.81	\$ 3.33	
2053	\$ 99,119	\$ 44,669	\$ 143,788	\$ 6,269	\$ 83,444	\$ 66,613	\$ 3.81	\$ 3.32	
2054	\$ 105,514	\$ 38,325	\$ 143,839	\$ 6,394	\$ 85,531	\$ 64,703	\$ 3.81	\$ 3.31	
2055	\$ 111,909	\$ 31,572	\$ 143,481	\$ 6,522	\$ 87,669	\$ 62,335	\$ 3.81	\$ 3.30	
2056	\$ 119,217	\$ 24,410	\$ 143,627	\$ 6,653	\$ 89,860	\$ 60,420	\$ 3.81	\$ 3.29	
2057	\$ 126,983	\$ 16,780	\$ 143,763	\$ 6,786	\$ 92,107	\$ 58,441	\$ 3.81	\$ 3.28	
2058	\$ 135,204	\$ 8,653	\$ 143,858	\$ 6,922	\$ 94,410	\$ 56,369	\$ 3.81	\$ 3.26	
Totals	\$ 2,033,548	\$ 3,688,845	\$ 5,722,392	\$ 193,129		\$ 2,870,806			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix A-8									
Annual Installments - Parcel ID# R468355									
Year ending 12/31/XX (a)	PID Reimbursement			Administrative Expenses (b)	Projected TIRZ Reimbursement	Annual Installment (c)	Total Equivalent Tax Rate Before TIRZ	Total Equivalent Tax Rate After TIRZ	
	Principal	Interest	Net Debt Service						
2019	\$ -	\$ 130,450	\$ 130,450	\$ 3,205	\$ -	\$ 133,655	\$ 3.71	\$ 3.71	
2020	\$ -	\$ 130,450	\$ 130,450	\$ 3,269	\$ 3,269	\$ 130,450	\$ 3.71	\$ 3.69	
2021	\$ 13,735	\$ 130,450	\$ 144,186	\$ 3,334	\$ 16,556	\$ 130,964	\$ 3.79	\$ 3.70	
2022	\$ 14,651	\$ 129,571	\$ 144,222	\$ 3,401	\$ 28,305	\$ 119,318	\$ 3.79	\$ 3.63	
2023	\$ 15,566	\$ 128,634	\$ 144,200	\$ 3,469	\$ 67,551	\$ 80,118	\$ 3.79	\$ 3.40	
2024	\$ 16,482	\$ 127,637	\$ 144,120	\$ 3,538	\$ 69,240	\$ 78,418	\$ 3.79	\$ 3.39	
2025	\$ 17,398	\$ 126,583	\$ 143,980	\$ 3,609	\$ 70,971	\$ 76,618	\$ 3.79	\$ 3.38	
2026	\$ 18,771	\$ 125,469	\$ 144,240	\$ 3,681	\$ 72,745	\$ 75,176	\$ 3.79	\$ 3.37	
2027	\$ 19,687	\$ 124,268	\$ 143,955	\$ 3,755	\$ 74,564	\$ 73,146	\$ 3.79	\$ 3.36	
2028	\$ 21,060	\$ 123,008	\$ 144,068	\$ 3,830	\$ 76,428	\$ 71,470	\$ 3.79	\$ 3.35	
2029	\$ 22,434	\$ 121,660	\$ 144,094	\$ 3,907	\$ 78,339	\$ 69,662	\$ 3.80	\$ 3.34	
2030	\$ 23,807	\$ 120,224	\$ 144,032	\$ 3,985	\$ 80,297	\$ 67,719	\$ 3.80	\$ 3.33	
2031	\$ 25,181	\$ 118,701	\$ 143,882	\$ 4,065	\$ 82,305	\$ 65,641	\$ 3.80	\$ 3.32	
2032	\$ 27,012	\$ 117,089	\$ 144,101	\$ 4,146	\$ 84,362	\$ 63,885	\$ 3.80	\$ 3.31	
2033	\$ 28,844	\$ 115,360	\$ 144,204	\$ 4,229	\$ 86,471	\$ 61,961	\$ 3.80	\$ 3.30	
2034	\$ 30,675	\$ 113,514	\$ 144,189	\$ 4,313	\$ 88,633	\$ 59,869	\$ 3.80	\$ 3.28	
2035	\$ 32,506	\$ 111,551	\$ 144,057	\$ 4,400	\$ 90,849	\$ 57,608	\$ 3.80	\$ 3.27	
2036	\$ 34,796	\$ 109,471	\$ 144,266	\$ 4,488	\$ 93,120	\$ 55,633	\$ 3.80	\$ 3.26	
2037	\$ 36,627	\$ 107,244	\$ 143,871	\$ 4,577	\$ 95,448	\$ 53,000	\$ 3.80	\$ 3.24	
2038	\$ 38,916	\$ 104,899	\$ 143,816	\$ 4,669	\$ 97,835	\$ 50,650	\$ 3.80	\$ 3.23	
2039	\$ 41,663	\$ 102,409	\$ 144,072	\$ 4,762	\$ 75,478	\$ 73,356	\$ 3.80	\$ 3.36	
2040	\$ 44,410	\$ 99,742	\$ 144,153	\$ 4,857	\$ 77,365	\$ 71,645	\$ 3.80	\$ 3.35	
2041	\$ 47,157	\$ 96,900	\$ 144,057	\$ 4,955	\$ 79,299	\$ 69,713	\$ 3.80	\$ 3.34	
2042	\$ 50,362	\$ 93,882	\$ 144,244	\$ 5,054	\$ 81,282	\$ 68,016	\$ 3.80	\$ 3.33	
2043	\$ 53,567	\$ 90,659	\$ 144,226	\$ 5,155	\$ 83,314	\$ 66,067	\$ 3.80	\$ 3.32	
2044	\$ 56,772	\$ 87,231	\$ 144,002	\$ 5,258	\$ 85,397	\$ 63,864	\$ 3.80	\$ 3.31	
2045	\$ 60,434	\$ 83,597	\$ 144,032	\$ 5,363	\$ 87,532	\$ 61,863	\$ 3.80	\$ 3.29	
2046	\$ 64,097	\$ 79,729	\$ 143,827	\$ 5,470	\$ 89,720	\$ 59,577	\$ 3.80	\$ 3.28	
2047	\$ 68,218	\$ 75,627	\$ 143,845	\$ 5,580	\$ 91,963	\$ 57,462	\$ 3.80	\$ 3.27	
2048	\$ 72,796	\$ 71,261	\$ 144,057	\$ 5,691	\$ 94,262	\$ 55,487	\$ 3.81	\$ 3.26	
2049	\$ 77,374	\$ 66,602	\$ 143,977	\$ 5,805	\$ 75,773	\$ 74,009	\$ 3.81	\$ 3.37	
2050	\$ 82,411	\$ 61,650	\$ 144,061	\$ 5,921	\$ 77,667	\$ 72,315	\$ 3.81	\$ 3.36	
2051	\$ 87,905	\$ 56,376	\$ 144,281	\$ 6,040	\$ 79,609	\$ 70,712	\$ 3.81	\$ 3.35	
2052	\$ 93,399	\$ 50,750	\$ 144,149	\$ 6,160	\$ 81,599	\$ 68,710	\$ 3.81	\$ 3.33	
2053	\$ 99,351	\$ 44,773	\$ 144,123	\$ 6,284	\$ 83,639	\$ 66,768	\$ 3.81	\$ 3.32	
2054	\$ 105,760	\$ 38,414	\$ 144,175	\$ 6,409	\$ 85,730	\$ 64,854	\$ 3.81	\$ 3.31	
2055	\$ 112,170	\$ 31,646	\$ 143,816	\$ 6,538	\$ 87,873	\$ 62,480	\$ 3.81	\$ 3.30	
2056	\$ 119,495	\$ 24,467	\$ 143,962	\$ 6,668	\$ 90,070	\$ 60,560	\$ 3.81	\$ 3.29	
2057	\$ 127,279	\$ 16,819	\$ 144,098	\$ 6,802	\$ 92,322	\$ 58,578	\$ 3.81	\$ 3.28	
2058	\$ 135,520	\$ 8,673	\$ 144,193	\$ 6,938	\$ 94,630	\$ 56,501	\$ 3.81	\$ 3.26	
Totals	\$ 2,038,288	\$ 3,697,443	\$ 5,735,731	\$ 193,580		\$ 2,877,498			

(a) The 12/31/XX dates represent the fiscal year end for the PID.

(b) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

(c) Annual Installments are calculated assuming a 6.4% interest rate for the 40 year term of the PID plus Administrative Expenses.

Appendix B

Legal Description

EXHIBIT “ ”

Legal Description

BEING A DESCRIPTION OF A TRACT OF LAND CONTAINING 35.1021 ACRES (1,529,046 SQUARE FEET), PARTIALLY OUT OF THE WILLIAM J. BROWN SURVEY NO. 22, ABSTRACT NO. 105, AND PARTIALLY OUT OF THE NATHANIEL EDWARDS SURVEY NO. 21, ABSTRACT NO. 225, BOTH IN WILLIAMSON COUNTY, TEXAS, AND BEING ALL OF A CALLED 4.43 ACRE TRACT CONVEYED TO WILLIAMSON COUNTY IN DOCUMENT NO. 2005053311 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS (O.P.R.W.C.T.), SAID TRACT BEING A PORTION OF LOTS 23 & 24, BLOCK A, HUTTO SQUARE COMMERCIAL LOTS, RECORDED IN CABINET Z, PAGES 281-282 OF THE PLAT RECORDS OF WILLIAMSON COUNTY, TEXAS (P.R.W.C.T.), AND BEING ALL OF LOT 1A, BLOCK 9 OF RAILROAD ADDITION, LOTS 1-4, 5 (S/PT), AND 7 BLOCK 9, AMENDED PLAT, RECORDED IN DOCUMENT NO. 2015080695 (O.P.R.W.C.T.), AND BEING ALL OF A CALLED 0.464 ACRE TRACT CONVEYED TO HILL COUNTRY BIBLE CHURCH HUTTO IN DOCUMENT NO. 2016077686 (O.P.R.W.C.T.), AND BEING ALL OF LOTS 1-7 OF THE FINAL PLAT OF THE CO-OP DISTRICT, DEDICATED IN DOCUMENT NO. 2018038896 (O.P.R.W.C.T.), AND BEING ALL OF THE PORTIONS OF WEST LIVE OAK STREET (RIGHT-OF-WAY VARIES), WEST PECAN STREET (RIGHT-OF-WAY VARIES) AND CO-OP BOULEVARD (RIGHT-OF-WAY VARIES) DEDICATED IN SAID CO-OP DISTRICT, SAID 35.1021 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:



PO Box 90876
Austin, TX 78709
(512) 537-2384
jward@4wardls.com
www.4wardls.com

BEGINNING, at a 1/2-inch iron rod with "RJ" cap found in the south line of Lot 15, Block A, Hutto Square

Section 1, recorded in Cabinet W, Slides 263-267 (P.R.W.C.T.), and being the northeast corner of a called

2.814 acre tract conveyed to WLD Petersen Investments-Hutto, LLC, in Document No. 2015048567 (O.P.R.W.C.T.), and being the common north corner of Lots 23 and 24, Block A, of Hutto Square Commercial Lots, recorded in Cabinet Z, Pages 281-282 (P.R.W.C.T.), and being the northwest corner of Lot 1 of said Co-op District, for the northwest corner and **POINT OF BEGINNING** hereof, from which a

1/2-inch iron rod with illegible cap found in the east right-of-way line of Exchange Boulevard (right-of-way varies), and being the southwest corner of Lot 23, Block A of said Hutto Square Section 1, and being

the northwest corner of Lot 24, Block A, of said Hutto Square Commercial Lots, and being the northwest

corner of said WLD Petersen tract bears, N83°12'42"W, a distance of 422.93 feet;

THENCE, with the south line of Block A of said Hutto Square Section 1 and the north line of Lot 1 of said Co-op District, **S83°12'42"E**, a distance of **762.58** feet to a 1/2-inch iron rod with illegible cap found for an exterior ell-corner hereof, said point being in the west line of Lot 1, Block 13 of the I. & G. N. Railroad Addition, a subdivision recorded in Volume 50, Page 251 of the Deed Records of Williamson County, Texas (D.R.W.C.T.), and being the southeast corner of Lot 1, Block A of said Hutto Square Section 1, and being the northeast corner of Lot 1 of said Co-op District;

THENCE, in part with the west line of Lot 1, Block 13 of said I. & G. N. Railroad Addition, in part with the west right-of-way line of said W. Live Oak Street, in part with the east line of Lot 1 of said Co-op District, in part over and across said W. Live Oak Street, and in part with the east line of Lot 2 of said Co-op District, **S07°51'48"W**, a distance of **107.24** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an angle point hereof, said point being a corner in the south right-of-way line of said W. Live Oak Street, and being in the north line of Lot 1A, Block 9 of Railroad Addition, Lots 1-4, 5 (S/PT), and 7 Block 9, Amended Plat, recorded in Document No. 2015080695 (O.P.R.W.C.T.), and being a northeast corner of Lot 2 of said Co-op District;

THENCE, with the south right-of-way line of said W. Live Oak Street, in part with the north line of said Lot 1A, and in part with the north line of said 0.464 acre Hill Country Bible Church Hutto tract, the following three (3) courses and distances:

- 1) **N77°15'31"E**, a distance of **107.40** feet to a calculated point for an interior ell-corner hereof,
- 2) **N12°33'04"W**, a distance of **10.00** feet to a 1/2-inch iron rod with illegible cap found for an exterior ell-corner hereof, and
- 3) **N77°15'31"E**, a distance of **180.05** feet to a 1/2-inch iron rod found for the northeast corner hereof, said point being at the intersection of the south right-of-way line of said W. Live Oak Street with the west right-of-way line of West Street (80' right-of-way), and being the northeast corner of said 0.464 acre Hill Country Bible Church Hutto tract;

THENCE, with the west right-of-way line of said West Street, in part with the east line of said 0.464 acre Hill Country Bible Church Hutto tract, and in part with the east line of said Lot 1A, **S12°33'09"E**, a distance of **261.04** feet to a calculated point for an exterior ell-corner hereof, said point being at the intersection of the west right-of-way line of said West Street with the north right-of-way line of said Pecan Street, and being the southeast corner of said Lot 1A;

THENCE, with the north right-of-way line of said Pecan Street and the south line of said Lot 1A, **S77°15'17"W**, a distance of **329.78** feet to a calculated point for an interior ell-corner hereof, said point being a corner in the north right-of-way line of said Pecan Street, and being the southwest corner of said Lot 1A;

THENCE, leaving the north right-of-way line of said Pecan Street, over and across said Pecan Street, with the portion of said Pecan Street that was dedicated per plat of said Co-op District, the following four (4) courses and distances:

- 1) **S12°32'27"E**, a distance of **10.09** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an exterior ell-corner hereof,
- 2) **S77°15'17"W**, a distance of **54.99** feet to a 1/2-inch iron rod with illegible cap found for an interior ell-corner hereof,
- 3) **S07°51'48"W**, a distance of **53.36** feet to a 1/2-inch iron rod with "City of Hutto-Property Corner" aluminum cap found for an interior ell-corner hereof, and
- 4) **N77°14'55"E**, a distance of **403.39** feet to a calculated point for an exterior ell-corner hereof;

THENCE, in part over and across said Pecan Street, in part with the west right-of-way line of said West Street, and in part with the east line of Lot 4 of said Co-op District, **S12°33'09"E**, a distance of **195.02** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an exterior ell-corner hereof, said point being at northeast corner of a called 0.13 acre tract conveyed to Jaspas Properties, LLC, in Document No. 2008077200 (O.P.R.W.C.T.), and being at the southeast corner of Lot 4 of said Co-op District;

THENCE, leaving the west right-of-way line of said West Street, with the south line of Lot 4 of said Co-op District, in part with the north line of said Jaspas Properties tract, and in part with the north line of a tract described as a portion of Lots 5 and 6, Block 8 of said I. & G. N. Railroad Addition, conveyed to Leroy Cast in Volume 1159, Page 263 of the Official Records of Williamson County, Texas (O.R.W.C.T.), **S77°14'55"W**, a distance of **79.26** feet to a 1/2-inch iron rod with "Ward-5811" cap set for an interior ell-corner hereof, said point being at the northwest corner of a said Cast tract, and being an interior ell-corner of Lot 4 of said Co-op District;

THENCE, with the common line of said Cast tract and Lot 4 of said Co-op District, **S14°18'53"E**, a distance of **74.85** feet to a 1/2-inch iron rod with "City of Hutto-Property Corner" aluminum cap found for an exterior ell-corner hereof, said point being in the north right-of-way line of Farley Street (80' right-of-way), and being the southwest corner of said Cast tract, and being an exterior ell-corner of Lot 4 of said Co-op District;

THENCE, with the north right-of-way line of said Farley Street and the south line of Lot 4 of said Co-op District, **S77°03'02"W**, a distance of **192.83** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an interior ell-corner hereof, said point being at the northwest terminus of said Farley Street, and being the northeast corner of Lot 5 of said Co-op District;

THENCE, in part with the western terminus of said Farley Street, in part with the west line of Block 1 of the Amended Plat of Lots 1 through 9, Inclusive, and Lots 12-13 and 14 and the 17-foot Alley in Block 1 of I&GN Railroad Addition Original City of Hutto, a subdivision plat recorded in Cabinet EE, Slide 293 (P.R.W.C.T.), and with the east lines of Lots 4 and 5 of said Co-op District, **S12°42'36"E**, a distance of **349.97** feet to a 1/2-inch iron rod found for the southeast corner hereof, said point being an angle point in the north right-of-way line of U.S. Highway 79 (right-of-way varies), and being the southwest corner of said Block 1 of said Amended plat of Lots 1 through 9, Inclusive, and Lots 12-13 and 14 and the 17-foot Alley in Block 1 of I&GN Railroad Addition Original City of Hutto, and being the southeast corner of Lot 4 of said Co-op District;

THENCE, with the north right-of-way line of said U.S. Highway 79, in part with the south lines of Lots 4 and 6 of said Co-op District, and in part with the south terminus of said Co-Op Boulevard, the following five (5) courses and distances:

- 1) **S68°32'09"W**, a distance of **51.41** feet to a 1/2-inch iron rod with illegible cap found for a point of curvature hereof,
- 2) **44.01** Feet along the arc of a curve to the left, having a radius of **2,904.79** feet, and a chord which bears **S72°28'08"W**, a distance of **44.01** feet to a TxDot Type II brass disc found for a point of tangency hereof,
- 3) **S72°19'10"W**, a distance of **324.62** feet to a TxDot Type II brass disc found for a point of curvature hereof,
- 4) **246.50** Feet along the arc of a curve to the right, having a radius of **2,824.79** feet, and a chord which bears **S74°47'48"W**, a distance of **246.42** feet to a 1/2-inch iron rod with "Baker Aicklen" cap found for a point of tangency hereof, and
- 5) **S77°20'10"W**, a distance of **249.44** feet to a TxDot Type II brass disc found for the southwest corner hereof, said point being an angle point in the north right-of-way line of said U.S. Highway 79, and being the southeast corner of a called 0.11 acre tract described in Volume 238, Page 172 (D.R.W.C.T.), and being a southwest corner Lot 6 of said Co-op District, from which a 1/2-inch iron rod with illegible cap found at an angle point in the north right-of-way line of said U.S. Highway 79, and being the southeast corner of Lot 25A, Block A of Hutto Square Commercial Lots, Phase B, recorded in Cabinet BB, Slides 184-186 (P.R.W.C.T.), and being the southwest corner of said 0.11 acre tract bears, **S89°00'55"W**, a distance of **48.65** feet;

THENCE, leaving the north right-of-way line of said U.S. Highway 79, in part with the east lines of said 0.11 acre tract and said Lot 25A, and in part with the west line of Lot 6 of said Co-op District, **N07°31'47"E**, a distance of **321.82** feet to a 1/2-inch iron rod with "Coalter-1481" cap found for an interior ell-corner hereof, said point being the common north corner of said Lot 25A and Lot 6 of said Co-op District;

THENCE, with the common line of said Lot 25A and Lot 6 of said Co-op District, the following two (2) courses and distances:

- 1) **N86°13'57"W**, a distance of **307.47** feet to a disturbed 1/2-inch iron rod found for an interior ell-corner hereof, and
- 2) **S07°20'38"W**, a distance of **37.49** feet to 1/2-inch iron rod with "4Ward Boundary" cap set for an exterior ell-corner hereof, said point being at the common east corner of Lot 25B of said of Hutto Square Commercial Lots, Phase B and Lot 6 of said Co-op District;

THENCE, with the south line of Lot 6 of said Co-op District, in part with the north line of said Lots 25A & 25B, in part with the north line of Lot 2A of the Resubdivision of Lot 2, Hutto Exchange, recorded in Cabinet AA, Slides 211-212 (P.R.W.C.T.), and in part with the east right-of-way line of Exchange Boulevard, the following two (2) courses and distances:

- 1) **N79°31'52"W**, a distance of **188.64** feet to a 1/2-inch iron rod with "4Ward Boundary" cap set for an angle point hereof, and
- 2) **N67°36'52"W**, a distance of **211.01** feet to a chiseled "X" found in concrete for the southwest corner hereof, said point being a corner in the east right-of-way line of said Exchange Boulevard, and being a southwest corner of Lot 6 of said Co-op District;

THENCE, with the east right-of-way line of said Exchange Boulevard and the west line of Lot 6 of said Co-op District, the following four (4) courses and distances:

- 1) **15.69** Feet along the arc of a curve to the left, having a radius of **680.00** feet, and a chord which bears **N07°41'36"W**, a distance of **15.69** feet to a mag nail with "4Ward Boundary" washer set for a point of reverse curvature hereof,
- 2) **193.73** Feet along the arc of a curve to the right, having a radius of **370.00** feet, and a chord which bears **N06°38'44"E**, a distance of **191.52** feet to a mag nail in asphalt found for a point of reverse curvature hereof,
- 3) **96.13** Feet along the arc of a curve to the left, having a radius of **430.00** feet, and a chord which bears **N15°13'50"E**, a distance of **95.93** feet to a chiseled "X" found in concrete for a point of non-tangency hereof, said point being at a corner in the east right-of-way line of said Exchange Boulevard, and being the northwest corner of said Lot 14, and
- 4) **S83°05'40"E**, a distance of **5.40** feet to a 1/2-inch iron rod with "RJ" cap found for an interior ell-corner hereof, said point being at a corner in the east right-of-way line of said Exchange Boulevard, and being in the north line of Lot 6 of said Co-op District, and being the southwest corner of said Williamson County tract, and being a southwest corner of said Lot 23;

THENCE, with the east right-of-way line of said Exchange Boulevard, and with the west line of said Williamson County tract, and in part with the west lines of said Lots 23 & 24, the following four (4) courses and distances:

- 1) **25.84** Feet along the arc of a curve to the left, having a radius of **435.00** feet, and a chord which bears **N07°40'10"E**, a distance of **25.83** feet to a 1/2-inch iron rod with "RJ" cap found for a point of tangency hereof,
- 2) **N05°38'31"E**, a distance of **151.41** feet to a 1/2-inch iron rod with "RJ" cap found for a point of curvature hereof,
- 3) **134.63** Feet along the arc of a curve to the right, having a radius of **1,965.00** feet, and a chord which bears **N07°27'50"E**, a distance of **134.61** feet to a calculated point for a point of tangency hereof, and
- 4) **N09°32'37"E**, a distance of **97.41** feet to a 1/2-inch iron rod with illegible cap found for a northwest corner hereof, said being the southwest corner of said W L D Petersen tract, and being the northwest corner of said Williamson County tract;

THENCE, leaving the east right-of-way line of said Exchange Boulevard, with the common line of said W L D Petersen tract and said Williamson County tract, **S83°11'49"E**, a distance of **439.42** feet to a 1/2-inch iron rod with illegible cap found for an interior ell-corner hereof, said point being in the west line of Lot 2 of said Co-op District, and being in the west line of said Lot 24, and being the common east corner of said W L D Petersen tract and said Williamson County tract;

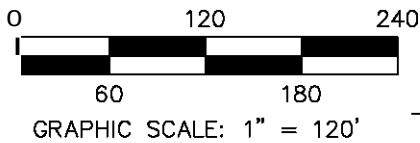
THENCE, with the east line of said W L D Petersen tract and Lot 24 of said Hutto Square Commercial Lots, and with the west line of said Lot 1 of said Co-op District, **N05°40'42"E**, a distance of **284.77** feet to the **POINT OF BEGINNING** and containing 35.1021 Acres (1,529,046 Square Feet) of land, more or less.

NOTE:

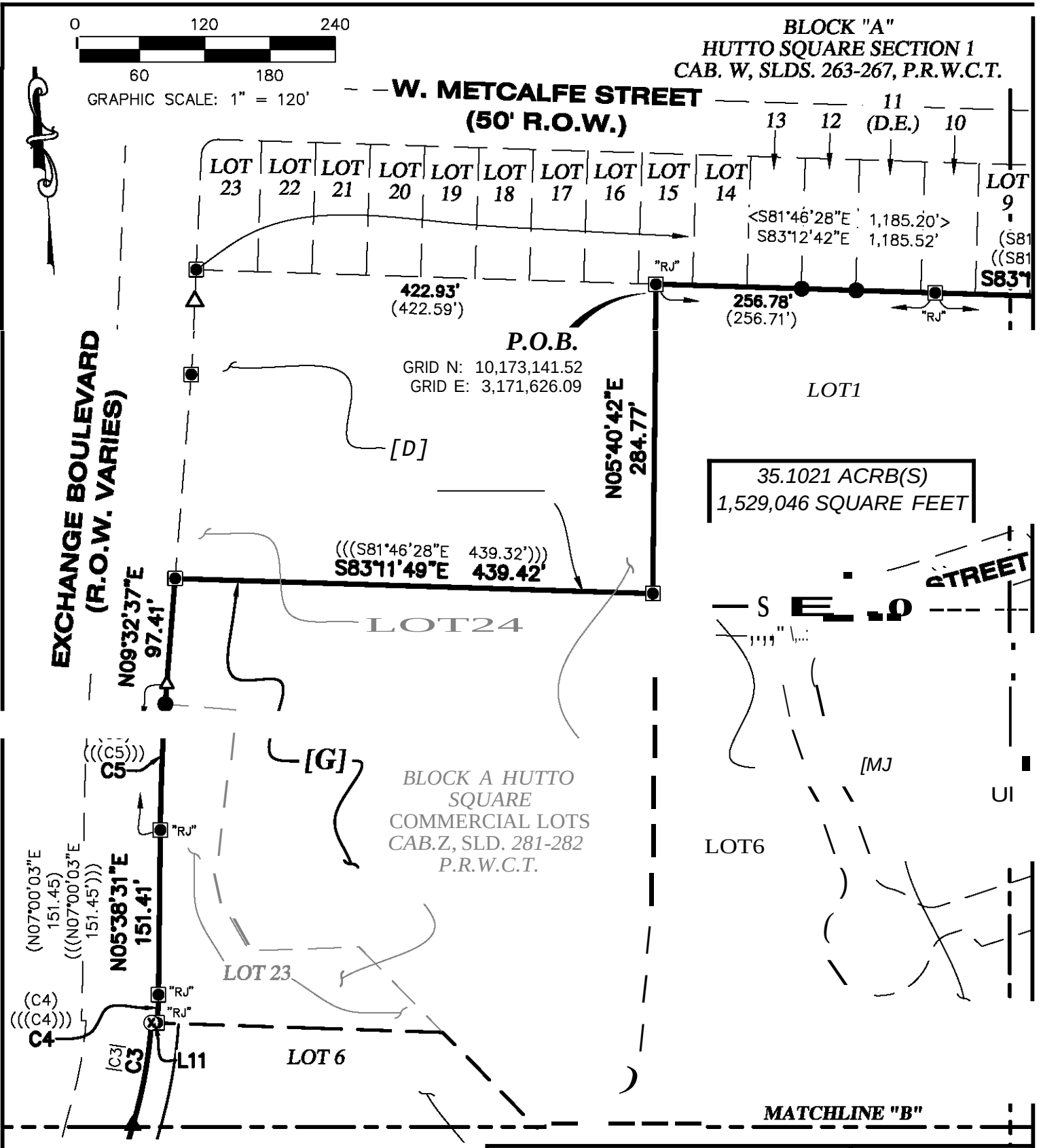
All bearings are based on the Texas State Plane Coordinate System, Grid North, Central Zone (4203), all distances were adjusted to surface using a combined scale factor of 1.000117952327. See attached sketch (reference drawing: 00627_rev2.dwg).

 **7/10/2018**
Steven M. Duarte, RPLS #5940
4Ward Land Surveying, LLC





BLOCK "A"
HUTTO SQUARE SECTION 1
 CAB. W, SLDS. 263-267, P.R.W.C.T.

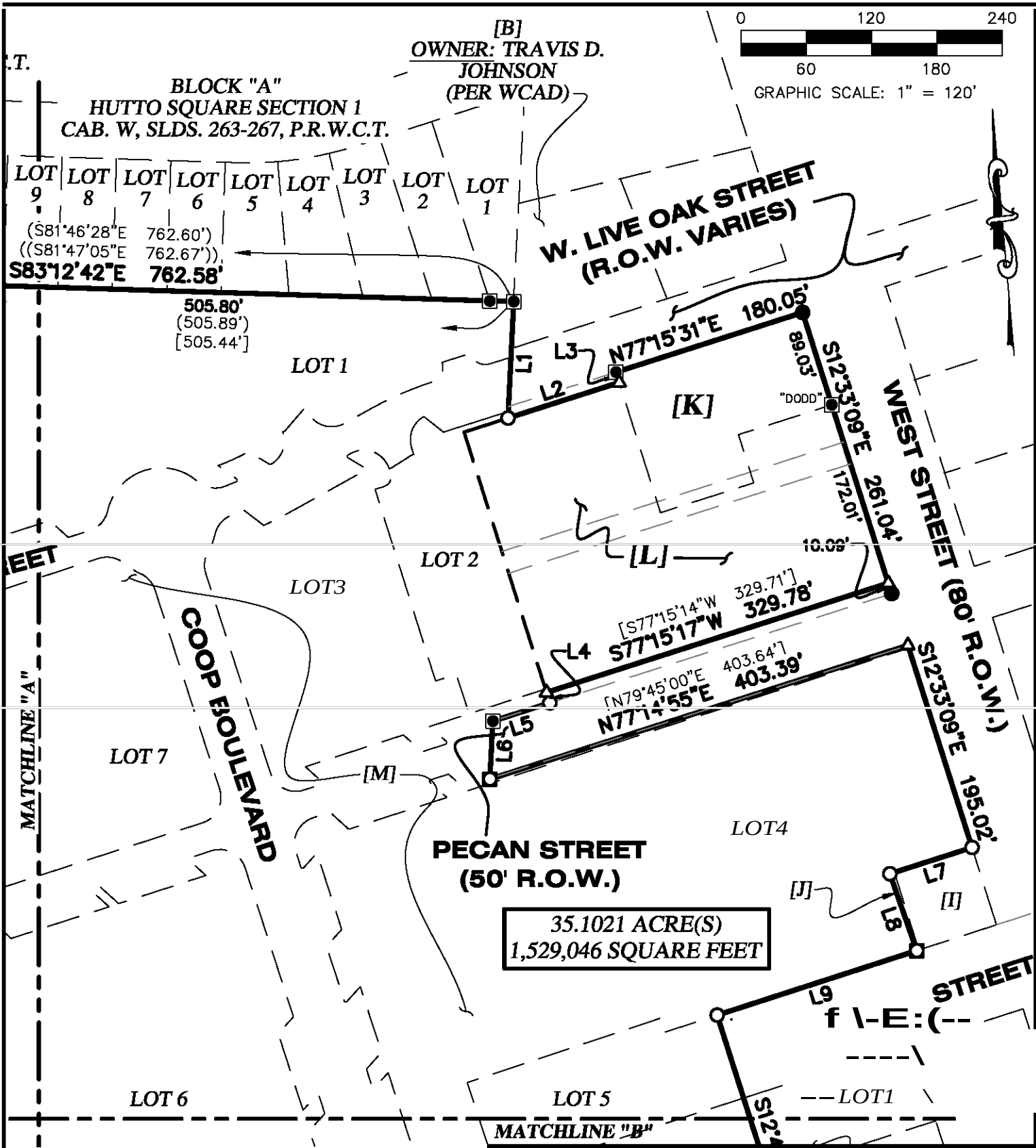


35.1021 ACRES City
of Hutto,
Williamson County,
Texas



PO Box 90876, Austin Texas 78709
 WWW.4WARDLS.COM (512) 537-2384
 TBPLS FIRM #10174300

Date:	7/10/2018
Project:	00627
Scale:	1" = 120'
Reviewer:	PRB
Tech:	CC
Field Crew:	HT/DC
Survey Date:	AUG. 2017
Sheet:	1 OF 6

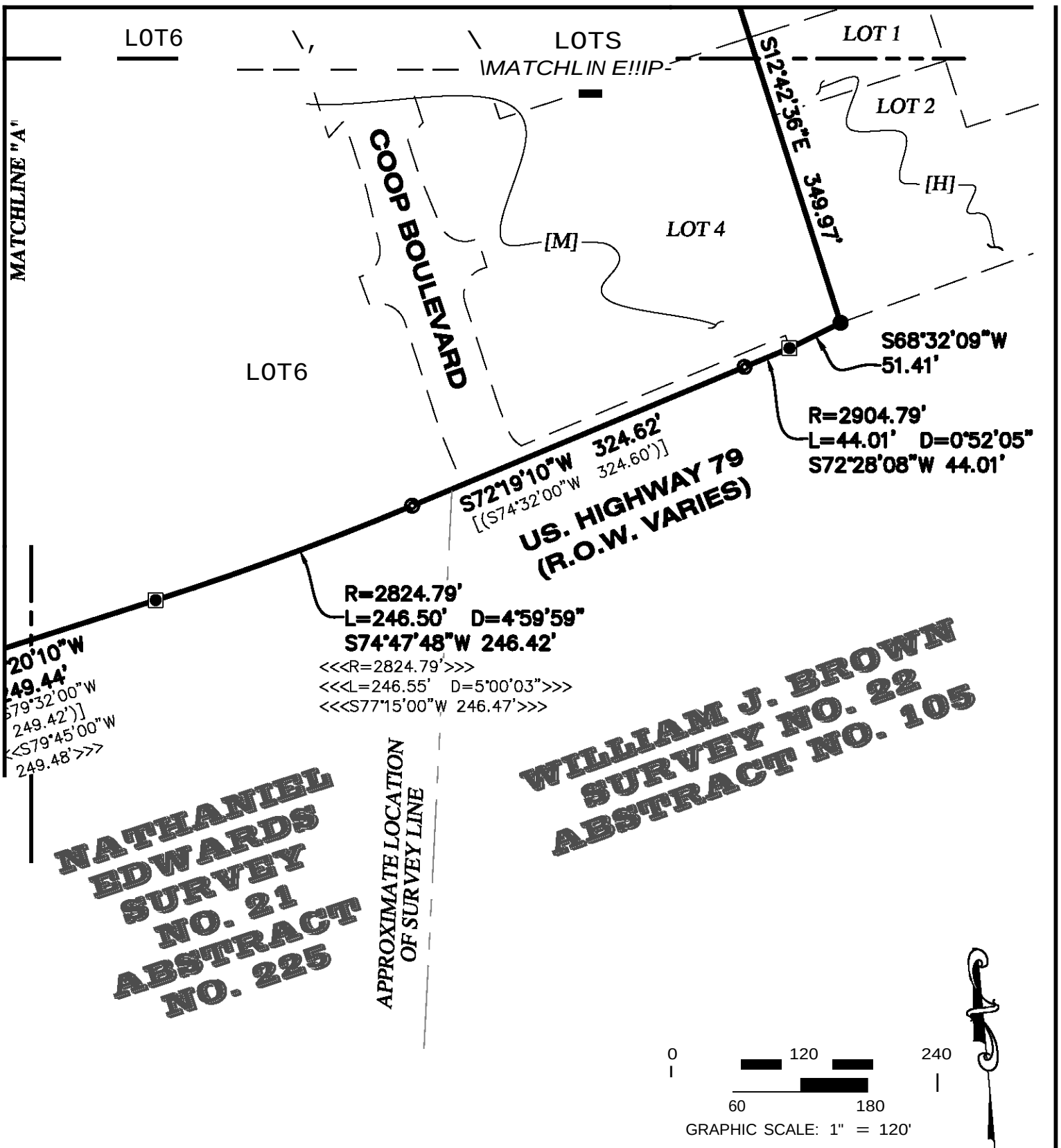


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Sheet:	2 OF 6



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Survey Date:	AUG. 2017
Sheet:	3 OF 6

EXCHANGE BOULEVARD
(R.O.W. VARIES)

MATCHLINE "B"

LOT6

[M]

N67°36'52"W
211.01'
[N64°57'00"W
211.18']

N79°31'S2°W
188.64.
[N76°52'00"W
188.79']

DISBURBED

N86,3's7°w 307.47'
(N84.49'17"W 307.37')
((N84.51'51"W 307.08'))
[[N84'49'02"W 307.37']]

"COALTER
1481"

(219.89')

N07°31'47"E 321.82'

LOT6

LOT25B

2. [C]

LOT2A

[F]

LOT25A

FROM WHICH A
1/2" IRON ROD 'MTH
ILLEGIBLE' CAP FOUND
BEARS
NB6°2B'33"E, 0.50'

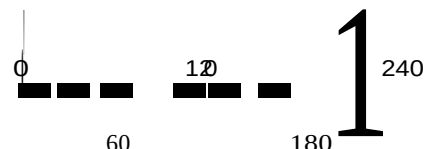
[A]

S89°00'55"W
48.65'

S77°20'10"W
249.44'
[(S79°32'00"W
249.42')]
<<<S79°45'00"
249.48'>>>

US. HIGHWAY 79
(R.O.W. VARIES)

NATHANIEL EDWARDS
SURVEY NO. 21
ABSTRACT NO. 225



GRAPHIC SCALE: 1" = 120'

35.1021 ACRES
City of Hutto,
Williamson County,
Texas



Date:	7/10/2018
Project:	00627
Scale:	1" = 120'
Reviewer:	PRB
Tech:	CC
Field Crew:	HT/DC
Survey Date:	AUG. 2017
Sheet:	4 OF 6

Lsnd Surveying

**Williamson County,
Texas**

A Limited Liability Company
PO Box 90876, Austin Texas 78709
WWW.4WARDLS.COM (512) 537-2384
TBPLS FIRM #10174300

CURVE TABLE					
CURVE /	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
C1	1 .69'	680.00'	1,9'19.	N07°41'36"·w	1 .69'
C2	193.73'	370.00'	29 9' 7 ·	N06°38'44"·E	191.52'
C3	96.13'	430.00'	12°48'33 _	N1 ,3'50"·E	95.93'
C4	25.84'	435.00'	3'24'12.	N07°40'10"·E	25.83'
C5	134.63'	1,965.00'	3°55'33.	N07°27'50	134.61'

RECORD CURVE TABLE					
CURVE #	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
IC11	15.69'	680.00'	1'19'19"	N04°50'20"W	15.69'
IC21	193.74'	370.00'	30° 00'02"	N09°30'00"E	191.53'
IC31	95.84'	430.00'	12°46'12"	N18°06'54"E	95.64'
(C4)	25.81'	435.00'	3'24'00"	N08°42'03"E	25.81'
((C4))	25.81'	435.00'	3'24'00"	N08°42'03"E	25.81'
(C5)	134.74'	1,965.00'	3°55'44"	N08°57'55"E	134.72'

UNE TABLE		
UNE /	DIRECTION	LENGTH
L1	so7 1'4B·w	107.24'
L2	Nn,5'31"·E	107.40'
L3	N12°33'04"·w	10.00'
L4	S12°32'2rE	10.09'
L5	s7n5'1rw	54.99'
L6	so 1'4B·w	53.36'
L7	S7n4'55·w	79.26'
L8	514,8'53	74.85'
L9	sn'03'o2·w	192.83'
L10	S07°20'3s·w	37.49'
L11	583°054(tE	5.40'

NOTES:

1) ALL BEARINGS ARE BASED ON THE IEXAS STAIE PLANE COORDINAIE SYSIEM, GRID NORTH, CENTRAL ZONE, (4203), NAD83, ALL DISTANCES WERE ADJJSito TO SURFACE USING A COMBINED SCALE FACTOR OF 1.000117952327.

2) SEE ATTACHED MEIES AND BOUNDS.



[Signature] 7/10/2018

35.1021 ACRES
City of Hutto,
Williamson County,
Texas



Date:	7/10/2018
Project:	00627
Scale:	1" = 120'
Reviewer:	PRB
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Field Crew:	HT/DC
Survey Date:	AUG. 2017
Sheet:	5 OF 6

rA■ CALLED 0.11 ACRE
OWNER: ATMOS ENERGY
(PER WCAD)
VOL. 238, G. 172,
D.R.W.C.T.

rBI PORTION OF LOT 1,
LbCK
13, I & GN RAILROAD
ADDITION
VOL. 50, PG. 253, D.R.W.C.T.

[C] RESUBDIVISION OF
LOT 2
THE HUTTO EXCHANGE
CAB. AA, SLDS. 211
P.R.W.C.T.

rDICALLED 2.814 ACRES
OWNER: W L D PETERSEN
INVESTMENTS-HUTTO, LLC
DOC. NO. 2015048567
O.P.R.W.C.T.

rEI CALLED 2.919 ACRES
OWNER: CITY OF HUTTO
DOC. NO. 2004003059
O.P.R.W.C.T.

rFI BLOCK A, HUTTO
SQUARE
COMMERCIAL LOTS PHASE B
CAB. BB, SLDS. 184-186
P.R.W.C.T.

tLED 4.43 ACRES
OWNER: WILLIAMSON
COUNTY
DOC. NO. 2005053311
O.P.R.W.C.T.

[H] BLOCK 1, AMENDED PLAT OF
LOTS 1 THROUGH 9, INCLUSIVE,
AND LOTS 12, 13, AND 14, AND
THE 17-FOOT ALLEY IN BLOCK 1
OF I&GN RAILROAD ADDITION
ORIGINAL CITY OF HUTTO
CAB. EE, SLD. 293, P.R.W.C.T.

r11 CALLED 0.13 ACRE
RT OF LOTS 5 AND 6
BLOCK 8, I & GN RAILROAD
ADDITION
OWNER: JASPAS PROPERTIES,
LLC
DOC. NO. 2008077200,
O.P.R.W.C.T.

rJI REMAINDER OF TRACT
bE'SCRIBED IN
VOL. 1159, PG. 563 D.R.W.C.T.

rKI CALLED 0.464 ACRE
DVVNER: HILL COUNTRY
BIBLE CHURCH HUTTO
DOC. NO. 2016077686,
O.P.R.W.C.T.

rL] LOT 1A, BLOCK 9
AILROAD ADDITION
LOTS 1-4, 5 (S/PT)
AND 7, BLOCK 9 AMENDED PLAT
DOC. NO. 2015080695
O.P.R.W.C.T.

rMI FINAL PLAT OF THE CO-OP
bI STRICT
DOC. NO. 2018038896
O.P.R.W.C.T.

LEGEND

	PROPERTY LINE	P.O.B.	POINT OF BEGINNING
— — — —	EXISTING PROPERTY LINES	{.....}	RECORD INFORMATION PER DOC. NO. 2016077686
— — — —	EXISTING EASEMENTS	{.....}	RECORD INFORMATION PER DOC. NO. 2008077200
O	1/2" IRON ROD WITH "4WARD BOUNDARY" CAP SET	{.....}	RECORD INFORMATION PER DOC. NO. 2008077200
●	1/2" IRON ROD FOUND (UNLESS NOTED)	{.....}	RECORD INFORMATION PER PLAT CAB. G, SLD. 185
[j]	IRON ROD WITH ILLEGIBLE CAP FOUND (UNLESS NOTED)	{.....}	RECORD INFORMATION PER PLAT VOL. 50, PG. 253
(8)	CHISELED "X" FOUND IN CONCRETE	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2017025032
D.	TXDOT TYPE II BRASS DISC FOUND	{.....}	RECORD INFORMATION PER PLAT VOL. Z PGS. 281-282
®	CALCULATED POINT	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2008077696
....	COTTON SPINDLE FOUND	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2005053311
	MAG NAIL FOUND	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2003119272
	MAG NAIL WITH "4WARD BOUNDARY" WASHER SET	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2003119272
D	1/2" IRON ROD WITH "CITY OF HUTTO — PROPERTY CORNER" ALUMINUM CAP FOUND	{.....}	RECORD INFORMATION PER PLAT CAB. BB, SLDS. 184-186
DOC. #	DOCUMENT NUMBER	{.....}	RECORD INFORMATION PER PLAT DOC. NO. 2015080695
P.U.E.	PUBLIC UTILITY EASEMENT	{.....}	RECORD INFORMATION PER PLAT CAB. W, SLDS. 263-264
B.L.	BUILDING LINE	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2016079125
VOL./PG.	VOLUME, PAGE	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2004003059
CAB./SLD.	CABINET, SLIDE	{.....}	RECORD INFORMATION PER TX DOT R.O.W. MAP
R.O.W.	RIGHT-OF-WAY	{.....}	RECORD INFORMATION PER PLAT CAB. AA, SLD. 211
P.R.W.C.T.	PLAT RECORDS, WILLIAMSON COUNTY, TEXAS	{.....}	RECORD INFORMATION PER DEED DOC. NO. 2015048567
O.P.R.W.C.T.	OFFICIAL PUBLIC RECORDS, WILLIAMSON COUNTY, TEXAS	{.....}	
D.R.W.C.T.	DEED RECORDS, WILLIAMSON COUNTY, TEXAS	{.....}	

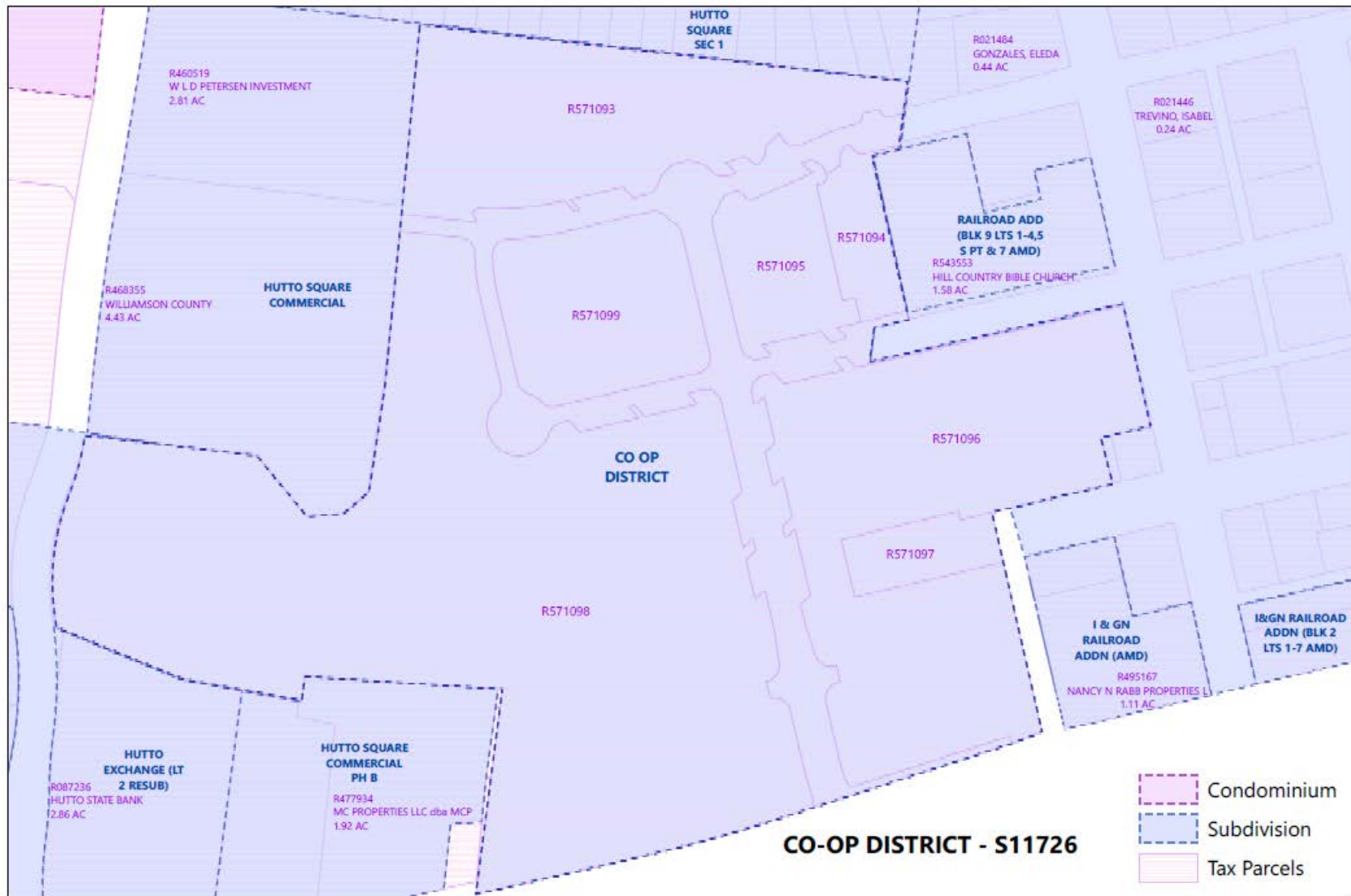
Williamson County,
Texas

A Limited Liability Company
PO Box 90876, Austin Texas 78709
WWW.4WARDLS.COM (512) 537-2384
TBPLS FIRM #10174300

35.1021 ACRES City of Hutto,

Appendix C

Parcel Map



CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

8K.

AGENDA DATE: September 20, 2018

PRESENTED BY:

City Attorney

ITEM:

Consideration of a public hearing and first reading of an ordinance relating to development of the Co-Op District in the City of Hutto, Texas including dedicating a portion of ad valorem taxes collected on property located within Reinvestment Zone No. 1, City of Hutto, Texas; approving a loan agreement in connection with financing of projects within the Reinvestment Zone No. 1; authorizing the city manager to enter into a Public Improvement District administrative services agreement for Reinvestment Zone No. 1; approving the City of Hutto Economic Development Corporation Type B dedication of a portion of sales tax collected by the corporation to the Reinvestment Zone no. 1; approving a financing plan for the tax increment Reinvestment Zone No. 1 for the Co-Op District; and authorizing the city manager to enter into certain agreements relating to the Reinvestment Zone No. 1 and to approve amendments to those agreements.(City Attorney)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

The ordinance presented for adoption under this item is substantially the same ordinance as adopted by the City Council under Agenda Item 10E on the Council's August 16, 2018 agenda. The ordinance is presented for public hearing, reconsideration and adoption due to the overall change in the financing structure for the Co-Op development.

BUDGETARY AND FINANCIAL SUMMARY:

This ordinance includes dedicating a portion of ad valorem taxes collected on property located within Reinvestment Zone No. 1, City of Hutto, Texas; approving a Loan Agreement in connection with financing of projects within the Reinvestment Zone No. 1; authorizing the City Manager to enter into a Public Improvement District administrative services agreement for Reinvestment Zone No. 1; approving the City of Hutto Economic Development Corporation Type B dedication of a portion of sales tax collected by the corporation to the reinvestment zone no. 1; and approving a financing plan for the tax increment Reinvestment Zone No. 1 for the Co-Op District.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The Tax Increment Reinvestment Zone Number One Board considered and approved the Tax Increment Reinvestment Zone Number One Project and Finance Plan at their August 30, 2018 meeting.

The City of Hutto Economic Development Corporation Type B considered and approved the dedication of a portion of sales tax collected by the Corporation to the Reinvestment Zone Number One at their June 4, 2018 meeting.

CITY ATTORNEY REVIEW:

City Attorney has reviewed all documents.

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. [Ordinance Co-Op Project Reinvestment Zone No 1 \(clean\) ML 9-14-18](#)
2. [Co Op Project and Financing Plan - Final 8.28.18 -City TIRZ at 60%](#)
3. [HEDC Sales Tax Proceeds Agreement Co Op](#)

ORDINANCE NO. O-_____

AN ORDINANCE RELATING TO DEVELOPMENT OF THE CO-OP DISTRICT IN THE CITY OF HUTTO, TEXAS, INCLUDING DEDICATING A PORTION OF AD VALOREM TAXES COLLECTED ON PROPERTY LOCATED WITHIN REINVESTMENT ZONE NO. 1, CITY OF HUTTO, TEXAS; APPROVING A LOAN AGREEMENT IN CONNECTION WITH FINANCING OF PROJECTS WITHIN THE REINVESTMENT ZONE NO. 1; AUTHORIZING THE CITY MANAGER TO ENTER INTO A PUBLIC IMPROVEMENT DISTRICT ADMINISTRATIVE SERVICES AGREEMENT FOR REINVESTMENT ZONE NO. 1; APPROVING THE CITY OF HUTTO ECONOMIC DEVELOPMENT CORPORATION TYPE B DEDICATION OF A PORTION OF SALES TAX COLLECTED BY THE CORPORATION TO THE REINVESTMENT ZONE NO. 1; APPROVING A PROJECT AND FINANCING PLAN FOR THE TAX INCREMENT REINVESTMENT ZONE NO. 1 FOR THE CO-OP DISTRICT; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO CERTAIN AGREEMENTS RELATING TO THE REINVESTMENT ZONE NO. 1 AND TO APPROVE AMENDMENTS TO THOSE AGREEMENTS.

WHEREAS, the City Council of the City of Hutto (the “City”) approved Ordinance No. O-18-01-04-12A on final approval on the 4th day of January, 2018, creating the Reinvestment Zone No. 1, City of Hutto, Texas, within an area within the City (“Zone”);

WHEREAS, the City created the Co-Op Public Improvement District by Resolution No. R-18-06-07-90 on the 7th day of June, 2018, to provide for improvements within the Zone;

WHEREAS, the City has approved a service and assessment plan and assessment roll for the Zone;

WHEREAS, it is necessary and appropriate to provide for the dedication of tax revenue and other revenue to projects within the Zone and to approve other agreements related to the financing of projects within the Zone;

RESOLVED, it is necessary to provide for administration of funds and projects within the Zone; and

WHEREAS, the City Council has determined that the following actions are necessary and appropriate to the City’s plan for projects within Zone.

NOW, THEREFORE, be it ordained by the City Council of the City of Hutto, Texas:

1. Sixty percent (60%) of the ad valorem taxes due and payable on taxable property located within the Zone and actually collected after January 1, 2019 shall be deposited in the tax increment fund for the Zone to be used pursuant to the ordinance creating the Zone and the project costs for projects within the Zone as approved by the Board for the Zone, the City and Williamson County, Texas, and in the final Zone Project Plan and Zone Finance Plan. The deposits shall cease on the 31st day of December, 2057. In addition to deposits of taxes collected, the City shall also deposit sixty percent (60%) of the interest received on delinquent taxes payable after January 1, 2019 on delinquent property taxes collected in the Zone.

2. City approves that certain loan agreement to be entered into between a local government corporation to be created by the City and the Public Finance Authority related to the construction of certain public improvements within the Zone, and authorizes the City Manager to approve the loan agreement on behalf of the City and approve amendments to the loan agreement as may be needed in the future.

3. The City Manager is authorized to enter into an administrative services agreement relating to the Zone.

4. The City approves and confirms the action by the Hutto Economic Development Corporation Type B authorizing a portion of the sales tax collected by the Hutto Economic Development Corporation Type B as evidenced by a sales tax proceeds contribution agreement between the City of Hutto and the Hutto Economic Development Corporation Type B and approves payment of funds received under that Agreement into the tax increment fund for the Zone.

5. The City hereby acknowledges that funds (as further provided in the Service and Assessment Plan and the loan agreement) deposited in the Tax Increment Fund (as defined in the Ordinance creating the Zone) and EDC revenues (as defined in the Service and Assessment Plan) will be used to offset a portion of the PID assessments for properties within the Zone.

6. The City approves the Project and Financing Plan for the Zone for the Co-Op District dated the 28th day of August, 2018.

7. This Ordinance or the caption shall be published on two days and become effective in accordance with the laws of the State of Texas on the date of the last publication.

READ, CONSIDERED, PASSED AND ADOPTED on first reading by the City Council of the City of Hutto at a regular meeting on the 20th day of September, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.00, et seq., of the Texas Government Code.

READ, CONSIDERED, PASSED AND ADOPTED on second and final reading by the City Council of the City of Hutto at a regular meeting on the 4th day of October, 2018, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et seq., of the Texas Government Code.

THE CITY OF HUTTO, TEXAS

Doug Gaul, Mayor

Attest:

Lisa L. Brown, City Secretary



**HUTTO CO-OP
HUTTO, TEXAS**

CO-OP DISTRICT TAX INCREMENT REINVESTMENT ZONE

PROJECT AND FINANCING PLAN

**CITY OF HUTTO, TEXAS
WILLIAMSON COUNTY, TEXAS
79 HCD DEVELOPMENT, LLC**

August 28, 2018

City of Hutto

Co-Op District TIRZ

Mayor Doug Gaul

Mayor Pro Tem Tom Hines, PLACE 2

Council Member Scott Rose, PLACE 1

Council Member Nate Killough, PLACE 3

Council Member Tim Jordan, PLACE 4

Council Member Patty Turner, PLACE 5

Council Member Terri Grimm, PLACE 6

Odis Jones, City Manager

City Staff

Helen Ramirez, AICP Assistant City Manager

Anthony Emadi, Chief Financial Officer

Jessica Bullock, Economic Development Director

William Bingham, City Attorney

Developer/79 HCD Development, LLC

Bob Wunsch, Principal

Wyatt Henderson, Principal

David Howell, Principal

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I. INTRODUCTION

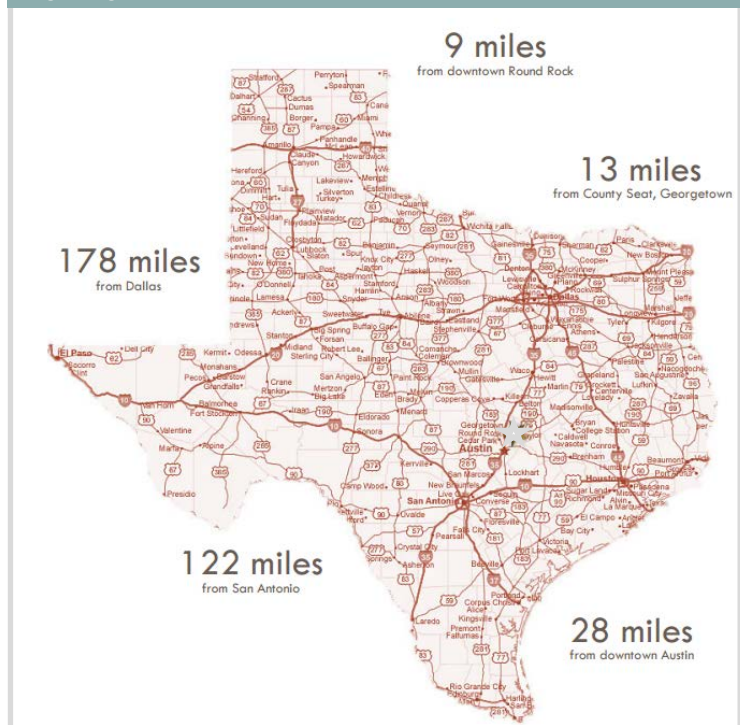
Located northeast of Austin in Williamson County, the fourth-fastest growing county in the State of Texas, the City of Hutto (“the City”) has experienced rapid growth since 2000. Once a rural Texas town with a population of 1,250 in 2000; Hutto is now home to an estimated 27,000 people, positioning the City to become a lively and integral part of the Austin Metropolitan region. With recent recognitions including the “Top Place in Texas to Raise a Family”, the “#1 Local City (in the Austin area) For Young Couples”, “One of the Top 5 Safest Cities in Texas”, and “One of the Top 100 Places in Major Markets to Locate a Business”, Hutto is consistently ranked as one of the fastest growing and safest cities in the country.

Just 25 minutes from the heart of the Texas State Capitol and 30 minutes from the Austin Bergstrom International Airport via the new SH-130 tollway, the City is well positioned for economic growth. With quick access to State Highway 130, Interstate 35, US Highway 79, and the Union Pacific Red Line, Hutto provides convenient transportation routes to the greater Texas region.

Those who call Hutto home are attracted to its strong sense of community, rich history, affordable housing and attractive neighborhoods, low crime, high performing school district, access to higher education institutions, and plentiful open space; all of which come together to provide a high quality of life just outside of Austin. As the city continues to grow, it aims to be a family-friendly community that provides superior public safety, outstanding fiscal responsibility, a diversified economy, and an exceptional quality of life. Here, the importance of a diverse community is recognized, as it will directly affect the quality of life of the community and its residents.

Given that, the City Council’s goal is to take a comprehensive approach towards economic development by focusing their efforts on redevelopment, including the rehabilitation of infill properties such as the Co-Op District, located just west of Hutto’s Historic District.

Image 1: Regional Context



II. HUTTO – AT A GLANCE

DEMOGRAPHICS

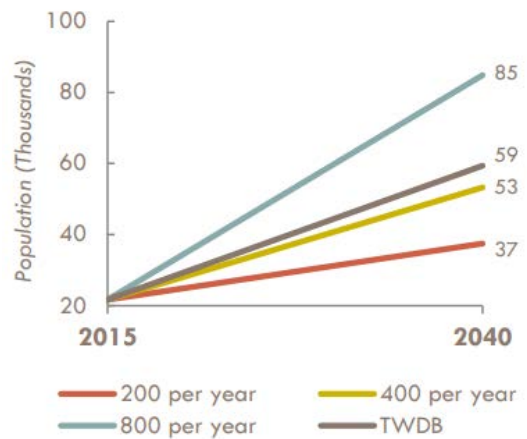
Hutto has experienced an estimated 6 percent (6.0%) average annual growth and over 50 percent (50.0%) change in total population change since 2010. Using historical residential permit patterns, the City may be home to over 85,000 residents in 2040.

With a median age of 33, Hutto has attracted many young families. Just over half of the population consists of families with children under the age of 18 and adults age 25 to 54. In addition to a growing population within city limits, the City provides access to over 65,000 people within a 5-mile radius, expanding to over 284,000 people within a 10-mile radius.

An educated workforce is a key to having a dedicated and diverse workforce. With an Independent School District that experiencing a 97% graduation rate and access to multiple nationally recognized higher education institutions, the Hutto community is diverse, skilled, and able to adapt to changing needs within the workforce.

The residents of Hutto have high levels of educational attainment with 22 percent of Hutto residents 25 years or older hold a bachelor's degree or higher. Together with a median household income of \$73,855, an average household income of \$80,603 within city limits, and an average household income in the primary trade area of \$93,371, there is a clear demonstration of the desirability and quality of life that the community offers to people who are educated and high-income earners.

Chart 1: Population Forecasts – Using Estimated Number of Permits



City of Hutto, Texas Water Development Board

Table 1: 2016 Population 25+ by Educational Attainment

Total	12,498
Less than 9th Grade	3.7%
9th - 12th Grade, No Diploma	2.7%
High School Graduate	23.3%
GED/Alternative Credential	4.1%
Some College, No Degree	32.8%
Associate Degree	10.9%
Bachelor's Degree	17.9%
Graduate/Professional Degree	4.7%

Table 2: 2016 Households by Income

Household Income Base	6,641
<\$15,000	5.9%
\$15,000 - \$24,999	3.2%
\$25,000 - \$34,999	4.1%
\$35,000 - \$49,999	10.8%
\$50,000 - \$74,999	26.9%
\$75,000 - \$99,999	23.5%
\$100,000 - \$149,999	19.5%
\$150,000 - \$199,999	4.3%
\$200,000+	1.8%

U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

ECONOMIC OUTLOOK

As of 2015, approximately 88 percent (88.0%) of the working population commutes an average 27 minutes to work outside the city limits. With .66 jobs per household, it is important for economic stability to achieve a citywide job-housing balance with a goal of at least 1 job for every household. As residential development within the city and its Extraterritorial Jurisdiction (ETJ) increase, it is vital for Hutto to focus on productive growth that creates local jobs and diversifies its tax base. The people of Hutto provide a strong foundation for a workforce and consumer market that will help the city become more regionally and nationally competitive. Hutto is in the early stages of its development cycle and needs to develop the economic diversity and depth of business support infrastructure (capital and non-capital) to be competitive in the larger Central Texas regional and national market.

Given this, the redevelopment of the Co-Op District, as well as the construction of the additional infrastructure improvements needed to support the desired economic growth, are the key to the creation of a place to live, work and play which will result in a more balanced economy.

III. GROWTH CORRIDORS & INFRASTRUCTURE

ECONOMIC DEVELOPMENT GROWTH CORRIDORS

At present, the City of Hutto lacks significant shovel-ready, or building ready, sites. Water, wastewater and other critical infrastructure key to significant economic development is lacking in certain areas of the City. The City is therefore constrained in terms of being able to accommodate concentrations of quality, career-oriented employment opportunities that are consistent with the City Council's Strategic Plan.

Through the Future Land Use Map (FLUM) planning process, seven (7) key areas were identified as vital employment and growth corridors – areas that can and should become priority focus areas for public and private sector investment and planning for high quality non-residential development over the next 5, 10, and 20 years. The City, during its planning process, considered the following points when considering these corridors along major highways:

- Promoting development compatible with safe, efficient traffic circulation through sound standards for access management, limited installation of curb cuts, and parking facility connectivity;
- Selectively determining appropriate locations and applied design standards for large commercial developments and other high traffic generating uses;
- Setting quality design standards for all commercial development;
- Encouraging mixed-use, clustered and "village center" development types as alternatives to conventional strip center and stand-alone "pad" sites; and,
- Adding regional and community nodes to key intersections.

These employment and growth areas are those that can eventually accommodate significant concentrations of firms in the economic sectors identified previously. Each of these primary employment corridors offers its own distinct locational advantages and attributes, as well as challenges that will be addressed in order to realize their individual and collective potential for Hutto's continued economic growth. One of the seven employment and growth corridor areas identified includes the Historic Downtown/Co-Op site. **Section IV THE NEED FOR REDEVELOPMENT** of this Plan identifies the challenges for the existing Co-Op site.

HUTTO'S ECONOMIC DEVELOPMENT POLICY

The City of Hutto adopted an ECONOMIC DEVELOPMENT POLICY on July 20, 2017. This policy document identified the use of tax increment financing as a way of redeveloping open or undeveloped land currently experiencing challenges such as obsolete platting, deteriorating structures or other factors, the substantially impair the growth of the city. The Co-Op District is one of three areas identified as a site that is in need of infrastructure in order to be developed to allow growth to occur west of Old Town. It is currently an undeveloped site, that when developed, will alleviate the immediate and surrounding areas drainage problems and improve traffic circulation with proposed improvements to US Highway 79 and with the extension of Live Oak to the west.

DOWNTOWN HUTTO: HUTTO'S COMMUNITY AND CIVIC HEART

Downtown is a vital intersection of commerce, business, and tourism, and serves as a fundamental cornerstone of our identity and economy. A healthy and vibrant downtown benefits all citizens and businesses of the City. Downtown Hutto is a designated historic district, with a variety of active commercial and retail buildings surrounded by residential and open spaces.

Hutto has the opportunity to create a new Entertainment and Civic District downtown. This area, known as the Co-Op District, is located west of Downtown and is part of the larger Historic Downtown District, with approximately 900 linear feet of access along US Highway 79. The City has an executed development agreement with an affiliate of 79 HCD Development, LLC for this site, specifically to design a new City Hall and Library, with retail and commercial areas throughout, for the creation of an Entertainment District. A Historic Downtown/Co-Op Site Infrastructure Plan has been created and it includes a description of the shared vision of streetscapes, infrastructure, building design standards, and open space/community planning. The proposed TIRZ will specifically address road, drainage and associated utility needs.

Image 2: The Cotton Gin at the Co-Op





Map 1: Downtown Hutto



IV. THE NEED FOR REDEVELOPMENT

Within and throughout the City's Historic Old Town, Hutto has experienced flooding and traffic congestion. The City is in need of planning and providing for infrastructure related to regional detention, storm sewer and improved road circulation that will not only alleviate local congestion, but regional traffic flow on US Highway 79. These infrastructure improvements will reduce impediments to growth west of Old Town.

A majority of the project area is City-owned and vacant. The City-owned 25 acres contain silos that are no longer functioning. There are also remnants of rail spurs and concrete pads of silos that once stood on the site which need removal. Therefore, the redevelopment of the site will include the following:

- Cleaning up obsolete platting;
- Reusing and relocating, when appropriate, accessory structures; and,
- Improving existing roads and constructing new ones to improve traffic circulation.



View of project site facing north from US Highway 79

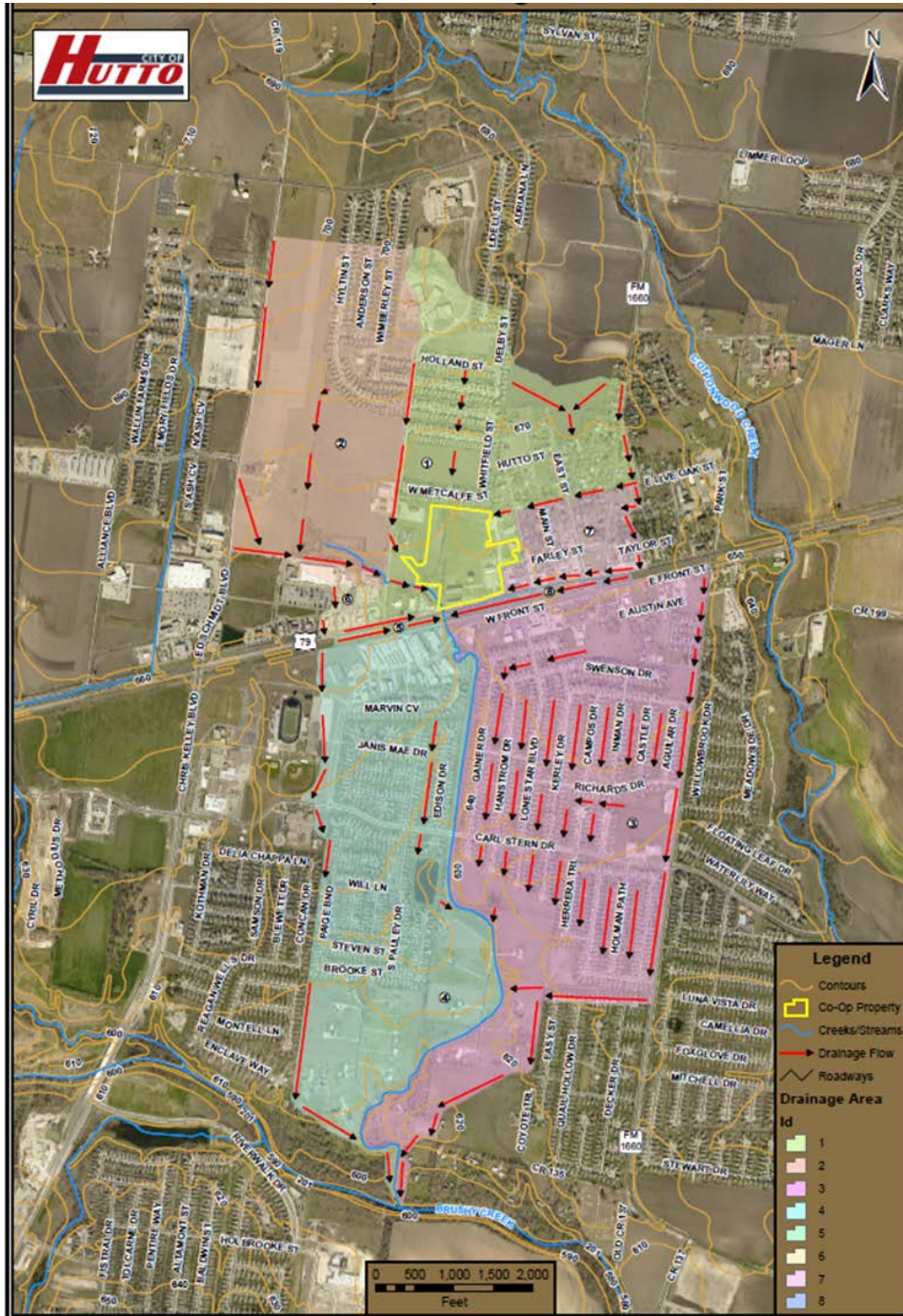
Additional challenges currently experienced within and adjacent to the project site, are the following:

- Open ditches;
- Residents & Businesses experience flooding in streets and alleyways; and,
- Drainage & flooding problems.



Flooding in old town

The following map shows the drainage flow from the north, through the Co-Op District project site draining south, towards US Highway 79:



The following is a floodplain map that shows the areas prone to flooding:



The City of Hutto entered into a Development Agreement with an affiliate of 79 HCD Development, LLC to develop the project site. The City has reached an agreement with Williamson County ("the County") whereby the County has agreed to participate in a Tax Increment Reinvestment Zone ("TIRZ") to be created encompassing:

- City property that will be taken down over time by the Developer per the executed Development Agreement;
- Property currently being used as County offices fronting Exchange Boulevard;
- A church and commercial properties fronting West Street.

The inclusion of the County offices will assist with providing the following solutions to the challenges that were identified in the current and previous sections:

- Storm sewer;
- Regional detention on Co- Op site;
- Prepare drainage study; and,
- Take over maintenance of existing drainage ditches currently being provided by various Homeowner Associations.

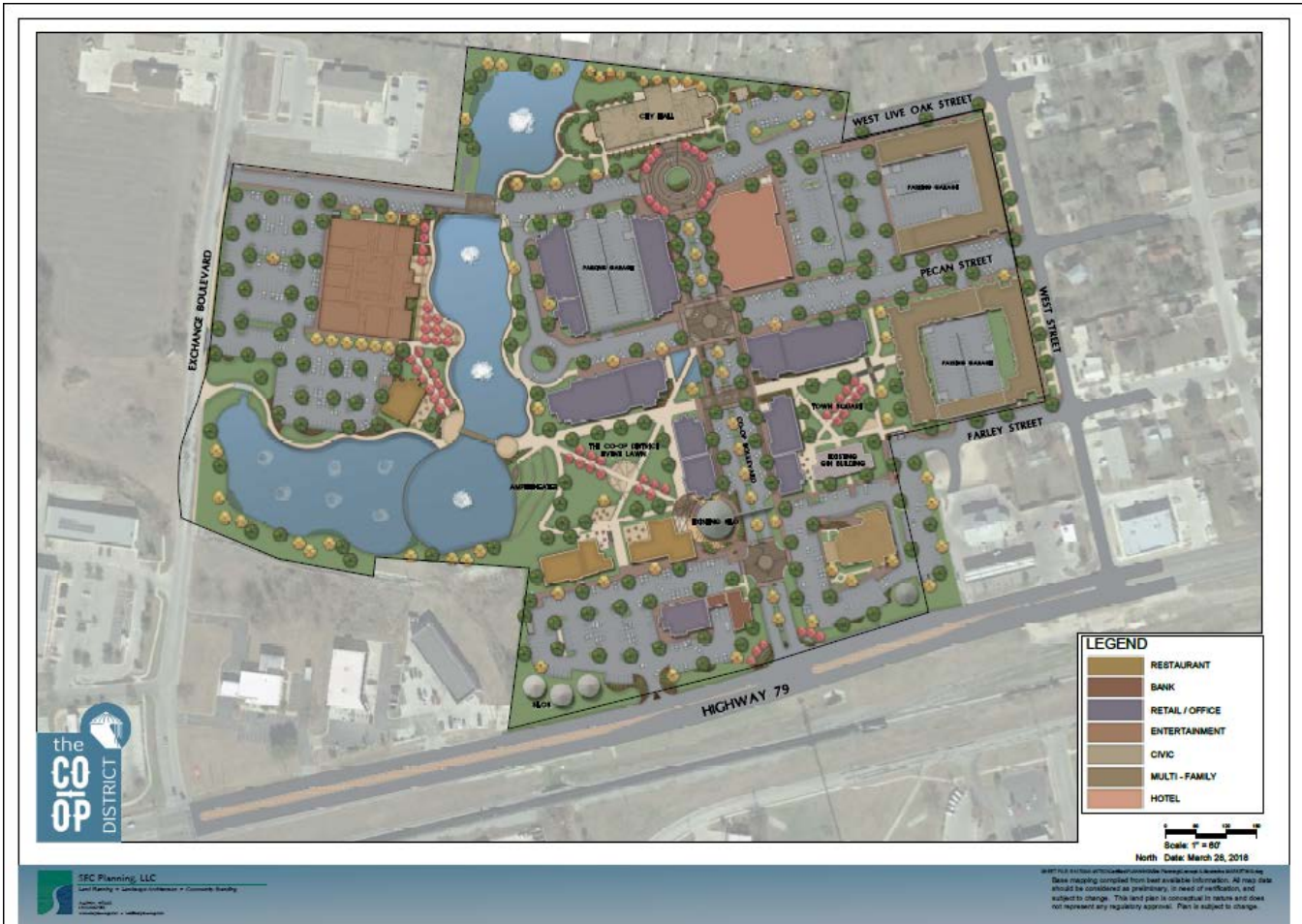
The following map depicts the proposed TIRZ boundary that includes City-owned property of approximately 26.40 acres, County-owned property of approximately 4.47 acres, United States Postal Service-owned property of approximately 2.81 acres, and privately owned property of approximately 6.38 acres for a total of approximately 40.86 acres of land.



The creation of the TIRZ is necessary as neither the City or the County alone can fund the public improvements needed to remove the current constraints to the redevelopment and growth of the City.

THE CO-OP DISTRICT PUD

79 HCD Development, LLC has prepared, submitted and obtained approval from the City for a Co-Op District Planned Unit Development (PUD) that is zoned for mixed use and includes Design Guidelines so as to ensure that high quality development is built. The following is a concept plan for the Project:



The following drawing shows the planned infrastructure throughout the District, including the extension of West Live Oak towards Exchange Boulevard, in addition to, the regional drainage ponds:



High quality infrastructure and design guidelines include active open space and amphitheatre area.



V. PRELIMINARY PROJECT PLAN

TIRZ districts permit a jurisdiction, or a group of jurisdictions working together, to permit the incremental fiscal benefits generated by a project to fund the cost of qualified public improvements. Typically, the tax year in which a jurisdiction establishes the TIRZ sets the real property assessed value base (base year). For each year in the life of the TIRZ, a special fund captures the tax revenue generated from the difference between the base-year assessed value and that year's assessed value. Other taxing jurisdictions can choose to direct all or a portion of their tax revenues into the TIRZ. An appointed board of directors ("TIRZ Board") chooses how to spend the money captured in the TIRZ fund based on agreements negotiated between the TIRZ, the effected jurisdictions and an Owner of a project. This value generating process is outlined below:

Exhibit A

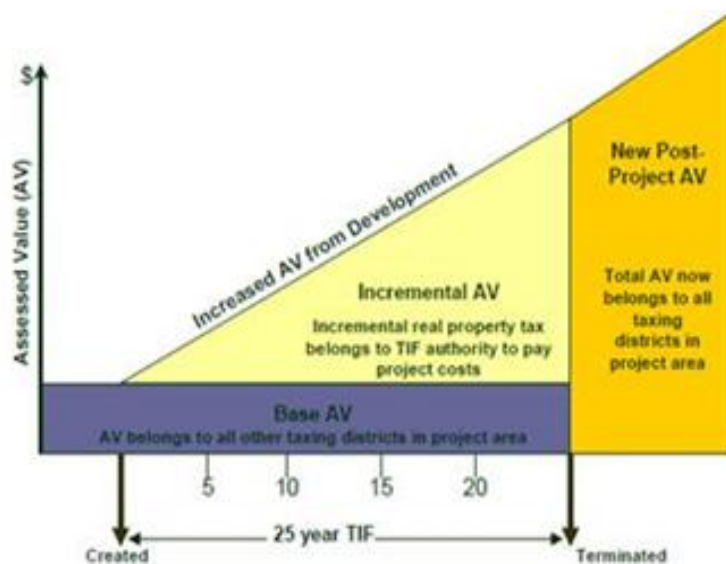


Exhibit A illustrates how rising tax revenue from greater appraised value in a TIRZ zone flows with time to a taxing jurisdiction's general fund and to a TIRZ fund. The sloped lines depict tax revenue rising with time. When the TIRZ expires or terminates, the amount of real property tax revenue to the City will increase sharply since a portion of the real property tax revenue is no longer part of the TIRZ fund. Inclusion of property in a TIRZ zone does not change the tax rate for any property. Tax rates in a TIRZ zone are the same as tax rates outside the zone and within the same set of taxing jurisdictions.

The Co-Op TIRZ will be comprised of approximately 40.49 acres and will include all of the approximately 35.10 acres of real property that comprises the Hutto Co-Op Public Improvement District (the "PID"), as more fully described in the PID Service and Assessment Plan ("SAP") adopted by the City in connection with the levy of special assessments for the PID.

The TIRZ will terminate on the earlier of (1) the date the TIRZ Board (“the Board”) certifies to the City that all project costs have been paid and any monies remaining in the tax increment fund has been paid to the City and other taxing units levying taxes on property within the TIRZ or (2) the date that there is a unanimous determination by all members of the Board that all project costs or other obligations have been paid in full. The Board will have the right to allocate excess TIRZ Revenues, if any, to fund additional improvements not being funded by the PID.

PROPOSED DEVELOPMENT PLAN

The Project’s proposed development plan, per the Concept Plan presented in **Section IV**, is summarized below:

Building	Land Use	Units/SF
1	Restaurant	12,000
2	Restaurant	12,000
3	Retail/Office	6,000
4	Bank	3,000
5	Restaurant	5,500
6	Retail/Office	20,000
7	Retail/Office	33,000
8	Retail/Office	12,000
9	Multi-Family	132
10	Retail/Office	45,000
11	Retail/Office	15,000
12	Retail/Office	40,000
13	Hotel	140
14	Retail/Office	36,000
15	Retail/Office	32,000
16	Multi-Family	104
17	City Hall	40,000
18	Entertainment	39,000
19	Restaurant	4,000

DESCRIPTION OF PROJECTS WITHIN THE TIRZ

As described further in **Section VI – Preliminary Financing Plan**, the TIRZ revenues applied to reduce the annual installments due under the PID. As described in the SAP, the Authorized Improvements (as defined in the SAP) will consist of the following:

The following table presents the costs of the Authorized Improvements:

Cost Category	Phase		Total
	1	2	
The Lakes - Landscaping	\$ 2,971,412	\$ -	\$ 2,971,412
Streets - Landscaping	\$ 1,972,340	\$ -	\$ 1,972,340
City Hall Landscaping	\$ 833,124	\$ -	\$ 833,124
Signage, Monumentation & Parking Lots	\$ 1,371,001	\$ -	\$ 1,371,001
Town Green	\$ 2,986,338	\$ -	\$ 2,986,338
Excavation, Water, Sewer, Drainage & Paving	\$ 3,645,895	\$ 630,000	\$ 4,275,895
Landscape, Hardscape, Site Furnishings, Lighting		\$ 155,000	\$ 155,000
Parking Lots	\$ 4,416,343	\$ -	\$ 4,416,343
Highway 79 Construction & Engineering	\$ 1,404,936	\$ -	\$ 1,404,936
Parking Garage #1	\$ -	\$ 4,567,500	\$ 4,567,500
Parking Garage #2	\$ -	\$ 1,522,500	\$ 1,522,500
Parking Garage #3	\$ -	\$ 4,567,500	\$ 4,567,500
Engineering	\$ 144,227	\$ 250,000	\$ 394,227
Contingency	\$ 678,713	\$ 78,500	\$ 757,213
Project Management Fee	\$ 1,835,672	\$ 588,550	\$ 2,424,222
Total	\$ 22,260,000	\$ 12,359,550	\$ 34,619,550

VI. PRELIMINARY FINANCING PLAN

PROPOSED TIRZ PROJECTS

Section 311.002 of the Tax Increment Financing Act defines project costs as "the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public Improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations."

PROJECT COSTS

- Capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;
- Financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;
- Real property assembly costs;
- Professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;
- Imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;
- Municipality or county in connection with the implementation of a project plan;
- Relocation costs;
- Organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;
- Interest before and during construction and for one year after completion of construction, whether or not capitalized;
- The cost of operating the reinvestment zone and project facilities;
- The amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;
- The costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; and,

- Payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.

METHOD OF FINANCING

The real property that makes up the TIRZ and the PID is expected to be developed in one or more phases with the PID financing Authorized Improvements as approved by the City. PID Special Assessments will be levied on Assessed Property (as defined in the SAP) within the PID. City owned and other non-benefitted property will not be subject to PID Special Assessments.

The City does not plan to issue TIRZ Bonds to finance the costs that make up the TIRZ Projects. Rather, the City will utilize a PID, as described in the SAP, secured by the PID Special Assessments on the Assessed Property to purchase through an installment sale the projects that represent the TIRZ Projects. After the creation of the TIRZ, and, if and when TIRZ Revenues become available as a result of real property improvements within the TIRZ, the resulting tax increment revenues within the TIRZ will, to the extent authorized by law, be used to offset PID annual installments for the benefit of the TIRZ Project Plan. It is agreed that the base taxable value for calculation of the TIRZ Revenues is \$0.

A summary of the funding sources for the TIRZ is presented below:

Jurisdiction	Tax Source	TIRZ Contribution Rate	Term
City of Hutto	Ad Valorem Taxes	60.0%	40 years
Williamson County*	Ad Valorem Taxes	50.0%	20 years
Hutto Economic Development Corporation	4B Sales Taxes	50.0%	30 years

* - Williamson County's TIRZ Contribution is subject to a maximum of \$5,500,000 and net of the County's Ad Valorem Rate Allocated to Debt Service

Projected TIRZ Revenues presented in the table below utilize the Concept Plan and estimated future assessed values and sales revenues as provided by the Developer:

TIRZ Year Ended	Projected Assessed Value	Ad Valorem Rate - City	Total City Ad Valorem TIRZ Revenues	Ad Valorem Rate - County Net of Debt Service Rate	Total County Ad Valorem TIRZ Revenues	Total Sales Revenue	EDC TIRZ Sales Tax Rate	Total EDC Sales Tax TIRZ Revenues	Total TIRZ Revenue Available
12/31/2018	\$ -	\$ 0.515171	\$ -	\$ 0.259029	\$ -	\$ -	0.25%	\$ -	\$ -
12/31/2019	\$ 15,849,000	\$ 0.515171	\$ 48,990	\$ 0.259029	\$ 20,527	\$ 7,188,000	0.25%	\$ 17,970	\$ 35,700
12/31/2020	\$ 32,754,600	\$ 0.515171	\$ 101,245	\$ 0.259029	\$ 42,422	\$ 14,855,200	0.25%	\$ 37,138	\$ 180,805
12/31/2021	\$ 55,999,800	\$ 0.515171	\$ 173,097	\$ 0.259029	\$ 72,528	\$ 25,397,600	0.25%	\$ 63,494	\$ 309,119
12/31/2022	\$ 140,880,000	\$ 0.515171	\$ 435,464	\$ 0.259029	\$ 182,460	\$ 47,920,000	0.25%	\$ 119,800	\$ 737,724
12/31/2023	\$ 144,402,000	\$ 0.515171	\$ 446,350	\$ 0.259029	\$ 187,022	\$ 49,118,000	0.25%	\$ 122,795	\$ 756,167
12/31/2024	\$ 148,012,050	\$ 0.515171	\$ 457,509	\$ 0.259029	\$ 191,697	\$ 50,345,950	0.25%	\$ 125,865	\$ 775,071
12/31/2025	\$ 151,712,351	\$ 0.515171	\$ 468,947	\$ 0.259029	\$ 196,489	\$ 51,604,599	0.25%	\$ 129,011	\$ 794,448
12/31/2026	\$ 155,505,160	\$ 0.515171	\$ 480,670	\$ 0.259029	\$ 201,402	\$ 52,894,714	0.25%	\$ 132,237	\$ 814,309
12/31/2027	\$ 159,392,789	\$ 0.515171	\$ 492,687	\$ 0.259029	\$ 206,437	\$ 54,217,082	0.25%	\$ 135,543	\$ 834,667
12/31/2028	\$ 163,377,609	\$ 0.515171	\$ 505,004	\$ 0.259029	\$ 211,598	\$ 55,572,509	0.25%	\$ 138,931	\$ 855,533
12/31/2029	\$ 167,462,049	\$ 0.515171	\$ 517,630	\$ 0.259029	\$ 216,888	\$ 56,961,821	0.25%	\$ 142,405	\$ 876,922
12/31/2030	\$ 171,648,600	\$ 0.515171	\$ 530,570	\$ 0.259029	\$ 222,310	\$ 58,385,867	0.25%	\$ 145,965	\$ 898,845
12/31/2031	\$ 175,939,815	\$ 0.515171	\$ 543,835	\$ 0.259029	\$ 227,868	\$ 59,845,514	0.25%	\$ 149,614	\$ 921,316
12/31/2032	\$ 180,338,311	\$ 0.515171	\$ 557,430	\$ 0.259029	\$ 233,564	\$ 61,341,651	0.25%	\$ 153,354	\$ 944,349
12/31/2033	\$ 184,846,768	\$ 0.515171	\$ 571,366	\$ 0.259029	\$ 239,403	\$ 62,875,193	0.25%	\$ 157,188	\$ 967,958
12/31/2034	\$ 189,467,938	\$ 0.515171	\$ 585,650	\$ 0.259029	\$ 245,388	\$ 64,447,072	0.25%	\$ 161,118	\$ 992,156
12/31/2035	\$ 194,204,636	\$ 0.515171	\$ 600,292	\$ 0.259029	\$ 251,523	\$ 66,058,249	0.25%	\$ 165,146	\$ 1,016,960
12/31/2036	\$ 199,059,752	\$ 0.515171	\$ 615,299	\$ 0.259029	\$ 257,811	\$ 67,709,706	0.25%	\$ 169,274	\$ 1,042,384
12/31/2037	\$ 204,036,246	\$ 0.515171	\$ 630,681	\$ 0.259029	\$ 264,257	\$ 69,402,448	0.25%	\$ 173,506	\$ 1,068,444
12/31/2038	\$ 209,137,152	\$ 0.515171	\$ 646,448	\$ 0.259029	\$ -	\$ 71,137,509	0.25%	\$ 177,844	\$ 824,292
12/31/2039	\$ 214,365,581	\$ 0.515171	\$ 662,610	\$ 0.259029	\$ -	\$ 72,915,947	0.25%	\$ 182,290	\$ 844,899
12/31/2040	\$ 219,724,720	\$ 0.515171	\$ 679,175	\$ 0.259029	\$ -	\$ 74,738,846	0.25%	\$ 186,847	\$ 866,022
12/31/2041	\$ 225,217,838	\$ 0.515171	\$ 696,154	\$ 0.259029	\$ -	\$ 76,607,317	0.25%	\$ 191,518	\$ 887,672
12/31/2042	\$ 230,848,284	\$ 0.515171	\$ 713,558	\$ 0.259029	\$ -	\$ 78,522,500	0.25%	\$ 196,306	\$ 909,864
12/31/2043	\$ 236,619,491	\$ 0.515171	\$ 731,397	\$ 0.259029	\$ -	\$ 80,485,562	0.25%	\$ 201,214	\$ 932,611
12/31/2044	\$ 242,534,978	\$ 0.515171	\$ 749,682	\$ 0.259029	\$ -	\$ 82,497,701	0.25%	\$ 206,244	\$ 955,926
12/31/2045	\$ 248,598,353	\$ 0.515171	\$ 768,424	\$ 0.259029	\$ -	\$ 84,560,144	0.25%	\$ 211,400	\$ 979,824
12/31/2046	\$ 254,813,312	\$ 0.515171	\$ 787,635	\$ 0.259029	\$ -	\$ 86,674,148	0.25%	\$ 216,685	\$ 1,004,320
12/31/2047	\$ 261,183,645	\$ 0.515171	\$ 807,325	\$ 0.259029	\$ -	\$ 88,841,001	0.25%	\$ 222,103	\$ 1,029,428
12/31/2048	\$ 267,713,236	\$ 0.515171	\$ 827,509	\$ 0.259029	\$ -	\$ 91,062,026	0.00%	\$ -	\$ 827,509
12/31/2049	\$ 274,406,067	\$ 0.515171	\$ 848,196	\$ 0.259029	\$ -	\$ 93,338,577	0.00%	\$ -	\$ 848,196
12/31/2050	\$ 281,266,218	\$ 0.515171	\$ 869,401	\$ 0.259029	\$ -	\$ 95,672,041	0.00%	\$ -	\$ 869,401
12/31/2051	\$ 288,297,874	\$ 0.515171	\$ 891,136	\$ 0.259029	\$ -	\$ 98,063,842	0.00%	\$ -	\$ 891,136
12/31/2052	\$ 295,505,321	\$ 0.515171	\$ 913,415	\$ 0.259029	\$ -	\$ 100,515,438	0.00%	\$ -	\$ 913,415
12/31/2053	\$ 302,892,954	\$ 0.515171	\$ 936,250	\$ 0.259029	\$ -	\$ 103,028,324	0.00%	\$ -	\$ 936,250
12/31/2054	\$ 310,465,277	\$ 0.515171	\$ 959,656	\$ 0.259029	\$ -	\$ 105,604,032	0.00%	\$ -	\$ 959,656
12/31/2055	\$ 318,226,909	\$ 0.515171	\$ 983,648	\$ 0.259029	\$ -	\$ 108,244,133	0.00%	\$ -	\$ 983,648
12/31/2056	\$ 326,182,582	\$ 0.515171	\$ 1,008,239	\$ 0.259029	\$ -	\$ 110,950,237	0.00%	\$ -	\$ 1,008,239
12/31/2057	\$ 334,337,147	\$ 0.515171	\$ 1,033,445	\$ 0.259029	\$ -	\$ 113,723,993	0.00%	\$ -	\$ 1,033,445
Totals			\$ 25,276,019		\$ 3,671,593			\$ 4,432,805	\$ 33,328,631

SALES TAX PROCEEDS CONTRIBUTION AGREEMENT

This Sales Tax Proceeds Contribution Agreement (“**Agreement**”) is made and entered into on the Effective Date by and between the Hutto Economic Development Corporation Type B (“**EDC**”) and the City of Hutto, Texas (“**City**”).

WHEREAS, the EDC collects certain sales taxes on applicable sales within the City of Hutto (“**City**”); and

WHEREAS, the proceeds of the collection of sales taxes by the EDC are intended to be used for economic development to benefit the City; and

WHEREAS, the co-op project described in the Amended and Restated Master Development Agreement dated May 18, 2018 between the City and 420 US 79, Ltd. (“**Development Agreement**”) for development of the project (“**Co-Op Project**”) is a mixed-use project in the center of the City intended to provide economic benefits and general improvements for the benefit of the citizens of the City; and

WHEREAS, the type of economic development in the Co-Op Project includes commercial retail, parks and residential development to encourage employment and the public welfare which fit within the purposes of the EDC; and

WHEREAS, dedication of a portion of the proceeds of the 4b sales tax revenues to the Co-Op Project would be beneficial to the economic development of the City and within the purposes of the EDC.

NOW, THEREFORE, the parties agree as follows:

1. Payment of Certain Funds. EDC agrees that funds determined based on a formula of fifty (50) percent of sales tax revenues received on sales within the boundary of the District shall be paid to the City for use to benefit District as and when sales tax proceeds are received by the EDC.

2. Time of Payment. Funds are received from the Texas Comptroller at the end of each calendar quarter. Within thirty (30) days after receipt of funds from sales taxes collected within the Co-Op Project, the EDC shall determine the amount of funds to be paid to the District and deposit the funds into a designated account designated by the City to offset assessments levied by the District as more fully described in the District’s service and assessment plan (the “SAP”). Funds will be paid only from funds received as proceeds of the sales tax payments and will be payable only after receipt of such payments.

3. Use of Funds. Funds received under this Agreement will be used by the City to offset the assessments levied by the District in order to provide proceeds to plan, develop and construct public and other improvements within the Co-Op Project.

4. Condition for the District to Continue Receiving Funds. The City will receive funds as provided in this Agreement for only so long as the developer under Development Agreement is

fully performing under the Development Agreement. If the developer is determined to be in default in performance of obligations under the Development Agreement, EDC will give notice to the District and the City and District will have ninety (90) days to provide evidence satisfactory to the EDC and the City that the developer is in compliance with the Development Agreement. Failure to provide such evidence to the satisfaction of the EDC will result in the termination of payments by the EDC to the City for the benefit of the District.

5. Termination of Agreement. This Agreement shall terminate thirty (30) years after the first payment by the EDC.

6. Entire Agreement. This Agreement contains the entire agreement between the parties as it pertains to payments to be made by EDC for the District and the conditions for such payments. This Agreement may only be amended, altered or revoked by written instrument signed by the parties hereto.

7. No Assignment. This Agreement may not be assigned by either party hereto without the prior written approval of the parties.

8. Notice.

Hutto Economic Development Corporation Type B
Attn: Chairman
401 W. Front Street
Hutto, Texas 78634

Hutto Co-Op Public Improvement District
c/o City of Hutto City Manager
401 W. Front Street
Hutto, Texas 78634

9. Applicable Law. This Agreement is made and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in the state courts of Williamson County, Texas.

10. No Joint Venture. It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties.

11. Counterpart Copies. This Agreement may be executed in multiple counterparts each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument which may be sufficiently evidenced by one counterpart.

EXECUTED TO BE EFFECTIVE on this the 4th day of June, 2018, which shall be the Effective Date.

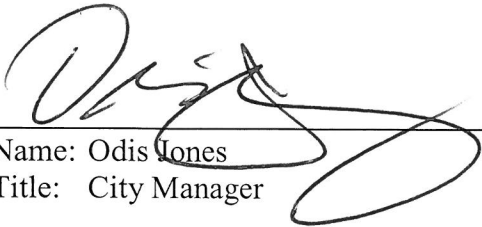
[Signature Page to Follow]

**HUTTO ECONOMIC DEVELOPMENT
CORPORATION TYPE B**



Chairman, Board of Directors, Hutto
Economic Development Corporation Type B

CITY OF HUTTO, TEXAS



Name: Odis Jones
Title: City Manager

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.:

9A.

AGENDA DATE: September 20, 2018

PRESENTED BY:

ITEM:

Consideration and possible action on a resolution regarding River Creek Development Corporation interlocal agreement, construction contract, consent letter with the Public Finance Authority and loan agreement. (City Attorney)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

The resolution is due to changes in the structure of the financing proposed by the developer of the Co-Op project. These changes include the creation of the River Creek Development Corporation, a special purpose corporation, created by the authority of the City Council.

BUDGETARY AND FINANCIAL SUMMARY:

See attached agreements.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not Applicable.

CITY ATTORNEY REVIEW:

City Attorney has reviewed the documents.

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. [Resolution regarding River Creek Development](#)
2. [Construction Contract Draft Version](#)

A RESOLUTION OF THE CITY OF HUTTO, TEXAS AUTHORIZING THE RIVER CREEK DEVELOPMENT CORPORATION TO ENTER INTO AN INTERLOCAL AGREEMENT WITH THE CITY OF HUTTO, TEXAS, A LOAN AGREEMENT WITH THE PUBLIC FINANCE AUTHORITY, A CONSTRUCTION CONTRACT WITH 420 US 79, LTD, AUTHORIZING THE RIVER CREEK DEVELOPMENT CORPORATION TO EXECUTE A CONSENT LETTER FOR THE PUBLIC FINANCE AUTHORITY AND A CONTINUING DISCLOSURE AGREEMENT; AND CONTAINING OTHER MATTERS RELATED THERETO

RECITALS

WHEREAS, on June 7, 2018, the City Council of the City of Hutto, Texas (the “City”) passed and approved Resolution No. R-18-06-07-9D authorizing the creation of the Hutto Co-Op Public Improvement District (the “District”) pursuant to Chapter 372, Texas Local Government Code, as amended (the “PID Act”); and

WHEREAS, the District was created, in part, to undertake and finance the certain Public Improvements as defined in the District Service and Assessment Plan and Assessment Roll approved by the City Council of the City dated September 6, 2018, as amended from time to time (the “Service and Assessment Plan”); and

WHEREAS, the City desires to use the assessments collected by the District to purchase the Public Improvements (the “Project”); and

WHEREAS, the City has created the River Creek Development Corporation (the Corporation”); and

WHEREAS, the City and the Corporation desire to enter into that certain Interlocal Agreement dated September 20, 2018 for the purchase and sale of the Public Improvements (the “Project”) pursuant Chapter 372.023(a) of the PID Act (the “Interlocal Agreement”); and

WHEREAS, the Corporation and 420 US 79 LTD (the “Developer”) desire to enter into that certain Construction Contract dated September 20, 2018 for the construction and installation of the Project; and

WHEREAS, the Public Finance Authority (the “Authority”) is authorized pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, commonly known as the “Joint Exercise of Powers Law” (the “PFA Act”), and the terms of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the “Joint Exercise Agreement”), to issue revenue bonds in accordance with the PFA Act for the purpose of financing various types of projects within or outside of the State of Wisconsin; and

WHEREAS, in order to provide funding for the payment of the Construction Contract for the construction and installation of the Project, the Corporation and Authority will enter into that certain Loan Agreement dated September 20, 2018 between the Authority and Corporation; and

WHEREAS, the Authority has been requested to issue bonds in one or more series (the “Bonds”) to provide some or all of the financing provided to the Corporation by the Authority under the Loan Agreement; and

WHEREAS, the City, on its own behalf or through the Corporation, has determined not to issue bonds at this time and prefers that the Authority issue any Bonds associated with the Loan Agreement; and

WHEREAS, the Authority has agreed to issue bonds to fund the Loan Agreement on behalf of and as agent of the City and/or Corporation; and

WHEREAS, Section 66.0304(11)(a) of the Wisconsin Statutes provides that the Authority may not issue bonds to finance a capital improvement project in any state or territory of the United States unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project, and the City desires to provide such approval; and

WHEREAS, compliance by the City and the Corporation with Section 66.0304(11)(a) of the Wisconsin Statutes does not constitute an endorsement of the Bonds or the Project, or a commitment by the City Corporation, or any other governmental body, to provide any other approvals that may be required in connection with the Project, or an undertaking of any responsibility of any kind with respect to the Bonds; and

WHEREAS, the City desires that in connection with the Corporation’s execution of the Loan Agreement that the Corporation enter into a Continuing Disclosure Agreement relating to the Loan Agreement and desires to approve the execution and delivery of the same.

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

Section 1. Recitals Incorporated. The findings, determinations and actions described in the recitals of this Resolution are true and correct, and are hereby incorporated and adopted as part of this Resolution for all purposes.

Section 2. Authorization to Enter Interlocal Agreement. The City hereby authorizes and directs the Corporation to enter into the Interlocal Agreement with the City, substantially in the form attached hereto as Exhibit A, the terms and provisions of which are hereby approved.

Section 3. Authorization to Enter Loan Agreement. The City hereby authorizes and directs the Corporation to enter into the Loan Agreement with the Public Finance Authority, substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved.

Section 4. Authorization to Enter Construction Contract. The City hereby authorizes and directs the Corporation to enter into the Construction Contract with the 420 US 79, LTD, substantially in the form attached hereto as Exhibit C, the terms and provisions of which are hereby approved.

Section 5. Approval of Consent Letter. The City hereby authorizes and directs the Corporation to approve and execute the Consent Letter for the Public Finance Authority, substantially in the form attached hereto as Exhibit D, the terms and provisions of which are hereby approved.

Section 6. Continuing Disclosure Agreement. The City hereby authorizes and directs the Corporation to enter into the Continuing Disclosure Agreement, substantially in the form attached hereto as Exhibit E, the terms and provisions of which are hereby approved.

Section 7. Further Proceedings. The Chairman, the Board of Directors, and all officers and other appropriate officials of the Corporation are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution and the agreements and instruments authorized herein.

Section 8. Notice. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject to the meeting of the City Council of the City at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the regular meeting place of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that the meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof have been discussed, considered and formally acted upon. The City Council of the City further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

[signature page follows]

PASSED AND ADOPTED on first and final reading this September 20, 2018.

CITY OF HUTTO, TEXAS

Mayor

ATTEST:

City Secretary

EXHIBIT A

INTERLOCAL AGREEMENT

EXHIBIT B

LOAN AGREEMENT

EXHIBIT C

CONSTRUCTION CONTRACT

EXHIBIT D

CONSENT LETTER

EXHIBIT E

CONTINUING DISCLOSURE AGREEMENT

CONSTRUCTION CONTRACT

BETWEEN

~~PUBLIC FINANCE AUTHORITY~~
RIVER CREEK DEVELOPMENT CORPORATION

AND

79 HCD DEVELOPMENT, LLC

CONSTRUCTION CONTRACT

This Construction Contract (this “**Agreement**”), dated as of [_____, 2018], (the “**Effective Date**”), is entered into between ~~PUBLIC FINANCE AUTHORITY, a unit of government and a body corporate and politic of the State of Wisconsin, including its Designated Successors and Assigns~~ (the “~~Authority~~” RIVER CREEK DEVELOPMENT CORPORATION (the “Corporation”)), and 79 HCD Development, LLC (the “**Construction Manager**”), a Texas limited liability company, acting by and through its duly authorized representative.

Recitals:

WHEREAS, on June 7, 2018, the City Council of the City of Hutto, Texas (the “**City**”) passed and approved Resolution No. R-18-06-07-9D authorizing the creation of the Hutto Co-Op Public Improvement District (the “**District**”) pursuant to Chapter 372, Texas Local Government Code, as amended (the “**PID Act**”); and

WHEREAS, the District was created, in part, to undertake and finance the certain Public Improvements as defined in the District Service and Assessment Plan and Assessment Roll approved by the City Council of the City dated ~~August 16,~~September 6, 2018, as amended from time to time (the “**Service and Assessment Plan**”) attached as “**Exhibit C**” and the Public Improvements listed in “**Exhibit D**” as approved by the City Manager; and

WHEREAS, on ~~August 16,~~September 6, 2018, the City Council passed and approved Ordinance No. [_____] (the “**Assessment Ordinance**”) which, among other things, approved the Service and Assessment Plan which identified the amount of certain assessments on the benefitted property within the District (“**Assessments**”), and established the dates upon which interest on assessments will begin to accrue and collection of Assessments will begin; and

WHEREAS, in addition to approving the Service and Assessment Plan, the Assessment Ordinance levied the Assessments against certain parcels within the boundaries of the District (the “**Property**”) for the Public Improvements (as defined herein) in accordance with the Service and Assessment Plan; and

WHEREAS, on January 4, 2018, the City passed and approved Ordinance No. O-18-01-04-12A (the “**Zone Ordinance**”), creating Reinvestment Zone Number One, City of Hutto, Texas (the “**Zone**”) for the purpose of paying a portion of the costs of the Public Improvements (as an offset as further described herein) pursuant to Texas Tax Code Chapter 311, as amended (“**Zone Act**”); and

WHEREAS, on ~~August 16,~~September 6, 2018, the City passed and approved Ordinance No. ___, approving a Final Project Plan and Financing Plan for the Zone, as amended from time to time (the “**Plan**”) which identified the amount of tax increment (the “**Tax Increment**” as set forth in the Zone Ordinance and the Plan) to be collected by the Zone and dedicated a portion of the Tax Increment to the payment of a portion of the Public Improvements (as an offset as further described herein); and

WHEREAS, on August 29, 2018, the TIRZ passed and approved Resolution No. _____ approving the Plan and on September 18, 2018 the County passed Order No. _____ approving the Plan; and

WHEREAS, pursuant to the Zone Ordinance and the requirements of the Zone Act, the Tax Increment collected each year shall be deposited into the Tax Increment Fund (as defined in the Zone Ordinance) and a portion of the Tax Increment, shall be transferred annually to an assessment fund created pursuant to the PID Act (the “**Assessment Fund**”), such fund to be segregated from all other funds of the City; and

WHEREAS, the City and Williamson County, Texas (the “**County**”) entered into that certain Interlocal Agreement Regarding Tax Increment Financing dated January 18, 2018, as amended from time to time (the “**Interlocal Agreement**”), pursuant to which the County has agreed to participate in the Zone and has agreed to dedicate 50% of its tax increment collected from the Zone to the payment of a portion of the Public Improvements (as an offset as further described herein) (the “**County Tax Increment**”). The County has agreed to deposit the County Tax Increment into Tax Increment Fund (i) for maximum term of twenty (20) years from January 18, 2018 or (ii) until the amount of County Tax Increment deposited into the Tax Increment Fund equals \$5,500,000; and

WHEREAS, on July 20, 2017, the City passed and approved Ordinance No. O-17-07-20-9C (the “**EDC Ordinance**”), creating the Hutto Economic Development Corporation (the “**EDC**”) pursuant to the Development Corporation Act of 1979 and governed by Section 4B of Chapters 501, 502 and 505 of the Texas Government code, as amended (“**EDC Act**”) and its Articles of Incorporation dated August 7, 2017, as amended; and

WHEREAS, on November 16, 2017, pursuant to an election held on November 7, 2017, the City adopted Resolution No. R-17-11-16-11C canvassing the returns and declaring the results of such election approving the imposition of a replacement one-half of one percent (0.5%) sales and use tax (“**EDC Tax**”) for the benefit of the EDC to be used for economic development to benefit the City; and

WHEREAS, pursuant to the Sales Tax Proceeds Contribution Agreement between the City and the EDC dated June 4, 2018 and approved by the City pursuant to Ordinance No. _____ and the EDC pursuant to Resolution No. _____, the EDC has agreed to dedicate a portion of the proceeds of the EDC Tax to the Project until June 30, 2028; and

WHEREAS, the EDC has agreed that ~~fifty~~sixty (~~50~~60) percent of EDC Tax revenues received on sales within the boundary of the District shall be paid to the City to be used for the benefit of the District (“**EDC Revenues**”); and

WHEREAS, within thirty (30) days after quarterly receipt of the EDC Tax from the Texas Comptroller, the EDC shall determine the amount of EDC Revenues to be paid to the District and deposit such EDC Revenues into the Assessment Fund; and

WHEREAS, Assessments are reflected in the Service and Assessment Plan as approved by the City Council, as amended and updated annually as provided in the PID Act; and

WHEREAS, the Service and Assessment Plan and the Assessment Ordinance provide, in part, that an Assessment or Assessments may be paid in full, and if ~~an~~An assessment is not paid in full, it shall be due and payable in Annual Installments plus interest for a period of not more than 40 years or until the Assessment is paid in full; and

WHEREAS, the Service and Assessment Plan and the Assessment Ordinance provide, pursuant to Chapter 372.018(f) of the PID Act, that if an Annual Installment of an Assessment becomes delinquent, such Annual Installment shall be due and payable plus interest, penalties, and expenses incurred or imposed with respect to any delinquent installments for a period of not more than 40 years or until the Assessment is paid in full; and

WHEREAS, as further described in the Service and Assessment Plan, the City shall reduce in each year the Annual Installments of the Assessments, on a Parcel by Parcel basis, in an amount equal to the amounts deposited into the Tax Increment Fund dedicated to the Public Improvements in the Plan and transferred to the Assessment Fund each year (the “**Zone Revenues**”) and the EDC Revenues; and

WHEREAS, the City shall use Zone Revenues to offset a portion of the Annual Installment of the Assessment applicable to each Assessed Parcel (the “**Zone Annual Credit Amount**”); and

WHEREAS, the City shall use EDC Revenues to offset a portion of the Annual Installment of the Assessment applicable to each Parcel by spreading the entire EDC Revenues across all Assessed Parcels and Lots within the PID based on the ratio of the assessed value of such Parcel or Lot to the assessed value for all Assessed Property within the PID (the “**EDC Annual Credit Amount**”); and

WHEREAS, the Annual Installment due for each Parcel shall be calculated by the City by taking into consideration any Zone Annual Credit Amount and EDC Annual Credit Amount applicable to the Parcel then on deposit in the Assessment Fund; and

WHEREAS, the Service and Assessment Plan allocated the cost of the Public Improvements to the Assessed Property proportionally based on the special benefits conferred to each lot or parcel by the Public Improvements; and

WHEREAS, all revenue received and collected by the City from the collection of the Assessments and Annual Installments (excluding Delinquent Collection Costs, and Administrative Expenses) (the “**Assessment Revenues**”) shall be deposited as required by the PID Act into the Assessment Fund; and

WHEREAS, the City and the ~~Authority~~Corporation entered into that certain ~~Installment Sale Contract dated September 6, 2018 and attached hereto as “Exhibit E” (the “Installment Sale Contract”)~~Interlocal Agreement dated [_____, 2018] for the purchase and sale of

the Public Improvements (the “**Project**”) pursuant Chapter 372.023(a) of the PID Act; (the “Corporation Interlocal Agreement”); and

WHEREAS, ~~Sections 66.0301, 66.0303 and 66.0304, Wisconsin Statutes, as amended (the “Act”), authorize the Authority to issue revenue bonds to finance a project, including, but not limited to, any capital improvement, purchase of receivables, property, assets, commodities, bonds or other revenue streams or related assets, working capital program or liability or other insurance program;~~in order to construct and finance the Project, the Corporation shall enter into a Loan Agreement (the “Loan Agreement”) with the Public Finance Authority (the “Authority”); and

WHEREAS, in connection with ~~its duties and obligations under the Installment Sale Contract to construct and sell the Project to the City~~the Loan Agreement, the Authority shall issue its ~~Contract~~Public Improvement Revenue Bonds (Hutto Co-Op Public Improvement District Project), Series 2018 (the “**Bonds**”) to (1) finance the cost of the Project; (2) fund the capitalized interest, (3) fund the reserve fund for payment of principal and interest on the Bonds, (4) fund other funds under the Trust Agreement (as defined herein), and (5) pay certain costs of issuance of the Bonds; and

WHEREAS, the ~~Authority~~Corporation and the Construction Manager desire to enter into a contract whereby the Construction Manager will construct the Public Improvements to be sold to the City under the ~~Installment Sale Contract;~~Corporation Interlocal Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Agreement; and

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I. INCORPORATION OF 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 Article.

ARTICLE II. SCOPE OF AGREEMENT

This Agreement establishes provisions for the construction of Public Improvements to be acquired by the City (Article IV), the acquisition and maintenance of Public Improvements within the District (Article IV), construction and payment for the Public Improvements (Article V), and the acceptance of certain Public Improvements (Article VI). Definitions used herein are set forth in “**Exhibit A**” attached hereto and made a part hereof, and in the Service and Assessment Plan.

ARTICLE III. ASSESSMENTS

Section 3.01 Assessments

(a) Notwithstanding anything to the contrary contained herein or in the Service and Assessment Plan, the Construction Manager shall not be entitled to receive payment of any Assessment Revenues, EDC Revenues and Tax Increment collected annually from the Property.

(b) The Construction Manager hereby agrees, as to any property owned by the Construction Manager in the PID, that the Assessments are covenants running with the land that (i) bind any and all current and successor owners of the applicable Property to the Assessments, including applicable penalties and interest thereon, as and when due and payable thereunder and (ii) provide that subsequent purchasers of such land take their title subject to and expressly assume the terms and provisions of the Assessments; and

(c) the liens created by the levy of the Assessments are a first and prior lien on the Property, subject only to liens for ad valorem taxes of the City, County, school district, special district or other political subdivision, or a lien of the Department of Treasury of the United States of America.

ARTICLE IV. CONSTRUCTION

Section 4.01 Designation of Construction Manager, Construction Engineers

(a) The ~~Authority~~Corporation hereby designates the Construction Manager, or its assignees, as the ~~construction manager~~Construction Manager with full responsibility for the design, the designation of easement locations, facilities site designations and acquisitions, supervision of construction, and the bidding and letting of construction contracts for the construction of the Public Improvements in accordance with the provisions of this Agreement ~~and the Installment Sale Contract~~, subject to certification by a certified public engineer licensed in the State of Texas, and in accordance with applicable City regulations relating to the review, approval, inspection and acceptance of infrastructure.

(b) Except as otherwise provided herein, inspection and acceptance of a Public Improvement being conveyed to the City will be in accordance with City Rules. Inspection and acceptance of the construction of all Public Improvements shall be performed by the City Construction Representative or its designees.

(c) The ~~Authority~~Corporation shall not be entitled to a separate construction management fee under this Agreement.

(d) The Corporation and the City Manager shall review and approve the consulting engineers for the Public Improvements and such consulting engineer shall be compensated as specified by the Construction Manager. If Construction Manager replaces the consulting engineer, the Construction Manager shall provide written notice to the Corporation and the City Manager of the replacement of the consulting engineer ten (10) days prior to the effective date of any such replacement. All consulting engineers shall be an engineer registered in the State of

Texas.

Section 4.02 Designation of Construction Manager Subcontractor

The ~~Authority~~Corporation acknowledges and agrees that the Construction Manager may subcontract out all or some of the duties of Construction Manager to a third party. The Construction Manager may designate an individual, company, or partnership or other entity as a subcontractor for construction management services for the Public Improvements thereof provided that such designee has the technical capacity, experience and expertise to perform such construction management duties or obligations. Any contract to subcontract Construction Manager duties under this Agreement shall be provided to the City and shall be substantially in the form of this Agreement. The City shall be notified within five (5) business days of any contract to subcontract Construction Manager duties under this Agreement. The Construction Manager may choose to bid or not to bid subcontractors in its sole discretion.

Section 4.03 Maintenance of Project, Warranties

Unless otherwise provided for, the Construction Manager shall cause each Public Improvement (or Segment thereof) to be maintained in good and safe condition until such Public Improvement (or Segment thereof) is accepted by the City. The City's certification and approval of Public Improvements shall be in accordance with the City's standard rules and procedures for the type of improvements being constructed. Prior to such acceptance, the Construction Manager shall be responsible for causing the performance of any required maintenance on such Public Improvement. Upon acceptance by the City, the Construction Manager assigns to the City, as the designee of the ~~Authority~~Corporation, all of the Construction Manager's rights in any warranties, guarantees, maintenance obligations, or other evidences of contingent obligations of third persons with respect to such Public Improvement (or Segment thereof). Upon completion of a Public Improvement, the Construction Manager shall cause a two (2) year maintenance bond for 100% of the Public Improvements to be provided as directed by the ~~Authority~~Corporation, with the starting date of such maintenance bond to occur upon the final completion and acceptance by the City of all Public Improvements under this Agreement.

Section 4.04 Sales and Use Tax Exemptions

(a) ~~Pursuant to the Installment Sale Contract,~~The Corporation shall cause the City ~~will~~to provide certifications to the Construction Manager and/or to suppliers and contractors as may be required to assure the exemptions from sales and use taxes under Texas Tax Code Section 151.309.

(b) The Construction Manager shall cooperate in structuring the construction contracts for the Public Improvements to comply with requirements (including those set forth in Texas Tax Code Section 151.309) for exemption from sales and use taxes.

Section 4.05 Public Bidding Requirements/City Cooperation in Plan Review

The Public Improvements within the District will be exempt from public bidding or other City purchasing and procurement policies pursuant to Texas Local Government Code Section

252.022(a)(9), to the extent applicable, which states that a project is exempt from such policies for “paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through Assessments levied on property that will benefit from the improvements.”

Section 4.06 Permitting; Consent of City to File Development Applications.

The ~~City has authorized the Authority~~ Corporation shall cause the City to authorize the Construction Manager, and any subcontractor, to file platting, permitting, and other types of development applications for all or a portion of the Property from time to time, and, only as may be required to complete such applications, the Corporation shall cause the City ~~has agreed to agree~~ to process such applications; provided that such applications shall be subject to the City’s review and approval, which approval may be done pursuant to City Code, and which approval shall not be unreasonably withheld, conditioned or delayed. The City shall cooperate with ~~Authority~~ the Corporation, and any subcontractor, in connection with obtaining the necessary permits for the Project, but it shall be ~~Authority~~ the Corporation’s, and any subcontractor’s, responsibility to obtain the necessary permits for the Project.

Section 4.07 Right of Way and Easements.

The Construction Manager agrees and understands that it may become necessary or convenient to install and/or construct the Public Improvements on, over, across, and/or under the Property. The Corporation shall cause the City ~~has agreed, pursuant to the Installment Sale Contract,~~ to provide use of all City owned land, rights-of-way and easements within the Property (as appropriate and necessary for construction of the Public Improvements and any other subdivision or infrastructure improvements for the Project) and upon the Construction Manager’s, and any subcontractor’s, request, will to provide further required permissions, easements or right-of-way as may be necessary as determined by the City for construction of Public Improvements or other subdivision or infrastructure improvements at such time as needed for a given portion of the Project to the extent possible.

ARTICLE V. CONSTRUCTION OF THE PUBLIC IMPROVEMENTS

Section 5.01 Construction of the Project.

The Construction Manager hereby agrees to construct the Public Improvements described in “**Exhibit D**” hereto in accordance with the provisions of this Agreement. “Exhibit D” hereto shall be approved in advance by the City Manager. The Construction Manager will dedicate the applicable Public Improvements to the City upon completion of said Public Improvements, and the Corporation shall cause the City will to review, inspect and accept dedication of such Public Improvements after confirming that the Public Improvements have been completed in accordance with this Agreement. The City Rules shall govern the procedure for inspection, dedication, and acceptance of the Public Improvements being conveyed to the City. Any contractor constructing the Public Improvements shall furnish payment and performance bonds as required by the City’s ordinances. It is hereby acknowledged that all Public Improvements will be dedicated to the City; provided, however, some Public Improvements may be located within a perpetual easement in favor of the City, and some or all of the Public Improvements may be maintained by a third party,

including an Owner's Association. The Construction Manager shall cause a two (2) year warranty bond, approved by the City, providing for maintenance of the Public Improvements.

Section 5.02 Payments.

(a) The ~~Authority~~Corporation shall not be obligated to provide funds for any Public Improvement except from the proceeds of the Bonds deposited in the Construction Account (as defined in that certain Trust Agreement dated [_____, 2018] between the Authority and U.S. Bank National Association related to the Bonds (the "**Trust Agreement**"). The Construction Manager is entitled to be paid Actual Costs of the Public Improvements in an amount not to exceed [\$_____] (the "**Contract Amount**").

(b) Upon ~~written acceptance~~signed Certification and Approval of Construction by the City of a Public Improvement, and subject to any applicable two (2) year maintenance-bond period, the ~~Owners Association~~Corporation shall cause the City to be responsible for all operation and maintenance of such Public Improvement, including all costs thereof and relating thereto (subject to the requirement for the 100% maintenance bond by the subcontractor under Section 4.03); provided, however, the City shall have the unilateral right in its sole discretion to contract for the maintenance and operation of all or any portion of the Public Improvements to an Owner's Association.

(c) The Public Improvements will be funded by submitting a Certification and Approval of Construction signed by the City to the U.S. Bank National Association at 13737 Noel Rd., Suite 800, Dallas, TX 75240.

(d) ~~(d)~~—In accordance with the procedures set forth in the Trust Agreement related to the Bonds, the U.S. Bank National Association shall disburse proceeds of the Construction Account to the Construction Manager in account no. _____ held at _____ in accordance with Certification and Approval of Construction signed by the City.

(e) ~~(e)~~—So long as the ~~Authority~~Corporation is not in material default under this Agreement, the Construction Manager shall be obligated to cause the construction of the Public Improvements consistent with the terms of this Agreement.

(f) ~~(d)~~—Neither the faith and credit nor the taxing power of the City, ~~Authority~~the Corporation, or the State, or any political subdivision or agency thereof, is pledged to the payment of the Contract Amount or other payments required to be made by the ~~Authority~~Corporation pursuant to this Agreement.

(g) ~~(e)~~—The obligation of ~~Authority~~Corporation to pay the Contract Amount and other payments required to be made by it pursuant hereto, is solely from the proceeds of the Bonds and in the manner provided herein.

ARTICLE VI. CERTIFICATION AND APPROVAL OF PUBLIC IMPROVEMENTS

Section 6.01 Overall Requirements

Upon signed Certification and Approval of Construction by the City of a Public Improvement, and subject to any applicable two (2) year maintenance-bond period, the Corporation shall cause the City ~~has agreed, pursuant to the installment Sale Contract,~~ to be responsible for all operation and maintenance of such Public Improvement, including all costs thereof and relating thereto (subject to the requirement for the maintenance bond by the subcontractor under Section 4.03).

Section 6.02 Certification and Approval of Public Improvements

(a) With respect to the Public Improvements, the Construction Manager shall deliver the Public Improvements (or any Segment thereof) and submit materials to the designated City representative in accordance with the terms hereafter. The Corporation shall cause the City ~~has agreed to agree~~ that the City Construction Representative or its designee shall deliver to the City Manager his/her concurrence to approve pursuant to a completed Certification and Approval of Construction within fifteen (15) ~~calendar~~business days after its receipt of the required submittal items pursuant to either subpart (b) or (c) below, as applicable, and the City Manager shall then have up to ten (10) ~~calendar~~business days to sign and return such Certification and Approval of Construction to the ~~Authority~~Corporation, or any subcontractor. If the City disapproves any Certification and Approval of Construction, the ~~City~~Corporation shall cause the City to provide a written explanation of the reasons for such disapproval so that if the Certification and Approval of Construction is revised in accordance with the City's comments, the Certification and Approval of Construction can be approved.

(b) During the design phase for any Public Improvement, the necessary items for a design approval are as follows (not to exceed one (1) ~~submission~~submission ~~(1)~~ per month):

(1) A Certification and Approval of Construction executed by the Project Engineer and Construction Manager specifying the percentage of design that has been completed on the applicable Public Improvement;

(2) A Bills Paid Affidavit from the contractor;

(3) Copies of all supporting invoices with respect to such design costs; and

(4) Evidence of City acceptance of design phase documents (for the percentage of design that has been completed).

(c) During the construction phase for any Public Improvement, the items required for approval are as follows (not to exceed one (1) ~~submission~~submission ~~(1)~~ per month):

(1) A Certification and Approval of Construction executed by the Project Engineer and Construction Manager specifying the amount of work that has been performed and the cost thereof;

(2) A Bills Paid Affidavit from the contractor pertaining to the work described

in the Certification and Approval of Construction;

(3) Copies of all supporting invoices with respect to such costs; and

(4) Waivers of liens for work on the applicable Public Improvements through the previous Certification and Approval of Construction and receipts for payment from the contractor and, if requested by the City, any subcontractors for the current Certification and Approval of Construction.

(d) In addition to the submitted items required in [Section 6.02\(c\)](#) above, in order to obtain the final approval for ~~ana~~ Public Improvement pursuant to this Section 6.02, the following are required:

(1) The ~~Authority~~[Corporation](#), or any subcontractor, shall have provided to the City an assignment of the warranties and guaranties, if applicable, for the Public Improvements; and

(2) Before the final Certification and Approval of Construction is submitted to the City, the Project Engineer shall conduct a review for the City to confirm that such Public Improvement was constructed in accordance with the plans therefor and the Project Engineer will verify and approve the costs of such Public Improvement specified in such Certification and Approval of Construction. Upon confirmation by the Project Engineer to the City Construction Representative and the submission of the final Certification and Approval of Construction indicating that such Public Improvement has been constructed in accordance with the plans therefor, and verification and approval of the costs of such Public Improvement, the City Construction Representative will use best efforts within thirty (30) calendar days thereafter to approve such Public Improvement and the City Construction Representative shall sign the Certification and Approval of Construction and forward the same to the City Manager and the PID Administrator. The City Manager shall then have up to ten (10) business days to forward the executed Certification and Approval of Construction to the Authority, or any subcontractor. The Corporation shall cause the City to request the Project Engineer to conduct each such review in an expeditious manner not to exceed thirty (30) calendar days after the Certification and Approval of Construction is submitted to the City.

(e) The Corporation shall cause the City ~~shall~~to confirm that the cost for construction of such Public Improvement is generally consistent with the estimated cost provided in the Service and Assessment Plan, as amended from time to time. If the total cost of ~~ana~~ Public ~~Improvements~~Improvement exceeds the total amount of the budgeted cost for that ~~Authorized~~Public Improvement (the “**Cost Overrun**”), the Construction Manager shall be solely responsible for the remainder of the costs of that Public Improvement, except as provided in subsection (c) hereof. The Construction Manager is only entitled to the Contract Amount hereunder regardless of Actual Costs, including any Cost Overruns.

(f) Upon the completion of a Public Improvement (or Segment or phase thereof) and payment of all outstanding invoices for such Public Improvement, if the Actual Cost(s) of such Public Improvement is less than the budgeted costs (a “**Cost Underrun**”), any remaining budgeted costs will be available to pay Cost Overruns on any applicable other Public

Improvement. Any Cost Underrun for any Public Improvement is available to pay Cost Overruns on any other applicable Public Improvement.

(g) Notwithstanding the foregoing, the Corporation may cause the City ~~may to~~ waive any of the requirements of this Section 6.02 in conjunction with the acceptance of a Public Improvement.

ARTICLE VII. REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION

Section 7.01 Representations of the Authority Corporation

The Authority Corporation makes the following covenants and representations for the benefit of the Construction Manager:

(a) The Authority Corporation represents and warrants that the ~~Authority is unit of government and a body corporate and politic of the State of Wisconsin,~~ Corporation has the authority and is authorized to conduct business in Texas, and has the power and authority to carry on its business as now being conducted and as now contemplated.

(b) The Authority Corporation represents and warrants that the Authority Corporation has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Authority Corporation.

Section 7.02 Covenants, Representation, and Warranties of the Construction Manager

The Construction Manager makes the following representations, warranties and covenants for the benefit of the Authority Corporation and the City:

(a) The Construction Manager represents that it is a limited liability company duly organized and validly existing under the laws of the State of Texas, has the ability to conduct business in Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) The Construction Manager represents that the Construction Manager has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Construction Manager. The Construction Manager shall retain a Texas Licensed Professional Engineer approved by the City Manager and the engineer shall certify to the City that the Public Improvements are constructed pursuant to plans and specifications in accordance with the City's ordinances. Public Improvements not requiring an engineer certification at the time of issuance of a permit shall be certified as completed in accordance with plans and specifications by a qualified designer.

(c) The Construction Manager represents that this Agreement is a valid and enforceable obligation of the Construction Manager and is enforceable against the Construction

Manager in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) The Construction Manager covenants that once it commences construction of a Segment it will use its reasonable and diligent efforts to do all things which may be lawfully required of it in order to cause such Segment of the Public Improvements to be completed in accordance with this Agreement.

(e) The Construction Manager covenants that it will not commit or knowingly permit any act in, upon or to the Property or the Project in violation of any law, ordinance, rule, regulation, or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the Property or the Project.

(f) Until the final Acceptance Date of each applicable Public Improvement, the Construction Manager covenants to maintain or cause to be maintained proper books of record and account for the Public Improvements and all costs related thereto. The Construction Manager covenants that such accounting books will be maintained or caused to be maintained in accordance with sound accounting practices, and will be available for inspection by the ~~Authority~~ Corporation or its agent and the City or its agent at any reasonable time during regular business hours upon at least 72 hours' notice.

All representations, covenants and warranties of the Construction Manager under this Agreement survive the issuance of the Bonds.

ARTICLE VIII. DEFAULT AND REMEDIES

Section 8.01 Event of Default

The occurrence, from time to time, of any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) Subject to Force Majeure, a failure by the Construction Manager to complete the Public Improvements by ~~{ _____, 20__ }~~ December 31, 2019. Regardless of the existence or non-existence or occurrence or non-occurrence of Force Majeure, a failure by the Construction Manager to complete the Public Improvements by ~~{ _____, 20__ }~~ June 30, 2020.

(b) A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Section 8.02 Remedies

(a) If an Event of Default shall have occurred and be continuing, the ~~Authority~~ Corporation and any third-party beneficiary of this Agreement, shall have the right:

(1) by suit, action or proceeding, to compel the Construction Manager and its officers, agents or employees to perform each and every term, provision and covenant contained in this Agreement, and to require the carrying out of any or all such covenants and agreements of the Construction Manager and the fulfillment of all duties imposed upon it by this Agreement; and

(2) to bring any suit, action or proceeding to enforce the rights created by contract or by law hereunder, including, without limitation, any proceeding in equity.

(b) If an Event of Default shall have occurred and be continuing, the Construction Manager, shall have the right to bring any suit, action or proceeding to enforce the rights created by contract or by law hereunder, including, without limitation, any proceeding in mandamus or in equity.

Section 8.03 Remedies Not Exclusive

No remedy herein conferred upon or reserved to ~~Authority~~[the Corporation](#) is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 8.04 Termination of Proceedings

In case any proceedings taken by ~~Authority~~[the Corporation](#) on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to ~~Authority~~[the Corporation](#), then in every such case ~~the~~ Construction Manager and ~~Authority~~[the Corporation](#), subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of ~~the~~ Construction Manager and ~~Authority~~[the Corporation](#) shall continue as though no such proceedings had been taken.

Section 8.05 No Waiver of Default

No delay or omission of ~~Authority~~[the Corporation](#) to exercise any right or power arising upon the occurrence of any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein, and every power and remedy given by this Agreement to ~~Authority~~[the Corporation](#) may be exercised from time to time and as often as may be deemed expedient.

ARTICLE IX. GENERAL PROVISIONS

Section 9.01 Notices:

Any notice, communication, or disbursement required to be given or made hereunder shall be in writing and shall be given or made by e-mail, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner

described above shall be deemed sufficiently given, served, sent, and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to the City:

City of Hutto, Texas
Attention: Odis Jones, City Manager
401 W. Front St.
Hutto, Texas 78634
E-mail: odis.jones@huttotx.gov

If to the Construction Manager:

79 HCD Development, LLC
Attention: Wyatt Henderson
15443 Knoll Trail Drive, Suite 130
Dallas, Texas 75248
E-Mail: whenderson@madev.com

If to ~~Authority:~~ ~~Public Finance Authority~~ the Corporation:
RIVER CREEK DEVELOPMENT CORPORATION

Attention: ~~Scott Carper and Michael LaPierre~~
~~22 E. Mifflin Street, Suite 900~~
~~Madison, Wisconsin 53703~~
401 W. Front St.
Hutto, Texas 78634
E-mail: ~~scarper@pfauthority.org~~
~~mlapierre@pfauthority.org~~

If to the Trustee:

U.S. Bank National Association
Attention: Brian Jensen
13737 Noel Rd., Suite 800
Dallas, TX 75240
E-Mail: brian.jensen@usbank.com

With a copy to:

Metcalf Wolff Stuart & Williams, LLP
~~Attn~~ Attention: Steve Metcalfe
221 W. 6th, Suite 1300
Austin, Texas 78701
E-Mail: SMetcalfe@mwswtexas.com

McGinnis Lochridge
~~Attn~~ Attention: Bill Bingham
600 Congress Ave., ~~Ste.~~ Suite 2100
Austin, TX 78701
E-Mail: bbingham@mcginnislaw.com

Section 9.01 Administration of District

Pursuant to a separate agreement, the Corporation may cause the City to contract with a third party to serve as the PID Administrator and to administer the District after the date hereof. The Administrative Expenses shall be collected as part of and in the same manner as the Assessments in the amounts set forth in the Service and Assessment Plan.

Section 9.02 Assignment

(a) Subject to subparagraph (b) below, the Construction Manager may, in its sole and absolute discretion, assign this Agreement with respect to all or part of the Project from time to time to (i) any party so long as the assignee has demonstrated to the City's satisfaction that the assignee has the financial, technical, and managerial capacity, the experience, and expertise to perform any duties or obligations so assigned and the assignee is not delinquent in payment of taxes nor is the assignee in default of any written agreement with the City, (ii) any entity which is the successor by merger or otherwise to all or substantially all of the Construction Manager's assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital, or (iii) any entity which may have acquired all of the outstanding stock or ownership of assets of the Construction Manager. The assignee shall assume all of the Construction Manager's rights and obligations to this Agreement without modification. The Construction Manager shall provide the City and the ~~Authority sixty (60)~~Corporation thirty (30) days prior written notice of any such assignment. Upon such assignment or partial assignment, the Construction Manager shall be fully released from any and all obligations under this Agreement and shall have no further liability with respect to this Agreement for the part of the Project ~~so assigned to the satisfaction of the City~~as long as the all conditions to the subsection have been met.

(b) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

(c) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a ~~Transfer~~transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a ~~Transfer~~transfer.

(d) The Construction Manager may, in its sole and absolute discretion, assign this Agreement with respect to all or part of the Project from time to time to an affiliate of Construction Manager with ten (10) business days prior written notice to the City and the ~~Authority~~Corporation.

Section 9.03 Term of Agreement

This Agreement shall terminate on the date on which the Construction Manager and ~~Authority~~the Corporation discharge all of their obligations hereunder. Notwithstanding any provision herein to the contrary, completion of the Public Improvements shall not serve to terminate the obligation to provide the maintenance bond as described in Section 4.03 hereof.

Section 9.04 Construction of Certain Terms

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

- (a) Words importing a gender include either gender.
- (b) Words importing the singular include the plural and vice versa.
- (c) A reference to a document includes an amendment, supplement, or addition to, or replacement, substitution, or novation of, that document but, if applicable, only if such amendment, supplement, addition, replacement, substitution, or novation is permitted by and in accordance with that applicable document.
- (d) Any term defined herein by reference to another instrument or document shall continue to have the meaning ascribed thereto whether or not such other instrument or document remains in effect.
- (e) A reference to any Party includes, with respect to ~~Authority~~the Corporation, its Designated Successors and Assigns, and reference to any Party in a particular capacity excludes such Party in any other capacity or individually.
- (f) All references in this Agreement to designated “Articles,” “Sections,” and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Agreement. All references in this Agreement to “Exhibits” are to the designated Exhibits to this Agreement.
- (g) The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder,” and other words of similar import refer to this Agreement as a whole and not to the specific Section or provision where such word appears.
- (h) The words “including” and “includes,” and words of similar import, are deemed to be followed by the phrase “without limitation.”
- (i) Unless the context otherwise requires, a reference to the “Property,” the “Public Improvements,” or the “District” is deemed to be followed by the phrase “or a portion thereof.”
- (j) Every “request,” “order,” “demand,” “direction,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent,” “approval,”~~—~~“ “waiver,” “identification,” or similar action under this Agreement by any Party shall, unless the form of such instrument is specifically provided, be in writing duly signed by a duly authorized representative of such Party.
- (k) The Parties hereto acknowledge that each such ~~party~~Party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting ~~party~~Party shall not apply in the interpretation of this Agreement.

Section 9.05 Titles and Headings

(a) — The titles of the ~~articles~~ Articles, and the headings of the sections of this Agreement are solely for convenience of reference, are not a part of this Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

Section 9.06 Amendments.

This Agreement may be amended, modified, revised or changed by written instrument executed by the Parties. Approval of amendments on behalf of the City have been delegated to and may be made by the City Manager.

Section 9.07 Time

In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays, and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday, or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday, or legal holiday.

Section 9.08 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument.

Section 9.09 Entire Agreement

This Agreement contains the entire agreement of the Parties.

Section 9.10 Severability; Waiver

If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid, or enforceable provision as is possible.

Any failure by a Party to insist upon strict performance by the other ~~party~~ Party of any material provision of this Agreement will not be deemed a waiver or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

Section 9.11 Third Party Beneficiary

The City is a third party beneficiary of this Agreement and is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if they were parties hereto.

~~Section 9.12 — Liability of the Authority~~

~~The Authority shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Agreement.~~

~~Section 9.13 — Waiver of Personal Liability~~

~~No member, officer or employee of the Authority shall be individually or personally liable for the payment of any amount under this Agreement. No Authority Indemnified Person (including any Authority Indemnified Person who executes any certificate in connection with the Bonds that restates or certifies as to the truth and accuracy thereof) shall be individually liable for the breach of any representation, warranty or agreement contained herein. The term “Authority Indemnified Person” means any past, present, or future (i) the parties to the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated September 28, 2010, by and among Adams County, Wisconsin, Bayfield County, Wisconsin, Marathon County, Wisconsin, Waupaca County, Wisconsin and the City of Lancaster, Wisconsin and any political subdivision that has been in the past, or from time to time in the future is, designated as a member of the Authority pursuant to the Joint Exercise Agreement (each a “Member”); (ii) the National League of Cities, the National Association of Counties, the Wisconsin Counties Association, the Wisconsin League of Municipalities, and any other person that holds itself out, or is identified by the Authority, as an organization sponsoring the Authority (each a “Sponsor”); or (iii) director, board member, governing member, trustee, commissioner, elected or appointed official, officer, employee, Authorized Signatory, attorney or agent or counsel or advisor to the Authority, or of or to any Member or Sponsor, and including in each case their respective successor and assigns.~~

~~Section 9.14 — Governing Law and Venue~~

~~This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, excluding conflicts of law principles. All claims of whatever character arising out of this Agreement, or under any statute or common law relating in any way, directly or indirectly, to the subject matter hereof or to the dealings between the Authority and any other party hereto, if and to the extent that such claim potentially could or actually does involve the Authority, shall be brought in any state or federal court of competent jurisdiction located in the County of Dane in the State of Wisconsin. By executing and delivering this Agreement, each party hereto irrevocably: (i) accepts generally and unconditionally the exclusive jurisdiction and venue of such courts; (ii) waives any defense of forum non conveniens; (iii) agrees not to seek removal of such proceedings to any court or forum other than as specified above. The foregoing shall not be deemed or construed to constitute a waiver by the Authority of any prior notice or procedural requirements applicable to actions or claims against or involving political subdivisions of the State of Wisconsin that may exist at the time of and in connection with such matter.~~

Section 9.12 ~~Section 9.15~~ Exhibits

The following exhibits are attached to and incorporated into this Agreement for all purposes:

- Exhibit A – Definitions
- Exhibit B – Property Description for Project
- Exhibit C – Service and Assessment Plan
- Exhibit D – Public Improvements
- Exhibit E – Form of Certification and Approval of Construction
- Exhibit F – Form of Final Approval Request

[Signature Pages to Follow]

79 HCD Development, LLC

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF DALLAS §

 This instrument was acknowledged before me on the ____ day of _____, 2018 by,
_____, _____ of 79 HCD Development, LLC, a limited liability
company, on behalf of 79 HCD Development, LLC.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires: _____

[Signatures Continue on Next Page]

~~PUBLIC FINANCE AUTHORITY~~, a unit of
government and a body corporate and politic of the
State of ~~Wisconsin~~

RIVER CREEK DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: ~~Assistant~~ Secretary

STATE OF ~~WISCONSIN~~ TEXAS §
§
COUNTY OF ~~DANE~~ WILLIAMSON §

This instrument was acknowledged before me on the ____ day of _____, 2018 by,
~~Authorized Representative of Public Finance Authority, a unit of government and a body~~
~~corporate and politic of the State of Wisconsin, on behalf of said Public Finance~~
~~Authority~~ _____ of the River Creed Development Corporation, on behalf of said
corporation.

(SEAL)

Notary Public, State of ~~Wisconsin~~ Texas

Name printed or typed
Commission Expires: _____

EXHIBIT A

DEFINITIONS

Unless the context requires otherwise, and in addition to the terms defined above, each of the following terms and phrases used in this Agreement has the meaning ascribed thereto below:

“Acceptance Date” means the date that the Certification and Approval of Construction has been accepted, approved and signed by the City for any Public Improvements.

“Administrative Expenses” means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization, maintenance and operation of the District, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the District and preparing the assessment roll, (iii) computing, levying, collecting and transmitting the Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Assessments, (v) investing or depositing the Assessments, (vi) paying the paying agent/registrar’s and trustee’s fees and expenses (including the fees and expenses of its legal counsel), and (vii) administering the construction of the Public Improvements, in accordance with the terms of this Agreement.

“Agreement” has the meaning given in the recitals to this Agreement.

“Annual Installment” ~~shall have~~has the meaning given in the Service and Assessment Plan.

“Assessed Parcel” means any Parcel within the District against which ~~a Special~~an Assessment is levied (Assessed Parcel does not include Non-Benefited Property).

“Assessments” means the assessments levied against properties in the District, as provided for in the Assessment Ordinance and in the Service and Assessment Plan, including any supplemental assessments or reallocation of assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

“Assessment Fund” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Assessment Revenues” means all revenue received and collected by the City from the collection of the Assessments and Annual Installments (excluding Delinquent Collection Costs, and Administrative Expenses).

“Assessment Ordinance” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Authority” has the meaning given in the recitals ~~to~~of this Agreement.

"Bills Paid Affidavit" means the bills paid affidavit attached to a Certification and Approval of Construction.

"Bonds" ~~shall have~~ has the meaning given in the recitals of this Agreement.

"Certification and Approval of Construction" means the certificate (whether one or more) in substantially the same form as **"Exhibit E"** attached hereto.

"City" means the City of Hutto, Texas.

"City Construction Representative" means the Director of Engineering or such other person selected by the City to oversee the construction of the Public Improvements on behalf of the City.

"City Council" means the governing body of the City of Hutto, Texas.

"City Manager" means the City Manager of the City of Hutto, Texas or his/ her designee or successor.

"City Rules" means the rules and regulations that govern the development of the Project, as may be amended or adjusted pursuant to the terms of this Agreement.

"Corporation" has the meaning given in the recitals of this Agreement.

"Corporation Interlocal Agreement" has the meaning given in the recitals of this Agreement.

"County" means Williamson County, Texas.

"County Tax Increment" ~~shall have~~ has the meaning given in the recitals of this Agreement.

"Delinquent Collection Costs" has the meaning set forth in the Service and Assessment Plan.

"Designated Successors and Assigns" ~~shall mean~~ means an entity to which ~~Authority~~ the Corporation assigns a portion of (in writing) its rights and obligations contained in this Agreement.

"District" has the meaning given in the recitals to this Agreement.

"EDC" ~~shall have~~ has the meaning given in the recitals of this Agreement.

"EDC Act" ~~shall have~~ has the meaning given in the recitals of this Agreement.

"EDC Annual Credit Amount" ~~shall have~~ has the meaning given in the recitals of this Agreement.

“EDC Ordinance” ~~shall have~~has the meaning given in the recitals of this Agreement.

“EDC Revenues” ~~shall have~~has the meaning given in the recitals of this Agreement.

“EDC Tax” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Effective Date” has the meaning given in the recitals to this Agreement.

“Event of Default” has the meaning given in Section 8.01 of this Agreement.

“Final Approval Request” means the request (whether one or more) in substantially the same form as **“Exhibit F”** attached hereto.

“Force Majeure” means strikes, lock-outs, war, civil disturbance, natural disaster, acts of terrorism or acts of God which cause a delay in the Construction Manager’s performance of this Agreement.

“Interlocal Agreement” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Loan Agreement” has the meaning given in the recitals of this Agreement.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Public Improvements, including Owner Association Property, Public Property.

“Notice” means any notice, writing, or other communication given under this Agreement.

“Owner’s Association” means a homeowner’s association or property owner’s association.

“Owner Association Property” means property within the boundaries of the District that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, an Owner’s Association established for the benefit of property owners within the District.

“Parcel” means a property identified by either a tax map identification number assigned by the Williamson Central Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the Official Public Records of Williamson County, or by any other means determined by the City.

“Party” means the ~~Authority~~Corporation or the ~~City~~Construction Manager, as parties to this Agreement, and **“Parties”** means collectively, the ~~Authority~~Corporation and the ~~City~~Construction Manager.

“PID Act” has the meaning given in the recitals to this Agreement.

“PID Administrator” means the person or independent firm designated by the City Council who shall have the responsibilities provided for herein or in any other agreement approved by the City Council.

“Plan” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Project” has the meaning given in the recitals to this Agreement.

“Project Engineer” means the civil engineer or firm of civil engineers selected by the ~~Authority~~Corporation to perform the duties set forth in this Agreement and registered in the State of Texas.

“Property” has the meaning given in the recitals to this Agreement.

“Public Improvements” means the Public Improvements described in **“Exhibit D”** together with any and all of the improvements which are included in the Service and Assessment Plan as such plan is amended and updated from time to time.

“Public Property” means property, real property, right of way and easements located within the boundaries of the District that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, the County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an easement, or by plat.

“Segment” or “Segments” means the portions of the Public Improvements identified as such.

“Service and Assessment Plan” has the meaning given in the recitals to this Agreement.

“State” means the State of Texas.

“Tax Increment” has the meaning given in the recitals to this Agreement.

~~**“Transfer” shall have the meaning given in Section 3.05 hereof.**~~

“Trust Agreement” ~~shall have~~has the meaning given in Section 5.02 hereof.

“Zone” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Zone Act” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Zone Annual Credit Amount” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Zone Ordinance” ~~shall have~~has the meaning given in the recitals of this Agreement.

“Zone Revenues” ~~shall have~~has the meaning given in the recitals of this Agreement.

EXHIBIT B
PROPERTY DESCRIPTION FOR PROJECT

EXHIBIT C
SERVICE AND ASSESSMENT PLAN

[See Attached]

EXHIBIT D

PUBLIC IMPROVEMENTS

EXHIBIT E

FORM OF CERTIFICATION AND APPROVAL OF CONSTRUCTION (Design – Hutto Co-op)

_____, (“**Construction Manager**”)
hereby requests approval for the percentage of design completed and the cost associated therewith (the “**Completed Design**”) described in Attachment A attached hereto. Capitalized undefined terms shall have the meanings ascribed thereto in the ~~Hutto Co-op Public Improvement District~~ Construction Contract between ~~Public Finance Authority, a unit of government and a body corporate and politic of the State of Wisconsin~~ RIVER CREEK DEVELOPMENT CORPORATION, and the Construction Manager, dated as of _____, 2018 (the “**Agreement**”). In connection with this Certification and Approval of the Construction, the undersigned, in his or her capacity as the _____ of Construction Manager, to his or her knowledge, hereby represents and warrants to the City of Hutto, Texas (the “**City**”) as follows:

1. He (she) is a duly authorized representative of the Construction Manager, qualified to execute this request on behalf of the Construction Manager and knowledgeable as to the matters forth herein.
2. The design work described in Attachment A has been completed in the percentages stated therein.
3. The true and correct design costs for which approval is requested is set forth in Attachment A and has not been subject to any previously submitted request for approval.
4. Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed design work described in Attachment A has been paid in full for all work completed through the previous Certification and Approval of Construction.
5. Attached hereto as Attachment C are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow the City to verify the Completed Design.

[Signature Page Follows]

SIGNATURE PAGE TO
FORM OF CERTIFICATION AND APPROVAL OF CONSTRUCTION

Date : _____

[Construction Manager Signature Block to be added]

APPROVAL BY THE CITY

The Design described in Attachment A has been reviewed, verified and approved by the City Construction Representative. Payment of the Completed Design is hereby approved.

Date: _____

CITY OF HUTTO, TEXAS

By: _____

Name: _____

Title: _____

ATTACHMENT A TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(DESIGN)

<u>Description of Design Work</u>	<u>Percentage of Design Work Completed under this Certification and Approval of Construction</u>	<u>Design Costs</u>	<u>Total Percentage of Design Work Completed</u>
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ATTACHMENT B TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(DESIGN)

[attached – bills paid affidavit]

ATTACHMENT C TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(DESIGN)

[attached – receipts]

FORM OF CERTIFICATION AND APPROVAL OF CONSTRUCTION
(Construction – Hutto Co-op)

_____, (“Construction Manager”)
hereby requests approval of the Public Improvements and associated cost of the work described in Attachment A attached hereto (the “Completed Public Improvements”). Capitalized undefined terms shall have the meanings ascribed thereto in the ~~Hutto Co-op Public Improvement District Installment~~ Construction Contract between ~~Public Finance Authority, a unit of government and a body corporate and politic of the State of Wisconsin~~ RIVER CREEK DEVELOPMENT CORPORATION and the Construction Manager, dated as of _____, 20____. In connection with this Certification and Approval of Construction, the undersigned, in his or her capacity as the _____ of the Construction Manager, to his or her knowledge, hereby represents and warrants to the City of Hutto, Texas (the “City”) as follows:

1. He (she) is a duly authorized representative of the Construction Manager, qualified to execute this request for payment on behalf of the Construction Manager and knowledgeable as to the matters forth herein.
2. The true and correct costs for the Completed Public Improvements is set forth in Attachment A and has not been subject to any previously submitted request for approval.
3. Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed work on a Segment described in Attachment A has been paid in full for all work completed through the previous Certification and Approval of Construction.
4. Attached hereto as Attachment C are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow the City to verify the Completed Public Improvements of each Segment.

[Signature Page Follows]

SIGNATURE PAGE TO
FORM OF CERTIFICATION AND APPROVAL OF CONSTRUCTION

Date : _____

[Construction Manager Signature Block to
Be inserted]

JOINDER OF PROJECT ENGINEER

The undersigned Project Engineer joins this Certification and Approval of Construction solely for the purposes of certifying that the representations made by the Construction Manager in Paragraph 2 above are true and correct in all material respects.

Project Engineer

APPROVAL BY THE CITY

The Completed Public Improvements of each Segment described in Attachment A has been reviewed, verified and approved by the City Construction Representative of the City. The Completed Public Improvements of each such Segment is hereby approved.

Date: _____

CITY OF HUTTO, TEXAS

By: _____

Name: _____

Title: _____

ATTACHMENT A TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(CONSTRUCTION)

<u>Segment</u>	<u>Description of Work Completed under this Certification and Approval of Construction</u>	<u>Costs of Completed Public Improvements</u>
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ATTACHMENT B TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(CONSTRUCTION)

[bills paid affidavit – attached]

ATTACHMENT C TO CERTIFICATION AND APPROVAL OF CONSTRUCTION
(CONSTRUCTION)

[receipts – attached]

EXHIBIT F

FORM OF FINAL APPROVAL REQUEST

The undersigned is a lawfully authorized representative for _____ (the “**Construction Manager**”) and requests approval of the completed Public Improvements and associated costs, as follows. Capitalized undefined terms shall have the meanings ascribed thereto in the Construction Contract between RIVER CREEK DEVELOPMENT CORPORATION and the Construction Manager, dated as of _____, 20_____.

In connection to the above referenced payment, the Construction Manager represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Construction Manager, is qualified to execute this Final Approval Request on behalf of the Construction Manager, and is knowledgeable as to the matters set forth herein.

2. The Public Improvements and the amount listed for the below itemized costs is a true and accurate representation of the costs incurred by the Construction Manager and such costs are in compliance with the Service and Assessment Plan and have not been previously has not been subject to any previously submitted request for approval. The itemized costs are as follows:

[insert itemized list of costs here]

TOTAL REQUESTED: \$ _____

~~4.3.~~ The Construction Manager is in compliance with the terms and provisions of the ~~Hutto Co-op Public Improvement District Installment Sale Contract and the~~ Service and Assessment Plan.

~~5.4.~~ All conditions ~~pfof~~ the Construction Manager set forth in the ~~Installment Sale~~ Construction Contract for the payment hereby requested have been satisfied.

~~6.5.~~ The Construction Manager agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete its review.

I hereby declare that the above representations and warranties are true and correct.

_____, **Construction Manager**

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Final Approval Request. After reviewing the Final Approval Request, the City approves the Final Approval Request.

CITY OF HUTTO, TEXAS

By: _____
Name: _____
Title: _____

Document comparison by Workshare Compare on Sunday, September 9, 2018
10:23:26 AM

Input:	
Document 1 ID	netdocuments://4137-0662-4788/9
Description	Construction Contract - Hutto
Document 2 ID	netdocuments://4137-0662-4788/11
Description	Construction Contract - Hutto
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	234
Deletions	185
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	419

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 9B. **AGENDA DATE:** September 20, 2018

PRESENTED BY: City Attorney

ITEM:

Consideration and possible action on a resolution of the City of Hutto, Texas consenting to the issuance of certain bonds issued by the Public Finance Authority and authorizing the execution of continuing disclosure agreement relating to said bonds; and containing other matters related thereto. (City Attorney)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

The resolution is due to changes in the structure of the financing proposed by the developer of the Co-Op project. These changes include the creation of the River Creek Development Corporation, a special purpose corporation, created by the authority of the City Council.

BUDGETARY AND FINANCIAL SUMMARY:

See attached agreements.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

The River Creek Development Corporation held a meeting on September 20th, 2018

CITY ATTORNEY REVIEW:

City Attorney has reviewed documentation.

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. [Resolution Authorizing Interlocal Agreement, PFA Letter Draft](#)
2. [Public Finance Authority Letter](#)
3. [Resolution Authorizing PFA Delegation and Approving CDA Draft](#)
4. [Continuing Disclosure Agreement Draft](#)

A RESOLUTION OF THE CITY OF HUTTO, TEXAS AUTHORIZING AND APPROVING AN INTERLOCAL AGREEMENT WITH THE RIVER CREEK DEVELOPMENT CORPORATION, A CONSENT LETTER WITH THE PUBLIC FINANCE AUTHORITY AND A CONTINUING DISCLOSURE AGREEMENT; AND CONTAINING OTHER MATTERS RELATED THERETO

RECITALS

WHEREAS, on June 7, 2018, the City Council of the City of Hutto, Texas (the “City”) passed and approved Resolution No. R-18-06-07-9D authorizing the creation of the Hutto Co-Op Public Improvement District (the “District”) pursuant to Chapter 372, Texas Local Government Code, as amended (the “PID Act”); and

WHEREAS, the District was created, in part, to undertake and finance the certain Public Improvements as defined in the District Service and Assessment Plan and Assessment Roll approved by the City Council of the City dated September 6, 2018, as amended from time to time (the “Service and Assessment Plan”); and

WHEREAS, the City desires to use the assessments collected by the District to purchase the Public Improvements (the “Project”); and

WHEREAS, the City has created the River Creek Development Corporation (the Corporation”); and

WHEREAS, the City and the Corporation desire to enter into that certain Interlocal Agreement dated September 20, 2018 for the purchase and sale of the Public Improvements (the “Project”) pursuant Chapter 372.023(a) of the PID Act (the “Interlocal Agreement”); and

WHEREAS, the Corporation and 420 US 79 LTD (the “Developer”) desire to enter into that certain Construction Contract dated September 20, 2018 for the construction and installation of the Project; and

WHEREAS, the Public Finance Authority (the “Authority”) is authorized pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, commonly known as the “Joint Exercise of Powers Law” (the “PFA Act”), and the terms of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the “Joint Exercise Agreement”), to issue revenue bonds in accordance with the PFA Act for the purpose of financing various types of projects within or outside of the State of Wisconsin; and

WHEREAS, in order to provide funding for the payment of the Construction Contract for the construction and installation of the Project, the Corporation and Authority will enter into that certain Loan Agreement dated September 20, 2018 between the Authority and Corporation; and

WHEREAS, the Authority has been requested to issue bonds in one or more series (the “Bonds”) to provide some or all of the financing provided to the Corporation by the Authority under the Loan Agreement; and

WHEREAS, the City, on its own behalf or through the Corporation, has determined not to issue bonds at this time and prefers that the Authority issue any Bonds associated with the Loan Agreement; and

WHEREAS, the Authority has agreed to issue bonds to fund the Loan Agreement on behalf of and as agent of the City and/or Corporation; and

WHEREAS, Section 66.0304(11)(a) of the Wisconsin Statutes provides that the Authority may not issue bonds to finance a capital improvement project in any state or territory of the United States unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project, and the City desires to provide such approval; and

WHEREAS, compliance by the City with Section 66.0304(11)(a) of the Wisconsin Statutes does not constitute an endorsement of the Bonds or the Project, or a commitment by the City, or any other governmental body, to provide any other approvals that may be required in connection with the Project, or an undertaking of any responsibility of any kind with respect to the Bonds; and

WHEREAS, the City desires that in connection with the Corporation's execution of the Loan Agreement that the City enter into a Continuing Disclosure Agreement relating to the Loan Agreement and desires to approve the execution and delivery of the same.

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

Section 1. Recitals Incorporated. The findings, determinations and actions described in the recitals of this Resolution are true and correct, and are hereby incorporated and adopted as part of this Resolution for all purposes.

Section 2. Authorization to Enter Interlocal Agreement. The City hereby authorizes and approves the Interlocal Agreement with the River Creek Development Corporation, substantially in the form attached hereto as Exhibit A, the terms and provisions of which are hereby approved, and the Mayor and City Secretary are hereby authorized to execute and deliver such Interlocal Agreement on behalf of the City.

Section 3. Approval of Consent Letter. The City hereby authorizes and approves the Consent Letter for the Public Finance Authority, substantially in the form attached hereto as Exhibit B, the terms and provisions of which are hereby approved, and the Mayor is hereby authorized to execute and deliver such Consent Letter on behalf of the City.

Section 4. Continuing Disclosure Agreement. The City hereby authorizes and approves the Continuing Disclosure Agreement, substantially in the form attached hereto as Exhibit C, the terms and provisions of which are hereby approved, and the Mayor and City Secretary are hereby authorized to execute and deliver such Continuing Disclosure Agreement on behalf of the City.

Section 5. Further Proceedings. The Mayor, City Secretary, City Manager and all officers and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution and the agreements and instruments authorized herein.

Section 6. Notice. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject to the meeting of the City Council of the City at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the regular meeting place of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that the meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof have been discussed, considered and formally acted upon. The City Council of the City further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 7. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

[signature page follows]

PASSED AND ADOPTED on first and final reading this September 20, 2018.

CITY OF HUTTO, TEXAS

Mayor

ATTEST:

City Secretary

EXHIBIT A
INTERLOCAL AGREEMENT

EXHIBIT B
CONSENT LETTER

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

September 6, 2018

Public Finance Authority
22 E. Mifflin Street, Suite 900
Madison, Wisconsin 53703

Re: Hutto Co-Op Public Improvement District

You have informed me of the following facts:

1. The Public Finance Authority (the "Authority") is authorized pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, commonly known as the "Joint Exercise of Powers Law" (the "Act"), and the terms of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the "Joint Exercise Agreement"), to issue revenue bonds in accordance with the Act for the purpose of financing various types of projects within or outside of the State of Wisconsin.

2. The Authority has been requested to issue up to [\$_____] of Bonds in one or more series (the "Bonds") to provide for the construction and financing of various public improvements (the "Project") in the Hutto C-Op Public Improvement District in the City of Hutto, Texas (the "City") more particularly described or referred to in the Hutto Co-Op Public Improvement District Service and Assessment Plan.

3. Section 66.0304(11)(a) of the Act provides:

[The Authority] may not issue bonds to finance a capital improvement project in any state or territory of the United States unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project. . . . An approval under this paragraph may be made by the governing body of the political subdivision or . . . by the highest ranking executive or administrator of the political subdivision.

4. Compliance by the City with Section 66.0304(11)(a) of the Act does not constitute an endorsement of the Bonds or the Project, or a commitment by the City, or any other governmental body, to provide any other approvals that may be required in connection with the Project, or an undertaking of any responsibility of any kind with respect to the Bonds.

I am the highest ranking executive or administrator of the City of Hutto, Texas, within whose boundaries the Project is located. In conformity with and solely for purposes of satisfying the requirements of Section 66.0304(11)(a) of the Act, I hereby provide this letter as evidence of approval of the financing by the Authority of the Project in compliance with Section 66.0304(11)(a) of the Act, but in no other way provide any opinion or endorsement with respect to the issuance of the Bonds. This letter shall not be referred to in connection with the marketing and sale of the Bonds, and the City shall have no responsibility or liability of any kind, direct or

indirect, with respect to the terms, sale, issuance, security or payment of the Bonds, which shall be the sole responsibility of the Authority.

Sincerely,

City Manager
City of Hutto, Texas

A RESOLUTION OF THE CITY OF HUTTO, TEXAS CONSENTING TO THE ISSUANCE OF CERTAIN BONDS ISSUED BY THE PUBLIC FINANCE AUTHORITY AND AUTHORIZING THE EXECUTION OF CONTINUING DISCLOSURE AGREEMENT RELATING TO SAID BONDS; AND CONTAINING OTHER MATTERS RELATED THERETO

RECITALS

WHEREAS, on June 7, 2018, the City Council of the City of Hutto, Texas (the “City”) passed and approved Resolution No. R-18-06-07-9D authorizing the creation of the Hutto Co-Op Public Improvement District (the “District”) pursuant to Chapter 372, Texas Local Government Code, as amended (the “PID Act”); and

WHEREAS, the District was created, in part, to undertake and finance the certain Public Improvements as defined in the District Service and Assessment Plan and Assessment Roll approved by the City Council of the City dated September 6, 2018, as amended from time to time (the “Service and Assessment Plan”); and

WHEREAS, the City desires to construct and finance the Public Improvements (the “Project”); and

WHEREAS, the Public Finance Authority (the “Authority”) is authorized pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, commonly known as the “Joint Exercise of Powers Law” (the “PFA Act”), and the terms of an Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the “Joint Exercise Agreement”), to issue revenue bonds in accordance with the PFA Act for the purpose of financing various types of projects within or outside of the State of Wisconsin; and

WHEREAS, the City and the Authority entered into that certain Installment Sale Contract dated September 6, 2018 for the purchase the Project pursuant Chapter 372.023(a) of the PID Act; and

WHEREAS, the Authority has been requested to issue bonds in one or more series (the “Bonds”) to provide some or all of the financing of the Public Improvements; and

WHEREAS, the City has decided not to issue bonds at this time and prefers that the Authority issue the Bonds; and

WHEREAS, the Authority has agreed to issue the Bonds on behalf of and as agent of the City; and

WHEREAS, Section 66.0304(11)(a) of the Wisconsin Statutes provides that the Authority may not issue bonds to finance a capital improvement project in any state or territory of the United States unless a political subdivision within whose boundaries the project is to be located has approved the financing of the project, and the City desires to provide such approval; and

WHEREAS, compliance by the City with Section 66.0304(11)(a) of the of the Wisconsin Statutes does not constitute an endorsement of the Bonds or the Project, or a commitment by the City, or any other governmental body, to provide any other approvals that may be required in

connection with the Project, or an undertaking of any responsibility of any kind with respect to the Bonds; and

WHEREAS, the City has agreed to enter into a Continuing Disclosure Agreement relating to the Bonds and desires to approve the execution and delivery of the same.

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

Section 1. Recitals Incorporated. The findings, determinations and actions described in the recitals of this Resolution are true and correct, and are hereby incorporated and adopted as part of this Resolution for all purposes.

Section 2. Approval of Public Finance Authority. The City hereby approves of and directs the Authority to issue the Bonds on behalf of the City. The City approves of the Bonds to be issued by the Authority for the purpose of paying the costs of and completion of the Project for the benefit of the City.

Section 3. Continuing Disclosure Agreements. The Continuing Disclosure Agreement is hereby approved in all particulars, in substantially the forms presented to the City Council, with such changes as approved by the City Manager. The City Manager is hereby authorized and directed to execute the Continuing Disclosure Agreement.

Section 4. Actions Related to the Bonds. The City Manager is hereby authorized and directed to facilitate the closing of the Bonds and to take any actions necessary to the closing of the Bonds on behalf of the City consistent with the Service and Assessment Plan and Installment Sales Contract.

Section 5. Notice. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject to the meeting of the City Council of the City at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the regular meeting place of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that the meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof have been discussed, considered and formally acted upon. The City Council of the City further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 6. Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED on first and final reading this September 6, 2018.

CITY OF HUTTO, TEXAS

Mayor

ATTEST:

City Secretary

**PUBLIC FINANCE AUTHORITY
CONTRACT REVENUE BONDS, SERIES 2018
(HUTTO CO-OP PUBLIC IMPROVEMENT DISTRICT PROJECT)**

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of ~~September 1,~~[DATE], 2018 (this “Disclosure Agreement”) is executed and delivered by and between the City of Hutto, Texas (the “City”), River Creek Development Corporation (the “Corporation”), Mesirow Financial, Inc. (the “Underwriter”), Public Finance Authority, a governmental entity established under 66.0304 of the Wisconsin State Statutes (the “Issuer”), ~~P3-Works, LLC~~[ADMINISTRATOR] (the “Administrator”) and [DISSEMINATION AGENT]. (the “Dissemination Agent”) with respect to the Public Finance Authority “Contract Revenue Bonds, Series 2018 (Hutto Co-Op Public Improvement District Project)” (the “Bonds”). The Parties agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Trust Agreement dated as of ~~September 1,~~[DATE], 2018, relating to the Bonds (the “Trust Agreement”), which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Administrative Expenses” shall have the meaning assigned to such term in the Service and Assessment Plan.

Administrator” shall mean the employee or designee of the City, identified in the District’s Service and Assessment Plan, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District.

“Annual Financial Information” shall mean annual financial information as such term is specified in Section 4(a) of this Disclosure Agreement.

“Annual Installment” shall have the meaning assigned to such term in the Service and Assessment Plan.

“Annual City Report” shall mean any Annual City Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the City or the Trustee.

“Construction Contract” shall mean the Construction Contract between the ~~City~~Corporation and the Developer dated as of [DATE], 2018.

“Developer” shall mean 79 HCD Development, LLC, a Texas limited liability company, and its successors and assigns.

“Disclosure Agreement of the Developer” shall mean the Continuing Disclosure Agreement of the Developer dated as of ~~September~~[\[DATE\]](#) 1, 2018 executed and delivered by the Developer, the Underwriter, the Administrator and the Dissemination Agent.

“Disclosure Representative” shall mean the City Manager of the City or his or her designee, or such other officer or employee as the City, may designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” shall mean [DISSEMINATION AGENT] or any successor Dissemination Agent designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

“District” shall mean Hutto Co-Op Public Improvement District.

“EDC Annual Credit Amount” shall have the meaning given to it in the ~~Installment Sale Contract~~[Loan Agreement](#).

“EDC Revenues” shall have the meaning given to it in the ~~Installment Sale Contract~~[Loan Agreement](#).

“EMMA” shall mean the Electronic Municipal Market Access System available on the internet at <http://emma.msrb.org>.

“Fiscal Year” shall mean the calendar year from October 1 through September 30.

“~~Installment Sale Contract~~[Interlocal Agreement](#)” shall mean the ~~Installment Sale Contract~~[Interlocal Agreement](#), dated [DATE], 2018, by and among [the Corporation and the City](#).

[“Loan Agreement” shall mean the Loan Agreement, dated \[DATE\], 2018, by and among the Corporation](#) and the Issuer.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

“Owner” shall mean the registered owner of any Bonds.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the United States Securities and Exchange Commission.

“Service and Assessment Plan” shall mean the Hutto Co-Op Public Improvement District Service and Assessment Plan and any amendments, supplements and annual updates adopted thereto.

“Special Assessment” shall have the meaning given to it in the Service and Assessment Plan.

“Zone Annual Credit Amount” shall have the meaning given to it in the ~~Installment Sale-Contract~~[Loan Agreement](#).

“Zone Revenues” shall have the meaning given to it in the ~~Installment Sale-Contract~~[Loan Agreement](#).

“Trustee” shall mean U.S. Bank National Association or any successor trustee pursuant to the Trust Agreement.

SECTION 3. Provision of Annual City Reports.

(a) ~~The City Corporation, as Borrower under the Loan Agreement, hereby directs the City to provide the information specified in Sections 3 and 4 of this Disclosure Agreement for the benefit of the holders of the Bonds. The City, on behalf of the Corporation,~~ shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ended September 30, 2018, an Annual City Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City, if prepared and when available, may be submitted separately from the Annual City Report, and later than the date required in this paragraph for the filing of the Annual City Report if audited financial statements are not available by that date; provided further, however, that the Annual Financial Information must be submitted not later than six months after the end of the City’s Fiscal Year, commencing with the Fiscal Year ended September 30, 2018. In each case, the Annual City Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the City’s Fiscal Year changes, it shall give notice of such change to the MSRB not less than ten (10) business days after the occurrence of such change. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB. The City and the Dissemination Agent will be provided the CUSIP numbers for the Bonds.

(b) The City shall or shall cause the Dissemination Agent to:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual City Report on the date required in subsection (a);

(ii) file the Annual City Report (excluding the audited financial statements of the City, if any, which shall be filed by the City or the Dissemination Agent upon receipt from the City) containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the City has provided the Dissemination Agent with the completed Annual City Report and the Dissemination Agent has filed such Annual City Report with the MSRB,

then the Dissemination Agent shall file a report with the City certifying that the Annual City Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB

SECTION 4. Content and Timing of Annual City Reports. The Annual City Report for the Bonds shall contain or incorporate by reference, and the City agrees to provide or cause to be provided to the Dissemination Agent, the following (the “Annual Financial Information”):

(a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited),

(i) For the ~~Installment Sale Contract~~, Interlocal Agreement, a statement of all payments made by the City to the Corporation under the Interlocal Agreement for the preceding Fiscal Year and the Unpaid Balance of the [Purchase Price] (as defined in the ~~Installment Sale Contract~~Interlocal Agreement);

(ii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a “SAP Update”), including any changes to the methodology for levying the Special Assessments in the District.

(iii) Until certificates of occupancy have been issued for, in the aggregate, 95% of the total square footage of commercial, hotel, retail, and office development (“Commercial Development”) within the District, (i) the number of certificates of occupancy issued for Commercial Development in the District during such Fiscal Year and the total square footage represented by such certificates of occupancy; and (ii) the aggregate number of certificates of occupancy issued for Commercial Development within the District and the total square footage represented by such certificates of occupancy since Fiscal Year ended September 30, 2018.

(iv) The individual and aggregate taxable assessed valuation for parcels or lots within the District based on the most recent certified tax roll available to the City.

~~(v) — The current or delinquent status of the payment of the Special Assessment for each parcel or lot in the District as of February 15 of the calendar year immediately succeeding such Fiscal Year.~~

(v) (vi) As provided by the Administrator of March 1 of the calendar year in which such Annual City Report is due, and in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year), the total amount of (A) Annual Installments invoiced, (B) in the preceding Fiscal Year, (B) the total amount of such Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator), (C) delinquent Annual Installments, (D) Foreclosure Proceeds collected, if any, and (E) the amount of prepaid Special Assessments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year) in such Fiscal Year, and (F) Special Assessment payers in the District.

(vi) ~~(vii)~~ The total amount of Zone Revenues collected within the District and, on a per parcel basis, the amount of the Zone Annual Credit Amount for each parcel in the District.

(vii) ~~(viii)~~ The total amount of EDC Revenues collected within the District and, on a per parcel basis, the amount of the EDC Annual Credit Amount for each parcel in the District.

(viii) ~~(ix)~~ A description of any amendment to this Disclosure Agreement and a copy of any restatements to the City's audited financial statements during such Fiscal Year.

(b) If not provided with the ~~financial~~ information provided under ~~subsection~~ Section 4(a) above, if prepared and when available, the audited financial statements of the City for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the City.

(c) The City has designated ~~P3Works, LLC~~ [ADMINISTRATOR] as the initial Administrator. The Administrator shall prepare and provide the Annual ~~City Report required (except for the and audited or unaudited financial statements of the City) under Section 4(a) above~~ Financial Information to the Dissemination Agent no later than ten (10) business days prior to the day that is six months after the end of each Fiscal Year. If no Administrator has been designated, the City shall prepare and provide the Annual Financial Information required under Section 4(a) above to the Dissemination Agent no later than ten (10) business days prior to the day that is six months after the end of each Fiscal Year.

(d) Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the City, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events

(a) The following shall be "Listed Events" for the purpose of this Disclosure Agreement:

(i) The occurrence and continuation of any Event of Default under the Construction Contract, the Loan Agreement, or the Interlocal Agreement (as such term is defined under each of the foregoing agreements), which Event of Default has continued beyond the applicable cure period, if any, in the applicable Agreement and which could lead to a termination of the applicable agreement; and

(ii) As measured on February 15 of each calendar year, any delinquency in the payment of Annual Installments of Special Assessments billed in the then current Fiscal Year which exceeds 20% of the Annual Installments of Special Assessments due and payable in the then current Fiscal Year.

(b) Whenever the City or the Corporation obtains knowledge of the occurrence of a Listed Event, the City shall promptly notify the Dissemination Agent in writing and the City or the Corporation, as applicable, shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice within ten (10) Business Days of the

occurrence of such Listed Event; provided that the Dissemination Agent shall not be liable for the filing of notice of any Listed Event more than ten (10) Business Days after the occurrence of such Listed Event if notice of such Listed Event is received from the Issuer more than ten (10) Business Days after the occurrence of such Listed Event.

(c) Any notice under the preceding paragraph shall be accompanied with the text of the disclosure that the City or Corporation desires to make, the written authorization of the City or the Corporation for the Dissemination Agent to disseminate such information as provided herein, and the date the City or the Corporation desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

(d) In all cases, the City or the Corporation shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of such party's respective disclosures as provided under this Disclosure Agreement. In addition, the City or the Corporation shall have the sole responsibility to ensure that any notice required to be filed by the City or the Corporation respectively under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(e) The Dissemination Agent and the Administrator shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any Listed Event, notify the City or the Corporation in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the City or Corporation to do so. It is agreed and understood that the duties to make or cause to be made the disclosures herein are that of the City or the Corporation (as specified herein) and not that of the Trustee, the Issuer, the Administrator or the Dissemination Agent. It is agreed and understood that the Dissemination Agent and the Administrator have agreed to give the foregoing notice to the City or the Corporation as an accommodation to assist it in monitoring the occurrence of such event, but are under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent or the Administrator be liable in damages or in tort to the Issuer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(f) If the Dissemination Agent has been instructed by the City or the Corporation to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

SECTION 6. ~~SECTION 5.~~ Reporting of Failure to File.

(a) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide annual audited financial statements or Annual Financial Information as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting "Notice To MSRB of Failure To File." Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the City desires to make, the written authorization of the City for the Dissemination Agent to disseminate such information as provided herein, and the date the City desires for the

Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence the failure to file).

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of a failure to file, notify the Disclosure Representative of such failure. The Dissemination Agent shall not be required to file a notice of the occurrence of such failure to file with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the City and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the City as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the City or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

SECTION 7. ~~SECTION 6.~~ Termination of Reporting Obligations. The obligations of the City and the Dissemination Agent under this Disclosure Agreement shall terminate upon the earlier of (i) the payment of the full [Purchase Price] under the ~~Installment Sale Contract~~ Interlocal Agreement (as such term is defined therein), (ii) the final payment of all Special Assessments securing the [Purchase Price] under the ~~Installment Sale Contract~~ Interlocal Agreement or (iii) the delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. If such termination occurs prior to payment of the full [Purchase Price] under the ~~Installment Sale Contract~~ Interlocal Agreement, the City shall give notice of such termination in the same manner as for a notice of failure to file under Section ~~5-6~~.

SECTION 8. ~~SECTION 7.~~ Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the City shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be [DISSEMINATION AGENT].

SECTION 9. ~~SECTION 8.~~ Amendment; Waiver; Applicability of the Rule. Notwithstanding any other provisions of this Disclosure Agreement, this Disclosure Agreement may be amended at the request of the City and upon consent of the Issuer and the Dissemination Agent (and such parties shall not unreasonably withhold consent to any amendment so requested by the City), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment in the next related Annual City Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a notice of failure to file under Section 5,6, and (ii) the Annual City Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

(b) The Parties hereto acknowledge that the City ~~is~~ and the Corporation are entering into this Disclosure Agreement for the benefit of the Underwriter, the Issuer, and the owners of the Bonds and in connection with the requirements of the Underwriter pursuant to Section (b)(5)(i) of the Rule.

SECTION 10. ~~SECTION 9.~~ Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City or the Corporation from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including in the case of the City, any other information in any Annual City Report, in addition to that which is required by this Disclosure Agreement. If the City or Corporation chooses to ~~include report~~ any such additional information ~~in any Annual City Report in addition to that which is specifically required by this Disclosure Agreement~~, the City and the Corporation shall have no obligation under this Disclosure Agreement to update such information or include it in any future ~~Annual City Report~~ filings pursuant to this Disclosure Agreement.

SECTION 11. ~~SECTION 10.~~ Default. In the event of a failure of the City to comply with any provision of this Disclosure Agreement, the Dissemination Agent, the Issuer or the Trustee may (and, at the request of the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Trust Agreement), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the City, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the City to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the City shall not be deemed a

default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of the Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the City.

SECTION 12. ~~SECTION 11.~~ Duties, Immunities and Liabilities of Dissemination Agent and the Administrator.

(a) The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the City agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Special Assessments collected from the property owners of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the City to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the City or any person with whom the City contracts, apart from the relationship created by this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(b) The Administrator shall not have any responsibility for the timeliness and accuracy of any information provided by third parties ~~or the District~~ for the disclosures made pursuant to the terms thereof. The Administrator shall have only such duties as are specifically set forth in ~~Section 4 of~~ this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the City agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from the Special Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's negligence

or willful misconduct; provided, however, that nothing herein shall be construed to require the City to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties ~~or the District~~, or the failure of any third party ~~or the District~~ to provide information to the Administrator as and when required under this Agreement, or the failure of the Developer to provide information to the Administrator as and when required under the Disclosure Agreement of Developer. The obligations of the City under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

(c) UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR, THE CORPORATION OR THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CORPORATION, THE CITY, THE ADMINISTRATOR, OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, 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. THE DISSEMINATION AGENT OR THE ADMINISTRATOR IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 13. ~~SECTION 12.~~ The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the City agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from the Special Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the City to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The

obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an “obligated person” under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a business relationship with the City or any person with whom the City contracts apart from the relationship created by this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. ~~UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT-OR, THE CITY, OR THE CORPORATION~~ BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, THE CORPORATION OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, 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. THE DISSEMINATION AGENT IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 14. ~~SECTION 13.~~ Special Assessment Timeline. The basic expected timeline for the collection of Special Assessments and the anticipated procedures for pursuing the collection of delinquent Special Assessments is set forth in Exhibit B which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Special Assessments. Notwithstanding any provision to the contrary, nothing herein shall obligate the City, the City Attorney, or any appropriate designee to undertake collection-foreclosure processes against delinquent accounts in violation of applicable state law, court orders and procedures, or existing contractual provisions between the City and its appropriate collections enforcement designees.

SECTION 15. ~~SECTION 14.~~ No Personal Liability. No covenant, stipulation, obligation or agreement of the City or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the City or Dissemination Agent in other than that person's official capacity.

SECTION 16. ~~SECTION 15.~~ Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be

construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 17. ~~SECTION 16.~~ Sovereign Immunity. The Issuer, the City, the Corporation, the Underwriter, the Administrator and the Dissemination Agent agrees that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the City's sovereign or governmental immunities regarding liability or suit.

SECTION 18. ~~SECTION 17.~~ Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Administrator and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the City under federal and state securities laws.

SECTION 19. ~~SECTION 18.~~ Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their services rendered in accordance with this Disclosure Agreement constitute Administrative Expenses and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The City shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from Special Assessments collected from the property owners in the District, for their fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 20. ~~SECTION 19.~~ Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 21. ~~SECTION 20.~~ Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[remainder of page left blank intentionally]

CITY OF HUTTO, TEXAS

By: _____
Mayor

**RIVER CREEK DEVELOPMENT
CORPORATION**

By: _____
President

[DISSEMINATION AGENT],
as Dissemination Agent

By: _____
Authorized Officer

MESIROW FINANCIAL, INC.,
as Underwriter

By: _____
Authorized Officer

PUBLIC FINANCE AUTHORITY,
as Issuer

By: _____
Authorized Signatory

~~P3WORKS, LLC~~ [ADMINISTRATOR],
as Administrator

By: _____
Authorized Signatory

EXHIBIT A

**NOTICE TO MSRB OF FAILURE TO FILE
ANNUAL CITY REPORT**

Name of Issuer: Public Finance Authority
Name of Bond Issue: Contract Special Assessment Revenue Bonds, Series 2018
(Hutto Co-Op Public Improvement District Project)
Date of Delivery: _____, 20__

NOTICE IS HEREBY GIVEN that the City of Hutto, Texas, has not provided [an Annual City Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement dated September 1, 2018, by the City in connection with the above-captioned Bonds issued by the Public Finance Authority. The City anticipates that [the Annual City Report][annual audited financial statements] will be filed by _____.

Dated: _____

[DISSEMINATION AGENT]
on behalf of the City of Hutto, Texas
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Hutto, Texas

EXHIBIT B

BASIC TIMELINE FOR SPECIAL ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES

<u>Date</u>	<u>Delinquency Clock (Days)</u>	<u>Activity</u>
January 31		Special Assessments are due.
February 1	1	Special Assessments are delinquent if not received
February 15	15	City forwards payment to Trustee for all PID Special Assessment collections received from Williamson County Tax Office as of February 15. By February 21, the Dissemination Agent will send a detailed breakdown, including a breakdown of the Zone Annual Credit Amount and the EDC Annual Credit Amount. Subsequent payments and relevant details will follow monthly thereafter. Dissemination Agent and/ or Administrator should be aware of amounts due on February 15 and actual and specific delinquencies. If there is to be a shortfall, the Trustee should notify the Parties to the Installment-Sale-Contract<u>Interlocal Agreement, Loan Agreement</u>, the Construction Contract, Dissemination Agent and the Administrator of the shortfall for March 1 payment no later than February 20. At this point, if total delinquencies are under 5% and if there is adequate funding for the February 15 payments, no further action is anticipated for collection of Special Assessments except that the City or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. For properties delinquent by more than one year or if the delinquency exceeds \$10,000 the matter will be referred for foreclosure procedures, as provided by law. If there are over 5% delinquencies or if there is inadequate funding for the March 1 payments, the collection-foreclosure procedure will proceed against all delinquent properties, as provided by law.
March 1	28/29	Trustee to notify Dissemination Agent of the

occurrence of draw on the Reserve Fund to make the debt service payment and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw to Fund for debt service.

City determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the City commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.

July 1

150/151

City and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies.

Preliminary Foreclosure activity commences, and City to notify Dissemination Agent of the commencement of preliminary foreclosure activity.

August 15

195/196

The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress.

Foreclosure action to be filed with the court.

City notifies Dissemination Agent of Foreclosure filing status. Dissemination Agent notifies bondholders.

If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the City that it is appropriate to file action.

Document comparison by Workshare 9.5 on Friday, September 14, 2018
11:42:55 AM

Input:	
Document 1 ID	netdocuments://4814-2462-5004/1
Description	(MFI) HUTTO CO-OP (2018 Bonds) -- CDA of City of Hutto
Document 2 ID	netdocuments://4814-2462-5004/2
Description	(MFI) HUTTO CO-OP (2018 Bonds) -- CDA of City of Hutto
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	99
Deletions	60
Moved from	2
Moved to	2
Style change	0
Format changed	0
Total changes	163

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10A. **AGENDA DATE:** September 20, 2018

PRESENTED BY: Lisa Brown, City Secretary

ITEM:

Consideration and possible appointments to City Boards and Commissions, including Economic Development Corporations, and possible changes to terms for current and future appointees. (Lisa Brown)

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

On July 7, 2018, the City Council approved Ordinance O-18-07-05-8B that changed the terms of service of the boards, commissions and corporation members to be realigned to match those of the council places and terms. Beginning July 1, 2018 new terms will expire on June 30, of the corresponding Council Member term. Transition to new terms for current board and commission members can be reappointed to the new terms based on the new expiration terms, or new appointments can be recommended during a council meeting in July. All current board and commission members have been assigned Place numbers to coincide with existing council members. Each member will be reappointed unless they choose not to accept. In that event the Council Member should recommend a new appointment.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable

STAFF RECOMMENDATION:

Not applicable.

SUPPORTING MATERIAL:

1. [B&C Spreadsheet](#)

Boards and Commissions Master Transition

Council Member Place 1	Scott Rose	May-20
Council Member Place 2	Tom Hines	May-21
Council Member Place 3	Nate Killough	May-19
Council Member Place 4	Tim Jordan	May-20
Council Member Place 5	Patti Turner	May-21
Council Member Place 6	Terri Grimm	May-19
Mayor (Place 7)	Doug Gaul	May-19

* **Newly Appointed**
* **Re-appointed**
* **Vacant**

All Boards and Commissions terms Realigned for appointment in June
Terms Run 7/1 to 6/30 unless otherwise indicated

Last update: 9/12/2018

Planning & Zoning Commission								
Meets: 1st Tuesday @ 7:00pm of each month in the City Council Chamber								
2 yr Terms Per Charter								
Liaison - Ashley Lumpkin								
Approved					Current	Proposed	Phone	Email Address
	Place 1	Davey	Robinson	Vice-Chair	Dec-19	June-20	512-635-0169	davey.robinson@austin.rr.com
	Place 2	Kristen	Harrington	Commissioner	Dec-18	June-20	510-857-6028	kristenh2011@gmail.com
	Place 3	Jessica	Romigh	Chair	Dec-19	June-19	512-906-9453	jessicaromigh@gmail.com
	Place 4	Michael	Orman	Commissioner	Dec-18	June-20	512-636-8521	MikeOrmanPBC@orman.us
2-Aug	Place 5	Richard	Hudson	Commissioner	Dec-18	June-20	512-841-2145	sfchudson@gmail.com
	Place 6	Tony	Wertz	Commissioner	Dec-19	June-19	512-785-3242	awertz1952@yahoo.com
2-Aug	Place 7	Lori	Ortiz	Commissioner	Dec-18	June-19	512-203-6813	lori.ortiz@austin.rr.com
Parks Advisory Board								
Meets: 2nd Wednesday @ 7:00pm of each month in the City Council Chamber								
Liaison - Shane Mize								
Approved					Current	Proposed		
	Place 1	Katie	Weiss	Member	Dec-18	June-20	512-619-7099	katieweiss95@gmail.com
	Place 2	Michael	Orman	Member	Dec-20	June-21	512-636-8521	MikeOrmanPBC@orman.us
	Place 3	Dana	Lively	Member	Dec-20	June-19	713-824-7337	danaklively@gmail.com
	Place 4	Troy	McMillin	Member	Dec-19	June-20	512-925-4866	troycmillin@yahoo.com
	Place 5	Kelly	Gaydos	Chair	Dec-20	June-21	512-658-4033	kelly_gaydos@yahoo.com
6-Sep	Place 6	Rose	McMillin	Member	Dec-20	June-19	512-656-8486	rosemcmillin@yahoo.com
2-Aug	Place 7	Perry	Savard	Vice Chair	Dec-19	June-19	512-560-1133	pmsstreetglide@gmail.com
Library Advisory Board								
Meets: Quarterly @ 6:00pm of each month in the City Council Chamber								
Liaison - Eliska Padilla								
Approved					Current	Proposed		
	Place 1	David	Westbrook	Member	Dec-20	June-20	602-300-0735	dianboase@gmail.com
	Place 2	Dwight	Baker	Chair	Dec-20	June-21	713-585-3713	baker1640@sbcglobal.net
	Place 3	Tara	Chappell	Vice Chair	Dec-20	June-19	512-914-2011	tchappell08@gmail.com
	Place 4	Kathi	Shilling	Member	Dec-20	June-20	214-676-4565	kshilling873@gmail.com
	Place 5	Camille	Baptiste	Member	Dec-18	June-21	512-576-7556	camillebaptiste08@gmail.com
6-Sep	Place 6	Patricia	Elsasser	Member	Dec-20	June-19	512-317-0306	elsasserpatricia@yahoo.com
	Place 7	Vacant				June-19		
Zoning Board of Adjustments								
Meets: 4th Wednesday @ 7:00pm of each month in the City Council Chamber								
Liaison - Ashby Grundman								
Approved					Current	Proposed		
	Place 1	Pedro	Perez	Chairman	Dec-18	June-20	512-587-9183	ppjrqp@msn.com
	Place 2	Thomas	McGowan	Member	Dec-20	June-21	512-516-3968	tmmcgowan@yahoo.com
	Place 3	Randal	Clark	Member	Dec-20	June-19	512-876-3277	texas30@gmail.com
	Place 4	Vacant		Member	Dec-20	June-20		
	Place 5	Vacant		Alternate		June-21		
6-Sep	Place 6	Maureen	Rooker	Alternate	Dec-19	June-19	512-789-2210	MaureenRooker@remax.net
2-Aug	Place 7	Dana	Lively	Member	Dec-20	June-19	713-824-7337	danaklively@gmail.com

Historic Preservation Commission								
Meets: 4th Tuesday @ 6:00pm of each month in the City Council Chamber								
Liaison - John Bynum								
Approved					Current	Proposed		
	Place 1	Nicholas	Linzenmeyer	Commissioner	Dec-18	June-20	512-228-8907	nicholas.linzenmeyer@gmail.com
2-Aug	Place 2	Mary	Belton	Commissioner	Dec-18	June-21	951-218-3235	meb2745@gmail.com
	Place 3	Curtis	Orton	Commissioner	Dec-18	June-19	512-689-8759	curtisorton3@gmail.com
	Place 4	Robert	Lykins	Commissioner	Dec-19	June-20	512-788-3978	rlykins4066@yahoo.com
	Place 5	Vacant		Commissioner	Dec-19	June-21		
19-Jul	Place 6	Travis	Allen	Commissioner		June-19	512-740-4831	travallenman@yahoo.com
19-Jul	Place 7	Jonathan	Wagner	Commissioner		June-19	737-218-2700	engineerwithabeer@gmail.com
Building and Standards Commission								
Meets: As Needed in the City Council Chamber								
Liaison - Bryan Surgi								
Approved					Current	Proposed		
	Place 1	Hope	Brown	Chair	Dec-19	June-20	317-640-8258	hchickman@gmail.com
	Place 2	Olinda	Ramirez	Commissioner	Dec-19	June-21	972-974-7712	olinda.ramirez1982@gmail.com
2-Aug	Place 3	Kendrick	Whittington	Commissioner		June-19	512-426-9688	kendrick@nexlegacyconstruction.com
	Place 4	Troy	McMillin	Vice Chair	Dec-18	June-20	512-925-4866	troycmilllin@yahoo.com
	Place 5	Tom	Brown	Commissioner	Dec-18	June-21	256-473-3128	tjandsjbrown@att.net
	Place 6	Vacant		Commissioner	Dec-18	June-19		
	Place 7	Richard	Hudson	Commissioner	Dec-19	June-19	512-841-2145	sfchudson@gmail.com
Ethics Review Commission								
Meets: As Needed in the City Council Chamber (at least once a year)								
Liaison - Lisa Brown								
Approved					Current	Proposed		
	Place 1	Craig	Cargill	Member	Dec-19	June-20	512-638-3214	craig.cargill@gmail.com
	Place 2	Lori	Brown-Duncan	Member	Dec-19	June-21	512-426-9380	loribd216@aol.com
	Place 3	Larry	Straughn	Vice Chair	Dec-19	June-19	512-876-1590	olin.straughn@huttoisd.net
	Place 4	Russell	Daniel	Chair	Dec-19	June-20	512-626-7873	russelldaniel7@gmail.com
	Place 5	Dana	Lively	Member	Dec-19	June-21	713-824-7337	danaklively@gmail.com
2-Aug	Place 6	April	Willis	Member		June-19	817-996-8197	aprilacm@gmail.com
	Place 7	Vacant		Member		June-19		
Economic Development Corporation								
Meets: 1st Monday @ 6:00pm of each month in the City Council Chamber								
Liaison - Jessica Bullock								
Approved					Current	Proposed		
	Place 1	Nelson	Nagle	Treasurer	Oct-19	June-20	512-426-2025	nelson.nagle@huttotx.gov
5-Jul	Place 2	Tim	Jordan	Member	Oct-19	June-21	512-943-1508	Tim.Jordan@huttotx.gov
	Place 3	Dan	Thornton	Vic Chair/Sec'y	Oct-19	June-19	512-529-4213	dan.thornton@huttotx.gov
	Place 4	Jason	Wirth	Chair	Oct-19	June-20	512-698-9580	jason.wirth@huttotx.gov
	Place 5	Scott	Feller	Member	Oct-19	June-21	512-992-5602	scott.feller@huttotx.gov
	Place 6	Vacant		Member	Oct-19	June-19		
19-Jul	Place 7	Steve	Harris	Member	Oct-19	June-19	254-498-2224	Steven.Harris@huttotx.gov

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.:

10B.

AGENDA DATE: September 20, 2018

PRESENTED BY:

ITEM:

Presentation by the Planning and Zoning Commission Chairperson to provide an update on the Comprehensive Plan, as required by the City Charter. (Ashley Lumpkin and Jessica Romigh)

STRATEGIC GUIDE POLICY:

ITEM BACKGROUND:

The City Charter sets forth the procedures and tasks for Planning and Zoning Commission, one of which is annually reviewing the Comprehensive Plan/General Plan and recommending any changes to City Council.

The Future Land Use Map was updated in August 2017 with the remaining master plan adoptions occurring in 2018. The Drainage Master Plan was recommended in June 2018. The Capital Improvement Program was recommended in July 2018 along with the Wastewater Master Plan and the Mobility Master Plan. Most recently the Annexation Policy and Plan was recommended for approval at the last City Council meeting.

In the coming year, and in line with the adopted Strategic Plan, staff will be presenting a Comprehensive Plan update to incorporate the adopted master plans into the Comprehensive Plan.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

As there are no recommended changes to the Comprehensive Plan at this time, the recommendation is to accept the update as presented and in accordance with Section 12.04 of the City Charter.

SUPPORTING MATERIAL:

There are no supporting documents.

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10C.

AGENDA DATE: September 20, 2018

PRESENTED BY:

ITEM:

Discussion and possible action on Capital Area Council of Governments (CAPGOC) involvement.

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

The Capital Area Council of Governments (CAPCOG) developed a group composed of official representatives of all member organizations which include cities, counties, school districts, chambers of commerce, non-profits and other organizations that have an interest in the Council of Governments' programs and regionalism. The population of each entity determines the number of General Assembly representative seats that they may fill. In addition to General Assembly representation, the City of Hutto has a representative on the Central Texas Clean Air Coalition.

The Mayor and Councilmembers may wish to discuss the City's involvement in CAPCOG.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Not applicable.

SUPPORTING MATERIAL:

There are no supporting documents.

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10D.

AGENDA DATE: September 20, 2018

PRESENTED BY:

ITEM:

Discussion and possible action on appointment process when a council member resigns.

STRATEGIC GUIDE POLICY: Infrastructure & Growth

ITEM BACKGROUND:

Section 3.06 of the City Charter covers vacancies, forfeiture, filling of vacancies.

Under Section 3.06 (b) Forfeiture of Office, the Charter states, 'If the Mayor or any Council member: 1) fails to maintain the qualifications as required in this Charter; 2) has been found by the affirmative vote at least a five (5) members of the City Council to have violated any express prohibition of this Charter; 3) is convicted of a crime involving moral turpitude; or 4) fails to attend three (3) consecutive regular City Council meetings without being excused by the City Council, the City Council shall, at its next regular meeting, declare the office to be vacant and shall fill such vacancy as set forth in Subsection (c) below of this Section 3.06 (amended May 6, 2017).

Section (c) Filling of Vacancies: goes on to say, that 'When any vacancy or vacancies shall occur on the City Council, a majority of the remaining Councilmembers shall appoint a qualified replacement to fulfill the remainder of the vacant term should the remainder of the term be less than one (1) year. A special election shall be called in accordance with state law to fill the vacancy or vacancies in the same manner as described herein for regular elections should more than one (1) year remain of the vacant term.

The City Councilmembers may wish to discuss the appointment process when a council member resigns.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Not applicable.

SUPPORTING MATERIAL:

There are no supporting documents.

CITY OF HUTTO CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10E. **AGENDA DATE:** September 20, 2018

PRESENTED BY: James Bryson, Director of Finance

ITEM:

Presentation of the City Financials for the Month of August as well as investment reports as required by the fiscal and budgetary policy. (James Bryson)

STRATEGIC GUIDE POLICY: Fiscal Responsibility

ITEM BACKGROUND:

Incode 10 Financials for the month of August, 2018 consisting of the Balance Sheets, Income Statements, and Fund Balances with an Investment Report Summary and Breakout of the Utility Fund. The purpose is to inform the Council and public of the City's fiscal stewardship.

BUDGETARY AND FINANCIAL SUMMARY:

Overall activity is in line with expectations.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Not applicable

SUPPORTING MATERIAL:

1. [August 2018 Financial Information](#)



City of Hutto, TX

Balance Sheet

Account Summary

As Of 08/31/2018

		Balance	
Fund: 10 - General Fund			
Assets			
	Total Assets:	<u>6,516,450.77</u>	<u><u>6,516,450.77</u></u>
Liability			
	Total Liability:	<u>960,801.84</u>	
Equity			
	Total Beginning Equity:	<u>4,742,648.25</u>	
Total Revenue		13,139,397.65	
Total Expense		<u>12,326,396.97</u>	
Revenues Over/Under Expenses		<u>813,000.68</u>	
	Total Equity and Current Surplus (Deficit):	<u>5,555,648.93</u>	
	Total Liabilities, Equity and Current Surplus (Deficit):		<u><u>6,516,450.77</u></u>

Balance Sheet**As Of 08/31/2018**

	Balance	
Fund: 11 - General Debt Service Fund		
Assets		
Total Assets:	-295,229.41	<u><u>-295,229.41</u></u>
Liability		
Total Liability:	16,327.50	
Equity		
Total Beginning Equity:	218,656.72	
Total Revenue	1,547,381.66	
Total Expense	2,077,595.29	
Revenues Over/Under Expenses	-530,213.63	
Total Equity and Current Surplus (Deficit):	-311,556.91	
Total Liabilities, Equity and Current Surplus (Deficit):		<u><u>-295,229.41</u></u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 20 - Court Technology Fund		
Assets		
Total Assets:	2,880.95	<u>2,880.95</u>
Liability		
Total Liability:	-200.00	
Equity		
Total Beginning Equity:	9,599.97	
Total Revenue	5,796.01	
Total Expense	12,315.03	
Revenues Over/Under Expenses	-6,519.02	
Total Equity and Current Surplus (Deficit):	3,080.95	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>2,880.95</u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 21 - Court Security Fund		
Assets		
Total Assets:	23,661.23	<u>23,661.23</u>
Liability		
Total Liability:	0.00	
Equity		
Total Beginning Equity:	27,790.72	
Total Revenue	3,012.03	
Total Expense	7,141.52	
Revenues Over/Under Expenses	-4,129.49	
Total Equity and Current Surplus (Deficit):	23,661.23	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>23,661.23</u>

Balance Sheet**As Of 08/31/2018**

	Balance	
Fund: 22 - Court Training Fund		
Assets		
Total Assets:	<u>2,475.87</u>	<u><u>2,475.87</u></u>
Liability		
Total Liability:	<u>0.00</u>	
Equity		
Total Beginning Equity:	<u>2,153.37</u>	
Total Revenue	322.50	
Total Expense	<u>0.00</u>	
Revenues Over/Under Expenses	<u>322.50</u>	
Total Equity and Current Surplus (Deficit):	<u>2,475.87</u>	
Total Liabilities, Equity and Current Surplus (Deficit):		<u><u>2,475.87</u></u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 24 - Hotel Tax Fund		
Assets		
Total Assets:	<u>176,780.12</u>	<u><u>176,780.12</u></u>
Liability		
Total Liability:	<u>87,065.95</u>	
Equity		
Total Beginning Equity:	<u>217,859.44</u>	
Total Revenue	197,519.73	
Total Expense	<u>325,665.00</u>	
Revenues Over/Under Expenses	<u>-128,145.27</u>	
Total Equity and Current Surplus (Deficit):	<u>89,714.17</u>	
Total Liabilities, Equity and Current Surplus (Deficit):		<u><u>176,780.12</u></u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 25 - Hutto Police Seizure Fund		
Assets		
Total Assets:	15,440.78	<u>15,440.78</u>
Liability		
Total Liability:	0.00	
Equity		
Total Beginning Equity:	14,242.08	
Total Revenue	1,198.70	
Total Expense	0.00	
Revenues Over/Under Expenses	<u>1,198.70</u>	
Total Equity and Current Surplus (Deficit):	15,440.78	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>15,440.78</u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 26 - ATS Red Light Camera Fund		
Assets		
Total Assets:	155,495.28	<u>155,495.28</u>
Liability		
Total Liability:	59,995.84	
Equity		
Total Beginning Equity:	95,946.77	
Total Revenue	5,498.09	
Total Expense	5,945.42	
Revenues Over/Under Expenses	-447.33	
Total Equity and Current Surplus (Deficit):	95,499.44	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>155,495.28</u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 27 - PEG Capital Fees		
Assets		
Total Assets:	84,852.52	<u>84,852.52</u>
Liability		
Total Liability:	0.00	
Equity		
Total Beginning Equity:	45,735.58	
Total Revenue	39,116.94	
Total Expense	0.00	
Revenues Over/Under Expenses	39,116.94	
Total Equity and Current Surplus (Deficit):	84,852.52	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>84,852.52</u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 50 - Utility Fund		
Assets		
Total Assets:	70,998,306.08	<u>70,998,306.08</u>
Liability		
Total Liability:	41,783,821.54	
Equity		
Total Beginning Equity:	23,444,369.56	
Total Revenue	80,719,022.32	
Total Expense	74,948,907.34	
Revenues Over/Under Expenses	5,770,114.98	
Total Equity and Current Surplus (Deficit):	29,214,484.54	
Total Liabilities, Equity and Current Surplus (Deficit):		<u>70,998,306.08</u>

Balance Sheet

As Of 08/31/2018

	Balance	
Fund: 51 - Utility Debt Service Fund		
Assets		
	Total Assets:	-1,362,979.91
		<u>-1,362,979.91</u>
Liability		
	Total Liability:	1,552.30
Equity		
	Total Beginning Equity:	-1,430,831.02
Total Revenue		6,614,502.80
Total Expense		6,548,203.99
Revenues Over/Under Expenses		66,298.81
	Total Equity and Current Surplus (Deficit):	-1,364,532.21
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>-1,362,979.91</u>

Balance Sheet

As Of 08/31/2018

		Balance	
Fund: 52 - Impact Fees Fund			
Assets			
	Total Assets:	1,428,661.00	1,428,661.00
Liability			
	Total Liability:	996,439.60	
Equity			
	Total Beginning Equity:	0.00	
Total Revenue		1,632,221.40	
Total Expense		1,200,000.00	
Revenues Over/Under Expenses		432,221.40	
	Total Equity and Current Surplus (Deficit):	432,221.40	
	Total Liabilities, Equity and Current Surplus (Deficit):		1,428,661.00

Balance Sheet**As Of 08/31/2018**

		Balance
Fund: 60 - Capital Improvements Project		
Assets		
	Total Assets:	<u>9,895,436.08</u>
		<u><u>9,895,436.08</u></u>
Liability		
	Total Liability:	<u>1,989,915.76</u>
Equity		
	Total Beginning Equity:	<u>2,640,225.61</u>
Total Revenue		17,121,650.65
Total Expense		<u>11,856,355.94</u>
Revenues Over/Under Expenses		<u>5,265,294.71</u>
	Total Equity and Current Surplus (Deficit):	7,905,520.32
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>9,895,436.08</u>

Balance Sheet

As Of 08/31/2018

		Balance	
Fund: 62 - Drainage & Streets Fund			
Assets			
	Total Assets:	1,058,110.41	<u>1,058,110.41</u>
Liability			
	Total Liability:	15,456.63	
Equity			
	Total Beginning Equity:	0.00	
Total Revenue		3,179,543.78	
Total Expense		2,136,890.00	
Revenues Over/Under Expenses		1,042,653.78	
	Total Equity and Current Surplus (Deficit):	1,042,653.78	
	Total Liabilities, Equity and Current Surplus (Deficit):		<u>1,058,110.41</u>

Balance Sheet

As Of 08/31/2018

		Balance	
Fund: 70 - Solid Waste Fund			
Assets			
	Total Assets:	748,862.92	<u>748,862.92</u>
Liability			
	Total Liability:	291,344.40	
Equity			
	Total Beginning Equity:	319,835.44	
Total Revenue		1,285,129.42	
Total Expense		1,147,446.34	
Revenues Over/Under Expenses		137,683.08	
	Total Equity and Current Surplus (Deficit):	457,518.52	
	Total Liabilities, Equity and Current Surplus (Deficit):		<u>748,862.92</u>



City of Hutto, TX

Income Statement Group Summary

For Fiscal: 2017-2018 Period Ending: 08/31/2018

Account Type	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 10 - General Fund					
Revenue	13,081,430.75	13,167,946.75	634,497.57	13,139,397.65	28,549.10
Expense	13,080,786.17	13,833,874.93	1,433,896.31	12,326,396.97	1,507,477.96
Fund: 10 - General Fund Surplus (Deficit):	644.58	-665,928.18	-799,398.74	813,000.68	-1,478,928.86
Fund: 11 - General Debt Service Fund					
Revenue	1,651,792.64	1,651,792.64	403.35	1,547,381.66	104,410.98
Expense	1,716,192.03	2,023,892.85	0.00	2,077,595.29	-53,702.44
Fund: 11 - General Debt Service Fund Surplus (Deficit):	-64,399.39	-372,100.21	403.35	-530,213.63	158,113.42
Fund: 20 - Court Technology Fund					
Revenue	7,000.00	7,000.00	495.67	5,796.01	1,203.99
Expense	16,190.00	16,190.00	1,289.36	12,315.03	3,874.97
Fund: 20 - Court Technology Fund Surplus (Deficit):	-9,190.00	-9,190.00	-793.69	-6,519.02	-2,670.98
Fund: 21 - Court Security Fund					
Revenue	5,100.00	5,100.00	371.76	3,012.03	2,087.97
Expense	31,250.00	31,250.00	283.84	7,141.52	24,108.48
Fund: 21 - Court Security Fund Surplus (Deficit):	-26,150.00	-26,150.00	87.92	-4,129.49	-22,020.51
Fund: 22 - Court Training Fund					
Revenue	500.00	500.00	40.00	322.50	177.50
Expense	2,000.00	2,000.00	0.00	0.00	2,000.00
Fund: 22 - Court Training Fund Surplus (Deficit):	-1,500.00	-1,500.00	40.00	322.50	-1,822.50
Fund: 23 - Special Events					
Expense	0.00	0.00	0.00	0.00	0.00
Fund: 23 - Special Events Total:	0.00	0.00	0.00	0.00	0.00
Fund: 24 - Hotel Tax Fund					
Revenue	250,000.00	250,000.00	31,190.57	197,519.73	52,480.27
Expense	263,000.00	350,000.00	150,000.00	325,665.00	24,335.00
Fund: 24 - Hotel Tax Fund Surplus (Deficit):	-13,000.00	-100,000.00	-118,809.43	-128,145.27	28,145.27
Fund: 25 - Hutto Police Seizure Fund					
Revenue	0.00	0.00	0.00	1,198.70	-1,198.70
Fund: 25 - Hutto Police Seizure Fund Total:	0.00	0.00	0.00	1,198.70	-1,198.70
Fund: 26 - ATS Red Light Camera Fund					
Revenue	0.00	0.00	0.00	5,498.09	-5,498.09
Expense	5,000.00	5,000.00	310.95	5,945.42	-945.42
Fund: 26 - ATS Red Light Camera Fund Surplus (Deficit):	-5,000.00	-5,000.00	-310.95	-447.33	-4,552.67
Fund: 27 - PEG Capital Fees					
Revenue	32,500.00	32,500.00	10,067.02	39,116.94	-6,616.94
Expense	26,200.00	26,200.00	0.00	0.00	26,200.00
Fund: 27 - PEG Capital Fees Surplus (Deficit):	6,300.00	6,300.00	10,067.02	39,116.94	-32,816.94
Fund: 50 - Utility Fund					
Revenue	23,818,111.00	74,429,092.00	1,033,552.05	80,719,022.32	-6,289,930.32
Expense	23,016,586.00	76,014,087.63	679,351.77	74,948,907.34	1,065,180.29
Fund: 50 - Utility Fund Surplus (Deficit):	801,525.00	-1,584,995.63	354,200.28	5,770,114.98	-7,355,110.61
Fund: 51 - Utility Debt Service Fund					
Revenue	4,102,321.00	6,605,644.63	24.20	6,614,502.80	-8,858.17
Expense	4,117,406.00	6,617,622.76	439,583.62	6,548,203.99	69,418.77
Fund: 51 - Utility Debt Service Fund Surplus (Deficit):	-15,085.00	-11,978.13	-439,559.42	66,298.81	-78,276.94
Fund: 52 - Impact Fees Fund					
Revenue	1,200,000.00	1,200,000.00	300,762.40	1,632,221.40	-432,221.40

Income Statement

For Fiscal: 2017-2018 Period Ending: 08/31/2018

Account Type	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Expense	1,200,000.00	1,200,000.00	0.00	1,200,000.00	0.00
Fund: 52 - Impact Fees Fund Surplus (Deficit):	0.00	0.00	300,762.40	432,221.40	-432,221.40
Fund: 60 - Capital Improvements Project					
Revenue	14,608,265.00	17,592,656.63	30,827.03	17,121,650.65	471,005.98
Expense	15,071,264.00	22,056,107.77	1,905,485.59	11,856,355.94	10,199,751.83
Fund: 60 - Capital Improvements Project Surplus (Deficit):	-462,999.00	-4,463,451.14	-1,874,658.56	5,265,294.71	-9,728,745.85
Fund: 62 - Drainage & Streets Fund					
Revenue	0.00	3,000,000.00	32,998.30	3,179,543.78	-179,543.78
Expense	2,567,910.51	2,498,410.51	76,393.91	2,136,890.00	361,520.51
Fund: 62 - Drainage & Streets Fund Surplus (Deficit):	-2,567,910.51	501,589.49	-43,395.61	1,042,653.78	-541,064.29
Fund: 70 - Solid Waste Fund					
Revenue	1,305,000.00	1,305,000.00	132,445.83	1,285,129.42	19,870.58
Expense	1,367,500.00	1,367,500.00	109,073.24	1,147,446.34	220,053.66
Fund: 70 - Solid Waste Fund Surplus (Deficit):	-62,500.00	-62,500.00	23,372.59	137,683.08	-200,183.08
Total Surplus (Deficit):	-2,419,264.32	-6,794,903.80	-2,587,992.84	12,898,450.84	-19,693,354.64

Income Statement

For Fiscal: 2017-2018 Period Ending: 08/31/2018

Fund Summary

Fund	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
10 - General Fund	644.58	-665,928.18	-799,398.74	813,000.68	-1,478,928.86
11 - General Debt Service Fu	-64,399.39	-372,100.21	403.35	-530,213.63	158,113.42
20 - Court Technology Fund	-9,190.00	-9,190.00	-793.69	-6,519.02	-2,670.98
21 - Court Security Fund	-26,150.00	-26,150.00	87.92	-4,129.49	-22,020.51
22 - Court Training Fund	-1,500.00	-1,500.00	40.00	322.50	-1,822.50
23 - Special Events	0.00	0.00	0.00	0.00	0.00
24 - Hotel Tax Fund	-13,000.00	-100,000.00	-118,809.43	-128,145.27	28,145.27
25 - Hutto Police Seizure Fun	0.00	0.00	0.00	1,198.70	-1,198.70
26 - ATS Red Light Camera Fu	-5,000.00	-5,000.00	-310.95	-447.33	-4,552.67
27 - PEG Capital Fees	6,300.00	6,300.00	10,067.02	39,116.94	-32,816.94
50 - Utility Fund	801,525.00	-1,584,995.63	354,200.28	5,770,114.98	-7,355,110.61
51 - Utility Debt Service Fund	-15,085.00	-11,978.13	-439,559.42	66,298.81	-78,276.94
52 - Impact Fees Fund	0.00	0.00	300,762.40	432,221.40	-432,221.40
60 - Capital Improvements Pr	-462,999.00	-4,463,451.14	-1,874,658.56	5,265,294.71	-9,728,745.85
62 - Drainage & Streets Fund	-2,567,910.51	501,589.49	-43,395.61	1,042,653.78	-541,064.29
70 - Solid Waste Fund	-62,500.00	-62,500.00	23,372.59	137,683.08	-200,183.08
Total Surplus (Deficit):	-2,419,264.32	-6,794,903.80	-2,587,992.84	12,898,450.84	-19,693,354.64

CITY OF HUTTO
BANK AND INVESTMENT ACCOUNTS BALANCE
August 2018

Bank Name	Bank Account Name	Bank Account #	Bank Balance	Int. Earned	Int. Earned YTD	Rate
Bancorp South	Operating Account	1505000019	186,483.08	217.00	1,488.72	1.3200%
Wells Fargo Bank	Operating Account	4124506015	1,711,443.30	0.00	0.00	0.0000%
Wells Fargo Bank	Operating Account CC Deposits	4124506031	0.00	0.00	0.00	0.0000%
TexStar	Operating Account	24607-1111-000	3,789,288.57	6,948.41	28,138.89	1.000000%
Wells Fargo Bank	Payroll Account	4124506023	0.00	0.00	0.00	0.0000%
TexPool	General Fund Property Tax	7888800001	2,664,418.00	4,390.57	43,054.88	0.0000%
TexPool	Park Development Fund	7888800002	530,622.16	864.10	4,723.96	0.0000%
TexStar	2007 CO Bonds	24607-2007-000	171,879.76	280.19	1,872.12	1.0000%
TexStar	2010 CO Bonds	24607-2010-000	108.41	0.27	1,158.27	1.0000%
TexStar	2010 GO Bonds	24607-2010-001	159,970.71	260.79	1,742.49	1.0000%
TexStar	2011B CO Bonds	24607-2011-000	202,996.72	330.92	2,211.10	1.0000%
TexStar	2012 GO Bonds	24607-2012-000	64,857.39	105.73	706.41	1.0000%
TexStar	2013 CO Bonds	24607-2013-000	204.36	0.31	597.23	1.0000%
TexStar	General I & S Fund	24607-3333-000	247,431.33	403.35	6,002.42	1.0000%
TexStar	Utility I & S Fund	24607-3333-001	14,856.58	24.20	13,647.75	1.0000%
TexStar	GO 2016	24607-2016-000	240,572.10	392.16	6,585.35	1.0000%
TexStar	HEB-Track Escrow	24607-10291	72,617.26	118.40	329.29	1.0000%
TexStar	Hutto Option Mezz Escrow	24607-10292	62.35	0.04	0.35	1.0000%
TexStar	New Quest Escrow	24607-10290	166,083.24	270.76	1,565.90	1.0000%
TexStar	PEG Capital Fees	24607-11890	73,529.05	119.86	800.88	1.0000%
TexStar	Utility TAP Fees	24607-10280	10.04	0.00	0.00	1.0000%
TexStar	2017 LTN Issuance	24607-20170	1,345,237.64	2,193.71	18,939.32	1.0000%
TexStar	2017 CO Bonds	24607-20171	11,330,448.74	20,595.00	131,471.30	1.0000%
Wells Fargo Bank	Hutto Seizure Fund	4124506049	1,448.10	0.00	0.00	0.0000%
Wells Fargo Bank	ATS Account	4124506080	44,154.89	0.00	0.00	0.0000%
First State Bank	Certificate of Deposit (12 mo.) maturity 2/2018	100135927	0.00	0.00	0.00	0.0000%
First State Bank	Certificate of Deposit (24 mo.) maturity 5/15/2018	100135931	0.00	0.00	0.00	0.0000%
First State Bank	Certificate of Deposit (18 mo.) maturity 5/15/18	100135930	0.00	0.00	0.00	0.0000%
TOTAL			23,018,723.78	0.00	265,036.63	

Income Statement

City of Hutto, TX

Account Summary

For Fiscal: 2017-2018 Period Ending: 08/31/2018

		Total Budget	MTD Activity	YTD Activity
Fund: 50 - Utility Fund				
Revenue				
<u>50-5041</u>	Interest Earned	7,000.00	280.46	185,488.63
<u>50-5042</u>	Bond interest	15,000.00	-	-
<u>50-5051</u>	NSF Fees	6,000.00	30.00	1,060.00
<u>50-5052</u>	Late Fees	172,000.00	17,288.38	186,887.64
<u>50-5053</u>	UB Collections Fees	7,500.00	-	23,990.53
<u>50-5099</u>	Miscellaneous Income	10,000.00	-	24,759.30
<u>50-5113</u>	Water Connection Fee	100,000.00	21,550.00	85,450.00
<u>50-5114</u>	WasteWater Connection Fees	75,000.00	20,250.00	90,900.00
<u>50-5201</u>	Water User Fees	4,482,500.00	508,204.38	4,494,384.41
<u>50-5203</u>	WasteWater User Fees	4,655,000.00	453,329.02	4,431,449.00
<u>50-5205</u>	Reconnect Fees	75,000.00	12,425.00	99,995.00
<u>50-5206</u>	New Account / Transfer fees	62,250.00	-	-
<u>50-5310</u>	HEDC Interlocal Agreement	-	-	14,400.00
<u>50-5510</u>	Bad Debt Revenue	-	194.81	(22,063.27)
<u>50-5852</u>	Transfer From Fund 52	1,200,000.00	-	1,200,000.00
Revenue Total:		10,867,250.00	1,033,552.05	10,816,701.24
Expense				
<u>50-010-005-6212</u>	Technology Equip. & Supplies	1,500.00	169.99	3,674.71
<u>50-010-005-6213</u>	Communication Equip. & Supplies	250.00	-	920.00
<u>50-010-005-6299</u>	Other Supplies & Materials	500.00	-	-
<u>50-010-005-6412</u>	Software Licensing & Maint. Fees	14,500.00	-	1,680.00
<u>50-010-005-6413</u>	Communication Svcs	6,205.00	516.67	2,969.12
<u>50-020-010-6001</u>	Salaries	349,123.00	37,461.15	282,264.97
<u>50-020-010-6004</u>	Overtime	9,009.00	674.63	4,210.31
<u>50-020-010-6012</u>	Clothing & Uniforms Allowance	400.00	-	383.33
<u>50-020-010-6013</u>	Cell Phone Allowance	300.00	101.07	625.61
<u>50-020-010-6021</u>	Longevity Pay	2,544.00	-	2,484.00
<u>50-020-010-6022</u>	Cerification Pay	1,800.00	207.72	1,701.61
<u>50-020-010-6031</u>	Merit/Market Adjustment	6,910.00	-	-
<u>50-020-010-6051</u>	FICA/Medicare	28,312.00	2,861.50	21,577.23
<u>50-020-010-6052</u>	State Unemployment Tax (TWC)	1,800.00	-	1,116.28
<u>50-020-010-6053</u>	TMRS	49,222.00	5,178.40	40,134.13
<u>50-020-010-6054</u>	Workers Comp Ins	2,379.00	-	-
<u>50-020-010-6061</u>	Health/Life Insurance	68,648.00	4,199.12	39,996.32
<u>50-020-010-6201</u>	Office Supplies	3,000.00	76.51	2,323.83
<u>50-020-010-6202</u>	Membership	150.00	-	-
<u>50-020-010-6206</u>	Clothing & Uniforms	1,750.00	239.30	1,404.02
<u>50-020-010-6211</u>	Furniture & Office Equip	500.00	-	76.79
<u>50-020-010-6212</u>	Technology Equip. & Supplies	-	-	39.99
<u>50-020-010-6215</u>	Small Tools & Equip.	600.00	151.94	765.24
<u>50-020-010-6216</u>	Water Meters	100,000.00	6,708.58	86,767.84
<u>50-020-010-6231</u>	Fuel & Mileage	1,800.00	370.31	3,307.19
<u>50-020-010-6299</u>	Other Supplies & Materials	1,000.00	65.68	982.18
<u>50-020-010-6304</u>	Vehicle Repair & Maint.	1,200.00	-	1,959.71
<u>50-020-010-6312</u>	Line Repairs & Maintenance	-	-	730.84
<u>50-020-010-6410</u>	Outside Printing	2,500.00	-	1,992.42
<u>50-020-010-6412</u>	Software Licensing & Maint Fee	27,500.00	-	23,309.71
<u>50-020-010-6444</u>	Disconnect Svcs	5,000.00	300.00	2,850.00
<u>50-020-010-6499</u>	Other Contracted Services	38,000.00	-	24,034.50

<u>50-020-010-6502</u>	Training & Development	5,000.00	199.00	1,099.84
<u>50-020-010-6504</u>	Postage	42,000.00	-	31,238.85
<u>50-020-010-6505</u>	Bank & Finance Charges	90,000.00	11,953.41	142,044.99
<u>50-020-010-6507</u>	Membership Dues & Subscriptions	-	-	111.00
<u>50-020-010-6592</u>	Bad Debt	30,000.00	-	-
<u>50-040-061-6001</u>	Salaries	170,184.00	31,928.02	235,593.12
<u>50-040-061-6004</u>	Overtime	11,912.00	2,657.02	13,901.12
<u>50-040-061-6012</u>	Clothing & Uniforms Allowance	800.00	-	1,091.67
<u>50-040-061-6021</u>	Longevity	1,291.00	-	981.50
<u>50-040-061-6022</u>	Certification Pay	-	-	125.00
<u>50-040-061-6031</u>	Merit / Market Adjustment	5,105.00	-	-
<u>50-040-061-6051</u>	Fica / Medicare	14,480.00	2,581.93	18,525.61
<u>50-040-061-6052</u>	State Unemployment Tax (TWC)	720.00	-	982.38
<u>50-040-061-6053</u>	TMRS	25,176.00	4,084.05	33,214.46
<u>50-040-061-6054</u>	Workers Comp Ins	4,180.00	-	-
<u>50-040-061-6061</u>	Health / Life Insurance	32,909.00	3,324.11	29,843.43
<u>50-040-061-6206</u>	Clothing & Uniforms	2,975.00	532.11	4,769.56
<u>50-040-061-6211</u>	Furniture & Office Equip.	2,000.00	-	-
<u>50-040-061-6215</u>	Small Tools & Equip.	5,400.00	92.77	1,216.69
<u>50-040-061-6216</u>	Water Meters	-	-	8.76
<u>50-040-061-6224</u>	Safety Supplies	2,000.00	3,400.00	5,212.50
<u>50-040-061-6231</u>	Fuel & Mileage	15,000.00	1,556.53	11,812.86
<u>50-040-061-6232</u>	Chemicals	20,000.00	4,500.78	29,543.79
<u>50-040-061-6299</u>	Other Supplies & Materials	4,000.00	300.00	4,294.39
<u>50-040-061-6302</u>	Equipment Repair & Maint.	6,000.00	-	4,854.56
<u>50-040-061-6304</u>	Vehicle Repair & Maint.	7,250.00	487.00	3,940.08
<u>50-040-061-6311</u>	Water System Maintenance	145,000.00	-	-
<u>50-040-061-6312</u>	Line Repairs and Maint	22,500.00	459.63	16,870.73
<u>50-040-061-6313</u>	Pump, Motors & Control Maint	40,808.00	10.47	54,607.09
<u>50-040-061-6314</u>	Utility Facilities Maint	15,000.00	-	3,938.37
<u>50-040-061-6324</u>	Fire Hydrant Repair & Maintena	4,000.00	-	690.11
<u>50-040-061-6401</u>	Attorney Services	92,694.00	-	230,290.82
<u>50-040-061-6402</u>	Advertising / Legal Notices	250.00	-	-
<u>50-040-061-6403</u>	Contract Labor	3,000.00	100.00	275.00
<u>50-040-061-6404</u>	Engineering Services	19,973.00	-	33,230.00
<u>50-040-061-6405</u>	Professional Services	22,765.00	-	12,425.15
<u>50-040-061-6408</u>	Lease / Rental Services	7,250.00	836.13	3,962.74
<u>50-040-061-6410</u>	Outside Printing	6,000.00	-	3,998.95
<u>50-040-061-6412</u>	Software Licensing & Maint Fee	1,000.00	-	349.99
<u>50-040-061-6413</u>	Communication Services	-	26.52	1,173.86
<u>50-040-061-6451</u>	Taylor Water Contract	341,947.00	30,295.02	306,045.24
<u>50-040-061-6452</u>	Manville Water Contract	603,312.00	34,965.88	532,518.70
<u>50-040-061-6453</u>	Heart of Texas Water	-	-	-
<u>50-040-061-6462</u>	Laboratory Services	7,811.00	585.00	7,052.21
<u>50-040-061-6501</u>	Licenses & Permits	12,134.00	-	12,215.25
<u>50-040-061-6502</u>	Training and Development	6,000.00	646.00	5,696.15
<u>50-040-061-6504</u>	Postage	100.00	-	38.09
<u>50-040-061-6507</u>	Membership Dues & Subscriptions	500.00	-	75.00
<u>50-040-061-6521</u>	Utilities	80,000.00	-	59,759.77
<u>50-040-061-6603</u>	Machinery & Equipment	214,252.00	-	-
<u>50-040-061-6691</u>	Capital Leases	18,942.00	-	34,493.85
<u>50-040-062-6001</u>	Salaries	106,414.00	31,927.95	235,591.98
<u>50-040-062-6004</u>	Overtime	11,913.00	2,656.93	13,900.47
<u>50-040-062-6012</u>	Clothing & Uniforms Allowance	800.00	-	1,091.66
<u>50-040-062-6021</u>	Longevity	1,312.00	-	981.50
<u>50-040-062-6022</u>	Certification Pay	-	-	125.00
<u>50-040-062-6031</u>	Merit / Market Adjustment	5,106.00	-	-
<u>50-040-062-6051</u>	Fica / Medicare	14,483.00	2,580.95	18,517.49
<u>50-040-062-6052</u>	State Unemployment Tax (TWC)	720.00	-	957.00
<u>50-040-062-6053</u>	TMRS	25,179.00	4,083.64	33,210.49
<u>50-040-062-6054</u>	Workers Comp Ins	4,181.00	-	-

50-040-062-6061	Health / Life Insurance	32,909.00	3,322.95	34,544.98
50-040-062-6202	Clothing and Utilities	500.00	-	-
50-040-062-6206	Clothing & Uniforms	2,975.00	532.04	4,769.13
50-040-062-6211	Furniture & Office Equip.	2,000.00	-	-
50-040-062-6215	Small Tools & Equip.	5,400.00	39.94	431.30
50-040-062-6224	Safety Supplies	2,000.00	480.47	2,207.35
50-040-062-6231	Fuel & Mileage	15,000.00	1,443.74	10,665.62
50-040-062-6232	Chemicals	750.00	-	964.06
50-040-062-6299	Other Supplies & Materials	2,000.00	145.69	1,570.34
50-040-062-6302	Equipment Repair & Maint.	8,000.00	-	3,336.50
50-040-062-6304	Vehicle Repair & Maint.	7,250.00	722.46	1,326.48
50-040-062-6312	Line Repairs and Maint	10,000.00	704.61	9,826.84
50-040-062-6313	Pump, Motors & Control Maint	40,000.00	1,391.45	30,957.82
50-040-062-6314	Utility Facilities Maint	6,000.00	-	5,656.93
50-040-062-6403	Contract Labor	10,000.00	-	-
50-040-062-6404	Engineering Services	187,020.00	-	173,284.61
50-040-062-6405	Professional Services	22,765.00	-	22,788.24
50-040-062-6408	Lease / Rental Services	9,750.00	235.15	4,216.54
50-040-062-6413	Communication Services	1,000.00	-	672.00
50-040-062-6456	Brazos River Authority Contract	1,389,887.00	126,946.75	1,396,414.05
50-040-062-6457	WasteWater Contract	200,000.00	16,470.00	181,350.00
50-040-062-6501	Licenses & Permits	250.00	-	136.00
50-040-062-6502	Training and Development	3,000.00	50.00	2,079.00
50-040-062-6507	Membership Dues & Subscriptions	500.00	-	120.00
50-040-062-6521	Utilities	40,000.00	-	18,398.89
50-040-062-6603	Machinery & Equipment	164,252.00	-	-
50-040-062-6691	Capital Leases	18,942.00	-	34,487.85
50-040-801-6212	Technology Equip. & Supplies	1,000.00	-	-
50-040-801-6215	Small Tools & Equip	10,000.00	1,017.47	8,452.22
50-040-801-6224	Safety Supplies	-	935.00	935.00
50-040-801-6232	Chemicals	60,000.00	266.00	57,201.76
50-040-801-6312	Line Repairs and Maint	10,000.00	-	266.05
50-040-801-6313	Pump, Motors & Control Maint	25,000.00	2,560.83	21,704.18
50-040-801-6314	Utility Facilities Maint	101,000.00	187.52	1,285.43
50-040-801-6316	Water Emergency 2018	-	9,487.28	9,487.28
50-040-801-6408	Lease / Rental Services	2,000.00	361.00	458.00
50-040-801-6413	Communication Services	1,200.00	-	987.39
50-040-801-6454	Water Lease Payments	110,000.00	24,092.95	111,617.19
50-040-801-6499	Other Contracted Services	56,000.00	-	36,640.00
50-040-801-6501	Licenses & Fees	50,000.00	-	28,728.00
50-040-801-6521	Utilities	120,000.00	14,399.98	130,355.23
50-040-801-6602	Vehicles	-	-	-
50-040-801-6650	Capital Assets Purchased	-	6,250.00	25,000.00
50-100-000-6551	Property Insurance	15,571.00	-	20,969.55
50-100-000-6552	Liability Insurance	9,079.00	-	12,472.68
50-100-000-6553	Errors and Omissions	6,633.00	-	6,198.01
50-100-000-6710	Transfer To Fund 10	-	-	-
50-100-000-6751	Transfer To Fund 51	6,603,144.63	-	6,603,144.63
50-100-000-6753	Transfer to Fund 53	50,000.00	-	50,000.00
Expense Total:		12,472,907.63	448,096.70	11,818,877.83

ality Fund Surplus (Deficit):	(1,605,657.63)	585,455.35	(1,002,176.59)
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Revenue	10,816,701.24
Operating Exp	5,165,733.20
	<u>5,650,968.04</u>
Debt Service	<u>6,653,144.63</u>
Net Loss	(1,002,176.59)

**CITY OF HUTTO
CITY COUNCIL AGENDA**

AGENDA ITEM NO.: 12A.

AGENDA DATE: September 20, 2018

PRESENTED BY:

ITEM:

Consideration and possible action relating to Eminent Domain.

STRATEGIC GUIDE POLICY:

ITEM BACKGROUND:

BUDGETARY AND FINANCIAL SUMMARY:

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

CITY ATTORNEY REVIEW:

STAFF RECOMMENDATION:

SUPPORTING MATERIAL:

There are no supporting documents.