CITY OF HUTTO, TEXAS
REGULAR CITY COUNCIL MEETING
THURSDAY, JULY 5, 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 June 21, 2018 Regular City Council Meeting. (Lisa Brown)

REGULAR AGENDA ITEMS

8. **ORDINANCES:**

8A. Consideration and action with respect to an Ordinance Authorizing the Issuance of City of Hutto, Texas Limited Tax Refunding Bonds, Series 2018; Authorizing the Levy of an Ad Valorem Tax in Support of the Bonds; Approving an Official Statement, A Paying Agent/Registrar Agreement, A Purchase Agreement and An Escrow Agreement; Establishing Procedures for Selling and Delivery of the Bonds; And Authorizing Other Matters Related to the Bonds. (Anthony Emadi)

8B. Consideration and possible action on the second reading of an ordinance altering the terms and appointments to boards, commissions and corporations to be realigned to match terms of City Council member places. (City Attorney)

8C. Consideration of a public hearing and possible action on the first reading of an ordinance approving the Traffic Impact Fee (TIF) Ordinance. (Matt Rector)

9. **RESOLUTIONS:**

9A. Consideration and possible action on the proposed City of Hutto Five Year FY 2019 – 2023 Capital Improvements Plan (CIP) . (Robert Sims and P&Z Boardmember)

10. **CITY MANAGER COMMENTS:**

10A. Presentation of proposed goals supporting the city-wide objectives and strategic focus areas for the Fiscal Year 2018-2019. (Eliska Padilla)

10B. Update on construction at Innovation Business Park and Hutto Park on Brushy Creek. (Anthony Host)

11. **EXECUTIVE SESSION:**

11A. Executive Session, as authorized by Texas Government Code Section 551.074, deliberations regarding personnel matters, as it relates to City Council and Boards and Commissions.

11B. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney regarding public safety.

11C. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney regarding contract negotiations with the Hutto Area Chamber of Commerce.

11D. Executive Session, as authorized by Texas Government Code Section 551.071, consultation with attorney regarding waste transfer station..

11E. 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].

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

12A. Consideration and possible action relating to City Council and Boards and Commissions.

12B. Consideration and possible action relating to the waste transfer station.

13. **ADJOURNMENT**

CERTIFICATION

I certify that this notice of the July 5, 2018 Hutto City Council meeting was posted on the City Hall bulletin board of the City of Hutto on June 29, 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 COUNCIL
MEETING MINUTES
JUNE 21, 2018

The Hutto City Council met in a regular session on Thursday, June 21, 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 Nathan Killough, Councilmember Tim Jordan, Councilmember Patti Turner and Councilmember Terri Grimm.

Members of staff that were present were Odis Jones, City Manager; Mike Shaunessy, City Attorney; Helen Ramirez, Assistant City Manager; Byron Frankland, Chief of Police; Paul Hall, Asst. Chief of Police; Jessica Bullock, Director of Economic Development; Ashley Lumpkin, Executive Director of Business Development; Matt Rector, Executive Director of Public Works and Engineering; Eliska Padilla, Executive Director of Communications; Reena O'Brien, Director of Communications and Marketing; Robert Sims, City Engineer; Kristi Robich, Downtown and Tourism Events Manager, and Lisa Brown, City Secretary.

PLEDGE OF ALLEGIANCE

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

CITY COUNCIL COMMENTS

There were no comments.

PUBLIC COMMENT

Lucas Evans – spoke about economic development and how there is no correlation with population growth. He questioned whether Hutto really needs manufacturing jobs.

Renee LaFrance – Wanted to thank the Council and City Staff for all the work done with regard to the new memorandum of understanding for Star Ranch. While she is disappointed that the promised concept plan promoted when she purchased her home will not happen she is satisfied with the City's efforts.

Elizabeth Mark – She stated she is also grateful for all the assistance the City has given in working with the residents of Star Ranch, but she still has some concerns regarding the community amenities center.

The Mayor announced Items 10A and 10C would be taken out of order.

10A. Presentation of Texas Association of Municipal Information Officer Awards for Best Website and Special Print Publications for the City of Hutto.

Odis Jones, City Manager, presented Eliska Padilla and Reena O'Brien a certificate of appreciation for the Communications Department's work and recognition at the TAMIO Awards.

10C. Update from the Chief of Hutto Fire Rescue/Williamson County Emergency Services District # 3, regarding the progress of its Capital Plan with regard to the new fire station and other overall activities of the Williamson County Emergency Services District #3.

CONSENT AGENDA ITEMS

7A. Consideration and possible action approving the minutes of the June 2, 2018 City Council Work Session and June 7, 2018 regular City Council meeting.

7B. Consideration and possible action on the acceptance of the streets and drainage improvements of Carol Meadows.

7C. Consideration and possible action on the acceptance of the water, wastewater, sidewalks, streets and drainage improvements in Mager Meadows.

7D. Consideration and possible action, subject to an executed amended agreement between the City of Hutto and developer, on a resolution approving the proposed Star Ranch Section 7, Phase 7, Final Platt, 14.955 acres, more or less, of land 44 residential lots, located within Hutto's extraterritorial jurisdiction (ETI) near the intersection of Winterfield Drive and the future extension of Star Ranch Boulevard.

Motion: Councilmember Grimm made a motion to pull 7E from the Consent Agenda. Councilmember Killough seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nay.

7E. Consideration and possible action on a Memorandum of Understanding authorizing the City Manager to execute an amended agreement with regard to the Star Ranch Development.

Ashley Lumpkin, reviewed the terms of the amended MOU that removed the 4 acres of commercial development along Gattis School Road and included the 14 acres that was part of the driving range is now included in the commercial use.

Mike Shaunessy remarked that Star Ranch is in the City's extraterritorial jurisdiction and under State law the City only has platting authority. Due to the actions of the previous City Council the City was hampered by what it could do with regard to this development until the Mr. Timmerman, the developer made two mistakes; 1) he built multi-family residences on land platted for commercial development; and 2) he built an office building on land platted for residential. Those actions allowed the City an entrée that allowed it to force Mr. Timmerman back to the table. As a result Mr. Timmerman has to come back with a new concept plan that has to provide a space for the school system to build a school; and he has to use our City inspectors and pay for them. He must also provide as-built drawings of everything that has already been constructed. The MOU also requires that if Mr. Timmerman make any changes to the concept plan he cannot increase density. He will also keep the existing amenity center and provide a second one. Unfortunately this is not the most ideal plan, but it was the best they could negotiate.

Councilmember Grimm stated she worked really hard with the residents and the City Staff on this project. She sympathizes with the residents of Star Ranch. Believes Mr. Timmerman is immoral and unethical.

Councilmember Killough remarked that the MOU is not what the City wants, but it does give the City some ammunition to use against the developer.

Mrs. Grimm mentioned a resident who just purchased her home four months ago was sold from the use of a concept plan from 2005. It was revealed the builders did not know the concept plan had been changed

Motion: Councilmember Grimm made a motion to authorize the City Manager to execute the Amended Memorandum of Understanding with regards to the Star Ranch Development. Councilmember Killough seconded the motion.

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

Councilmember Terri Grimm

Action: The motion passed 7 ayes, and 0 nays.

Motion: Councilmember Killough made a motion to approve items 7A, 7B, 7C and 7D. Councilmember Hines seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

REGULAR AGENDA ITEMS

ORDINANCES

8A. Consideration and possible action on the second and final reading of an ordinance regarding the proposed annexation of the Overton-Wolter Tracts, 181.33 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186, located on the east side of CR 119, adjacent to the northeast boundary of the Huttoparke Subdivision.

Ashley Lumpkin presented the ordinance for the voluntary annexation of the Overton-Wolter Tracts. This is step five and the final step in the annexation process.

Motion: Councilmember Hines made a motion to approve the ordinance for the annexation of the Overton-Wolter Tracts, 181.33 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186, located on the east side of CR 119, adjacent to the northeast boundary of the Huttoparke Subdivision. Councilmember Rose seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

8B. Consideration and possible action on the second and final reading of an ordinance regarding the proposed annexation of the Wallin Family Hutto Investments Tract, 136.0 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186, located on the west side of FM 1660 North, along the northern boundary of the Huttoparke Subdivision.

Ashley Lumpkin presented the ordinance for the voluntary annexation of the Wallin Family Hutto Investments Tract. This is step five and the final step in the annexation process.

Motion: Councilmember Hines made a motion to the approve the ordinance for the annexation of the Wallin Family Hutto Investments Tract, 136.0 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186, located on the west side of FM 1660 North, along the northern boundary of the Huttoparke Subdivision. Councilmember Rose seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

8C. Consideration and possible action on the second and final reading of an ordinance approving the zoning change for the property known as the RSI PUD, 315.28 acres, more or less, of land, located between CR 119 (west boundary) and FM 1660 North (east boundary) and the Huttoparke Subdivision (south boundary), from SF-1 (single family residential) to Planned Unit Development (PUD) zoning district.

Ashley Lumpkin presented the ordinance approving the zoning change for the RSI PUD.

Motion: Councilmember Killough made a motion to approve the ordinance to approve the zoning change for the property known as the RSI PUD, 315.28 acres, more or less, of land, located between CR 119 (west boundary) and FM 1660 North (east boundary) and the Huttoparke Subdivision (south boundary), from SF-1 (single family residential) to Planned Unit Development (PUD) zoning district. Councilmember Jordan seconded the motion.

Vote: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose
Council Member Nate Killough
Councilmember Tim Jordan

Councilmember Patti Turner
Councilmember Terri Grimm

Action: The motion passed 7 ayes, and 0 nays.

8D. Consideration and possible action on the second and final reading of an ordinance regarding the proposed annexation of the Packsaddle Tracts, 169.99 acres, more or less, of land located on the east side of FM 1660 North and adjacent to the northern boundary of the Rivers Crossing Subdivision.

Ashley Lumpkin presented the ordinance for the voluntary annexation of the Packsaddle Tracts. This is step five and the final step in the annexation process.

Motion: Councilmember Killough made a motion to approve the annexation of the Packsaddle Tracts, 169.99 acres, more or less, of land located on the east side of FM 1660 North and adjacent to the northern boundary of the Rivers Crossing Subdivision. Councilmember Hines seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

8E. Consideration of a public hearing and possible action on the first reading of an ordinance approving the zoning change for the property known as FM 1660 North (Packsaddle Tract), 4.14 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186 in Williamson County, Texas, from SF-1 (Single Family Residential) to B-2 (General Commercial) zoning district.

Ashley Lumpkin presented a request for a zoning change from SF1 (single family residential) to B-2 (General Commercial).

Mayor Gaul opened the public hearing at 8:01 p.m., and with no comments being made the hearing was closed at 8:01 p.m.

Motion: Councilmember Killough made a motion to accept the first reading of an ordinance approving the zoning change for the property known as FM 1660 North (Packsaddle Tract), 4.14 acres, more or less, of land, out of the John Dykes Survey, Abstract No. 186 in Williamson County, Texas, from SF-1 (Single Family Residential) to B-2 (General Commercial) zoning district. Councilmember Jordan seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

Motion: Councilmember Rose moved to dispense with the second reading of the ordinance. Councilmember Hines seconded the motion

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

Action: The motion passed 7 ayes, and 0 nays.

8F. Consideration and possible action on the second and final reading of an ordinance regarding the proposed annexation of the Neal Tracts, 167.375 acres, more or less, of land, out of the William Gatlin Survey, Abstract No. 271, located on the south side of CR 119.

Ashley Lumpkin presented the ordinance for the voluntary annexation of the Neal Tracts. This is step five and the final step in the annexation process.

Motion: Councilmember Hines made a motion to approve the annexation of the Neal Tracts, 167.375 acres, more or less, of land, out of the William Gatlin Survey, Abstract No. 271, located on the south side of CR 119. Councilmember Rose seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

8G. Consideration and possible action on the second and final reading of an ordinance approving the zoning change for the property known as Cross Creek PUD, 167.39 acres, more or less, of land, located on CR 199, from SF-1 (single family residential) to Planned Unit Development (PUD) zoning district.

Ashley Lumpkin presented the ordinance approving the zoning change for the Cross Creek PUD.

Councilmember Hines wanted to know if the developer included the roll-over curbs as requested

Motion: Councilmember Killough made a motion to approve the ordinance to approve the zoning change for the property known as the RSI PUD, 315.28 acres, more or less, of land, located between CR 119 (west boundary) and FM 1660 North (east boundary) and the Huttoparke Subdivision (south boundary), from SF-1 (single family residential) to Planned Unit Development (PUD) zoning district. Councilmember Jordan seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

8H. Consideration and possible action on the second and final reading of an ordinance regarding the proposed annexation of the Pollard Tracts, 65.925 acres. More or less, of land, out of the William Gatlin Survey, Abstract No. 271, located on CR 137.

Ashley Lumpkin presented the ordinance for the voluntary annexation of the Pollard Tracts. This is step five and the final step in the annexation process.

Motion: Councilmember Jordan made a motion to approve the annexation of Pollard Tracts, 65.925 acres. More or less, of land, out of the William Gatlin Survey, Abstract No. 271, located on CR 137. Councilmember Grimm seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

RESOLUTIONS

9A. Consideration and possible action on a resolution authorizing participation in the Texas Main Street Program.

Jessica Bullock made a presentation about applying to the Texas Main Street Program that would designate Hutto as a destination city. By coming a member Hutto would have access to state and local grant funds for development of Old Town.

Councilmember Grimm wanted to know the cost to participate. If the application is accepted the annual membership cost is $535.

Councilmember Hines wanted to know why the residential part of Old Town was not included – because it is more of a commercial based program, but the south side of US 79 can be included. Part of the application is based on need.

Odis Jones remarked the program opens up small businesses to the New Market Tax Credit program.

Councilmember Killough remarked that while it sounds good the program sounds like other programs that have been proposed to the Old Town merchants and turned out not to be what was represented. Stated that the City would have a hard time getting those merchants to participate.

Councilmember Rose wanted to know if we have contacted other cities in the area that have participated in the program and how has it worked for them.

Mayor Gaul remarked that the City is willing to spend $1000s of dollars on big business here, so it would be worth it to spend a fraction of that on small businesses.

Councilmember Grimm wanted to know if additional staff would be needed for the program – Mr. Jones assured her he would not be hiring any staff for this project.

Mr. Killough would like to see the scope of projects from other cities.

Mr. Rose wanted to know when the program first started - 1981

Motion: Councilmember Jordan made a motion to approve the resolution authorizing participation in the Texas Main Street Program. Councilmember Grimm seconded the motion. Councilmember Hines wanted the motion amended to include Front Street on the map. Councilmember Jordan amended the motion to include Front Street on the map. Councilmember Grimm seconded the amendment.

Vote: Mayor Doug Gaul
Mayor Pro-tem Tom Hines
Councilmember Scott Rose

Council Member Nate Killough
Councilmember Tim Jordan
Councilmember Patti Turner
Councilmember Terri Grimm

Action: The motion passed 7 ayes, and 0 nays.

9B. Consideration and possible action on a resolution to approve an interlocal agreement to allow the City of Hutto to connect to, operate on, and maintain as necessary portions of CR 163 and to authorize the city manager to execute the agreement.

Matt Rector presented a resolution to accept an interlocal agreement with Williamson County whereby the City of Hutto agrees to maintain CR 163 in lieu of Williamson County abandoning the road.

Helen Ramirez remarked the road is needed as part of the City's safety plan for egress and ingress from the new park.

Councilmember Hines wanted to know if that road would accommodate a firetruck – Chief Frankland assured him it would.

Motion: Councilmember Killough made a motion to approve a resolution to approve an interlocal agreement to allow the City of Hutto to connect to, operate on, and maintain as necessary portions of CR 163 and to authorize the City Manager to execute the agreement. Councilmember Jordan seconded the amendment.

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

Action: The motion passed 7 ayes, and 0 nays.

9C. Consideration and possible action on a resolution declaring opposition to Lealco's Application for a Type V Municipal Solid Waste - TCEQ Proposed Permit No. 2398 for the construction of a transfer station.

Mike Shaunessy informed the Council that this facility is essentially a transfer station for solid waste. The Council and the City have filed a letter in opposition at TCEQ of this facility. The resolution is an effort to let the TCEQ and other government bodies, especially Williamson, that the City is opposed to licensure and operation of this facility. The location is in the City's planned growth corridor and within the City has defined as a potential expansion of roadways, and would impedes the City's development in these areas. The facility is opposed by the Council of

Governments and the residents in this area, Williamson County is in opposition. The City has a road designated to provide east/west flow right through the middle of that property.

Odis Jones remarked that the facility is comprehensive growth area and a road is planned for that area for east/west flow especially as a potential future industrial area.

Motion: Councilmember Killough made a motion to approve a resolution declaring opposition to Lealco's Application for a Type V Municipal Solid Waste – TCEQ Proposed Permit No. 2398. Councilmember Turner seconded the amendment.

Mayor Pro-tem Hines moved to amend the motion to a request the Williamson county Commissioner's Court file a similar letter of opposition to the permit and to authorize the City Manager and City Attorney to proceed with any steps they feel necessary with regard to the condemnation process for that land.

Councilmember Killough and Councilmember Turner both accepted the amendment.

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

Action: The motion passed 7 ayes, and 0 nays.

CITY MANAGER COMMENTS

10B. Monthly Presentation of the Financial Statements and Investment Activity for the Month of May

Anthony Emadi presented the monthly financials regarding the utility fund, general revenue and expenditures.

10D. Presentation of March 2018 Water Storage Facility Quarterly Inspection Reports and the status of Carl Stern Water Plant and Frame Switch Composite Elevated Water Storage Tank Rehabilitation Project.

Robert Sims informed that Council that a bid for $475,000 was accepted for the rehabilitation of the water tank at Carl Stern and Chris Kelly Blvd. He stated there were initial concerns regarding the contract since his bid was less than half that of the other bidders. After some investigation the contractor has a solid reputation and has been performing this type of business for many years. The project will begin in July and the Northwest storage tank will begin in late August. The bid for the new ground storage tank at the Shiloh facility will open July 3, 2018.

Council recessed for Executive Session at 9:11 p.m. and reconvened at 9:58 p.m.

EXECUTIVE SESSION

There was no action taken in the Executive Session.

11A. Executive Session, as authorized by Texas Government Code Section 551.074, deliberations regarding personnel matters, as it relates to City Council's Boards and Commissions

11B. Executive Session, as authorized by Texas Government Code, Section 551.071, consultation with attorney, and Section 551.087, deliberations regarding Economic Development negotiations regarding Project Music Play

ACTION RELATIVE TO EXECUTIVE SESSION

12A. Consideration and possible action relating to City Council's Boards and Commissions.

Motion: Councilmember Killough made a motion to approve an ordinance altering the terms of board and commission members, changing the number of members of certain boards and commissions, and assigning a place number to each board or commission member to coincide with the term of each council member. Councilmember Grimm seconded the motion.

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

Action: The motion passed 7 ayes, and 0 nays.

ADJOURNMENT

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

CITY OF HUTTO

____

Doug Gaul, Mayor

APPROVED:

____

Lisa L. Brown, City Secretary

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8A. **AGENDA DATE:** July 05, 2018

PRESENTED BY: Anthony Emadi, CFO

ITEM:

Consideration and action with respect to an Ordinance Authorizing the Issuance of City of Hutto, Texas Limited Tax Refunding Bonds, Series 2018; Authorizing the Levy of an Ad Valorem Tax in Support of the Bonds; Approving an Official Statement, A Paying Agent/Registrar Agreement, A Purchase Agreement and An Escrow Agreement; Establishing Procedures for Selling and Delivery of the Bonds; And Authorizing Other Matters Related to the Bonds. (Anthony Emadi)

STRATEGIC GUIDE POLICY: Well Balanced & Diversified Economy

ITEM BACKGROUND:

Bonds are typically refunded after they are callable if a better interest rate can be obtained which leads to overall savings over the remainder of the life of the bond. The 2007 Bonds are now callable and, therefore, can be refunded. Interest rates during 2007 were much higher on average than right now. This may not be the case in the next few years, however, the lower interest rates right now versus what was obtained in 2007 will lead to substantial savings over the life of the Bond at approximately $400,000 with $70,000 expected to be saved in the first few years.

BUDGETARY AND FINANCIAL SUMMARY:

Refunding will lead to savings of approximately $70,000 each year over the next few years which will aide the City to hire one additional police officer, purchase additional equipment or for other such purposes.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

STAFF RECOMMENDATION:

Staff recommends approval of the refunding.

SUPPORTING MATERIAL:

1. Ordinance Certificate
2. Ordinance
3. Pricing Certificate
4. Escrow Agreement
5. Sufficiency Certificate

CERTIFICATE FOR ORDINANCE NO. __________

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §
CITY OF HUTTO §

I, the undersigned City Secretary of the City of Hutto, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in REGULAR SESSION ON THE 5TH DAY OF JULY, 2018, at City Council Chambers, 401 W. Front Street, Hutto, Texas (the "Meeting"), and the roll was called of the duly constituted officers and members of the City, to-wit:

Doug Gaul, Mayor
Tom Hines, Mayor Pro-Tem, Place 2
Scott Rose, Place 1
Nathan Killough, Place 3
Tim Jordan, Place 4
Patti Turner, Place 5
Terri Grimm, Place 6

and all of the persons were present, except the following absentees: ____________________, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF HUTTO, TEXAS LIMITED TAX REFUNDING BONDS, SERIES 2018; AUTHORIZING THE LEVY OF AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE AGREEMENT AND AN ESCROW AGREEMENT; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERY OF THE BONDS; AND AUTHORIZING OTHER MATTERS RELATING TO THE BONDS

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be passed on first reading; and, after due discussion, said motion carrying with it the passage of the Ordinance, prevailed and carried by the following vote:

AYES: ________ NOES: _________

2. A true, full and correct copy of the Ordinance passed at the Meeting described in the above and foregoing paragraphs is attached to and follows this Certificate; that the Ordinance has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraphs are a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Ordinance; that the persons named in the above and foregoing

paragraphs are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Ordinance would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meetings for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Texas Government Code.

3. The Mayor of the City has approved and hereby approves the Ordinance; that the Mayor and the City Secretary of the City have duly signed the Ordinance; and that the Mayor and the City Secretary of the City hereby declare that their signing of this Certificate shall constitute the signing of the attached and following copy of the Ordinance for all purposes.

SIGNED AND SEALED the 5th day of July, 2018.

City Secretary

ORDINANCE NO. __________

ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF HUTTO, TEXAS LIMITED TAX REFUNDING BONDS, SERIES 2018; AUTHORIZING THE LEVY OF AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE AGREEMENT AND AN ESCROW AGREEMENT; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERY OF THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE BONDS

Adopted July 5, 2018

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THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §
CITY OF HUTTO §

WHEREAS, the City Council of the City of Hutto, Texas (the "City") deems it advisable and in the best interest of the City to refund the Refunded Obligations, as defined in Exhibit "A" attached hereto, in order to achieve a net present value debt service savings of not less than 3.00% of the principal amount of the Refunded Obligations net of any City contribution with such savings, among other information and terms to be included in a pricing certificate to be executed by the City Manager, acting as the designated pricing officer of the City, or, in the absence of the City Manager, the Assistant City Manager, all in accordance with the provisions of Chapter 1207 of the Texas Government Code ("Chapter 1207"); and

WHEREAS, Chapter 1207 authorizes the City to issue refunding bonds and to deposit the proceeds from the sale thereof together with any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations or with a trust company or commercial bank that does not act as depository for the City, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, Chapter 1207 further authorizes the City to enter into an escrow agreement with a paying agent for the Refunded Obligations or with a trust company or commercial bank that does not act as depository for the City with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the City and such escrow agent may agree, provided that such deposits may be invested and reinvested in Defeasance Securities, as defined herein; and

WHEREAS, the Escrow Agreement hereinafter authorized, constitutes an agreement of the kind authorized and permitted by said Chapter 1207; and

WHEREAS, all the Refunded Obligations mature or are subject to redemption prior to maturity within 30 years of the date of the bonds hereinafter authorized: and

WHEREAS, the Bonds (defined herein) authorized by this Ordinance are being issued and delivered pursuant to the home-rule charter of the City and Chapter 1207 of the Texas Government Code, as amended, and other applicable laws; and

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

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

Section 1. **RECITALS**. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

Section 2. **DEFINITIONS**. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in Exhibit "A" to this Ordinance have the meanings assigned to them in Exhibit "A".

Section 3. **AMOUNT, NAME, PURPOSE AND AUTHORIZATION AND VISION STATEMENT**. The Bonds, each to be designated the "**CITY OF HUTTO, TEXAS LIMITED TAX REFUNDING BOND, SERIES 2018,**" are hereby authorized to be issued and delivered in accordance with the Texas Constitution and laws of the State of Texas, particularly Chapter 1207 and the home-rule charter of the City. The Bonds shall be issued in the aggregate principal amount not to exceed $__________ for the purpose of providing funds for (i) refunding the Refunded Obligations and (ii) paying the costs of issuing the Bonds.

Section 4. **DATE, DENOMINATION, MATURITIES, NUMBERS, INTEREST AND REDEMPTION**. (a) Initially there shall be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons, numbered consecutively from R-1 upward (except the Initial Bond delivered to the Attorney General of the State of Texas which shall be numbered T-1) payable to the respective initial Registered Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof, in Authorized Denominations, maturing not later than August 1, 2048, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, as all set forth in the Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to subsection (b) of this section. The Pricing Certificate is hereby incorporated in and made a part of this Ordinance. The Bonds shall be designated by the year in which they are awarded as set forth in the Pricing Certificate. The authority for the Pricing Officer to execute and deliver the Pricing Certificate for the Bonds shall expire at 5:00 p.m. C.D.T. on January 5, 2019. Bonds priced on or before January 5, 2019 may be delivered to the initial purchaser after such date.

(b) As authorized by Chapter 1207, the Pricing Officer is hereby authorized to act on behalf of the City in selling and delivering the Bonds and determining which of the Refundable Obligations shall be refunded and constitute Refunded Obligations under this Ordinance and carrying out the other procedures specified in this Ordinance, including determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of Bonds, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for the Bonds shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon, if any, (ii) none of the Bonds shall bear interest at a rate greater than the maximum authorized by law, and (iii) the refunding must produce a net present value debt service savings of at least 3.00% of the principal amount of the Refunded Obligations, net of any City contribution. In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not to exceed the amount authorized in Section 3, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds.

To achieve advantageous borrowing costs for the City, the Bonds shall be sold on a negotiated, placement or competitive basis as determined by the Pricing Officer in the Pricing Certificate. In determining whether to sell the Bonds by negotiated, placement or competitive sale, the Pricing Officer shall take into account any material disclosure issues which might exist at the time, the market conditions expected at the time of the sale and any other matters which, in the judgment of the Pricing Officer, might affect the net borrowing costs on the Bonds.

If the Pricing Officer determines that the Bonds should be sold at a competitive sale, the Pricing Officer shall cause to be prepared a notice of sale and official statement in such manner as the Pricing Officer deems appropriate, to make the notice of sale and official statement available to those institutions and firms wishing to submit a bid for the Bonds, to receive such bids, and to award the sale of the Bonds to the bidder submitting the best bid in accordance with the provisions of the notice of sale.

If the Pricing Officer determines that the Bonds should be sold by a negotiated sale or placement, the Pricing Officer shall designate the placement purchaser or the senior managing underwriter for the Bonds and such additional investment banking firms as the Pricing Officer deems appropriate to assure that the Bonds are sold on the most advantageous terms to the City. The Pricing Officer, acting for and on behalf of the City, is authorized to enter into and carry out a purchase agreement or other agreement for the Bonds to be sold by negotiated sale or placement, with the underwriters or placement purchasers at such price, with and subject to such terms as determined by the Pricing Officer pursuant to this Section 4(b).

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the City Council determines that the delegation of the authority to the Pricing Officer to approve the final terms and conditions of the Bonds as set forth in this Ordinance is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated in the Pricing Certificate will be, in the best interests and shall have the same force and effect as if such determination were made by the City Council and the Pricing Officer is hereby authorized to make and include in a Pricing Certificate an appropriate finding to that effect.

(c) The Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM OF BONDS set forth in this Ordinance to their respective dates of maturity or redemption at the rates per annum set forth in the Pricing Certificate.

(d) Right of Redemption. The City reserves the right, at its option, to redeem the Bonds as set forth in the FORM OF BOND and the Pricing Certificate. The City, at least thirty (30) days before the date of any optional redemption, shall notify the Paying Agent/Registrar of such redemption date and of the amount and maturity of the Bonds to be redeemed.

(e) Notice of Redemption to Bondholder. The Paying Agent/Registrar shall give notice of any redemption of the Bonds by sending notice by first class United States mail, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the Bondholder at the address shown in the Register. The notice shall state among other things, the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and that the Bonds so called for redemption shall cease to bear interest after the redemption date. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Bondholder receives such notice.

(f) Effect of Optional Redemption. Notice of optional redemption having been given as provided in this Section, the Bonds called for optional redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the principal thereof or accrued interest thereon, such Bonds thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bond is presented and surrendered for payment on such date. If the Bonds thereof called for optional redemption are not so paid upon presentation and surrender thereof for redemption, such Bonds thereof shall continue to bear interest at the rate stated on the Bond until paid or until due provision is made for the payment of same.

(g) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of the premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 5. CHARACTERISTICS OF THE BONDS. (a) Registration, Transfer and Exchange; Authentication. The City shall keep or cause to be kept at the paying agent/registrar, as designated by the Pricing Officer (the "Paying Agent/Registrar") books or records for the registration of the transfer and exchange of the Bonds (the "Registration Books"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided within three days of presentation in due and proper form. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar shall make a copy of the Registration Books available in the State of Texas. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 5(c) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Bond, and no such Bond shall be deemed to be issued or Outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for exchange. No additional orders, ordinances, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Chapter 1206, Texas Government Code, as amended, and particularly Subchapter B thereof, the duty of exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Bond, the exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be transferred and assigned, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed, sealed, executed and authenticated, (vi) the principal of and interest on the Bonds shall be payable, and (vii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the Pricing Certificate and the FORM OF BOND set forth in this Ordinance. The Bonds initially issued and delivered pursuant to this Ordinance are not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

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

(e) Book-Entry-Only System. The Bonds issued in exchange for the Bonds initially issued as provided in Section 5(i) shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC") and except as provided in subsection (f) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

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

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

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations of the City to DTC.

(h) DTC Blanket Letter of Representations. The City confirms execution of a Blanket Issuer Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Bonds.

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

Section 6. FORM OF BOND. The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, the form of Initial Bond and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance including any reproduction of an opinion of counsel and information regarding the issuance of any Municipal Bond Insurance Policy.

FORM OF BOND

(All blanks and any appropriate or necessary insertions or deletions, to be completed as determined by the Pricing Officer in the Pricing Certificate.)

NO. R-	**UNITED STATES OF AMERICA STATE OF TEXAS WILLIAMSON COUNTY**	**PRINCIPAL AMOUNT $__________**

CITY OF HUTTO, TEXAS
LIMITED TAX REFUNDING BOND,
SERIES 2018*

INTEREST RATE	**DATE OF BOND**	**MATURITY DATE**	**CUSIP NO.**
	__________*		

*To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in the Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, **THE CITY OF HUTTO, TEXAS** (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from __________, 20___*, on ___________, 20___* and semiannually thereafter on each ___________* and ____________* to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above calculated on the basis of a 360-day year of twelve 30-day months; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at ____________________*, (the "Paying Agent/Registrar") at their office for payment in ___________*, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the fifteenth (15th) calendar day of the month (whether or not a Business Day) next preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special

Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last Business Day next preceding the date of mailing of such notice.

DURING ANY PERIOD in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

ANY ACCRUED INTEREST due at maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Bond that on or before each payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

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

THIS BOND is one of a series of Bonds dated ___________, 20___*, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of **$___________*, TO PROVIDE FUNDS FOR REFUNDING THE REFUNDED OBLIGATIONS AND PAYING THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS.**

ON ___________, 20___*, or on any date thereafter, the Bonds of this Series maturing on and after ___________, 20___* may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities to be redeemed shall be selected and designated by the City and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot the Bonds, or a portion thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000).

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*To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in the Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

[**THE BONDS MATURING ON _________, __*** are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts on the following dates and at a price of par plus accrued interest to the redemption date ("Term Bonds").

Term Bonds Maturing on __________, 20___ *

Redemption Date *	Principal Amount *
__________, 20___	$
__________, 20___†	$ †

† Final Maturity

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

NO LESS THAN 30 days prior to the date fixed for any optional redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bonds. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bonds shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the

*To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in the Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

**Use of Term Bonds, if any, to be determined by the Pricing Officer.

unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

WITH RESPECT TO any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

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

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law.

BY BECOMING the Registered Owner of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each Registered Owner hereof and the City.

[**IT IS FURTHER CERTIFIED** that the City has designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986.]*

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

______________________________	______________________________
City Secretary	Mayor

[CITY SEAL]

<u>FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE</u>

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

*To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in the Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

(To be executed if this Bond is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

____
Paying Agent/Registrar

By____________________________
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

____

____
Please insert Social Security or Taxpayer
Identification Number of Transferee

____
____
(Please print or typewrite name and address,
including zip code, of Transferee)

____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ____________________________

Signature Guaranteed:

____
NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

____
NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE INITIAL BOND ONLY:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this ____________________.

____
Comptroller of Public Accounts
of the State of Texas

[COMPTROLLER'S SEAL]

INSERTIONS FOR THE INITIAL BONDS

The initial Bond shall be in the form set forth in this Section, except that:

A. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO." shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"**ON THE MATURITY DATE SPECIFIED ABOVE,** the City of Hutto, Texas (the "Issuer"), being a political subdivision, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on __________, 20___*

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*To be completed as determined by the Pricing Officer in the Pricing Certificate. To the extent that the Pricing Certificate relating to the Bonds is inconsistent with any provisions in the Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Pricing Certificate shall be used in the executed Bonds.

in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Principal Amount	Maturity Date (_________)*	Interest Rate

(Information for the Bonds from the Pricing Certificate to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from _________, 20___* at the respective Interest Rate per annum specified above. Interest is payable on _________, 20___* and semiannually on each __________* and __________* thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The initial Bond shall be numbered "T-1."

Section 7. TAX LEVY. A special Interest and Sinking Fund (the "Interest and Sinking Fund") is hereby created or confirmed solely for the benefit of the Bonds and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Bonds. All ad valorem taxes levied and collected for and on account of the Bonds shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Bonds or interest thereon are Outstanding and unpaid, the governing body of the City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient, within the limit prescribed by law, to raise and produce the money required to pay the interest on the Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of the Bonds as such principal matures (but never less than 2% of the original principal amount of the Bonds as a sinking fund each year); and the tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. The rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Bonds or interest thereon are Outstanding and unpaid; and the tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Any accrued interest on the Bonds shall be deposited in the Interest and Sinking Fund.

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the ad valorem taxes granted by the City under this Section, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are Outstanding and unpaid such that the pledge of the ad valorem taxes granted by the City under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

There is hereby appropriated from funds of the City lawfully available for such purpose a sum sufficient to pay the interest and/or principal to become due on the Bonds prior to receipt of applicable tax receipts.

Section 8. ESTABLISHMENT OF ESCROW FUND. (a) Use of Funds. The City hereby covenants that the proceeds of the sale of the Bonds will be used as soon as practicable for the purposes for which the Bonds are issued.

(b) Security for Funds. All funds created by this Ordinance shall be secured in the manner and to the fullest extent required by law for the security of funds of the City.

(c) Maintenance of Funds. Any funds created pursuant to this Ordinance, other than the Escrow Fund, may be created as separate funds or accounts or as subaccounts of the City's General Fund held by the City's depository, and, as such, not held in separate bank accounts, such treatment shall not constitute a commingling of the monies in such funds or of such funds and the City shall keep full and complete records indicating the monies and investments credited to each such fund.

(d) Escrow Fund. A portion of the proceeds of the Bonds, together with any cash contribution, in an amount necessary to refund the Refunded Obligations shall be deposited in the Escrow Fund created and governed by the terms of the Escrow Agreement.

Section 9. DEFEASANCE OF BONDS (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer Outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the City also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of this Ordinance, the City may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

Section 10. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS. (a) Replacement Bonds. In the event any Outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Registered Owner applying for a replacement bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Registered Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the Registered Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Subchapter B of Texas Government Code, Chapter 1206, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Bonds issued in exchange for other Bonds.

Section 11. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED. The Pricing Officer is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public

Accounts of the State of Texas. Upon registration of the Bonds the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of the Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel and the assigned CUSIP numbers may, at the option of the City, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. In addition, if bond insurance or other credit enhancement is obtained, the Bonds may bear an appropriate legend.

Section 12. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS. (a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to use all of the proceeds of the Bonds for the purposes set forth in Section 3 and the payment of principal, interest and redemption premium on the Refunded Obligations;

(2) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the Refunded Obligations or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Bonds or the Refunded Obligations or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(3) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the Refunded Obligations or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(4) to take any action to assure that no amount which is greater than the lesser of $5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(5) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(6) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(7) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period,

(B) amounts invested in a bona fide debt service fund, within the meaning of section l.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(8) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the tax-exempt Bonds, as may be necessary, so that the tax-exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(9) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(10) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the tax-exempt Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the Refunded Obligations not expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the

U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager or Finance Director of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds. This Ordinance is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Bonds. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Designation as Qualified Tax-Exempt Bonds. The Pricing Officer is authorized to designate the Bonds as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Code, if the City qualifies to make such designation at the time of the pricing of the Bonds, conditioned upon the purchaser identified in the Pricing Certificate certifying that the aggregate initial offering price of the Bonds to the public (excluding any accrued interest) is no greater than $10,000,000 (or such amount permitted by section 265 of the Code). Assuming such condition is met and the Pricing Officer makes such designation in the Pricing Certificate, the City represents, covenants and warrants the following: (a) that during the calendar year in which the Bonds are issued, the City (including any subordinate entities) has not designated nor will designate bonds, which when aggregated with the Bonds, will result in more than $10,000,000 (or such amount permitted by section 265 of the Code) of "qualified tax-exempt obligations" being issued; (b) that the City reasonably anticipates that the amount of tax-exempt obligations issued during the calendar year in which the Bonds are issued, by the City (or any subordinate entities) will not exceed $10,000,000 (or such amount permitted by section 265 of the Code); and, (c) that the City will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Bonds will not be considered "private activity bonds" within the meaning of section 141 of the Code. The Pricing Officer may modify the foregoing representations, covenants and warranties in the Pricing Certificate as necessary and appropriate to comply with applicable provisions of the Code in existence at the time of pricing of the Bonds.

Section 13. APPROVAL OF OFFERING DOCUMENTS, PAYING AGENT/REGISTRAR AGREEMENT AND ESCROW AGREEMENT. The Pricing Officer is hereby authorized to approve the Preliminary Official Statement, the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto and to deem such documents final in accordance with Rule 15c2-12. The City further approves the distribution of such Official Statement in the reoffering of the Bonds by the underwriters in final form, with such changes therein or additions thereto as the Pricing Officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof.

The Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar ("Paying Agent Agreement") in substantially the form and substance previously approved by the City Council is hereby approved and the Pricing Officer is hereby authorized and directed to complete, amend, modify and execute the Paying Agent Agreement as necessary.

The discharge and defeasance of Refunded Obligations shall be effectuated pursuant to the terms and provisions of an Escrow Agreement, in the form and containing the terms and provisions as shall be approved by a Pricing Officer, including any insertions, additions, deletions, and modifications as may be necessary (a) to carry out the program designed for the City by the underwriters or purchaser, (b) to maximize the City's present value savings and/or to minimize the City's costs of refunding, (c) to comply with all applicable laws and regulations relating to the refunding of the Refunded Obligations and (d) to carry out the other intents and purposes of this Ordinance; and, the Pricing Officer is hereby authorized to execute and deliver such Escrow Agreement, on behalf of the City, in multiple counterparts.

To maximize the City's present value savings and to minimize the City's costs of refunding, the City hereby authorizes and directs that certain of the Refunded Obligations shall be called for redemption prior to maturity in the amounts, at the dates and at the redemption prices set forth in the Pricing Certificate, and the Pricing Officer is hereby authorized and directed to take all necessary and appropriate action to give or cause to be given a notice of redemption to the holders or paying agent/registrars, as appropriate, of such Refunded Obligations, in the manner required by the documents authorizing the issuance of such Refunded Obligations.

The Pricing Officer and the Escrow Agent are each hereby authorized (a) to subscribe for, agree to purchase, and purchase Defeasance Securities that are Permitted Investments for a defeasance escrow established to defease Refunded Obligations, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved, and (b) to authorize such contributions to the escrow fund as are provided in the Escrow Agreement.

Section 14. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports. The City shall provide annually to the MSRB, (1) within six months after the end of each Fiscal Year of the City ending in or after 2018, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 13 of this Ordinance, being information of the type as set forth in the Pricing Certificate, including financial statements of the City if audited financial statements of the City are then available and

(2) if not provided as part of such financial information and operating data, audited financial statements of the City, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit "B" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the official statement and (ii) audited, if the City commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such Fiscal Year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable Fiscal Year, when and if the audit report on such statements becomes available.

If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) Certain Event Notices. The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

A. Principal and interest payment delinquencies;

B. Non-payment related defaults, if material within the meaning of the federal securities laws;

C. Unscheduled draws on debt service reserves reflecting financial difficulties;

D. Unscheduled draws on credit enhancements reflecting financial difficulties;

E. Substitution of credit or liquidity providers, or their failure to perform;

F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds.

G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;

H. Bond calls, if material within the meaning of the federal securities laws and tender offers;

I. Defeasances;

J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;

K. Rating changes;

L. Bankruptcy, insolvency, receivership or similar event of the City (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);

M. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and

N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 9 of this Ordinance that causes the Bonds no longer to be Outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 15. **<u>AMENDMENT OF ORDINANCE</u>.** The City hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The City may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, (v) obtain insurance or ratings on the Bonds, (vi) obtain the approval of the Attorney General of the State Texas, or (vii) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the City's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then Outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then Outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

(1) Make any change in the maturity of any of the Outstanding Bonds;

(2) Reduce the rate of interest borne by any of the Outstanding Bonds;

(3) Reduce the amount of the principal of, or redemption premium, if any, payable on any Outstanding Bonds;

(4) Modify the terms of payment of principal or of interest or redemption premium on Outstanding Bonds or any of them or impose any condition with respect to such payment; or

(5) Change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the City shall desire to amend this Ordinance under this Section, the City shall send by U.S. mail to each registered owner of the affected Bonds a copy of the proposed amendment and cause notice of the proposed amendment to be published at least once in a financial publication published in The City of New York, New York or in the State of Texas. Such published notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the office of the City for inspection by all holders of such Bonds.

(d) Whenever at any time within one year from the date of publication of such notice the City shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then Outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and all holders of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then Outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

Section 16. DEFAULT AND REMEDIES. (a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then Outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 17. NO RECOURSE AGAINST CITY OFFICIALS. No recourse shall be had for the payment of principal of or interest on the Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 18. PAYMENT OF ATTORNEY GENERAL FEE. The City hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) $9,500, provided that such fee shall not be less than $750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the City's staff is hereby instructed to take the necessary measures to make this payment. The City is also authorized to reimburse the appropriate City funds for such payment from proceeds of the Bonds.

Section 19. <u>FURTHER ACTIONS</u>. The officers and employees of the City are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in Ordinance to carry out the terms and provisions of this Ordinance, the Bonds, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, the Bond Purchase Agreement and the Official Statement. In addition, prior to the initial delivery of the Bonds, the Pricing Officer, Assistant City Manager, Chief Financial Officer of the City and Bond Counsel are hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in Ordinance to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement or (ii) obtain the approval of the Bonds by the Texas Attorney General's office.

In case any officer of the City whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 20. <u>INTERPRETATIONS</u>. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the lien on and pledge to secure the payment of the Bonds.

Section 21. <u>INCONSISTENT PROVISIONS</u>. All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provisions of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 22. <u>INTERESTED PARTIES</u>. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Bonds.

Section 23. <u>NO PERSONAL LIABILITY</u>. No covenant or agreement contained in the Bonds, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

Section 24. SEVERABILITY. The provisions of this Ordinance are severable; and in case any one or more of the provisions of this Ordinance or the application thereof to any person or circumstance should be held to be invalid, unconstitutional, or ineffective as to any person or circumstance, the remainder of this Ordinance nevertheless shall be valid, and the application of any such invalid provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, passed and approved on the first and final reading on the 5th day of July, 2018.

THE CITY OF HUTTO, TEXAS:

____
Mayor

ATTEST:

____
City Secretary

APPROVED AS TO FORM:

____
City Attorney

EXHIBIT A

DEFINITIONS

As used in this Ordinance, the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"*Authorized Denominations*" means the denomination of $5,000 or any integral multiple thereof.

"*Assistant City Manager*" means the assistant city manager of the City or any individual appointed to serve in such capacity for the City.

"*Bonds*" means the Bonds initially issued and delivered pursuant to this Ordinance and the Pricing Certificate and all substitute Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"*Book-Entry-Only System*" means the book-entry system of bond registration provided in Section 5, or any successor system of book-entry registration.

"*Business Day*" means any day which is not a Saturday, Sunday or a day on which the Paying Agent/Registrar is authorized by law or executive order to remain closed.

"*Cede & Co.*" means the designated nominee and its successors and assigns of The Depository Trust Company, New York.

"*Chief Financial Officer*" means the chief financial officer of the City or any individual appointed to serve in such capacity for the City.

"*City*" and "*Issuer*" mean the City of Hutto, Texas, and where appropriate, the City Council.

"*City Council*" means the governing body of the City.

"*City Manager*" means the city manager of the City or any individual appointed to serve in such capacity for the City.

"*City Secretary*" means the city secretary of the City or any individual appointed to serve in such capacity for the City.

"*Closing Date*" means the date of initial delivery of and payment for the Bonds.

"*Defeasance Securities*" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"*Depository*" means one or more official depository banks of the City.

"*DTC*" means The Depository Trust Company, New York, New York and its successors and assigns.

"*DTC Participant*" means securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

"*Escrow Agent*" means the institution designated to serve in such role by the Pricing Officer or any successor escrow agent under the Escrow Agreement.

"*Escrow Agreement*" means the agreement by and between the City and the Escrow Agent relating to refunding the Refunded Obligations.

"*Federal Securities*" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

"*Fiscal Year*" means the twelve-month accounting period used by the City currently ending on September 30 of each year, which may be any twelve consecutive month period established by the City.

"*Owners*" or "*Registered Owners*" means any person or entity in whose name a Bond is registered in the Register, for any Bonds.

"*Initial Bond*" means the Bonds authorized, issued, and initially delivered as provided in Section 4 of this Ordinance.

"*Insurer*" means the provider of a Municipal Bond Insurance Policy, if any, for the Bonds as determined by the Pricing Officer in the Pricing Certificate or any other entity that insures or guarantees the payment of principal and interest on any Bonds.

"*Interest and Sinking Fund*" means the special fund maintained by the provisions of Section 7 of this Ordinance.

"*Interest Payment Date*" means a date on which interest on the Bonds is due and payable as set forth in Section 6 Form of Bond.

"*Issuance Date*" means the date of delivery of the related Series of the Bonds.

"*Mayor*" means the mayor of the City.

"*Mayor Pro-tem*" means mayor pro-tem of the City or any individual appointed to serve in such capacity for the City

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Municipal Bond Insurance Policy*" means a municipal bond insurance policy, if any, issued by any Insurer guaranteeing the scheduled principal of and interest on the Bonds when due.

"*Ordinance*" means this ordinance finally adopted by the City Council on July 5, 2018.

"*Outstanding*", when used with respect to Bonds, means, as of the date of determination, all Bonds theretofore delivered under this Ordinance, except:

(1) Bonds theretofore cancelled and delivered to the City or delivered to the Paying Agent/Registrar for cancellation;

(2) Bonds deemed paid pursuant to the provisions of Section 9 of this Ordinance;

(3) Bonds upon transfer of or in exchange for and in lieu of which other Bonds have been authenticated and delivered pursuant to this Ordinance

(4) Bonds under which the obligations of the City have been released, discharged or extinguished in accordance with the terms thereof.

"*Permitted Investments*" means any security or obligation or combination thereof permitted under the Public Funds Investments Act, Chapter 2256, Texas Government Code, as amended or other applicable law.

"*Pricing Certificate*" means the Pricing Certificate of the City's Pricing Officer to be executed and delivered pursuant to Section 4 hereof in connection with the issuance of the Bonds.

"*Pricing Officer*" means the City Manager, acting as the designated pricing officer of the City to execute the Pricing Certificate. In the absence of the City Manager, the Finance Director may act as the designated pricing officer of the City to execute the Pricing Certificate.

"*Record Date*" means Record Date as defined in Section 6 the Form of Bonds and each Pricing Certificate.

"*Redemption Date*" means a date fixed for redemption of any Bond pursuant to the terms of this Ordinance and each Pricing Certificate.

"*Refunded Obligations*" means those Refundable Obligations designated by the Pricing Officer in the Pricing Certificate to be refunded.

"*Refundable Obligations*" means all or a portion of the City's Outstanding debt obligations.

"*Register*" or "*Registration Books*" means the registry system maintained on behalf of the City by the Registrar in which are listed the names and addresses of the Registered Owners and the principal amount of Bonds registered in the name of each Registered Owner.

"*Replacement Bonds*" means the Bonds authorized by the City to be issued in substitution for lost, apparently destroyed, or wrongfully taken Bonds as provided in Section 10 of this Ordinance.

"*Rule*" means SEC Rule 15c2-12, as amended from time to time.

"*SEC*" means the United States Securities and Exchange Commission.

"*Series*" means the series of Bonds issued pursuant to this Ordinance.

EXHIBIT B

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 15 of this Ordinance.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements contained in the Official Statement.

PRICING CERTIFICATE

CITY OF HUTTO §
COUNTY OF WILLIAMSON §
STATE OF TEXAS §

The undersigned, City Manager, of the City of Hutto, Texas (the "City"), in connection with Ordinance No. ____________ "Ordinance Authorizing the Issuance of City of Hutto, Texas Limited Tax Refunding Bonds, Series 2018; Authorizing the Levy of an Ad Valorem Tax in Support of the Bonds; Approving an Official Statement, a Paying Agent/Registrar Agreement, a Purchase Agreement and an Escrow Agreement; Establishing Procedures for Selling and Delivery of the Bonds; and Authorizing other Matters Related to the Bonds" adopted by the City Council on July 5, 2018 (the "Ordinance") does hereby certify the following:

1. This Pricing Certificate ("Pricing Certificate") is executed for and on behalf of the City and for the benefit of the Attorney General of the State of Texas and the Underwriters (as hereinafter defined) of the bonds entitled "City of Hutto, Texas Limited Tax Refunding Bonds, Series 2018" dated _________, 2018, in the aggregate principal amount of $_________ (the "Bonds") authorized by the Ordinance.

2. Unless otherwise defined herein, capitalized terms used in this Pricing Certificate have the same meanings as those used and defined in the Ordinance and the Purchase Agreement dated ___________, 2018 between the City and _____________ (the "Purchase Agreement"), as representative of the underwriters named in the Purchase Agreement (the "Underwriters").

3. This Pricing Certificate is the Pricing Certificate of the Pricing Officer as required by Section 4 of the Ordinance.

4. I have determined that it is in the best interest of the City that the Bonds shall be sold by a negotiated sale and the price to be paid by the Underwriters for the Bonds is in excess of 90% of the aggregate principal amount thereof. The Bonds have a net effective interest rate of _____% which is below the maximum rate authorized by law and the Ordinance.

5. The Paying Agent/ Registrar for the Bonds is __________________.

6. The Bonds shall (i) be sold to the Underwriters pursuant to the Purchase Agreement and at the price specified therein, (ii) be in the aggregate principal amount set forth in Exhibit "A", (iii) mature in the years and in the principal amounts and be subject to redemption as set forth in Exhibit "A", (iv) bear interest at the rates for each such maturity and such interest shall be payable on the dates set forth in Exhibit "A", and (v) have the other terms and provisions, all as provided in Exhibit "A", the Ordinance, the Purchase Agreement, and the Official Statement. Each Bond shall reflect the terms set forth in Exhibit "B".

7. The aggregate principal amount of the Bonds does not exceed the maximum amount authorized in Section 3 of the Ordinance.

8. The Bonds are being issued to (i) refund the Refunded Obligations set forth in Exhibit "C" and (ii) pay the costs of issuance of the Bonds. The purchase price for the Bonds received by the City from the Underwriters shall be $__________ (representing the par amount of the Bonds of $__________, plus a [net] reoffering premium of $__________ and less an Underwriters discount $__________).

9. The net original issue premium for the Bonds in the amount of $__________ generated by the sale of the Bonds is allocated to be used as follows: (i) $___________ shall be used to pay the cost of the Bonds, (ii) $__________ (which includes additional proceeds of $__________) shall be used to pay costs of issuance of the Bonds and (iii) $___________ shall be used to pay Underwriters' discount.

10. The refunding of the Refunded Obligations with proceeds of the Bonds will result in a gross savings to the City of $_____________ and a present value debt service savings of $___________, net of any City contribution (which is _____%, and is not less than 3.00%, as required by Section 3 of the Ordinance), as shown on Exhibit "D" hereto.

11. The Record Date for the interest payable on the Bonds shall be as provided in the FORM OF BOND attached hereto as Exhibit "B".

12. The Form of Bond included in Section 6 of the Ordinance shall be replaced with the Form of Bond attached hereto as Exhibit "B".

13. The Initial Bonds shall be initially registered in the name of _____________. The definitive Bonds shall be registered in the name of Cede & Co.

14. Proceeds of the Bonds less the costs of issuance shall be deposited with the Escrow Agent pursuant to the Escrow Agreement in the form set forth in Exhibit "E" hereto.

15. Pursuant to Section 14 of the Ordinance, the City agrees to provide annually to the MSRB, in an electronic format as prescribed by the MSRB, the updated financial information and operating data to the extent specified, by the times, subject to the exceptions noted, and as provided in the Ordinance and the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION – Annual Reports."

EXECUTED this __th day of __________, 2018.

CITY OF HUTTO, TEXAS

____

City Manager

EXHIBIT A

TERMS OF THE BONDS

$___________
CITY OF HUTTO, TEXAS
LIMITED TAX REFUNDING BOND,
SERIES 2018

MATURITY SCHEDULE

Interest accrues from: ___________, 2018
Interest payable: _______ 1 and _______ 1 until maturity or redemption commencing ________ 1, 2018

Principal Amount	**Maturity (August 1)**	**Interest Rate**	**Principal Amount**	**Maturity (August 1)**	**Interest Rate**
$		%	$		%

____
***** Term Bonds.

GENERAL DESCRIPTION OF THE BONDS

The Bonds will be issued as current interest bonds, will mature on the dates and in the amounts set forth above, and will bear interest at the rates set forth above from their date of delivery, anticipated to be ________, 2018 ("Issuance Date"), and will be payable _________ 1 and _________ 1 of each year, commencing _________ 1, 2018 until maturity.

The Bonds shall be initially issued as one bond and registered in the name of ____________. Bonds registered in the name of ____________ shall, immediately following their delivery, be exchanged for Bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company, pursuant to the Book-Entry-Only System described in the Ordinance. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof.

REDEMPTION PROVISIONS

Optional Redemption. On August 1, 20__ or any date thereafter, the Bonds maturing on and after August 1, 20__ may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities to be redeemed shall be selected and designated by the City and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot the Bonds, or a portion thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000).

No less than 30 days prior to the date fixed for any optional redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bonds. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bonds shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

Mandatory Sinking Fund Redemption. The Bonds maturing on August 1, 20__ and August 1, 20__ (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date:

Bonds Maturing on August 1, 20__*

Redemption Date	Principal Amount
August 1, 20__	$___________
August 1, 20__	$___________
August 1, 20__	$___________
August 1, 20__*	$___________*

Bonds Maturing on August 1, 20__*

Redemption Date	Principal Amount
August 1, 20__	$___________
August 1, 20__	$___________
August 1, 20__	$___________
August 1, 20__*	$___________*

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

EXHIBIT B
FORM OF BOND

NO. R-	**UNITED STATES OF AMERICA** **STATE OF TEXAS** **WILLIAMSON COUNTY**	**PRINCIPAL** **AMOUNT** **$__________**

CITY OF HUTTO, TEXAS
LIMITED TAX REFUNDING BOND,
SERIES 2018*

INTEREST RATE	DATE OF BOND	MATURITY DATE	CUSIP NO.
	_______, 2018		

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, **THE CITY OF HUTTO, TEXAS** (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from _________, 20___, on __________, 20___ and semiannually thereafter on each __________ and ___________ to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above calculated on the basis of a 360-day year of twelve 30-day months; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at ____________________, (the "Paying Agent/Registrar") at their office for payment in __________, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying

Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the fifteenth (15th) calendar day of the month (whether or not a Business Day) next preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last Business Day next preceding the date of mailing of such notice.

DURING ANY PERIOD in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

ANY ACCRUED INTEREST due at maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Bond that on or before each payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

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

THIS BOND is one of a series of Bonds dated ___________, 20___, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of **$___________, TO PROVIDE FUNDS FOR REFUNDING THE REFUNDED OBLIGATIONS AND PAYING THE COSTS ASSOCIATED WITH THE ISSUANCE OF THE BONDS.**

ON ___________, 20___, or on any date thereafter, the Bonds of this Series maturing on and after ___________, 20___ may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities to be redeemed shall be selected and designated by the City and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot the Bonds, or a portion thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in an integral multiple of $5,000).

[**THE BONDS MATURING ON _________**, **__** are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts on the following dates and at a price of par plus accrued interest to the redemption date ("Term Bonds").

Term Bonds Maturing on __________, 20___*

Redemption Date *	Principal Amount *
__________, 20___	$
__________, 20___†	$ †

† Stated Maturity.

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

NO LESS THAN 30 days prior to the date fixed for any optional redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Bond to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date and to major securities depositories, national bond rating agencies and bond information services; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bonds. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bonds shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of $5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

WITH RESPECT TO any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

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

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law.

BY BECOMING the Registered Owner of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between each Registered Owner hereof and the City.

[**IT IS FURTHER CERTIFIED** that the City has designated the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986.]

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Secretary and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

______________________________	______________________________
City Secretary	Mayor

[CITY SEAL]

<u>FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE</u>

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an
executed Registration Certificate of the Comptroller

of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

____
Paying Agent/Registrar

By______________________________
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

____

____
Please insert Social Security or Taxpayer
Identification Number of Transferee

____

____
(Please print or typewrite name and address, including zip code, of Transferee)

____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ___________________________

Signature Guaranteed:

____
NOTICE: Signature(s) must be guaranteed by a member firm of

____
NOTICE: The signature above must correspond with the name

the New York Stock Exchange or a commercial bank or trust company.	of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS FOR THE INITIAL BOND ONLY:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this ____________________.

____
Comptroller of Public Accounts
of the State of Texas

[COMPTROLLER'S SEAL]

INSERTIONS FOR THE INITIAL BONDS

The initial Bond shall be in the form set forth in this Section, except that:

A. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO." shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"**ON THE MATURITY DATE SPECIFIED ABOVE,** the City of Hutto, Texas (the "Issuer"), being a political subdivision, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on __________, 20___ in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Principal Amount	Maturity Date (_________)	Interest Rate

(Information for the Bonds from the Pricing Certificate to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from __________, 20___ at the respective Interest Rate per annum specified above. Interest is payable on __________, 20___ and semiannually on each ___________ and ___________ thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The initial Bond shall be numbered "T-1."

<u>EXHIBIT C</u>

REFUNDED OBLIGATIONS

EXHIBIT D

SCHEDULE OF SAVINGS

<u>EXHIBIT E</u>

ESCROW AGREEMENT

ESCROW AGREEMENT

City of Hutto, Texas
Limited Tax Refunding Bonds, Series 2018

THIS ESCROW AGREEMENT, dated as of _________, 2018 (herein, together with any amendments or supplements hereto, called the "Agreement") is entered into by and between the City of Hutto, Texas (herein called the "Issuer") and _________, as escrow agent (herein, together with any successor in such capacity, called the "Escrow Agent"). The addresses of the Issuer and the Escrow Agent are shown on Exhibit "A" attached hereto and made a part hereof.

W I T N E S S E T H:

WHEREAS, the Issuer heretofore issued and there presently remain outstanding the obligations (the "Refunded Obligations") described in the Sufficiency Certificate of Specialized Public Finance, Inc. (the "Sufficiency Certificate") relating to the Refunded Obligations, attached hereto as Exhibit "B" and made a part hereof; and

WHEREAS, the Refunded Obligations are scheduled to mature in such years, bear interest at such rates, and be payable at such times and in such amounts as are set forth in the Sufficiency Certificate; and

WHEREAS, when firm banking arrangements have been made for the payment of principal and interest to the maturity or redemption dates of the Refunded Obligations, then the Refunded Obligations shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for such purpose; and

WHEREAS, Chapter 1207, Texas Government Code ("Chapter 1207"), authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with any place of payment (paying agent) for any of the Refunded Obligations, and such deposit, if made before such payment dates and in sufficient amounts, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, Chapter 1207 further authorizes the Issuer to enter into an escrow agreement with any such paying agent for any of the Refunded Obligations with respect to the safekeeping, investment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such paying agent may agree, provided that such deposits may be invested only in direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and which may be in book entry form, and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of principal and interest on the Refunded Obligations when due; and

WHEREAS, this Agreement constitutes an escrow agreement of the kind authorized and required by said Chapter 1207; and

WHEREAS, the United States Department of Agriculture is the paying agent for the Refunded Obligations; and

WHEREAS, Chapter 1207 makes it the duty of the Escrow Agent to comply with the terms of this Agreement and timely make available to the other places of payment (paying agents) for the Refunded Obligations the amounts required to provide for the payment of the principal of and interest on such obligations when due, and in accordance with their terms, but solely from the funds, in the manner, and to the extent provided in this Agreement; and

WHEREAS, the Limited Tax Refunding Bonds, Series 2018 (the "Refunding Obligations") have been issued, sold and delivered for the purpose, among others, of obtaining the funds required to provide for the payment of the principal of the Refunded Obligations at their respective maturity dates or dates of redemption and the interest thereon to such dates as set forth in the Sufficiency Certificate; and

WHEREAS, the Issuer desires that, concurrently with the delivery of the Refunding Obligations to the purchasers thereof, certain proceeds of the Refunding Obligations, together with certain other available funds of the Issuer, if applicable, shall be deposited to the credit of the Escrow Fund created pursuant to the terms of this Agreement and to establish a beginning cash balance (if needed) in such Escrow Fund; and

WHEREAS, the cash held in the Escrow Fund shall be payable at such times and in such amounts so as to provide moneys which, together with cash balances from time to time on deposit in the Escrow Fund, will be sufficient to pay interest on the Refunded Obligations as it accrues and becomes payable and the principal of the Refunded Obligations on their respective maturity dates or dates of redemption; and

WHEREAS, to facilitate the receipt and transfer of cash held in the Escrow Fund, particularly those in book entry form, the Issuer desires to establish the Escrow Fund at the principal corporate trust office of the Escrow Agent; and

WHEREAS, the Escrow Agent and any paying agent for the Refunded Obligations, acting through the Escrow Agent, is also a party to this Agreement, as a paying agent for the Refunded Obligations to acknowledge their acceptance of the terms and provisions of this Agreement in such capacity.

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which hereby are acknowledged, and to secure the full and timely payment of principal of and the interest on the Refunded Obligations, the Issuer and the Escrow Agent mutually undertake, promise, and agree for themselves and their respective representatives and successors, as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.01. **Definitions**. Unless the context clearly indicates otherwise, the following terms shall have the meanings assigned to them below when they are used in this Agreement:

"**Code**" means the Internal Revenue Code of 1986, as amended, or to the extent applicable the Internal Revenue Code of 1954, together with any other applicable provisions of any successor federal income tax laws.

"**Escrow Fund**" means the fund created by this Agreement to be administered by the Escrow Agent pursuant to the provisions of this Agreement.

"**Paying Agent**" means The Bank of New York Mellon Trust Company, N.A. acting in its capacity as paying agent for the Refunded Obligations.

"Series 2007 Refunded Obligations" means the City of Hutto, Texas Tax and Waterworks and Sewer System Surplus Revenue Refunding Bonds, Series 2007.

"Series 2007A Refunded Obligations" means City of Hutto, Texas Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2007A.

"Series 2007B Refunded Obligations" means City of Hutto, Texas Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2007B.

"Series 2007C Refunded Obligations" means City of Hutto, Texas Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2007C.

Section 1.02. **Other Definitions**. The terms "Agreement", "Issuer", "Escrow Agent", "Refunded Obligations", "Refunding Obligations" and "Sufficiency Certificate", when they are used in this Agreement, shall have the meanings assigned to them in the preamble to this Agreement.

Section 1.03. **Interpretations**. The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Obligations in accordance with applicable law.

ARTICLE II

DEPOSIT OF FUNDS AND ESCROWED SECURITIES

Section 2.01. **Deposits in the Escrow Fund**. Concurrently with the sale and delivery of the Refunding Obligations the Issuer shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Escrow Fund, the funds described in the Sufficiency Certificate, and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the Issuer in writing.

ARTICLE III

CREATION AND OPERATION OF ESCROW FUND

Section 3.01. **Escrow Fund**. The Escrow Agent has created on its books a special trust fund and irrevocable escrow to be known as the Issuer's Refunded Obligations Escrow Fund, Series 2012 (the "Escrow Fund"). The Escrow Agent hereby agrees that upon receipt thereof it will irrevocably deposit to the credit of the Escrow Fund, the funds described in the Sufficiency Certificate. Such deposit, all proceeds therefrom, and all cash balances from time to time on deposit therein (a) shall be the property of the Escrow Fund, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Obligations, which payment shall be made by timely transfers of such amounts at such times as are provided for in Section 3.02 hereof. When the final transfers have been made for the payment of such principal of and interest on the Refunded Obligations, any balance then remaining in the Escrow Fund shall be transferred to the Issuer, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.02. **Payment of Principal and Interest**. The Escrow Agent is hereby irrevocably instructed to transfer from the cash balances from time to time on deposit in the Escrow Fund, the amounts required to pay the principal of the Refunded Obligations at their respective maturity dates and interest thereon to such maturity dates in the amounts and at the times shown in the Sufficiency Certificate.

Section 3.03. **Sufficiency of Escrow Fund**. The Issuer represents that the cash balance on deposit from time to time in the Escrow Fund will be at all times sufficient to provide moneys for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Obligations as such interest comes due and the principal of the Refunded Obligations as the Refunded Obligations mature, all as more fully set forth in the Sufficiency Certificate. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Escrow Fund shall be insufficient to transfer the amounts required by the Paying Agent for the Refunded Obligations to make the payments set forth in Section 3.02 hereof, the Issuer shall timely deposit in the Escrow Fund, from any funds that are lawfully available therefor, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given as promptly as practicable as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the Issuer's failure to make additional deposits thereto.

Section 3.04. **Trust Fund**. The Escrow Agent shall hold at all times the Escrow Fund, the Funds and all other assets of the Escrow Fund, wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the funds or any other assets of the Escrow Fund to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Fund only as set forth herein. The funds in the Escrow Fund and other assets of the Escrow Fund shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Obligations; and a special account thereof shall at all times be maintained on the books of the Escrow Agent. The owners of the Refunded Obligations shall be entitled to the same preferred claim and first lien upon the Funds, the proceeds thereof, and all other assets of the Escrow Fund to which they are entitled as owners of the Refunded Obligations. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the Issuer, and the Escrow Agent shall have no right to title with respect thereto except as a constructive trustee and Escrow Agent under the terms of this Agreement. The amounts received by the Escrow Agent under this Agreement shall not be subject to warrants, drafts or checks drawn by the Issuer or, except to the extent expressly herein provided, by the Paying Agent.

Section 3.05. **Security for Cash Balances**. Cash balances from time to time on deposit in the Escrow Fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a pledge of direct obligations of, or obligations unconditionally guaranteed by, the United States of America, having a market value at least equal to such cash balances.

ARTICLE IV

[RESERVED]

ARTICLE V

APPLICATION OF CASH BALANCES

Section 5.01. **In General**. No withdrawals, transfers, or reinvestment shall be made of cash balances in the Escrow Fund.

ARTICLE VI

RECORDS AND REPORTS

Section 6.01. **Records**. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Fund and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Refunded Obligations.

Section 6.02. **Reports**. While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the Issuer a written report summarizing all transactions relating to the Escrow Fund during the preceding year, including, without limitation, transfers from the Escrow Fund for payments on the Refunded Obligations or otherwise, together with a detailed statement of the cash balance on deposit in the Escrow Fund as of the end of such period.

ARTICLE VII

CONCERNING THE PAYING AGENTS AND ESCROW AGENT

Section 7.01. **Representations**. The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

Section 7.02. **Limitation on Liability**. The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Obligations shall be limited to the proceeds of the cash balances from time to time on deposit in the Escrow Fund. Notwithstanding any provision contained herein to the contrary, neither the Escrow Agent nor the Paying Agent shall have any liability whatsoever for the insufficiency of funds from time to time in the Escrow Fund, except for the obligation to notify the Issuer as promptly as practicable of any such occurrence.

The recitals herein and in the proceedings authorizing the Refunding Obligations shall be taken as the statements of the Issuer and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the proceedings authorizing the Refunding Obligations or the Refunded Obligations and is not responsible for nor bound by any of the provisions thereof (except as a place of payment and paying agent and/or a Paying Agent/Registrar therefor). In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Agreement.

The Escrow Agent makes no representations as to the value, conditions or sufficiency of the Escrow Fund, or any part thereof, or as to the title of the Issuer thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall not incur any liability or responsibility in respect to any of such matters.

It is the intention of the parties hereto that the Escrow Agent shall never be required to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or willful misconduct.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the Issuer with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Fund, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own willful misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the Issuer or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the Issuer at any time.

Section 7.03. **Compensation**. (a) Concurrently with the sale and delivery of the Refunding Obligations, the Issuer shall pay to the Escrow Agent, as a fee for performing the services hereunder and for all expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement, the amount set forth in Exhibit "C" attached hereto, the sufficiency of which is hereby acknowledged by the Escrow Agent. In the event that the Escrow Agent is requested to perform any extraordinary services hereunder, the Issuer hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing such extraordinary services, and the Escrow Agent hereby agrees to look only to the Issuer for the payment of such fees and reimbursement of such expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses.

(b) The United States Department of Agriculture, is the place of payment (paying agent) for the Series 2007 Refunded Obligations, Series 2007A Refunded Obligations and Series 2007B Refunded Obligations. Concurrently with the sale and delivery of the Refunding Obligations, the Issuer shall pay to the Paying Agent, the sum of $0.00, the sufficiency of which has been previously acknowledged by the United States Department of Agriculture in that certain Receipt and Waiver of United States Department of Agriculture dated _______, 2018, for all future paying agency services with respect to the Series 2007 Refunded Obligations, Series 2007A Refunded Obligations and Series 2007B Refunded Obligations; and the United States Department of Agriculture warrants that such sum is sufficient for such purpose.

(c) U.S. Bank National Association, is the place of payment (paying agent) for the Series 2007C Refunded Obligations. Concurrently with the sale and delivery of the Refunding Obligations, the Issuer shall pay to th e Paying Agent, the sum of $________, the sufficiency of which is hereby acknowledged by U.S. Bank National Association, for all future paying agency services with respect to the Series 2007C Refunded Obligations; and U.S. Bank National Association, warrants that such sum is sufficient for such purpose.

(d) Upon receipt of the aforesaid specific sums stated in subsections (a) and (c) of this

Section 7.03 for Escrow Agent and paying agency fees, expenses, and services, the Escrow Agent shall acknowledge such receipt to the Issuer in writing.

Section 7.04. **Successor Escrow Agents**. If at any time the Escrow Agent or its legal successor or successors should become unable, through operation or law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the Issuer, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the Issuer within 60 days, a successor may be appointed by the owners of a majority in principal amount of the Refunded Obligations then outstanding by an instrument or instruments in writing filed with the Issuer, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the owner of any Refunded Obligation may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or the State of Texas, authorized under such laws to exercise corporate trust powers, authorized under Texas law to act as an escrow agent, having its principal office and place of business in the State of Texas, having a combined capital and surplus of at least $5,000,000 and subject to the supervision or examination by Federal or State authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the Issuer and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the trust hereby created by giving not less than sixty (60) days' written notice to the Issuer and publishing notice thereof, specifying the date when such resignation will take effect, in a newspaper printed in the English language and with general circulation in New York, New York, such publication to be made once at least three (3) weeks prior to the date when the resignation is to take effect. No such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the owners of the Refunded Obligations or by the Issuer as herein provided and such successor Escrow Agent shall be a paying agent for the Refunded Obligations and shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

Under any circumstances, the Escrow Agent shall pay over to its successor Escrow Agent proportional parts of the Escrow Agent's fee and, if applicable, its Paying Agent's fee hereunder.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. **Notice**. Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the Issuer or the Escrow Agent at the address shown on Exhibit "A" attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof. Prior written notice of any amendment to this Agreement contemplated pursuant to Section 8.08 and immediate written notice of any incidence of a severance pursuant to Section 8.04 shall be sent to Moody's Investors Service, Attn: Public Finance Rating Desk/Refunded Bonds, 99 Church Street, New York, New York 10007 and Standard & Poor's Corporation, Attn: Municipal Bond Department, 25 Broadway, New York, New York 10004.

Section 8.02. **Termination of Responsibilities**. Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the Issuer, the owners of the Refunded Obligations or to any other person or persons in connection with this Agreement.

Section 8.03. **Binding Agreement**. This Agreement shall be binding upon the Issuer and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Obligations, the Issuer, the Escrow Agent and their respective successors and legal representatives.

Section 8.04. **Severability**. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 8.05. **Texas Law Governs**. This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Texas.

Section 8.06. **Time of the Essence**. Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 8.07. **Effective date of Agreement**. This Agreement shall be effective upon receipt by the Escrow Agent of the funds described in the Sufficiency Certificate, together with the specific sums stated in subsections (a) and (b) of Section 7.03 for Escrow Agent and paying agency fees, expenses, and services.

Section 8.08. **Amendments**. This Agreement shall not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall adversely affect the rights of the holders of the Refunded Obligations.

Section 8.09. Miscellaneous. (a) The Escrow Agent represents and warrants, for purposes of Chapter 2270 of the Texas Government Code, that at the time of execution and delivery of this Agreement, neither the Escrow Agent, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the Escrow Agent, boycotts Israel. The Escrow Agent agrees that, except to the extent otherwise required by applicable federal law, including, without limitation, 50 U.S.C. Section 4607, neither the Escrow Agent, nor any wholly-owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the Escrow Agent, will boycott Israel during the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this clause (A) has the meaning assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code.

(b) The Escrow Agent represents that it is not a Company as defined in Section 2270.0001(2) of Texas Government Code, which means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, that it is on a list prepared and maintained by the Comptroller of Public Accounts of the State of Texas under Sections 2270.0201 or 2252.153, Texas Government Code.

EXECUTED as of the date first written above.

CITY OF HUTTO, TEXAS

By____
Pricing Officer

________________,
as Escrow Agent

By____
Authorized Signatory

Solely for the purpose of acknowledging the provisions of Section 7.03(c).

U.S. Bank National Association,
_______________, 2018

By____
Authorized Signatory

INDEX TO EXHIBITS

EXHIBIT "A"

ADDRESSES OF THE ISSUER AND THE ESCROW AGENT

Issuer

City of Hutto, Texas
401 W. Front Street
Hutto, Texas 78634
Attn: Chief Financial Officer

Escrow Agent

____
____
____
____

EXHIBIT "B"

SUFFICIENCY CERTFICIATE

(Omitted Intentionally - Please See Separate Tab of this Transcript)

EXHIBIT "C"

<u>ESCROW AGENT FEE SCHEDULE</u>

Please see attached

SUFFICIENCY CERTIFICATE

The undersigned, being an authorized officer of Specialized Public Finance, Inc., which serves as the financial advisor for The City of Hutto, Texas (the "City") in connection with the issuance of the "City of Hutto, Texas Limited Tax Refunding Bonds, Series 2018" (the "Series 2018 Bonds") hereby certifies as follows:

1. This certificate (this "Certificate") is given in connection with the defeasance and payment of $________ in aggregate principal amount of the outstanding obligations maturing on the dates and in the amounts set forth in Exhibit "A" of this Certificate (the "Refunded Obligations").

2. The City has authorized the issuance of the Series 2018 Bonds, in the aggregate principal amount of $__________ which will be used, in part, for the purpose of defeasing and refunding the Refunded Obligations.

3. The amounts described in paragraph 4 below will be deposited by the City with ___________ under that certain Escrow Agreement dated as of ________, 2018, to be applied to pay the Refunded Obligations on the redemption dates set forth in Exhibit "A".

4. Proceeds of the Series 2018 Bonds totaling $__________ [and the City cash contribution of $_________] will pay the outstanding principal balance of the Refunded Obligations of $_____________ plus accrued interest in the amount of $____________ and shall be deposited with _____________ on __________, 2018. Such deposited amount, without reinvestment, is sufficient to pay the Refunded Obligations on the redemption dates set forth in Exhibit "A".

[Signature page follows]

EXECUTED THIS ________________, 2018.

SPECIALIZED PUBLIC FINANCE, INC.

By:____

Title: ____

EXHIBIT "A"
to the Sufficiency Certificate

REFUNDED OBLIGATIONS

City of Hutto, Texas
Tax and Waterworks and Sewer System
Surplus Revenue Refunding Bonds, Series 2007

(*Such obligations are privately held by the United States Department of Agriculture)*

Maturity Date (Aug 1)	Principal Amount	Interest Rate (%)	Redemption Date
2019	$45,000	4.125	
2020	45,000	4.125	
2021	50,000	4.125	
2022	50,000	4.125	
2023	55,000	4.125	
2024	55,000	4.125	
2025	55,000	4.125	
2026	60,000	4.125	
2027	60,000	4.125	
2028	65,000	4.125	
2029	65,000	4.125	
2030	70,000	4.125	
2031	75,000	4.125	
2032	75,000	4.125	
2033	80,000	4.125	
2034	80,000	4.125	
2035	85,000	4.125	
2036	90,000	4.125	
2037	90,000	4.125	
2038	95,000	4.125	
2039	100,000	4.125	
2040	105,000	4.125	
2041	110,000	4.125	
2042	115,000	4.125	
2043	120,000	4.125	
2044	125,000	4.125	
2045	130,000	4.125	
2046	135,000	4.125	
2047	140,000	4.125	
	$2,425,000		

City of Hutto, Texas
Tax and Waterworks and Sewer System
Surplus Revenue Certificates of Obligation, Series 2007A

(*Such obligations are privately held by the United States Department of Agriculture)*

Maturity Date (Aug 1)	Principal Amount	Interest Rate (%)	Redemption Date
2019	$ 80,000	4.125	
2020	85,000	4.125	
2021	90,000	4.125	
2022	90,000	4.125	
2023	95,000	4.125	
2024	100,000	4.125	
2025	105,000	4.125	
2026	110,000	4.125	
2027	110,000	4.125	
2028	115,000	4.125	
2029	120,000	4.125	
2030	125,000	4.125	
2031	130,000	4.125	
2032	135,000	4.125	
2033	145,000	4.125	
2034	150,000	4.125	
2035	155,000	4.125	
2036	160,000	4.125	
2037	165,000	4.125	
2038	175,000	4.125	
2039	180,000	4.125	
2040	190,000	4.125	
2041	195,000	4.125	
2042	205,000	4.125	
2043	215,000	4.125	
2044	220,000	4.125	
2045	230,000	4.125	
2046	240,000	4.125	
2047	250,000	4.125	
	$4,365,000		

City of Hutto, Texas
Tax and Waterworks and Sewer System
Surplus Revenue Certificates of Obligation, Series 2007B

(*Such obligations are privately held by the United States Department of Agriculture)*

Maturity Date (Aug 1)	Principal Amount	Interest Rate (%)	Redemption Date
2019	$ 80,000	4.125	
2020	85,000	4.125	
2021	90,000	4.125	
2022	90,000	4.125	
2023	95,000	4.125	
2024	100,000	4.125	
2025	105,000	4.125	
2026	110,000	4.125	
2027	110,000	4.125	
2028	115,000	4.125	
2029	120,000	4.125	
2030	125,000	4.125	
2031	130,000	4.125	
2032	135,000	4.125	
2033	140,000	4.125	
2034	150,000	4.125	
2035	155,000	4.125	
2036	160,000	4.125	
2037	165,000	4.125	
2038	175,000	4.125	
2039	180,000	4.125	
2040	190,000	4.125	
2041	195,000	4.125	
2042	205,000	4.125	
2043	215,000	4.125	
2044	220,000	4.125	
2045	230,000	4.125	
2046	240,000	4.125	
2047	250,000	4.125	
	$4,360,000		

City of Hutto, Texas
Tax and Waterworks and Sewer System
Surplus Revenue Certificates of Obligation, Series 2007C

Maturity Date (Aug 1)	Principal Amount	Interest Rate (%)	Redemption Date	CUSIP*
2019	$275,000	4.250		448474EP7
	$275,000			

*The CUSIP Numbers have been assigned to this issue by the CUSIP Service Bureau and are included solely for the convenience of the owners of the Obligations. The City nor the Financial Advisor shall not be responsible for the selection or the correctness of the CUSIP numbers set forth herein.

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8B. **AGENDA DATE:** July 05, 2018

PRESENTED BY: City Attorney

ITEM:

Consideration and possible action on the second reading of an ordinance altering the terms and appointments to boards, commissions and corporations to be realigned to match terms of City Council member places. (City Attorney)

STRATEGIC GUIDE POLICY: Quality of Life & Services

ITEM BACKGROUND:

The objective in revising the ordinance is to increase participation in the Boards and Commission and improve the appointment process. The terms of the boards, commissions and corporation members will 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.

Board Members and Term Changes

1) Planning and Zoning - None

2) Parks Advisory - None

3) Library Advisory - None

4) Zoning Board of Adjustments - Change to three years

5) Historical Preservation - change members to seven and Term to three years

6) Building and Standards - change members to seven and Term to three years

7) Ethics Board - change members to seven and Term to three years

8) Economic Development Corporation - change term to three years

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Not applicable.

CITY ATTORNEY REVIEW:

The city attorney has reviewed the process and recommended the changes.

STAFF RECOMMENDATION:

Staff recommends approval of the ordinance.

SUPPORTING MATERIAL:

1. Ordinances - Proposed Changes
2. Ordinance

Boards and Commissions Realignment and Appointment process

Objective: Increase participation in Boards and Commissions and improve the Appointment process

Boards, Commissions, and EDC Corporation terms and appointments will be realigned to match council places and terms.

Beginning with July 1, 2018 new terms expire on June 30, of the corresponding Council Member Term.

For Example, Parks and Advisory place 1 term will expire June 30, 2020.

Transition to new terms, current boards 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. See spreadsheet for new alignment to Places

1) All current boards and commission members have been assigned Place numbers to coincide with existing council members
2) Each Council member should contact the corresponding member for each member and confirm they are willing to serve the new terms.
    a. If current member does not choose to accept the new terms, Council member should recommend a new appointment

Board Members and Terms changes

1) Planning and Zoning - None
2) Parks Advisory - None
3) Library Advisory – None
4) Zoning Board of Adjustments – Change term to three years
5) Historical Preservation Commission – Change members to Seven and Term to three years
6) Building and standards Commission - Change members to Seven and Term to three years
7) Ethics Board - Change members to Seven and Term to three years
8) Economic Development Corporation – Change term to three years
    a. EDC will need to update their bylaws

Action Steps:

1) Approve ordinance changes
2) Open application process and communicate to citizens to apply
3) Approve appointments and new terms at meeting in July

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 Place5	Patti Turner	May-21
Council Member Place 6	Terri Grimm	May-19
Mayor (Place 7)	Doug Gaul	May-19

All Boards and Commissions terms Realigned for appointment in June

Terms Run 7/1 to 6/30 unless otherwise indicated

Planning & Zoning Commission

Meets: 2nd Wednesday @ 7:00pm of each month in the City Council Chamber

2 yr Terms Per Charter

					Current Term	**Proposed Term**
	Place 1	Davey	Robinson	Vice-Chair	Dec-19	June-20
	Place 2	Kristen	Harrington	Commissioner	Dec-18	June-20
	Place 3	Jessica	Romigh	Chair	Dec-19	June-19
	Place 4	Michael	Orman	Commissioner	Dec-18	June-20
	Place 5	Steven	Harris	Commissioner	Dec-18	June-20
	Place 6	Tony	Wertz	Commissioner	Dec-19	June-19
	Place 7	Lori	Ortiz	Commissioner	Dec-18	June-19

Parks Advisory Board

Meets: 1st Tuesday @ 7:00pm of each month in the City Council Chamber

					Current Term	**Proposed Term**
	Place 1	Katie	Weiss	Member	Dec-18	June-20
	Place 2	Michael	Orman	Member	Dec-20	June-21
	Place 3	Dana	Lively	Member	Dec-20	June-19
	Place 4	Troy	McMillin	Chair	Dec-19	June-20
	Place 5	Kelly	Gaydos	Chair	Dec-20	June-21
	Place 6	Rose	McMillin	Member	Dec-20	June-19
	Place 7	Perry	Savard	Vice Chair	Dec-19	June-19

Library Advisory Board

Meets: Quarterly @ 7:00pm of each month in the City Council Chamber

					Current Term	**Proposed Term**
	Place 1	David	Westbrook	Member	Dec-20	June-20
	Place 2	Dwight	Baker	Chair	Dec-20	June-21
	Place 3	Tara	Chappell	Vice Chair	Dec-20	June-19
	Place 4	Kathi	Shilling	Member	Dec-20	June-20
	Place 5	Camille	Baptiste	Member	Dec-18	June-21
	Place 6	Patricia	Elssaser	Member	Dec-20	June-19
	Place 7					June-19
						June-19

Zoning Board of Adjustments

Meets: 4th Wednesday @ 7:00pm of each month in the City Council Chamber

					Current Term	**Proposed Term**
	Place 1	Pedro	Perez	Chairman	Dec-18	June-20
	Place 2	Thomas	McGowan	Member	Dec-20	June-21
	Place 3	Randal	Clark	Member	Dec-20	June-19
	Place 4	Rick	Hudson	Member	Dec-20	June-20
	Place 5			Alternate	Dec-20	June-21
	Place 6	Maureen	Rooker	Alternate	Dec-19	June-19
	Place 7	Dana	Lively	Member		June-19

Historic Preservation Commission

Meets: 4th Tuesday @ 6:00pm of each month in the City Council Chamber

					Current Term	Proposed Term
	Place 1	Nicholas	Linzenmeyer	Commissioner	Dec-18	June-20
	Place 2			Commissioner	Dec-18	June-21
	Place 3	Curtis	Orton	Commissioner	Dec-18	June-19
	Place 4	Robert	Lykins	Commissioner	Dec-19	June-20
	Place 5			Commissioner	Dec-19	June-21
	Place 6			Commissioner		June-19
	Place 7			Commissioner		June-19

Building and Standards Commission

Meets: As Needed in the City Council Chamber

					Current Term	Proposed Term
	Place 1	Hope	Brown	Chair	Dec-19	June-20
	Place 2	Olinda	Ramirez	Commissioner	Dec-19	June-21
	Place 3	Rick	Hudson	Commissioner	Dec-19	June-19
	Place 4	Troy	McMillin	Vice Chair	Dec-18	June-20
	Place 5	Tom	Brown	Commissioner	Dec-18	June-21
	Place 6	Open		Commissioner		June-19
	Place 7	Open		Commissioner		June-19

Ethics Review Commission

Meets: As Needed in the City Council Chamber (at least once a year)

					Current Term	Proposed Term
	Place 1	Craig	Cargill	Member	Dec-19	June-20
	Place 2	Lori	Brown-Duncan	Member	Dec-19	June-21
	Place 3	Larry	Straughn	Member	Dec-19	June-19
	Place 4	Russell	Daniel	Member	Dec-19	June-20
	Place 5	Dana	Lively	Member	Dec-19	June-21
	Place 6					June-19
	Place 7					June-19

Economic Development Corporation

Meets: 1st Monday @ 6:00pm of each month in the City Council Chamber

					Current Term	Proposed Term
	Place 1	Nelson	Nagle	Treasurer	Oct-19	June-20
	Place 2	Bill	Gravell	Chair	Oct-19	June-21
	Place 3	Dan	Thornton	Member	Oct-19	June-19
	Place 4	Jason	Wirth	Member	Oct-19	June-20
	Place 5	Scott	Feller	Member	Oct-19	June-21
	Place 6	Chris	Carey	Member	Oct-19	June-19
	Place 7				Oct-19	June-19

CHAPTER 2

ADMINISTRATION AND PERSONNEL

ARTICLE 2.01 GENERAL PROVISIONS

(Reserved)

ARTICLE 2.02 BOARDS, COMMISSIONS AND AUTHORITIES*

Division 1. Generally

Sec. 2.02.001 Qualifications of members

(a) Each candidate for an appointment as a member of any board or commission shall meet the following requirements:

(1) Be a registered voter of the city;

(2) Shall reside within the corporate limits of the city including territory annexed prior to appointments and individuals appointed; and

(3) Provided however, the members of the Hutto Economic Development Board of Directors shall reside within the county.

(b) Current city councilmembers, that are currently serving on the Hutto Economic Development Corporation Board of Directors are not required to resign from the Hutto Economic Development Corporation Board of Directors when running for re-election.

(Ordinance O-17-07-20-8C adopted 7/20/17)

Sec. 2.02.002 Attendance

(a) Any member of a city board, commission, and the board of directors of the Hutto Economic Development Corporation who is absent ~~for two (2) or more consecutive meetings or~~ 25 percent or more of the meetings of such board, commission, or corporation within a 12-month period ~~shall~~ MAY become eligible to be removed from said board, commission, or corporation.

(b) A written notice shall be sent to ~~a~~ THE member, ~~the board~~ AND, ~~commission~~, ~~or corporation staff liaison~~, ~~city manager, and~~ city council when it appears that an individual has violated the attendance policy. The ~~designated~~ council ~~committee~~ will review each case and make a recommendation. ~~to the city council~~. If a member is removed from a board, commission, or corporation, that position shall be considered vacant and a new member shall be appointed by the city council.

(Ordinance O-15-02-19-10C adopted 2/19/15)

Sec. 2.02.003 Appointments; vacancies

Sec 2.02.0002

(a) The city council shall make annual appointments to the boards, commissions, or corporations that have terms expiring on June 30th of each year. The city council , if interim vacancies occur shall appoint a successor for the remainder of the term

    a. The corresponding council member for a place expiring is responsible to review applications and recommend an individual for council approval.

DELETE & REPLACE

~~(a) The city council or designated city council committee shall make annual appointments to the boards, commissions, or corporations that have terms expiring on December 31st of each year. The city council, if interim vacancies occur, may appoint a successor for the remainder of such term.~~

(b) The chair and vice-chair for each city board, commission, or corporation shall be elected from the membership of the board or commission by an affirmative majority vote of the members. The city council will appoint the chair and/or vice-chair if:

(1) The board or commission cannot agree by majority vote amongst themselves by the end of the 2nd regularly scheduled meeting of the board or commission; or

(2) The chair or vice-chair is removed from the board or commission and a successor is not appointed at the next regularly scheduled meeting of the board of commission.

(c) Terms for each board or commission shall consist of staggered terms.

(Ordinance O-16-11-17-8B adopted 11/17/16)

Sec. 2.02.004 Meetings

Each board, commission, or corporation must hold regular meetings at a predefined time. Special called meetings may be made at the request of the chair or notice from city staff for consideration of business.

(1) Meetings must be posted in accordance to the Open Meetings Act and open to the public.

(2) A quorum shall consist of a majority of the membership of the board.

(3) Any issue to be voted on shall be resolved by a majority of those present.

(4) Written records of meetings must be kept and made available to the public, showing its action on each case.

Secs. 2.02.005–2.02.030 Reserved

Division 2. Planning and Zoning Commission*

Sec. 2.02.031 Creation

There is here by created by the city an advisory commission to be known as the planning and zoning commission of the city.

Sec. 2.02.032 Composition; terms of members

There shall be a city planning and zoning commission, which shall consist of seven members that serve a two-year term.

Sec. 2.02.033 Powers and duties

The commission shall have the power and be required to:

(1) Be responsible to act as an advisory body to the city council;

(2) Recommend to the council for its action an official zoning map and recommend any changes to the map zoning change requests;

(3) Study plats and plans of proposed subdivision and insure that all plats and plans conform to the city's subdivision and development ordinances;

(4) Annually recommend an annexation plan to the city council;

(5) Annually review the general (master) plan for the city and recommend to the city council any change;

(6) Perform such other functions as may be duly delegated to them from time to time by the city council; and

(7) Make an annual report to the city council showing the activities of the commission for the current year.

Secs. 2.02.034–2.02.060 Reserved

Division 3. Parks Advisory Board

Sec. 2.02.061 Creation

The city parks advisory board shall make recommendations to the city council concerning planning, development and operations of parks and trails, assist in preparing grants, and meet with other interested persons with park development knowledge. It shall also hold meetings to receive public input.

Sec. 2.02.062 Composition; terms of members

The board shall consist of seven members that serve a three-year term.

Sec. 2.02.063 Powers and duties

The board shall have the following powers, duties and responsibilities:

(1) Make recommendations to the city council regarding policies, rules and regulations relating to the administration of public parks, trails, recreation facilities, and programs.

(2) Review budget recommendations developed by staff.

(3) Receive information and comments from citizens pertaining to the city's parks and recreation facilities.

(4) Make recommendations with staff regarding the dedication of parkland by developers during the concept plan phase, the acquisition of park sites and the availability of grants to the city council.

(5) Cooperate with the public schools, citizens and city staff in the development of parks and recreational facilities and programs.

(6) Recommend changes in parks and recreation related ordinances to the city council.

(7) Supply reports to the city council regarding the status of any park, trail, recreational facility and/or programs as deemed appropriate by the city council.

(8) Participate in fundraising activities, including but not limited to the acquisition of grant funding, in-kind third-party donations to the city for the benefit of park acquisition and development and/or recreational activities.

(9) Develop, manage and maintain guidelines for operating the board, which may not be in conflict with the city charter and must be approved by the city council for adoption.

(10) Make an annual report to the city council showing the activities of the commission for the current year.

Secs. 2.02.064–2.02.090 Reserved

Division 4. Library Advisory Board

Sec. 2.02.091 Creation

The city library advisory board shall make recommendations to the city council concerning planning, development and operations of the city library, assist in preparing grants, and meet with other interested persons with library development knowledge. It shall also hold meetings to receive public input.

(Ordinance O-15-01-22-7C adopted 1/22/15)

Sec. 2.02.092 Composition; terms of members

The board shall consist of seven members that serve a three-year term. (Ordinance O-18-04-19-8B adopted 4/19/18)

Sec. 2.02.093 Powers and duties

The board shall have the following powers, duties and responsibilities:

(1) To make recommendations to the city council regarding policies, rules and regulations relating to the administration of the public library system, its facilities and programs.

(2) To review budget recommendations developed by staff.

(3) To receive information and comments from citizens pertaining to the city's library and its related facilities and programs.

(4) To make recommendations with staff regarding the planning of facilities during the concept plan phase, and the availability of grants to the city council.

(5) To cooperate with the public schools, citizens and city staff in the development of library facilities and programs.

(6) To supply reports to the city council regarding the status of any library facility and/or programs as deemed appropriate by the city council.

(7) To participate in fundraising activities, including but not limited to the acquisition of grant funding and in-kind third-party donations to the city for the benefit of library development.

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

Secs. 2.02.094–2.02.120 Reserved

Division 5. Zoning Board of Adjustment

Sec. 2.02.121 Composition, terms of members

The zoning board of adjustment members shall consist of five regular members and two alternate members that serve a ~~two-year term~~. THREE YR TERM

(Ordinance O-15-01-22-7C adopted 1/22/15)

Sec. 2.02.122 Powers and duties

The zoning board of adjustment will:

(1) Consider numerical variance requests for: use, site design, subdivision, form based and special exceptions, subject to variance approval criteria, recommendation of development services staff, and state law. (Ordinance O-18-04-19-8C adopted 4/19/18)

(2) Consider administrative appeals that allege error in an order, requirement, decision, or determination made by an administrative official in the enforcement of the city development codes.

(3) Consider special exceptions to the terms of the city development codes.

(4) Consider, in specific cases, a variance from the terms of the city development codes if the variance is not contrary to the public interest and, due to special conditions, a literal enforcement of the city development codes would result in unnecessary hardship, and so that the spirit of the city development codes are observed and substantial justice is done.

(5) Consider appeals to development services staff's interpretation of the city development codes.

(6) Consider other matters, as authorized by the city development codes.

Sec. 2.02.123 Initiation of requests

Development services staff, the city manager, city council, and the planning and zoning commission may make a request requiring zoning board of adjustment consideration.

Sec. 2.02.124 Appeals

The zoning board of adjustment is a quasi-judicial body. The applicant or city may appeal decisions to the district court.

Secs. 2.02.125–2.02.150 Reserved

Division 6. Historic Preservation Commission

Sec. 2.02.151 Creation

(a) The historic preservation commission members shall consist of ~~five~~ SEVEN members that serve a ~~two~~ THREE year [term].

(b) The city will designate a member of development services staff to act as liaison of the historic preservation commission. The liaison may in an advisory capacity participate in discussions, but has no right to vote. The liaison of the historic preservation commission will also serve as the local preservation officer and fulfill all duties as may be required under any certified local government agreement with the state historical commission.

(c) Historic preservation commission members should, to the extent reasonably possible, have a demonstrated outstanding interest in the historic traditions of the city and have experience in the preservation of the historic character of the city. City council will try, to the extent reasonably possible, to appoint members from the following categories:

(1) Architect, planner or design professional; historian.

(2) Licensed real estate broker/appraiser; attorney at law.

(3) Archaeologist or member of a related scholarly discipline.

(4) Member of chamber of commerce (either the chamber president or a member designated by the chamber president).

(d) Texas Secretary of the Interior Standards for Rehabilitating Historic Buildings, approved by the state historical commission, serves as a guideline for decisions made by the historic preservation commission.

Sec. 2.02.152 Powers and duties

The historic preservation commission will:

(1) Adopt rules and procedures for its governance.

(2) Establish committees as needed.

(3) Consider and recommend designation of a historic district or historic landmark.

(4) Consider and render decisions on certificates of appropriateness and demolition requests in designated historic districts.

(5) Conduct and administer historic resource surveys.

(6) Develop public outreach/education/awareness programs.

(7) Recommend acquisition of endangered historic resources to city council when necessary.

(8) Recommend acceptance of donations of preservation easements.

(9) Submit an annual report to city council and the mayor on the status of preservation in the community and on the work of the historic preservation commission.

(10) Recommend tax or other financial incentives to encourage preservation of historic resources.

(11) Prepare and promote design guidelines for historic landmark districts.

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

Sec. 2.02.153 Initiation of requests

Development services staff, the city manager, city council, and the planning and zoning commission may make a request requiring historic preservation commission consideration.

Sec. 2.02.154 Appeals

The historic preservation commission is an administrative body. The applicant or city may appeal decisions to city council.

Secs. 2.02.155–2.02.180 Reserved

Division 7. Building and Standards Commission

Sec. 2.02.181 Creation

The city hereby implements chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.031 et. seq.). Pursuant to such subchapter, the city council shall provide for the appointment of a building and standards commission, and the regulations and restrictions adopted shall be pursuant to the provisions of applicable statutory requirements for a building standards commission under state law.

Sec. 2.02.182 Composition; terms of members

The commission shall consist of SEVEN ~~five~~ members that serve a THREE ~~two-yea~~r term. To the extent possible, the city council shall appoint members to the commission who have experience or expertise in the building trade.

Sec. 2.02.183 Powers and duties

(a) The commission shall have the powers and duties as set forth in chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.031 et. seq.) to hear and determine cases concerning alleged violations of ordinances.

(b) The commission has the power to hear appeals and render decisions upon rulings and refusals of ruling by the building official when requests for a modification or a variation from the provisions of this division have been made. Whenever the building official rejects or refuses to approve the mode or manner of work proposed to be followed or materials to be used in the proposed construction, or when it is claimed that the provisions of this code do not apply, or that any equally good or more desirable form of installation can be employed in any specific case, or when it is claimed that the true intent and meaning of this code or any of the regulations thereunder have been misconstrued or wrongly interpreted, the owner of such building or structure, or his duly authorized agent, may appeal the decision of the building official to the commission. Notice of the appeal shall be in writing and filed within 30 days after the decision is rendered by the building official.

(c) The commission shall have the power and duty to act as the fire code board of appeals as set forth in chapter 54, subchapter C of the Texas Local Government Code (V.T.C.A., Local Government Code section 54.032(2)).

Sec. 2.05.006 Ethics review commission

(a) An ethics review commission (commission) is hereby established, to be composed of SEVEN ~~five (5)~~ members, all of whom shall reside in the city.

(b) Each commission member shall be appointed by the city council and shall occupy a position on the commission, such positions being numbered 1 through 7.

(c) The commission members shall be appointed to THREE ~~two~~-year staggered terms. ~~Positions 1, 3, and 5 shall expire on July 31, 2008, with successive two-year terms, and positions 2 and 4 shall expire on July 31, 2009, with successive two-year terms.~~

(d) All vacancies shall be filled for the unexpired term. A member shall hold office until his successor has been appointed by the city council.

(e) The commission shall elect a chairman and a vice-chairman to one-year terms. The vice-chairman shall act as chairman in the absence of the chairman.

(f) ~~Three (3) or more members of the commission shall constitute a quorum, but no action of the commission shall be of any force or effect unless it is adopted by the favorable vote of four (4) or more members.~~

(g) The commission shall meet at least once a year to review this article and may make recommendations to the city council for amendments thereto.

(h) The commission shall render advisory opinions on potential conflicts of interest or violation of this article at the request of a city official subject to the terms of this article. Such advisory opinion shall be rendered within a reasonable time, but in no event later than thirty (30) days after a request therefor is received by the commission.

(i) It shall be a defense to an alleged violation of this article that the person accused previously requested an advisory opinion of the commission and acted on such opinion in good faith, unless material facts were omitted or misstated by the person requesting the opinion. Such advisory opinion shall also be binding on the commission in any subsequent charges concerning the person requesting the opinion.

(j) Independent legal counsel shall be utilized to advise the commission and participate in hearings. The city council shall annually designate and retain independent counsel, who shall be a duly licensed attorney in the state.

(2007 Code, sec. 9.02.006)

ORDINANCE NO. O-18-06-21-12A

AN ORDINANCE ALTERING THE TERM OF CERTAIN MEMBERS OF BOARDS AND COMMISSIONS AND DIRECTORS OF CORPORATIONS APPOINTED BY THE CITY COUNCIL; ALTERING THE APPOINTMENT PROCESS, CHANGING THE NUMBER OF MEMBERS OF CERTAIN BOARDS AND COMMISSIONS, ASSIGNING PLACE NUMBERS TO EACH BOARD AND COMMISSION MEMBER AND CORPORATION DIRECTORS AND PROVIDING FOR APPOINTMENT OF BOARD AND COMMISSION MEMBERS AND CORPORATION DIRECTORS

WHEREAS, the City Council of the City of Hutto (the "City"), in order to increase participation by citizens and boards, commissions and corporation appointed by the City Council and to improve the appointment process; and

WHEREAS, terms and appointments to boards, commissions and corporations should be realigned to match terms of City Council member places; and

WHEREAS, it is necessary to restate and modify City ordinances in order to accomplish these purposes; and

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

The code of ordinances for the City of Hutto are amended as follows:

1. Article 2.02, Section 2.02.002, is restated to read as follows:

   (a) Any member of a city board or commission or the board of directors of the Hutto Economic Development Corporation who is absent for 25 percent or more of the meetings of such board, commission, or corporation within a 12-month period may become eligible to be removed from said board, commission, or corporation board.

   (b) A written notice shall be sent to the member, 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.

2. Article 2.02, Section 2.02.003(a), is deleted and restated as follows:

   (a) The City Council shall make annual appointments to the boards, commissions and corporation boards as terms expire of each year. If vacancies occur other than by expiration of a term, the City Council shall appoint a member to fill the remainder of the vacated term. When a vacancy occurs, the Council member occupying a City Council place corresponding to the place number for a board, commission or corporation board shall review applications for appointment and recommend an individual for City Council approval. Each member currently occupying a board, commission or corporation board position shall be assigned a place number pursuant to the chart attached as Exhibit A to this Ordinance. For boards and commission where the number members is increased pursuant to this Ordinance the new positions shall be assigned a place number. Terms of board and commission members and corporation directors shall be altered and established pursuant to the notation on the attached Exhibit A. Certain terms expiring in 2019 are reduced and will expire June 30, 2019.

3. Article 2.02, Section 2.02.121, is deleted and restated to read as follows:

   The zoning board of adjustment members shall consist of seven members that serve three-year terms.

4. Article 2.02, Section 2.02.151(a), is deleted and restated to read as follows:

   (a) The Historic Preservation Commission members shall consist of seven members that serve three-year terms.

5. Article 2.02, Section 2.02.182, is deleted and restated to read as follows:

   The commission shall consist of seven members that serve three-year terms. To the extent possible, the city council shall appoint members to the commission who have experience or expertise in the building trades.

6. Article 2.05, Section 2.05.006, parts (a), (b), (c) and (f), are amended by deletion and replacement with the following:

   (a) An ethics review commission (commission) is hereby established, to be composed of seven members, all of whom shall reside in the city.

   (b) Each commission member shall be appointed by the city council and shall occupy a position on the commission, such positions being numbered 1 through 7.

   (c) The commission members shall be appointed to three-year terms.

   (f) Deleted.

7. Article 2.05, Section 2.05.006(g), (h), (i), and (j) are renumbered as (f), (g), (h) and (i), respectively.

8. All members of boards and commissions and corporate boards are reappointed to terms set out on Exhibit A. All members shall be assigned to place number set out by Exhibit A. Certain members listed on Exhibit A are appointed to terms of less than three years in order to transition to terms equating to terms of City Council members. Certain members' terms shall be altered and shall expire on the dates set out on Exhibit A. Terms shall expire on June 30th of the last year of the member's appointment. The City Council will attempt to make appointments to boards and commissions and corporate directors during June of each year.

9. <u>Repeal and Confirmation of Prior Actions</u>: All ordinances and parts of ordinances in conflict with this Ordinance are hereby repealed to the extent of the conflict. All actions by boards and commissions and corporation boards prior to the effective date of this Ordinance are confirmed.

10. <u>Effective</u>: This Ordinance shall be published and become effective in accordance with the laws of the State of Texas.

READ, CONSIDERED, PASSED, AND APPROVED ON FIRST READING by the City Council of the City of Hutto at a regular meeting on the **21st** day of **June, 2018**, and a second reading at the

_________________ _____, 2018, regular meeting with a quorum present at each meeting and for which due notice was given pursuant to Section 551.001 et seq. of the Texas Government Code.

____
Doug Gaul, Mayor

ATTEST:

____
Lisa L. Brown, City Secretary

EXHIBIT A

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 8C. **AGENDA DATE:** July 05, 2018

PRESENTED BY: Matt Rector, Executive Director of Engineering and Public Works

ITEM:

Consideration of a public hearing and possible action on the first reading of an ordinance approving the Traffic Impact Fee (TIF) Ordinance. (Matt Rector)

STRATEGIC GUIDE POLICY: Infrastructure & Growth

ITEM BACKGROUND:

On May 8, 2018 the Planning and Zoning Commission recommended to City Council to accept the methodology of the Land Use Assumptions of the 10-Year Capital Improvement Plan under which the impact fee may be imposed. These recommendations were presented to City Council on May 17, 2018 and unanimously approved.

On June 5, 2018 the Planning and Zoning Commission was presented the recommended fee to be set of $2,396 per vehicle mile and unanimously approved.

BUDGETARY AND FINANCIAL SUMMARY:

Not applicable at this time.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Planning and Zoning Commission recommends approval.

CITY ATTORNEY REVIEW:

Approved

STAFF RECOMMENDATION:

Staff recommends that the City Council approves this ordinance.

SUPPORTING MATERIAL:

1. P&Z Memo to City Council
2. TIF Ordinance
3. TIF Study

CITY OF HUTTO PUBLIC WORKS

MEMORANDUM

To: City Council

From: Jessica Romigh, P&Z Chair
Davey Robinson, P&Z Vice-Chair
Kristen Harrington, P&Z
Steven R. Harris, P&Z
Michael Orman, P&Z
Tony Wertz, P&Z
Lori Ortiz, P&Z

Date: June 12, 2018

Re: Transportation Impact Fee

On Tuesday June 5, 2018, the Planning and Zoning Commission met during their regularly scheduled meeting. Staff worked with DKS Associates to prepare and present information regarding the Transportation Impact Fee that resulted from the land use methodology, transportation service area, projected growth, and 10-Year Capital Improvement Plans that were reviewed and recommended by the Planning and Zoning Commission and approved by City Council in May 2018.

In accordance with Chapter 395 of the Texas Local Government Code, Transportation Impact Fees are based on projections associated approved land use methodology, transportation service areas, projected growth, and 10-Year Capital Improvement plan.

The Planning and Zoning Commission reviewed and discussed the recommended Transportation Impact Fee as presented on June 5, 2018.

In accordance with Chapter 395 of the Texas Local Government Code, the Planning and Zoning Commission recommends approval of adopting an ordinance approving the Transportation Impact Fee of $2,396 per vehicle mile.

Jessica L Romigh

Jessica Romigh
Planning and Zoning Commission Chair

ORDINANCE NO. O-__________

AN ORDINANCE OF THE CITY OF HUTTO, TEXAS, ADOPTING TRANSPORTATION IMPACT FEES PER VEHICLE MILE; ESTABLISHING PROCEDURES FOR THE ASSESSMENT, COLLECTION, COMPUTATION, EXPENDITURE, REFUND AND GENERAL ADMINISTRATION OF TRANSPORTATION IMPACT FEES; PROVIDING FOR THE ESTABLISHMENT OF ACCOUNTS FOR TRANSPORTATION IMPACT FEES; PROVIDING CONSTRUCTION, SEVERABILITY, AND CONFLICT CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Chapter 395, Texas Local Government Code ("Statute") provides the requirements and procedures for the adoption of Land Use Assumptions, Transportation Impact Fee Capital Improvements Plan, and Transportation Impact Fees; and

WHEREAS, the City retained DKS Associates to prepare a Transportation Impact Fee Study that contains Land Use Assumptions (LUA) reflecting a description of the Service Area and projections of 10-year growth in residential and non-residential land uses in the Service Area, a Transportation Impact Fee Capital Improvements Plan (CIP) to identify Capital Improvements or Roadway Facility expansions for which Transportation Impact Fees may be assessed, and a calculation of the Transportation Impact Fee. The Transportation Impact Fee Study is referenced as Exhibit A hereto and incorporated by reference herein; and

WHEREAS, after notice of public hearing was published as required by the Statute, the City Council held a public hearing on May 17, 2018 in which the City Council adopted the CIP and LUA by Ordinance No. O-18-05-17-11B, and;

WHEREAS, the Planning and Zoning Commission, in its role as the Capital Improvements Plan Advisory Committee of the City of Hutto, The CIP Advisory Committee, reviewed the LUA and the 10-year CIP on May 8th, 2018 and the Transportation Impact Fees per vehicle mile on June 5th, 2018 and filed its written comments on the proposed Transportation Impact Fees before the fifth (5th) business day before the date of the public hearing (July 5th , 2018) on the adoption of the Transportation Impact Fee; and

WHEREAS, as required by Section 395.054, Texas Local Government Code, the City Council conducted a public hearing in which any member of the public had the right to appear at the hearing and present evidence for or against the plan and proposed fee; and

WHEREAS, the City Council desires to adopt the Transportation Impact Fees and related administrative process as herein described and finds that it is in the best interest of the citizens of the City of Hutto; Now therefore

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

SECTION I. Short Title

This Ordinance shall be known and cited as the "Hutto Transportation Impact Fee Regulations".

SECTION II. Findings Incorporated

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein and are hereby found to be true and correct factual and legislative determinations of the City of Hutto, Texas.

SECTION III. Purpose

This Ordinance is intended to assure the provision of adequate roadway facilities to serve New Development in the City by requiring each development to pay a share of the costs of such Capital Improvements necessitated by and attributable to such New Development.

SECTION IV. Authority

This Ordinance is adopted pursuant to Texas Local Government Code Chapter 395 and the Hutto City Charter. Chapter 395 supplements this Ordinance to the extent that its provisions may be applicable hereto and, to such extent, its provisions are incorporated herein by reference. The provisions of this Ordinance shall not be construed to limit the power of the City to utilize other methods authorized under State law or pursuant to other City powers to accomplish the purposes set forth herein, either in substitution or in conjunction with this Ordinance. Guidelines may be developed by ordinance, resolution, or otherwise to implement and administer this Ordinance.

SECTION V. Applicability

The provisions of this Ordinance apply to all new development within the corporate boundaries of the City. The provisions of this article apply uniformly within each Service Area.

SECTION VI. Incorporation of Land Use Assumptions and Transportation Impact Fee Capital Improvements Plan

This Transportation Impact Fee Capital Improvements Plan and Land Use Assumptions identifying Capital Improvements or Facility Expansions pursuant to which Transportation Impact Fees may be assessed, as considered and adopted by the City Council Ordinance No. O-18-05-17-11B at the May 17, 2018 public hearing and with the Transportation Impact Fee Study as referenced in Exhibit A hereto is incorporated herein by reference for all purposes, including any future amendments thereto.

SECTION VII. Definitions

Definitions of terms defined in Local Government Code Section 395 are incorporated. Some definitions are repeated herein for convenience.

In this Ordinance:

A. Assessment means the determination of the amount of the Maximum Assessable Transportation Impact Fee per Vehicle Mile which can be imposed on New Development pursuant to this Ordinance.

B. Capital Improvement means a Transportation Facility with a life expectancy of three or more years, to be owned and operated by or on behalf of the City.

C. City means the City of Hutto, Texas.

D. Credit means a reduction in the amount of a Transportation Impact Fee(s), payments, or charges for approved construction or provision of the same type of Capital Improvement for which a fee has been assessed for a New Development. This is done by either a proven decrease in the number of Service Units attributable to such development or a decrease in the amount of Transportation Impact Fees otherwise due, that results from contributions of land, improvements or funds to construct system improvements in accordance with the City's subdivision and development regulations, policies or requirements, as determined and approved by the City.

E. Final plat approval means authorization by City Council or designee that the final map of a proposed subdivision meets all City standards and conditions in accordance with the City's subdivision regulations and the City Council or designee executes the applicant's plat, and that the plat may be recorded in the office of the county clerk of Williamson or Travis County. The term applies both to original plats and replats.

F. Impact Fee, or "Transportation Impact Fee", means a fee, charge, or Assessment for Transportation Facilities imposed on New Development by the City pursuant to this Ordinance in order to generate revenue to fund or recoup all or part of the costs of Capital Improvements or facility expansion necessitated by and attributable to such New Development. The term includes amortized charges, lump-sum charges, capital recovery fees, contributions in aid of construction and any other fee that functions as described by this Ordinance or the Statute. The term is inclusive of both the Maximum Assessable Transportation Impact Fee and the Transportation Impact Fee Collection Rate as herein described.

G. Land Use Assumptions means the description of Service Area(s) and the projections of population and employment growth and associated changes in land uses, densities and intensities adopted by the City, as may be amended from time to time, upon which the Transportation Impact Fee Capital Improvements Plan is based.

H. Land Use Equivalency Table means a table approved by the City Manager converting the demands for Capital Improvements generated by various land uses to numbers of Service Units, as may be amended from time to time. The land use equivalency table may be incorporated in a schedule of Impact Fee rates, attached as Exhibit C hereto and incorporated by reference herein.

I. Maximum Assessable Transportation Impact Fee means the Impact fee that is established for the Service Area(s) computed by calculating the total projected costs of Capital Improvements necessitated by and attributable to New Development associated with the Transportation CIP, and then dividing that amount by the total number of Service Units anticipated with the Service Area(s) based upon the land use assumptions. The Maximum Assessable Transportation Impact Fee shall be established and reflected in Exhibit B, Schedule 1, attached hereto and incorporated herein. The City may adopt a Transportation Impact Fee

Collection Rate that is less than this amount, but in no instance shall the collected Transportation Impact Fee exceed the Maximum Assessed Transportation Impact Fee.

J. New Development means a project involving the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure, or any use or extension of land, which has the effect of increasing the requirements for Capital Improvements or facility expansion, measured by the number of Service Units to be generated by such activity and which applies for any City permit or approval after the effective date of this ordinance.

K. Recoupment means the imposition of an Impact Fee to reimburse the City for Capital Improvements which the City has previously oversized to serve New Development.

L. Transportation Impact Fee Collection Rate means the current amount of Transportation Impact Fee adopted by Hutto City Council to be paid by the developer of any new development, as may from time to time be amended. The adopted Transportation Impact Fee Collection Rate shall be established and reflected in Exhibit B, Schedule 2, attached hereto and incorporated herein.

M. Roadway means any arterial or collector streets or roads that have been designated in the City's adopted Mobility Plan, as may be amended from time to time. Roadway also includes and thoroughfare designated as a numbered highway on the official federal or Texas highway system; to the extent that the City incurs Capital Improvement costs for such facility.

N. Roadway Facility means an improvement or appurtenance to a Roadway which includes, but is not limited to, rights-of-way, whether conveyed by plat, deed, condemnation, or easement; intersection improvements; traffic signals; turn lanes; drainage facilities associated with the Roadway Facility; street lighting or curbs, and water and wastewater improvements affected by the Roadway Facility. Roadway Facility also includes any improvement or appurtenance to an intersection with a Roadway officially enumerated in the federal or Texas highway system, and to any improvements or appurtenances to such federal or Texas highway, to the extent that the City has incurred capital costs for such facilities, including without limitation local matching funds and costs related to utility line relocation and the establishment of curbs, gutters, sidewalks, drainage appurtenances and rights-of-way. Roadway Facility excludes those improvements or appurtenances to any Roadway which is a Site-related Facility.

O. Roadway Facility expansion means the expansion of the capacity of an existing roadway in the City, but does not include the repair, maintenance, modernization, or expansion of an existing roadway to better serve existing development.

P. Transportation Impact Fee Capital Improvements Plan, or "Capital Improvements Plan" (CIP) means the adopted plan included in Exhibit A, as may be amended from time to time, which identifies the roadway facilities or Roadway Facility expansions and their costs for each roadway Service Area, which are necessitated by and which are attributable to New Development, for a period not to exceed 10 years, which are to be financed in whole or in part through the imposition of Transportation Impact Fees pursuant to this Ordinance.

Q. Service Area means a Transportation Service Area within the City's corporate boundary, within which Impact Fees for Transportation Capital Improvements or Roadway Facility expansions may be collected for New Development occurring within such area and within which fees so collected will be expended for those types of improvements or expansions identified in the Transportation Impact Fee Capital Improvements Plan applicable to the Service Area.

R. Service Unit means a vehicle mile. A vehicle-mile shall be defined as one (1) vehicle traveling a distance of one (1) mile during the afternoon peak hour as defined in the Transportation Impact Fee Study.

S. Site-related Facility means an improvement or facility which is for the primary use or benefit of one or more New Developments and/or which is for the primary purpose of safe and adequate provision of Roadway Facilities to serve the New Development, including access to the development, which is not included in the Transportation Capital Improvements Plan, and for which the developer(s) or property owner(s) is solely responsible under subdivision or other applicable development regulations. Site-related Facility may include a Roadway improvement which is located offsite, within or on the perimeter of the development site.

T. System Facility means a roadway improvement or facility expansion which is designated in the Transportation Capital Improvements Plan and which is not a Site-related Facility. System Facility may include, as determined by the City Engineer, a roadway improvement which is located offsite, within or on the perimeter of the development site.

SECTION VIII. Transportation Service Areas

The City hereby established the Service Area, constituting land within the City's corporate boundary, as depicted in Exhibit A, referenced hereto and incorporated by reference herein. The boundaries of the Transportation Service Areas may be amended from time to time, or new Transportation Service Areas may be delineated, pursuant to the procedures of this Ordinance.

SECTION IX. Transportation Impact Fees Adopted

The City hereby adopts the Maximum Assessable Transportation Impact Fee attached and incorporated as Exhibit B, Schedule 1, and the Transportation Impact Collection Rate attached and incorporated as Exhibit B, Schedule 2. Each non-exempt New Development shall be assessed the Maximum Assessable Transportation Impact Fee and shall pay the Transportation Impact Fee Collection Rate, minus any applicable Credits, as described herein. Except as herein otherwise provided, the Assessment and collection of a Transportation Impact Fee shall be additional and supplemental to, and not in substitution of, any other tax, fee, charge or assessment which is lawfully imposed on and due against the property.

SECTION X. Roadway Impact Fee Required

No Final Plat or Replat for New Development shall be released for filing with Williamson or Travis County without Assessment of an Impact Fee pursuant to this Ordinance; or, if no plat is required, then no building permit shall be issued until such Assessment is made and the Transportation Impact Fee Collection Rate is paid in accordance with the Assessment and collection procedures indicated herein.

SECTION XI. Assessment of Impact Fees

Assessment of the Impact Fee for any New Development shall be made as follows:

A. For a New Development which has received final plat or replat approval before the effective date of this Ordinance, Assessment of Impact Fees shall occur on the effective date of this Ordinance, and shall be the amount of the Maximum Assessable Transportation Impact Fee per Service Unit as set forth in Exhibit B, Schedule 1. However, the Transportation Impact Fee Collection Rate shall not be collected on any Service Unit which has received final plat approval before the effective date of this Ordinance and for which a valid building permit is issued within one year after the date of adoption of this Ordinance. In the event of the expiration of a final plat or replat, the resubmittal of said final plat or replat, after the effective date of this Ordinance, shall require the Assessment of Impact Fees..

B. For land which is not required to be platted at the time of application for a building permit pursuant to the City's subdivision regulations prior to development, Assessment of Transportation Impact Fees shall occur at the time application is made for the building permit, and shall be the amount of the Maximum Assessable Transportation Impact Fee per Service Unit as set forth in Exhibit B, Schedule 1 then in effect.

C. For New Development which is submitted for approval pursuant to the City's subdivision regulations or which is proposed for replatting on or after the effective date of this Ordinance, Assessment of Impact Fees shall be at the time of final plat or replat approval, and shall be the amount of the Maximum Assessable Roadway Impact Fee per Service Unit as set forth in Exhibit B, Schedule 1 then in effect.

D. Following Assessment of the Impact Fee pursuant to this Section, the amount of the Impact Fee Assessment per Service Unit for that development cannot be increased, unless the developer of the property in the Service Area proposes to change the approved development by the submission of a new application or amendment for final approval, or other development application that results in approval of additional Service Units, in which case a new Assessment shall occur at the Exhibit B, Schedule 1 rate then in effect for such additional Service Unit.

E. The City Engineer, or his or her designee, shall compute the Transportation Impact Fees for New Development by first determining whether the New Development is eligible for Credits calculated in accordance with this Ordinance, which would further reduce Impact Fees otherwise due in whole or in part. The total amount of Impact Fees for the New Development shall be attached to the development application as a condition of approval.

F. Approval of an amending plat pursuant to Texas Local Government Code, Section 212.016 and the City's subdivision regulations is not subject to reassessment for an Impact Fee, unless as a result of the amendment the use changes and results in additional Service Units.

SECTION XII. Exemptions to Impact Fees

Pursuant to Texas Local Government Code Section 395.022, as amended, a public school district is not required to pay Transportation Impact Fees imposed under this Ordinance unless the board of trustees of the district consents to the payment of the fees by entering a contract with the City imposing the fees or they voluntarily elect to contribute to road improvements

SECTION XIII. Collection of Impact Fees

Transportation Impact Fees shall be collected in the following manner; however, the City has the ability to require construction greater than the Transportation Impact Fee Collection Rate for amounts up to the Maximum Assessable Transportation Impact Fee:

A. The Transportation Impact Fee Collection Rate shall be paid at the time the City issues a building permit for a New Development. For New Development which does not require a building permit (such as a change in use), the Transportation Impact Fee Collection Rate shall be paid prior to the issuance of a Certificate of Occupancy.

B. For properties requiring a plat, the Transportation Impact Fee Collection Rate to be paid and collected per Service Unit for New Development shall be the amount listed in Exhibit B, Schedule 2 in effect at the time of final plat or replat for approval for up to a one-year period following such final plat or replat approval. After the one-year period has expired, the Transportation Impact Fee collection Rate shall be paid according to the current amount listed in Exhibit B, Schedule 2 then in effect.

C. For properties that do not require the filing of a plat, the Transportation Impact Fee Collection Rate shall be paid and collected per Service Unit for New Development in the amount listed in Exhibit B, Schedule 2 in effect at the time that the building permit application is filed.

D. If the building permit for which an Impact Fee has been paid has expired, and a new application is thereafter filed, the Transportation Impact Fee Collection Rate shall be computed using Exhibit B, Schedule 2 in effect at the time of the new application, with Credits for previous payment of Impact Fees being applied against the new Impact Fees due.

E. Whenever the property owner proposes to increase the number of Service Units for a development, the additional Impact Fees collected for such new Service Units shall be determined by using Exhibit B, Schedule 2 in effect at the time of the request and such additional fee shall be collected at the times prescribed by this section.

F. The City may vary the rates of collection or amount of Transportation Impact Fees per Service Unit among or within Service Areas in order to reasonably further goals and policies affecting the adequacy of roadway facilities serving New Development, or other regulatory purposes affecting the type, quality, intensity, economic development potential or development timing of land uses within such Service Areas.

G. The Maximum Assessable Roadway Impact Fee per Service Unit for Roadway Facilities, as may be amended from time to time, hereby is declared to be an approximate and appropriate measure of the impacts generated by a new unit of development on the City's Roadway System. To the extent that the Transportation Impact Fee Collection Rate charged against a New Development, as may be amended from time to time, is less than the Maximum Assessable Transportation Impact Fee per Service Unit assessed, such difference hereby is declared to be founded on policies unrelated to measurement of the impacts of the New Development on the City's roadway system. The Maximum Assessable Roadway Impact Fee may be used in evaluating any claim by a property owner that the dedication or construction of a Capital Improvement within a Service Area imposed as a condition of development approval pursuant to the City's subdivision or development regulations is disproportionate to the impacts created by the development on the City's Roadway System.

SECTION XIV. Credits against Impact Fees

The City may credit the contribution of land, improvements or funding for construction of any System Facility that is required or agreed to by the City, pursuant to rules established in this section or pursuant to administrative guidelines promulgated by the City with the following limitation:

A. The Credit shall be associated with the plat or other detailed plan of development for the property that is to be served by the Roadway Facility.

B. Master Planned Community projects, including subdivisions containing multiple phases, and whether approved before or after the effective date of these Impact Fee regulations, may apply for Credits against Transportation Impact Fees for the entire project based upon contributions of land, improvements or funds toward construction of system facilities. Credits shall be determined by comparing costs of Transportation Capital Improvements supplied by the project with the costs of Transportation Capital Improvements to be utilized by development within the project, utilizing a methodology approved by the City. The Credit determination shall be incorporated within an agreement for Credits, in accordance with this Ordinance. The Roadway requirements of an agreement for Credits shall not be less than what is required by the Hutto Unified Development Code (UDC).

C. The City's current policies and regulation shall apply to determine a New Development's obligations to construct adjacent System Facilities. The obligation to construct, however, shall not exceed the Maximum Assessable Transportation Impact Fee assessed against the New Development under Exhibit B, Schedule 1. Construction required under such policies and regulations shall be a Credit against the amount of Impact Fees otherwise due. If the costs of constructing a System Facility in accordance with the current City policies and regulations are greater than the amount of the Transportation Impact Fee Collection Rate due, the amount of the Credit due shall be deemed to be 100% of the assessable Impact Fees and no Impact Fee shall be collected thereafter for the development, unless the number of Service Units is subsequently increased.

D. All Credits against Transportation Impact Fees shall be based upon standards promulgated by the City, which may be adopted as administrative guidelines, including the following standards:

a. No Credit shall be given for the dedication or construction of Site-related Facilities.

b. No Credit shall be given for a Roadway Facility which is not identified within the Transportation Impact Fee Capital Improvement Plan, unless the facility is on or qualifies for inclusion on the Mobility Plan and the City agrees that such improvement supplies capacity to New Developments other than the development paying the Transportation Impact Fee and provisions for Credits are incorporated in an agreement for Credits pursuant to this Ordinance.

c. In no event will the City grant a Credit when no Transportation Impact Fees can be collected pursuant to this Ordinance or for any amount exceeding the Transportation Impact Fee Collection Rate due for the development, unless expressly agreed to by the City in writing.

d. The City may participate in the costs of a System Facility to be dedicated to the City, including costs that exceed the amount of the Maximum Assessable Impact Fees for the development, in accordance with policies and rules established by the City. The amount of any Credit for construction of System Facility shall be reduced by the amount of any participation funds received from the City.

e. Were funds for Roadway Facilities have been escrowed under an agreement that was executed with the City prior to the effective date of this Ordinance, the following rules apply:

    i. Funds expended under the agreement for Roadway Facilities shall first be credited against the amount of Transportation Impact Fees that would have been due under Exhibit B, Schedule 2 for those units of development for which building permits already have been issued;

    ii. Any remaining funds shall be credited against Impact Fees due for the development under Exhibit B, Schedule 2 at the time building permits are issued.

E. Credits for construction of Capital Improvements shall be deemed created when the Capital Improvements are completed and the City has accepted the facility, or in the case of Capital Improvements constructed and accepted prior to the Effective Date of this Ordinance shall expire ten (10) years from the date the Credit was created. Credits arising prior to such Effective Date shall expire ten (10) years from such effective date. Upon application by the property owner, the City may agree to extend the expiration date for the Credit on mutually agreeable terms.

F. Unless an agreement for Credits, as described herein, is executed providing for a different manner of applying Credits against Transportation Impact Fees due, a Credit associated with a plat or replat shall be applied at the time of application for the first building permit and, at each building permit application thereafter, to reduce Impact Fees due until the Credit is exhausted.

G. An owner of a New Development who has constructed or financed a Transportation Capital Improvement or Roadway Facility expansion designated in the Transportation Impact Fee Capital Improvements Plans, or other Transportation Capital Improvement that supplies excess capacity, as required or authorized by the City, shall enter into an agreement with the City to provide for Credits against Transportation Impact Fees due for the development in accordance with this paragraph. The agreement shall identify the basis for and the method for computing and the amount of the Credit due and any reduction in Credits attributable to consumption of road capacity by developed lots or tracts served by the Transportation Capital Improvements. For multi-phased projects, the City may require that total Credits be proportionally allocated among the phases. If authorized by the City, the agreement also may provide for allocation of Credits among New Developments within the project, and provisions for the timing and collection of Impact Fees.

SECTION XV. Use of Proceeds of Impact Fee Accounts

The Transportation Impact Fees collected for each Service Area pursuant to these regulations may be used to finance or to recoup the costs of all or a portion of any roadway improvements or facility expansions identified in the Transportation Impact Fee Capital Improvements Plan for the Service Area, including but not limited to the construction contract price, surveying and engineering fees, and land acquisition costs (including land purchases, court awards and costs, attorney’s fees, and expert witness fees). Transportation Impact Fees may also be used to pay the principal sum and interest and other finance costs on bonds, notes or other obligations issued by or on behalf of the City to finance such roadway improvement or facility expansions. Transportation Impact Fees may also be used to pay fees actually contracted to be paid to an independent qualified engineer or financial consultant for preparation of or updating the Transportation Impact Fee Capital Improvements Plan. The Capital Improvements Advisory Committee shall recommend a Transportation Impact Fee Funding Plan identifying the projects to be funded with Transportation Impact Fees. City Council shall have final approval of the funding plan. Impact Fees collected may not be used to pay for the expenses prohibited by Statute.

SECTION XVI. Establishment of Accounts

The City’s Finance Department shall establish an account to which interest is allocated for each Service Area for which a Transportation Impact Fee is imposed pursuant to this Ordinance. Each Impact Fee collected within the Service Area shall be deposited in such account with the following regulations:

A. Interest earned on the account into which the Impact Fees are deposited shall be considered funds of the account and shall be used solely for the purposes authorized in this Ordinance and the Statute.

B. The City’s Finance Department shall establish adequate financial and accounting controls to ensure that Transportation Impact Fees disbursed from the account are utilized solely for the purposes authorized in this Ordinance and the Statute. Disbursement of funds shall be authorized by the City at such times as are reasonably necessary to carry out the purposes and intent of this Ordinance; provided, however, that any Transportation Impact Fee paid shall be expended within a reasonable period of time, but not to exceed ten (10) years from the date the fee is deposited into the account.

C. The City's Finance Department shall maintain and keep financial records for Transportation Impact Fees, which shall show the source and disbursement of all fees collected in or expended from each Service Area. The records of the account into which Impact Fees are deposited shall be open for public inspection and copying during ordinary business hours. The City may establish a fee for copying services.

SECTION XVII. Impact Fee as Additional and Supplemental Regulation

Transportation Impact Fees established by these regulations are additional and supplemental to, and not in substitution of, any other requirements imposed by the City on the development of land or the issuance of building permits or certificates of occupancy. Such Impact Fees are intended to be consisted with and to further the policies of the Capital Improvements Plan, the zoning ordinances, subdivision regulations and other City policies, ordinances and resolutions by which the City seeks to ensure the provision of adequate public facilities in conjunction with the development of land. This Ordinance shall not affect, in any manner, the permissible use of property, density of development, design, and improvement standards and requirements, or any other aspect of the development of land or provision of public improvements subject to the zoning and subdivision regulations or other regulations and policies of the City, which shall be operative and remain in full force and effect without limitation with respect to all such development.

SECTION XVIII. Updates to Plans and Revision of Fees

The City shall update its Land Use Assumptions and Capital Improvements Plan and make any revision of fees as indicated below:

A. The City shall update its Land Use Assumptions and Transportation Impact Fee Capital Improvements Plans and shall recalculate the Transportation Impact Fees based thereon in accordance with the procedures set forth in Texas Local Government Code, Ch. 395, or in any successor statute.

B. Exhibit B, Schedule 2 may be amended without revising the Land Use Assumptions and Transportation Capital Improvements Plans at any time prior to the updated provided for in this Section, provided that the Transportation Impact Fee Collection Rate to be collected under Exhibit B, Schedule 2 do not exceed the Maximum Assessable Transportation Impact Fees assessed under Exhibit B, Schedule 1.

C. If, at the time an update is required as indicated herein and the City Council determines that no change to the Land Use Assumptions, Transportation Impact Fee Capital Improvements Plan or Transportation Impact Fees are needed, it may dispense with such update by following the procedures in Texas Local Government Code, Section 395.0575 or its successor statute.

D. The City may amend any other provisions of this Ordinance in accordance with procedures for ordinance amendments contained in the City's Charter or State law.

SECTION XIX. Refunds

A. Upon application, and Transportation Impact Fee or portion thereof collected pursuant to this Ordinance, which has not been expended within the Service Area within ten (10) years from the date of payment, shall be refunded to the record owner of the property for which the Impact Fee was paid or, if the Impact Fee was paid by another entity, to such entity. The application for refund pursuant to this section shall be submitted within sixty (60) days after the expiration of the ten-year period for expenditure of the Impact Fee. An Impact Fee shall be considered expended on a first-in, first out basis.

B. An Impact Fee collected pursuant to this Ordinance shall also be considered expended if the total expenditures for Capital Improvements or Roadway Facility expansions authorized within the Service Area within ten (10) years following the date of payment exceeds the total fees collected within the Service Area for such improvements or expansions during such period.

C. If a refund is due pursuant to Subsections A or B, the City shall divide the difference between the amount of expenditures and the amount of the Impact Fees collected by the total number of Service Units assumed within the Service Area for the period to determine the refund due per Service Unit. The refund to the record owner shall be calculated by multiplying the refund due per Service Unit by the number of Service Units for the development for which the fee was paid, and interest due shall be calculated upon that amount.

SECTION XX. Rebates

If the building permit for a New Development for which a Transportation Impact Fee has been paid has expired, and a modified or new application has not been filed within six (6) months of such expiration, the City shall, upon written application, rebate the amount of the Impact Fee to the record owner of the property for which the Impact Fee was paid. If no application for rebate pursuant to this subsection has been filed within this period, no rebate shall become due.

SECTION XXI. Appeals

The property owner or applicant for New Development may appeal the applicability or amount of the Transportation Impact Fee or the availability or amount of Credits or Refunds to the City Council using the following procedure:

A. The burden of proof shall be on the applicant to demonstrate that relief should be granted by the City.

B. The applicant must file a written notice of appeal with the City Manager or his/her designee within thirty (30) days following the decision being appealed. Along with the notice of appeal, an applicant may request an alternative Service Unit computation for land uses not contained with the latest edition of the ITE Trip Generation Manual by submitting a trip generation study demonstrating the appropriateness of the trip generation rates for the proposed development. An applicant may also include an alternative Service Unit Calculation.

C. The City Manager or his/her designee ("Manager") may (1) resolve the appeal, if the applicant agrees with the Manager's decision, or (2) if the applicant does not agree, refer the matter to the Capital Improvements Advisory Committee to make a decision, along with the City Manager's recommendation and any trip generation study provided, if any.

D. If City Council review is requested by the applicant after receiving the City Manager's and/or Capital Improvements Advisory Committee decision, the City secretary shall schedule a public hearing at which the applicant may present testimony and evidence before the city Council. The City Council shall act on the appeal within 60 days of receipt of the notice of appeal by the City, unless otherwise agreed by the Applicant.

E. If the notice of appeal is accompanied by a payment or other security satisfactory to the City Attorney in an amount equal to the original determination of the Transportation Impact Fee due, the City shall process and may issue a building permit if other requirements are met while the appeal is pending.

F. If the City Council allows for a different amount of the Transportation Impact Fee due for a New Development under this section to be paid, it may cause to be appropriated from other City funds the amount of the reduction in the Impact Fee to the account for the Service Area in which the property is located.

SECTION XXII. Severability

If any provision of this Ordinance or the application of any provision to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

SECTION XXIII. Conflicts

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances for the City of Hutto, Texas, as amended, except where provisions of this Ordinance are in direct conflict with the provisions of such ordinances or such Code, in which event the conflicting provisions of such ordinances and Code are hereby repealed.

SECTION XXIV. Effective Date

This Ordinance shall take effect on July 5, 2018 or immediately from and after its passage and publication in accordance with the provisions of the Texas Local Government Code, whichever is later, and it is accordingly so ordained.

READ and **APPROVED** on first reading on this the _____ day of **_________, 2018** at a meeting of the Hutto, Texas City Council; there being a quorum present.

By motion duly made, seconded and passed with an affirmative vote of all the Councilmembers present, the requirement for reading this ordinance on two separate days was dispensed with.

READ, PASSED and **ADOPTED** on first reading of ordinance this _____ day of **_______, 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

EXHIBIT A
(TRANSPORTATION IMPACT FEE STUDY)

The Transportation Impact Fee Study is on file in the Engineering Department and the City Secretary's Offices. Due to size, it is not attached to the Ordinance but is referenced and incorporated herein as if attached.

EXHIBIT B

SCHEDULE 1
MAXIMUM ASSESSABLE ROADWAY IMPACT FEE PER SERVICE UNIT

Maximum Assessable Impact Fee	Service Unit
$2,396.00	Vehicle Mile

SCHEDULE 2
TRANSPORTATION IMPACT FEE COLLECTION RATE PER SERVICE UNIT

Transportation Impact Fee	Service Unit
$1,960.78	Vehicle Mile

Hutto

Roadway Impact Fee Study

June 2018

Hutto Roadway Impact Fee Study

Prepared for the City of Hutto

Prepared by:

DKS Associates

7500 Rialto Boulevard, Building 1, Suite 250

Austin, TX 78735

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Section 1. Introduction

Chapter 395 of the Texas Local Government Code stipulates a specific process for the adoption on Impact Fees. An Advisory Committee is required to review the Land Use Assumptions and CIP used in calculating the maximum fee, and to provide its finding for consideration by the City Council. The City Council must then conduct a public hearing on the Land Use Assumptions and CIP before considering an Impact Fee ordinance. Accordingly, The City of Hutto has developed its Land Use Assumptions and Capital Improvements Plan (CIP) necessary to implement roadway impact fees. This report includes details of the Roadway Impact Fee calculation methodology in accordance with Chapter 395 and the development of the Roadway Impact Fee Capital Improvement Plan, and summarizes the applicable Land Use Assumptions and Service Units per Development Unit.

Methodology

Impact fees are a mechanism for funding the public infrastructure necessitated by new development. They are meant to recover the incremental cost of the impact of each new unit of development creating new infrastructure needs. In the case of roadway impact fees, the infrastructure need is the increased capacity on arterial and collector roadways that serve the overall transportation system. Statutory requirements mandate that impact fees be based on a specific list of improvements identified in the program and only the cost necessitated by new growth over a ten-year period may be considered.

The impact fee capital improvements plan is based on forecasted growth in the City limits of Hutto over a ten-year planning period. This growth was estimated based on population and employment assumptions prepared by the City (refer to the land use assumptions in Table 1). These land use assumptions serve as a key component from which impact fees are calculated.

Service Units

Service units establish a relationship between supply provided by roadway projects and demand placed on the street system by a development. The service unit for the computation of Hutto's Roadway Impact Fees is a vehicle-mile of travel during the evening peak-hour. The roadway impact fee is determined based on the impact of each service unit on the arterial and collector roadways in the service area over the ten-year period. This impact is based on the number and length of new trips generated by a development and various trip characteristics of each land-use. The service unit reflects both capacity provided by the roadway system and the demand placed on the system during the evening peak hour.

Service Area

Impact fee legislation requires that service areas be defined for impact fees to ensure that facility improvements are in proximity to the area that is generating the need. Chapter 395 requires that roadway service areas be limited to a six-mile maximum and be located within the current City limits. Therefore, areas within the extraterritorial jurisdiction (ETJ) are excluded from this study. The result is that new development can only be assessed an impact fee based on the cost of necessary capital improvements within that service area.

Since the current City limits of Hutto falls within the six-mile maximum, one service area was developed. Figure 1, shown later in this document, includes the service area for Hutto, in addition to the current corporate boundaries. Future annexations may necessitate the City to split into two service areas, one north of US 79 and one south of US 79, to conform to the six-mile legislative mandate. It should be noted that in cases where the service area boundary follows the City limits, only those portions of the facility within the City limits are included in the service area.

Land Use Assumptions

Table 1 summarizes the residential and employment 10-year growth projections for the City. These values were provided by City of Hutto staff and are largely based on an identification of undeveloped parcels, the City's Future Land Use Plan and historical building permit data. Residential data was provided in terms of the number of dwelling units. Employment data was broken down into three groups including basic, service and retail employment and was provided in terms of square footage of building area. Basic employment includes the industrial and warehousing uses, service employment generally includes uses such as government or professional offices, and retail employment includes uses such as shopping centers and other retail stores.

Table 1: Residential and Employment 10-Year Projections

Land Use	10-Year Growth
Residential	3,766 dwelling units
Basic Employment	1,800,000 sq. ft.
Service Employment	770,000 sq. ft.
Retail Employment	1,200,000 sq. ft.

Section 2. Service Units of Existing Roadways

An inventory of major roadways that are designated as arterial and/or collector facilities on the City of Hutto Functional Classification Plan was conducted to determine the capacity provided by the existing roadway system, the demand currently placed on the system and the deficiencies. Any deficiencies found to occur will be carried over in the impact fee calculations (netting out capacity made available by the CIP). Data for the inventory was obtained from the Functional Classification Plan, field reconnaissance, and peak hour traffic volume count data. A summary of the data can be found in Appendix A.

The roadways were divided into segments based on changes in lane configuration, major intersections, or City limits. For the assessment of individual segments, lane capacities were assigned to each segment based on roadway functional class and type of existing cross-section. Table 2 shows the roadway capacities assumed for existing facilities. The capacity values are based upon generally accepted roadway capacity criteria.

Table 2: Hourly Capacity per lane-mile of Existing Roadways

Description	Hourly Vehicle-Mile Capacity per Lane-Mile
Five-lane undivided (TWLTL)	700
Four-lane undivided	525
Three-lane undivided (TWLTL)	525
Two-lane Undivided	475
Rural Cross-Section	150

Existing Traffic Volumes

Existing directional p.m. peak hour volumes were obtained from traffic counts collected in October 2017. Counts were collected along major roadways and at intersections throughout the City. For segments not counted, existing volumes were used or estimates were developed based on data from adjoining roadway counts.

Existing Vehicle-Miles of Supply

The total capacity provided by existing roadways in the City was identified. For each roadway segment, the existing service units (i.e., vehicle-miles) of capacity supplied were calculated using the following:

- Vehicle-Miles of Capacity = Link capacity per peak hour per lane x Number of Lanes x Length of segment (miles)

Existing roadways in the City provide an estimated 36,850 vehicle-miles of capacity.

Existing Vehicle-Miles of Demand

Th utilization of existing roadways in terms of service units (i.e., vehicle-miles) was calculated for each roadway segment. The vehicle miles of existing demand were calculated by the following equation:

- Vehicle-Miles of Demand = PM peak hour volume x Length of segment (miles)

Existing roadways in the City have an estimated 20,042 vehicle-miles of demand.

Existing Vehicle-Miles of Deficiencies

For each roadway segment, the existing service units (i.e., vehicle-miles) of excess capacity and/or deficiencies were calculated. Each direction was evaluated to determine if vehicle demands exceed the available capacity. If demand exceeds capacity in one or both directions, the deficiency is deducted from the supply associated with the impact fee capital improvement plan. An estimated 179 vehicle-miles of deficiencies were identified on the existing roadway system. These deficiencies will be carried over to the impact fee calculation.

Section 3. Service Units for New Development

The service unit used to develop Hutto's Roadway Impact Fees is a vehicle-mile of travel during the evening peak-hour. The roadway impact fee is determined based on the impact of each service unit on the arterial and collector roadways in the service area over the ten-year period. This impact is based on the number and length of new trips generated by a development and various trip characteristics of each land-use. The following sections summarize the process used to develop the service units for each new development in the City.

Trip Generation

Trip generation is the method used to estimate the number of vehicles that are added to the roadway network from a proposed project. Trip generation information for the PM peak hour was based on data in the Institute of Transportation Engineers (ITE) Trip Generation Manual, 9th Edition. The Trip Generation Manual provides the number of trips that are produced or attracted to each land use per dwelling unit, square foot of building, or other corresponding unit.

For the retail category of land uses, the trip generation rate is adjusted to account for pass-by trips. Pass-by trips represent those that are made by drivers attracted to a new development, but already on the roadway network for another trip purpose. For example, a stop at a convenience store on the way home from work is a pass-by trip for the convenience store. Since the travel demand for pass-by trips are accounted for in the primary trip calculations, it is necessary to discount the retail trip generation rates to avoid double counting trips. The assumed pass-by rates and resulting trip generation rates are shown in Table 3.

Trip Length

To convert vehicle trips to vehicle-miles, the trip generation rates for each land use must be multiplied by the average trip length (in miles). Trip length data was based on information generated from the 2020 CAMPO Travel Demand Model and travel survey information. The trip length values are based on land use and limited to the service area size of six miles. In cases where the average trip length of a land use exceeds the service area boundary, the maximum trip length was capped at six miles. The trip lengths represent the average distance that a vehicle will travel between an origin and destination of which either the origin or destination contains the land-use category.

Since each vehicle-trip has an origin and a destination, a development should only pay for one-half of the cost necessary to complete each trip. To prevent the double charging, trip lengths were divided by two to reflect half of the vehicle trip associated with development. The adjusted average trip lengths and maximum trip lengths are shown in Table 3.

Vehicle-Miles of Demand per Development Unit

The Roadway Impact Fee is determined by multiplying the impact fee rate by the number of

service units projected for the proposed development. The result of combining the trip generation and trip length information is an equivalency table which establishes the service unit rate for various land uses, as shown in Table 3. The service unit rates are based on a development unit for each land use. For example, a dwelling unit is the basis for residential land uses, while 1,000 gross square feet of floor area is the basis for office and industrial land uses. The individual land uses are grouped into categories, such as residential, office, retail, services and industrial. However, even with these specific land use types, information is not available for every conceivable land use. If the exact use is not listed, one similar in trip-making characteristics can serve as a reasonable proxy.

Table 3: Vehicle Miles per Development Unit

ITE Land Use	ITE Code	Development Units	Average Trip Rate	Pass-by Rate	Average Trip Rate after Deductions	Trip Length (mi)	O-D Adjustment	Adjusted Trip Length (mi.)	Maximum Trip Length (mi.)	Vehicle- mile per Development Unit
Port and Terminal										
Truck Terminal	30	Acres	6.55	0%	6.55	12.51	50%	6.25	6.00	39.30
Industrial										
General Light Industrial	110	1,000 sq. ft.	0.97	0%	0.97	12.51	50%	6.25	6.00	5.82
General Heavy Industrial	120	1,000 sq. ft.	0.68	0%	0.68	12.51	50%	6.25	6.00	4.08
Industrial Park	130	1,000 sq. ft.	0.85	0%	0.85	12.51	50%	6.25	6.00	5.10
Manufacturing	140	1,000 sq. ft.	0.73	0%	0.73	12.51	50%	6.25	6.00	4.38
Warehousing	150	1,000 sq. ft.	0.32	0%	0.32	12.51	50%	6.25	6.00	1.92
Mini-Warehouse	151	1,000 sq. ft.	0.26	0%	0.26	12.51	50%	6.25	6.00	1.56
Utilities	170	1,000 sq. ft.	0.76	0%	0.76	12.51	50%	6.25	6.00	4.56
Residential										
Single-Family Detached Housing	210	Dwelling Unit	1.00	0%	1.00	10.21	50%	5.10	5.10	5.10
Apartment/ Multi-family/ Condominium	220	Dwelling Unit	0.62	0%	0.62	10.21	50%	5.10	5.10	3.16
Residential Townhome	230	Dwelling Unit	0.52	0%	0.52	10.21	50%	5.10	5.10	2.65
Mobile Home Park / Manufactured Housing	240	Dwelling Unit	0.59	0%	0.59	10.21	50%	5.10	5.10	3.01
Senior Adult Housing-Detached	251	Dwelling Unit	0.27	0%	0.27	10.21	50%	5.10	5.10	1.38
Senior Adult Housing-Attached	252	Dwelling Unit	0.25	0%	0.25	10.21	50%	5.10	5.10	1.28
Assisted Living	254	Beds	0.22	0%	0.22	10.21	50%	5.10	5.10	1.12
Lodging										

ITE Land Use	ITE Code	Development Units	Average Trip Rate	Pass-by Rate	Average Trip Rate after Deductions	Trip Length (mi)	O-D Adjustment	Adjusted Trip Length (mi.)	Maximum Trip Length (mi.)	Vehicle- mile per Development Unit
Hotel	310	Room	0.60	0%	0.60	9.92	50%	4.96	4.96	2.98
Motel / Other Lodging Facilities	320	Room	0.47	0%	0.47	9.92	50%	4.96	4.96	2.33
Recreational										
Golf Course	430	Acre	0.30	0%	0.30	15.20	50%	7.60	6.00	1.80
Miniature Golf Course	431	Hole	0.33	0%	0.33	15.20	50%	7.60	6.00	1.98
Golf Driving Range	432	Tee	1.25	0%	1.25	15.20	50%	7.60	6.00	7.50
Multipurpose Recreational Facility	435	1,000 sq. ft.	3.58	0%	3.58	15.20	50%	7.60	6.00	21.48
Bowling Alley	437	Lanes	1.51	0%	1.51	15.20	50%	7.60	6.00	9.06
Multiplex Movie Theater	445	Screens	13.64	0%	13.64	15.20	50%	7.60	6.00	81.84
Ice Skating Rink	465	1,000 sq. ft.	2.36	0%	2.36	15.20	50%	7.60	6.00	14.16
Racquet / Tennis Club	491	Court	3.35	0%	3.35	15.20	50%	7.60	6.00	20.10
Health / Fitness Club	492	1,000 sq. ft.	3.53	0%	3.53	15.20	50%	7.60	6.00	21.18
Athletic Club	493	1,000 sq. ft.	5.96	0%	5.96	15.20	50%	7.60	6.00	35.76
Recreational Community Center	495	1,000 sq. ft.	2.74	0%	2.74	15.20	50%	7.60	6.00	16.44
Institutional										
Junior / Community College	540	Students	0.12	0%	0.12	9.39	50%	4.70	4.70	0.56
Church	560	1,000 sq. ft.	0.55	0%	0.55	9.39	50%	4.70	4.70	2.58
Day Care Center	565	1,000 sq. ft.	12.34	0%	12.34	9.39	50%	4.70	4.70	57.94
Medical										
Hospital	610	1,000 sq. ft.	0.93	0%	0.93	10.40	50%	5.20	5.20	4.84

ITE Land Use	ITE Code	Development Units	Average Trip Rate	Pass-by Rate	Average Trip Rate after Deductions	Trip Length (mi)	O-D Adjustment	Adjusted Trip Length (mi.)	Maximum Trip Length (mi.)	Vehicle- mile per Development Unit
Nursing Home	620	Beds	0.22	0%	0.22	10.40	50%	5.20	5.20	1.14
Clinic	630	1,000 sq. ft.	5.18	0%	5.18	10.40	50%	5.20	5.20	26.94
Animal Hospital/Veterinary Clinic	640	1,000 sq. ft.	4.72	0%	4.72	10.40	50%	5.20	5.20	24.54
Office										
General Office Building	710	1,000 sq. ft.	1.49	0%	1.49	14.29	50%	7.15	6.00	8.94
Corporate Headquarters Building	714	1,000 sq. ft.	1.41	0%	1.41	14.29	50%	7.15	6.00	8.46
Single Tenant Office Building	715	1,000 sq. ft.	1.74	0%	1.74	14.29	50%	7.15	6.00	10.44
Medical-Dental Office Building	720	1,000 sq. ft.	3.57	0%	3.57	14.29	50%	7.15	6.00	21.42
Office Park	750	1,000 sq. ft.	1.48	0%	1.48	14.29	50%	7.15	6.00	8.88
Retail										
Building Materials and Lumber Store	812	1,000 sq. ft.	4.49	25%	3.37	6.12	50%	3.06	3.06	10.30
Free-Standing Discount Superstore	813	1,000 sq. ft.	4.35	28%	3.13	6.12	50%	3.06	3.06	9.58
Free-Standing Discount Store	815	1,000 sq. ft.	4.98	28%	3.59	6.12	50%	3.06	3.06	10.97
Hardware/Paint Store	816	1,000 sq. ft.	4.84	26%	3.58	6.12	50%	3.06	3.06	10.96
Nursery (Garden Center)	817	1,000 sq. ft.	6.94	28%	5.00	6.12	50%	3.06	3.06	15.29
Shopping Center	820	1,000 sq. ft.	3.71	34%	2.45	6.12	50%	3.06	3.06	7.49
Specialty Retail Center	826	1,000 sq. ft.	2.71	20%	2.17	6.12	50%	3.06	3.06	6.63
New and Used Car Sales	841	1,000 sq. ft.	2.62	20%	2.10	6.12	50%	3.06	3.06	6.41

ITE Land Use	ITE Code	Development Units	Average Trip Rate	Pass-by Rate	Average Trip Rate after Deductions	Trip Length (mi)	O-D Adjustment	Adjusted Trip Length (mi.)	Maximum Trip Length (mi.)	Vehicle- mile per Development Unit
Automobile Parts Sales	843	1,000 sq. ft.	5.98	43%	3.41	6.12	50%	3.06	3.06	10.43
Tire Store	848	1,000 sq. ft.	3.54	28%	2.55	6.12	50%	3.06	3.06	7.80
Supermarket	850	1,000 sq. ft.	9.48	36%	6.07	6.12	50%	3.06	3.06	18.56
Convenience Market with Gasoline Pumps	853	Fueling Positions	19.07	63%	7.06	6.12	50%	3.06	3.06	21.59
Discount Club	857	1,000 sq. ft.	4.18	20%	3.34	6.12	50%	3.06	3.06	10.23
Home Improvement Superstore	862	1,000 sq. ft.	2.33	48%	1.21	6.12	50%	3.06	3.06	3.71
Electronic Superstore	863	1,000 sq. ft.	4.50	40%	2.70	6.12	50%	3.06	3.06	8.26
Toy/Children's Superstore	864	1,000 sq. ft.	4.99	28%	3.59	6.12	50%	3.06	3.06	10.99
Department Store	875	1,000 sq. ft.	1.87	28%	1.35	6.12	50%	3.06	3.06	4.12
Apparel Store	876	1,000 sq. ft.	3.83	28%	2.76	6.12	50%	3.06	3.06	8.44
Arts and Crafts Store	879	1,000 sq. ft.	6.21	28%	4.47	6.12	50%	3.06	3.06	13.68
Pharmacy/Drugstore w/o Drive-Thru Window	880	1,000 sq. ft.	8.40	53%	3.95	6.12	50%	3.06	3.06	12.08
Pharmacy/Drugstore w/ Drive-Thru Window	881	1,000 sq. ft.	9.91	49%	5.05	6.12	50%	3.06	3.06	15.46
Furniture Store	890	1,000 sq. ft.	0.45	53%	0.21	6.12	50%	3.06	3.06	0.65
Services										
Walk-In Bank	911	1,000 sq. ft.	12.13	40%	7.28	7.28	50%	3.64	3.64	26.47
Drive-In Bank	912	Drive-in Lanes	33.24	47%	17.62	7.28	50%	3.64	3.64	64.08
Hair Salon	918	1,000 sq. ft.	1.93	34%	1.27	7.28	50%	3.64	3.64	4.63
Drinking Place	925	1,000 sq. ft.	11.34	50%	5.67	7.28	50%	3.64	3.64	20.62

ITE Land Use	ITE Code	Development Units	Average Trip Rate	Pass-by Rate	Average Trip Rate after Deductions	Trip Length (mi)	O-D Adjustment	Adjusted Trip Length (mi.)	Maximum Trip Length (mi.)	Vehicle- mile per Development Unit
Quality Restaurant	931	1,000 sq. ft.	7.49	44%	4.19	7.28	50%	3.64	3.64	15.26
High Turnover (Sit-Down) Restaurant	932	1,000 sq. ft.	9.85	43%	5.61	7.28	50%	3.64	3.64	20.42
Fast Food Restaurant without Drive-Thru Window	933	1,000 sq. ft.	26.15	50%	13.08	7.28	50%	3.64	3.64	47.56
Fast Food Restaurant with Drive-Thru Window	934	1,000 sq. ft.	32.65	50%	16.33	7.28	50%	3.64	3.64	59.38
Coffee/Donut Shop without Drive-Thru Window	936	1,000 sq. ft.	40.75	70%	12.23	7.28	50%	3.64	3.64	44.47
Coffee/Donut Shop with Drive-Thru Window	937	1,000 sq. ft.	42.80	70%	12.84	7.28	50%	3.64	3.64	46.71
Quick Lubrication Vehicle Shop	941	Servicing Positions	5.19	55%	2.34	7.28	50%	3.64	3.64	8.50
Automobile Care Center	942	1,000 sq. ft.	3.11	40%	1.87	7.28	50%	3.64	3.64	6.79
Gasoline/ Service Station	944	Vehicle Fueling Position	13.87	42%	8.04	7.28	50%	3.64	3.64	29.26
Gasoline/ Service Station w/ Conv Market	945	Vehicle Fueling Position	13.51	56%	5.94	7.28	50%	3.64	3.64	21.62
Gasoline/ Service Station w/ Conv Market and Car Wash	946	Vehicle Fueling Position	13.86	56%	6.10	7.28	50%	3.64	3.64	22.18
Self-Service Car Wash	947	Stall	5.54	40%	3.32	7.28	50%	3.64	3.64	12.09

Projected 10-year Vehicle-Miles of Demand

Projected service units (i.e., vehicle-miles) of demand were calculated based on the net growth expected to occur over the 10-year planning period, and on the associated service unit generation for each of the population and employment data components (basic, service and retail). Basic employment generally encompasses the industrial land uses; retail employment includes retail uses; and service employment generally encompasses office uses. Separate calculations were performed for each data component and combined to determine a total for the Citywide service area. Vehicle-miles of demand for population growth were based on dwelling units (residential). Vehicle-miles of demand for employment were based on the square footage of building space for industrial, office and retail uses.

The City is expected to have an estimated 45,566 vehicle-miles of demand over the 10-year planning period. A summary of the data can be found in Appendix B.

Section 4. Roadway Impact Fee Capital Improvement Plan

The City has identified transportation projects needed to accommodate the projected growth within the City, as shown in Table 4 and Figure 1. All arterial and collector facilities identified on the City's Functional Classification Plan not constructed to the ultimate build-out were included in the impact fee CIP to provide flexibility for development due to the rapid rate of development.

The impact fee CIP can only include roadways which are included on the City's Functional Classification Plan as arterial or collector facilities. Impact fee legislation also allows for the recoupment of costs for previously constructed facilities and projects currently under construction; however, no projects were included for recoupment.

In general, the costs associated with the design, right-of-way acquisition, and construction and financing of all items necessary to implement the roadway projects identified in the capital improvements plan are eligible. These estimates are based on the ultimate roadway section identified by functional classification. For CIP projects along State highway or County facilities in the current City limits, no State or County match was assumed, the projects were assumed to be 100 percent funded by the City.

Table 4: Roadway Impact Fee Capital Improvement Plan

Service Area*	Project #	Roadway	Limits	Length (mi)	Num. of Lanes	Functional Classification	City Share	% in Service Area	Total Project Cost in Service Area
A	A1	CR 109	CR 108 to CR 118 extension	1.42	3	Major Collector	0%	100%	$0
A / X	A2	CR 118	CR 109 extension to W. of FM 1660	0.07	5	Minor Arterial	100%	50%	$587,500
A / X	A3	CR 118	FM 1660 to CR 132 extension	0.50	5	Minor Arterial	100%	50%	$3,075,000
A	A4	CR 132	FM 1660 to CR 109 extension	0.90	2	Minor Collector	0%	100%	$0
A / X	A5	CR 132	FM 1660 to Carol Drive extension	0.53	2	Minor Collector	100%	50%	$425,000
A / X	A6	CR 132	CR 118 extension to N. of Bosque Drive	0.54	2	Minor Collector	100%	50%	$1,062,500
A / X	A7	CR 132	Carol Drive extension to S. of Bosque Drive	0.20	2	Minor Collector	100%	50%	$200,000
A / X	A8	CR 132	W. of CR 133 to E. of CR 133	0.41	2	Minor Collector	100%	50%	$412,500
A	A9	CR 132 Realignment	CR 132 to CR 133	0.42	5	Minor Arterial	100%	100%	$4,925,000
A / X	A10	CR 132	CR 132 Realignment to S. of CR 132 extension	0.17	5	Minor Arterial	100%	50%	$900,000
A	A11	CR 132	Carol Drive extension to CR 132 Realignment	0.68	3	Major Collector	100%	100%	$3,675,000
A	A12	Carol Drive	Limmer Loop to CR 132	0.79	2	Minor Collector	100%	100%	$3,075,000
A	A13	Carol Drive	Magner Lane to US 79	0.44	2	Minor Collector	100%	100%	$1,700,000
A / X	A14	FM 1660	City limits to 982 ft. S. of City limits	0.19	3	Major Collector	100%	50%	$362,500
A	A15	FM 1660	982 ft. S. of City limits to N. of Blanco Drive	0.29	3	Major Collector	100%	100%	$750,000
A / X	A16	FM 1660	N. of Blanco Drive to CR 132	0.21	3	Major Collector	100%	50%	$400,000
A	A17	FM 1660	CR 132 to Carrington Street	0.08	3	Major Collector	100%	100%	$475,000
A / X	A18	FM 1660	Sylvan Street to N. of Limmer Loop	0.17	3	Major Collector	100%	50%	$225,000
A	A19	FM 1660	N. of Limmer Loop to Limmer Loop	0.09	3	Major Collector	100%	100%	$325,000
A / X	A20	FM 1660	Limmer Loop to S. of Limmer Loop	0.12	3	Major Collector	100%	50%	$200,000

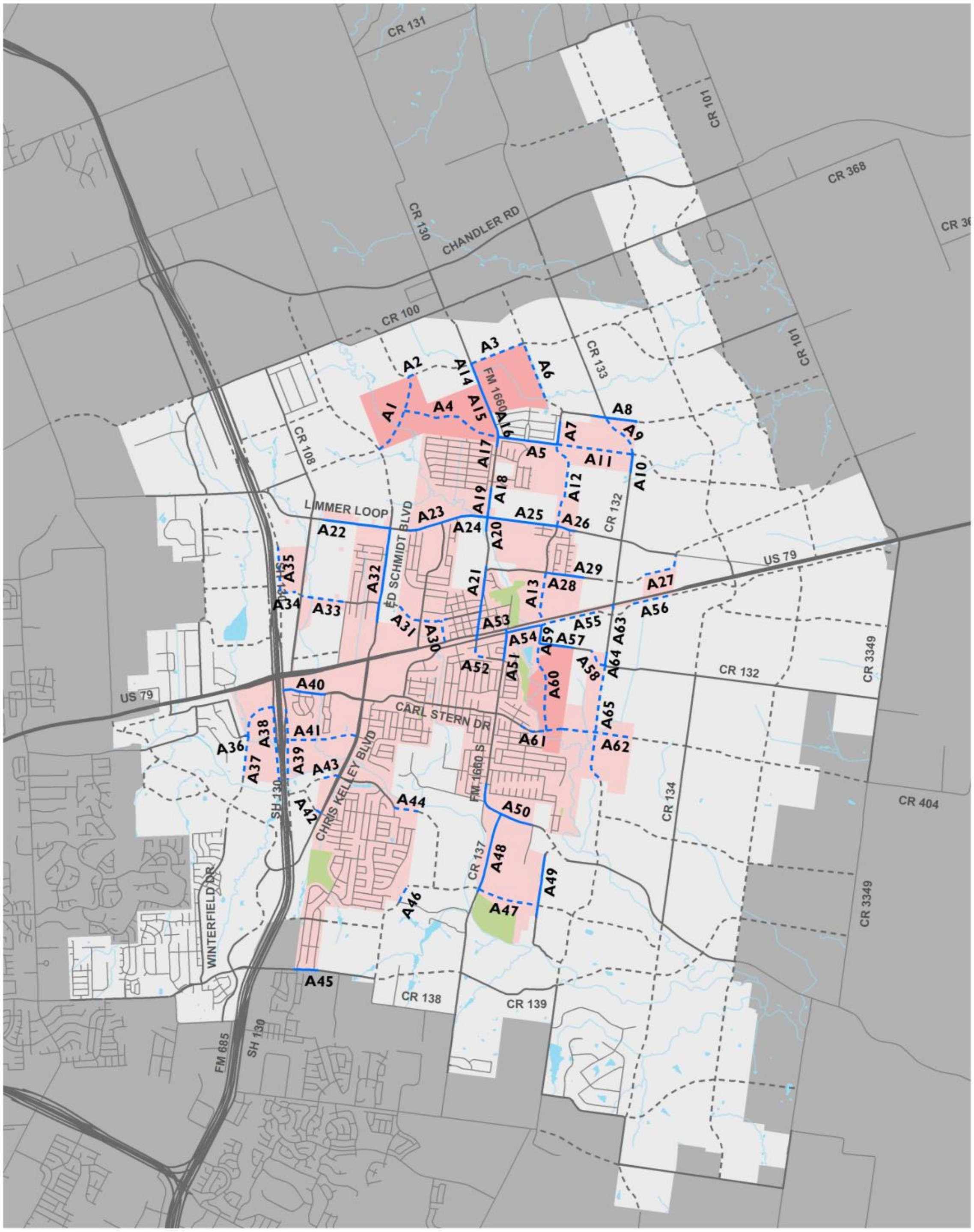
Service Area*	Project #	Roadway	Limits	Length (mi)	Num. of Lanes	Functional Classification	City Share	% in Service Area	Total Project Cost in Service Area
A	A21	FM 1660	Magner Lane to Front Street	0.65	3	Major Collector	100%	100%	$3,500,000
A / X	A22	Limmer Loop	E. of Innovation Boulevard to Ed Schmidt Boulevard	0.61	5	Minor Arterial	100%	50%	$2,362,500
A	A23	Limmer Loop	E. of Ed Schmidt Boulevard to Adriana Lane	0.49	5	Minor Arterial	100%	100%	$3,575,000
A / X	A24	Limmer Loop	Adriana Lane to FM 1660	0.23	5	Minor Arterial	100%	50%	$787,500
A / X	A25	Limmer Loop	FM 1660 to Carol Drive	0.60	5	Minor Arterial	100%	50%	$2,162,500
A	A26	Limmer Loop	Carol Drive to City limits	0.19	5	Minor Arterial	100%	100%	$1,325,000
A / X	A27	Magner Lane	E. of CR 132 to Limmer Loop	0.38	3	Major Collector	100%	50%	$1,025,000
A	A28	Magner Lane	Carol Drive to E. of Kates Way	0.25	3	Major Collector	100%	100%	$750,000
A / X	A29	Magner Lane	E. of Kates Way to City limits	0.09	3	Major Collector	100%	50%	$137,500
A	A30	Silo Street	US 79 to Live Oak Street	0.20	3	Major Collector	100%	100%	$1,075,000
A	A31	Live Oak Street	Short Street to E. of Ed Schmidt Boulevard	0.50	3	Major Collector	100%	100%	$2,675,000
A / X	A32	Ed Schmidt Boulevard	S. of Emory Farms Avenue to Limmer Loop	0.84	5	Minor Arterial	100%	50%	$2,587,500
A / X	A33	Emory Farms Avenue	Alliance Boulevard to Innovation Boulevard	0.41	3	Major Collector	100%	50%	$1,100,000
A / X	A34	Emory Farms Avenue	W. of Innovation Boulevard to SH 130 NB Service Road	0.16	3	Major Collector	100%	50%	$437,500
A / X	A35	SH 130 NB Service Road	Emory Farms Avenue extension and N. City limits	0.39	2	Major Arterial	100%	50%	$787,500
A	A36	Spotted Fawn Drive	W. City limits to the Winterfield Drive extension	0.04	2	Minor Collector	100%	100%	$150,000
A / X	A37	Winterfield Drive	Kirkhill Street to SH 130 SB Service Road	0.77	3	Major Collector	100%	50%	$2,575,000

Service Area*	Project #	Roadway	Limits	Length (mi)	Num. of Lanes	Functional Classification	City Share	% in Service Area	Total Project Cost in Service Area
A	A38	SH 130 SB Service Road	S. City limits to S. of Carl Stern Drive	0.66	2	Major Arterial	100%	100%	$2,625,000
A	A39	SH 130 NB Service Road	S. City limits to S. of Carl Stern Drive	0.63	2	Major Arterial	100%	100%	$2,500,000
A	A40	Carl Stern Drive	Cyril Drive to SH 130 NB Service Road	0.37	5	Minor Arterial	100%	100%	$4,750,000
A	A41	Knowles Drive	Chris Kelley Boulevard to SH 130 Service Road	0.62	2	Minor Collector	100%	100%	$2,400,000
A	A42	Great Western Drive	Chris Kelley Boulevard to W. City limits	0.05	2	Minor Collector	100%	100%	$225,000
A	A43	Riverwalk Drive	Chris Kelley Boulevard to W. City limits	0.18	3	Major Collector	100%	100%	$1,375,000
A	A44	Riverwalk Drive	E. of Creston Cove to E. City limits	0.22	3	Major Collector	100%	100%	$1,500,000
A / X	A45	CR 138	W. of Little Lake Road to E. of Dana Drive	0.20	5	Minor Arterial	100%	50%	$650,000
A / X	A46	CR 138	CR 197 to E. of Navidad River Drive	0.16	3	Major Collector	100%	50%	$550,000
A	A47	E-W Roadway	W. of CR 137 to CR 163	0.56	3	Major Collector	100%	100%	$4,175,000
A	A48	CR 137	FM 1660 to S. of new E-W Roadway	0.72	3	Major Collector	100%	100%	$3,500,000
A / X	A49	CR 163	S. of FM 1660 to S. of E-W Roadway	0.56	2	Minor Collector	100%	50%	$687,500
A	A50	FM 1660	King Lane to Swindoll Lane	0.64	3	Major Collector	100%	100%	$2,650,000
A	A51	FM 1660	Evans Street to US 79	0.28	3	Major Collector	100%	100%	$800,000
A	A52	Jim Cage Lane	Austin Avenue to Evans Street	0.17	2	Minor Collector	100%	100%	$675,000
A	A53	US 79	FM 1660 South Intersection	0.09	1	Major Arterial	100%	100%	$350,000
A	A54	Front Street	FM 1660 to Front Street extension	0.31	2	Major Collector	100%	100%	$1,150,000
A / X	A55	Front Street	CR 199 to W. of CR 132	0.53	3	Major Collector	100%	50%	$1,700,000
A / X	A56	Front Street	E. of CR 132 to W. of CR 134 extension	0.36	3	Major Collector	100%	50%	$1,150,000

Service Area*	Project #	Roadway	Limits	Length (mi)	Num. of Lanes	Functional Classification	City Share	% in Service Area	Total Project Cost in Service Area
A / X	A57	CR 199	CR 199 extension to W. of CR 199 realignment	0.31	3	Major Collector	100%	50%	$500,000
A	A58	CR 199 realignment	CR 199 to CR 132	0.20	3	Major Collector	100%	100%	$1,100,000
A / X	A59	CR 199	Front Street to CR 199 extension	0.14	3	Major Collector	100%	50%	$225,000
A	A60	CR 199	CR 199 to Carl Stern Drive extension	0.81	2	Minor Collector	100%	100%	$3,125,000
A	A61	Carl Stern Drive	Riverbed Pass to CR 199 extension	0.24	3	Minor Arterial	100%	100%	$1,800,000
A	A62	Carl Stern Drive	CR 199 extension to E. City limits	0.77	5	Minor Arterial	100%	100%	$8,600,000
A	A63	CR 132	US 79 to N. of Front Street extension	0.03	5	Minor Arterial	100%	100%	$1,050,000
A / X	A64	CR 132	CR 199 to CR 132	0.11	5	Minor Arterial	100%	50%	$650,000
A	A65	CR 132	CR 199 Realignment to S. City limits	1.06	5	Minor Arterial	100%	100%	$12,100,000
						Future Impact Fee Update Cost (2 five-year updates)	100%	100%	$100,000
								Total Project Cost	$112,350,000
								Total Implementation Cost	$112,450,000

*A / X indicates a roadway that is half in / half out of City Limits

Figure 1. Roadway Impact Fee Capital Improvement Plan



Legend

TIF Eligible Roadway Improvement

City Limits

Assumed Annexations into City Limits

Extraterritorial Jurisdiction

Parks

Service Units of Supply Available for New Development

Each project identified in the CIP will add a certain amount of capacity to the City's roadway network based on its length and classification. The projects in the CIP were divided into segments based on changes in lane configuration, major intersections, or City limits. For the assessment of individual segments, lane capacities were assigned to each segment based on roadway functional class and proposed cross-section. Table 5 shows the roadway capacities assumed for proposed roadways in the CIP. The capacity values are based upon generally accepted roadway capacity criteria.

The projected service units (i.e., vehicle-miles) of new capacity supplied by the projects in the CIP were calculated similar to the vehicle-miles of existing capacity supplied, summarized earlier in this document. The equation used was:

- Vehicle-Miles of Capacity = Link capacity per peak hour per lane x Number of Lanes x Length of segment (miles)

The CIP will provide an estimated 34,858 vehicle-miles of capacity. A summary of the data can be found in Appendix C.

Table 5: Hourly Capacity per lane-mile for Proposed Roadways

Description	Hourly Vehicle-Mile Capacity per Lane-Mile
Major Arterial	700
Minor Arterial	650
Major Collector	525
Minor Collector	475

Vehicle-Miles of Existing Demand on CIP Roadways

A number of roadways identified in the CIP have traffic currently utilizing a portion of their existing capacity. The total amount of capacity along these roadways currently being used by existing traffic is removed from the total supply of the CIP to account for the net capacity available for new growth. This was calculated by the following equation:

- Vehicle-Miles of Existing Demand on CIP Roadways = PM peak hour volume x Length of segment (miles)

Existing traffic will utilize 3,683 vehicle-miles of capacity on CIP roadways.

Vehicle-Miles of Existing Deficiencies

Existing deficiencies on the City's roadway network are not recoverable through impact fees. Any roadway within the City that does not provide enough capacity to serve existing traffic (even those not identified on the Roadway Impact Fee CIP) must have the deficiency removed from the capacity supplied by the CIP. This was calculated by the following equation:

- Vehicle-Miles of Existing Deficiencies= Vehicle-Miles of Existing Supply - Vehicle-Miles of Existing Demand

Overall, the City has 179 vehicle-miles of existing deficiencies.

Net Capacity Added by the CIP

The net capacity added by the CIP is determined by subtracting the existing demand and existing deficiencies from the total capacity supplied by the CIP. Overall, the CIP provides 30,996 net vehicle-miles of capacity to serve future growth, as shown in Table 6.

Table 6: Net Capacity Added by the CIP

Line	Impact Fee Calculation Input	Service Area A	Action
1	Capacity Supplied by CIP (vehicle-miles)	34,858	
2	Existing Demand (vehicle-miles)	3,683	
3	Existing Deficiencies (vehicle-miles)	179	
4	Net Capacity Added by CIP (vehicle-miles)	30,996	Line 1 - Line 2 - Line 3

Section 5. Roadway Impact Fee Calculation

This section discusses the calculation of the maximum cost per service unit and the calculation of roadway impact fees. The roadway impact fee will vary based on the land use, and size of the development. The maximum assessable impact fee is the sum of the eligible Roadway Impact Fee CIP costs divided by the growth in travel attributable to new development projected to occur within the 10-year period. Table 5 illustrates the calculation of the maximum assessable impact fee.

CIP Cost Attributable to New Development

The total cost of the CIP projects within the Citywide service area (see Table 4: Roadway Impact Fee Capital Improvement Plan), including study update costs, are estimated at $112,450,000. If traffic exists on proposed CIP project roadways or there are any deficiencies present on the current network, the total cost of the CIP projects is adjusted to reflect the net capacity being made available by the CIP.

Cost to meet Existing Utilization

By comparing the net capacity added by the CIP to the total vehicle-miles of capacity added by the CIP, the total CIP project costs that serve existing traffic can be identified. This will allow for the exclusion of the CIP project costs attributable to existing usage and deficiencies. This was calculated by the following equation:

- Cost to meet Existing Utilization= Net Capacity Added by the CIP / Total Vehicle-Miles of Capacity added by the CIP

Overall, about 11%, or $12,456,267 of CIP costs are attributable to existing traffic.

Portion of CIP Cost Attributable to New Development

In order to ensure that the vehicle-miles added by the Roadway Impact Fee CIP do not exceed the amount needed to accommodate growth beyond the ten-year window, a comparison of the two values is performed. If the amount of vehicle-miles added by the Roadway Impact Fee CIP exceeds the growth projected to occur in the next ten years, the Roadway Impact Fee CIP cost is reduced accordingly. This is determined by the following equation:

- Portion of CIP Attributable to New Development= Projected 10-year Vehicle-Miles of Demand / Net Capacity Added by the CIP

This calculation is required by Chapter 395 to ensure capacity added is attributable to new growth, and is limited to 100%. As shown in Table 7, 100% of the CIP is attributable to new development over 10-years, or $99,993,733.

Table 7: CIP Cost Attributable to New Development

Line	Impact Fee Calculation Input	Service Area A	Action
1	Capacity Supplied by CIP (vehicle-miles)	34,858	From Table 6
4	Net Capacity Added by CIP (vehicle-miles)	30,996	From Table 6
5	Total Cost of CIP in Service Area	$112,450,000	
6	Cost of Net Capacity Supplied	$99,993,733	(Line 4 / Line 1) * Line 5
7	Cost to meet Existing Utilization	$12,456,267	Line 5 - Line 6
8	Projected 10-year Demand (vehicle-miles)	45,566	
9	Portion of CIP Attributable to New Development	147%	Line 8 / Line 4
10	Net Portion of CIP Attributable to New Development	100%	If Line 8 > Line 4, Reduce Line 9 to 100%, Otherwise no change
11	CIP Cost Attributable to New Development	$99,993,733	Line 6 * Line 10

Finance Costs Attributable to New Development

The impact fee determination method employed by NewGen Strategies and Solutions, LLC is developed through a financial based model, which fully recognizes the requirements of Chapter 395, including the recognition of cash and/or debt financing, interest earnings, fund balances, and applicable credits associated with the use of ad valorem taxes.

The assumptions employed in the maximum assessable impact fee determination provide a reasonable basis for forecasting, however, it must be emphasized that these assumptions may not necessarily reflect actual future conditions. To address this, Chapter 395 requires the monitoring of impact fees through the Impact Fee Advisory Committee and allows for the option to update or revise impact fees to reflect the actual implementation of the impact fee program.

Once the cost of capacity added that is attributable to growth (Table 7 - line 11) is determined, it must then be decided how the cost will be financed: cash and/or debt. It was determined that the projects included in Hutto's Roadway Impact Fee CIP had no prior funding. Based on discussions with City staff, it is assumed that the City will debt finance 50% of the future project costs and cash finance 50%. For debt financing, the cost of financing is based on the City staff's estimates of future debt costs for bonds issued with 20-year terms, as shown in Appendix E. Debt service payments for each future debt issue are assumed to remain constant over the issue's term.

Currently, the exact timing and annual level of capital expenditures over the 10-year forecast is indeterminate; therefore, it is assumed that capital expenditures will occur in equal amounts over the

10-year program period. It is also assumed that for debt financed capital projects, the City will expend debt proceeds over a 2-year timeframe. For the calculation of the maximum assessable impact fee, debt is assumed to be issued in equal amounts for each year. Because of the 10-year forecast limitation, and in order to recognize the full amount of debt to be issued for the cost of capacity added that is attributable to growth during the 10-year period, a portion of year 9 and all of year 10 bond proceeds are assumed to be spent fully in year 10.

Overall, $30,828,240 in CIP finance costs are attributable to new development.

Interest Earnings

Because debt is issued over 20-year terms and impact fees developed herein are to be charged over a 10-year period, sufficient fund balance must be generated to meet the future debt service obligations. Because of the generation of the fund balance, excess monies will be available for interest earnings. Chapter 395 states that interest earnings are funds of the impact fee account and are to be held to the same restrictions as impact fee revenues. Therefore, in order to recognize that interest earnings are used to fund roadway transportation improvements, interest earnings are credited against the costs recoverable through impact fees. It should be noted that Chapter 395 does not require the upfront recognition of interest earnings in the impact fee determination; however, in an effort to acknowledge the time value of the impact fee payers' monies, interest earnings have been credited. Interest is assumed to be earned at an annual rate of 1.7075% based on the TexPool rate as of 4/30/2018.

As with the timing and level of the capital expenditures over the 10-year forecast, the timing and annual level of service unit growth over the 10-year program period is indeterminate at the present time. As such, it is assumed that service unit growth will be consistent over the 10-year forecast.

Overall, $11,754,499 in interest earnings must be credited when determining the maximum assessable impact fee.

Net CIP Costs Attributable to New Development

The net CIP costs attributable to new development is the total CIP project costs (including financial costs) that may be recovered through impact fees. This is determined by the following equation:

- Net Portion of CIP Attributable to New Development= Total Cost of the CIP Projects - Cost to meet Existing Utilization x Portion of CIP Cost Attributable to New Development + Finance Costs - Interest Earnings

As shown in Table 8, a net of $119,067,474 in CIP costs are attributable to new development.

Maximum Cost per Service Unit without Credits

The maximum cost per service unit (i.e., vehicle-mile) before credits is determined by the following equation:

- Maximum Cost per Service Unit without Credits= Net CIP Cost Attributable to New Development / Projected 10-year Vehicle-Miles of Demand

As shown in Table 8, the maximum impact fee per vehicle-mile is $2,613 without the ad valorem tax credit.

Table 8: Calculation of Maximum Cost per Service Unit without Credits

Line	Impact Fee Calculation Input	Service Area A	Action
8	Projected 10-year Demand (vehicle-miles)	45,566	From Table 7
11	CIP Cost Attributable to New Development	$99,993,733	From Table 7
12	Financed CIP Costs Attributable to New Development	$30,828,240	
13	Interest Earnings	$11,754,499	
14	Net CIP Cost Attributable to New Development	$119,067,474	Line 11 + Line 12 - Line 13
15	Maximum Cost per Service Unit without Credits	$2,613	Line 14 / Line 8

Ad Valorem Tax Credit

NewGen Strategies and Solutions, LLC performed a credit analysis to identify the impact fee credit for ad valorem tax revenue. Chapter 395 requires a plan for awarding either a credit for the portion of ad valorem tax and/or utility service revenues generated by new service units during the program period that are used for payment of improvements that are included in the Roadway Impact Fee. As an alternative, a credit equal to 50% of the total cost of implementing the Roadway Impact Fee may be used. The City has elected to pursue the determination of a credit for the portion of ad valorem tax revenues generated by new service units during the program period that are used for payment of improvements that are included in the Roadway Impact Fee. It should be noted that the credit is not a determination to recognize the total ad valorem tax revenue generated by new service units, but is only a credit for the portion of ad valorem tax revenue that is used for payment of improvements that are included in the Roadway Impact Fee. Theoretically, the credit determination could be zero ($0) if the City does not utilize any of the new service unit ad valorem tax revenue to fund improvements that are included in the Roadway Impact Fee.

However, to be conservative and recognize potential cash flow issues that can occur with the funding of major capital improvement projects, it is assumed that the cash funded projects (50% of the improvement costs included in the Roadway Impact Fee) could potentially be funded by ad valorem tax revenue. Since payments made through ad valorem tax revenue will consist of not only the revenue generated by new service units in the defined service area, but also existing property owners throughout the City, the portion attributable to the new service units in the defined service area must be isolated, as illustrated in the credit calculation in Appendix E.

Overall, $9,882,137 in ad valorem tax revenue must be credited against CIP costs.

Recoverable CIP Costs

The recoverable CIP costs include the total CIP costs after excluding the ad valorem tax revenue. It is determined by the following equation:

- Recoverable CIP Costs= Net CIP Cost Attributable to New Development - Ad Valorem Tax Credit

The recoverable CIP costs are $109,185,337.

Maximum Cost per Service Unit with Credits

The maximum cost per service unit (i.e., vehicle-miles) with credits is determined by the following equation:

- Maximum Cost per Service Unit with Credits= Recoverable CIP Costs / Projected 10-year Vehicle-Miles of Demand

As shown in Table 9, the maximum assessable impact fee per vehicle-mile is $2,396.

Table 9: Calculation of Maximum Cost per Service Unit

Line	Impact Fee Calculation Input	Service Area A	Action
8	Projected 10-year Demand (vehicle-miles)	45,566	From Table 8
14	Net CIP Cost Attributable to New Development	$119,067,474	From Table 8
16	CIP Credit for Ad Valorem Taxes	$9,882,137	
17	Recoverable CIP Costs	$109,185,337	Line 14 - Line 16
18	Maximum Cost per Service Unit with Credits	$2,396	Line 17 / Line 8

Calculation of Impact Fees

The calculation of roadway impact fees for new development involves a two-step process.

- **Step 1:** Calculate of the total number of service units (i.e., vehicle-miles) that will be generated by the new development using Table 3: Vehicle Miles per Development Unit.

  New Development Vehicle Miles = Number of Development Units x Vehicle-Miles per Development Unit

- **Step 2:** Calculate the impact fee due by the new development based on the fee per service unit.

  Impact Fee Due = New Development Vehicle Miles x Impact Fee per Vehicle-mile

Example Impact Fee Calculations

The following fees would be assessed to new developments in Hutto if the cost per service unit were $2,396 (adopted at the maximum assessable impact fee). It is ultimately up to the City whether they choose to adopt the maximum assessable impact fee or adopt a fee that is lower than the maximum fee (e.g., 50% of the assessable impact fee).

- Single-Family dwelling unit:
  - 1 (dwelling unit) x 5.10 vehicle-miles = 5.10 vehicle-miles
  - 5.10 vehicle-miles x $2,396 per vehicle-mile = $12,219.60 (maximum fee)
- Office with 10,000 square-feet:
  - 10 (1,000 sq. ft.) x 8.94 vehicle-miles = 89.40 vehicle-miles
  - 89.40 vehicle-miles x $2,396 per vehicle-mile = $214,202.40 (maximum fee)
- Retail Center with 15,000 square-feet:
  - 15 (1,000 sq. ft.) x 6.63 vehicle-miles = 99.45 vehicle-miles
  - 99.45 vehicle-miles x $2,396 per vehicle-mile = $238,282.20 (maximum fee)
- Industrial Park with 50,000 square-feet:
  - 50 (1,000 sq. ft.) x 5.10 vehicle-miles = 255.00 vehicle-miles
  - 255.00 vehicle-miles x $2,396 per vehicle-mile = $610,980.00 (maximum fee)

Appendix

Appendix A:

Existing Roadway Inventory

Roadway	Limits	Length (mi)	Number of Lanes NB/ EB	Number of Lanes SB/ WB	Functional Classification	Peak Hour Volume NB/ EB	Peak Hour Volume SB/ WB	% In Service Area	Capacity per lane-mile NB/ EB	Capacity per lane-mile SB/ WB	Vehicle-Mile of Supply NB/ EB	Vehicle-Mile of Supply SB/ WB	Vehicle-Mile of Demand NB/ EB	Vehicle-Mile of Demand SB/ WB	Excess Capacity per vehicle-mile NB/ EB	Excess Capacity per vehicle-mile SB/ WB	Existing Deficiences per vehicle-mile NB/ EB	Existing Deficiences per vehicle-mile SB/ WB
CR 132	FM 1660 to S. of Bosque Drive	0.72	1.0	1.0	Rural	15	5	50%	150	150	54	54	5	2	49	52		
CR 132	City limits to City limits	0.69	1.0	1.0	Rural	19	9	50%	150	150	52	52	7	3	45	49		
FM 1660	City limits to 982 ft. S. of City limts	0.19	1.0	1.0	2-lane	519	331	50%	475	475	44	44	48	31	0	13	4	
FM 1660	982 ft. S. of City limts to N. of Blanco Drive	0.29	1.0	1.0	2-lane	519	331	100%	475	475	136	136	149	95	0	41	13	
FM 1660	N. of Blanco Drive to CR 132	0.21	1.0	1.0	2-lane	519	331	50%	475	475	50	50	55	35	0	15	5	
FM 1660	CR 132 to Carrington Street	0.08	1.0	1.0	2-lane	519	331	100%	475	475	39	39	42	27	0	12	4	
FM 1660	Carrington Street to Sylvan Street	0.39	1.5	1.5	3-lane	653	417	50%	525	525	152	152	126	80	26	71		
FM 1660	Sylvan Street to N. of Limmer Loop	0.17	1.0	1.0	2-lane	653	417	100%	475	475	79	79	109	70	0	10	30	
FM 1660	N. of Limmer Loop to Limmer Loop	0.09	1.0	1.0	2-lane	653	417	100%	475	475	42	42	58	37	0	5	16	
FM 1660	Limmer Loop to S. of Limmer Loop	0.12	1.0	1.0	2-lane	275	276	50%	475	475	28	28	16	16	12	12		
FM 1660	N. of Magner Lane to Cottonwood Drive	0.09	1.0	1.0	2-lane	275	276	50%	475	475	20	20	12	12	9	9		
FM 1660	Cottonwood Drive to US 79	0.53	1.0	1.0	2-lane	248	302	100%	475	475	250	250	131	159	120	91		
Limmer Loop	E. of Innovation Boulevard to Ed Schmidt Boulevard	0.61	1.0	1.0	2-lane	536	261	50%	475	475	144	144	163	79	0	65	19	
Limmer Loop	E. of Ed Schmidt Boulevard to Adriana Lane	0.49	1.5	1.5	3-lane	689	388	100%	525	525	390	390	341	192	49	198		
Limmer Loop	Adriana Lane to FM 1660	0.23	1.5	1.5	3-lane	611	352	50%	525	525	92	92	71	41	21	51		
Limmer Loop	FM 1660 to Carol Drive	0.60	1.5	1.5	3-lane	207	183	50%	525	525	236	236	62	55	174	181		
Limmer Loop	Carol Drive to City limits	0.19	1.5	1.5	3-lane	207	183	100%	525	525	152	152	40	35	112	117		
Carol Drive	Limmer Loop to Magner Lane	0.44	1.0	1.0	2-lane	10	5	100%	475	475	207	207	4	2	203	205		
Magner Lane	FM 1660 to W. of Cottonwood Creek	0.09	1.0	1.0	2-lane	35	15	50%	475	475	22	22	2	1	20	21		
Magner Lane	E. of Cottonwood Creek to 400 E. of Cottonwood Creek	0.07	1.5	1.5	3-lane	35	15	100%	525	525	59	59	3	1	56	58		
Magner Lane	Carol Drive to 400 E. of Cottonwood Creek	0.28	1.5	1.5	3-lane	35	15	50%	525	525	111	111	5	2	106	109		
Magner Lane	Carol Drive to E. of Kates Way	0.25	1.0	1.0	2-lane	35	15	100%	475	475	118	118	9	4	110	115		
Magner Lane	E. of Kates Way to City limits	0.09	1.0	1.0	2-lane	35	15	50%	475	475	20	20	2	1	19	20		
Live Oak Street	FM 1660 to Short Street	0.30	1.0	1.0	2-lane	5	10	100%	475	475	142	142	1	3	140	139		
Exchange Boulevard	US 79 to Limmer Loop	1.19	1.0	1.0	2-lane	120	80	100%	475	475	564	564	142	95	421	469		
Emory Farms Avenue	Ed Schmidt Boulevard to Alliance Boulevard	0.30	1.0	1.0	2-lane	15	30	100%	475	475	141	141	4	9	136	132		
Ed Schmidt Boulevard	US 79 to S. of Emory Farms Avenue	0.34	2.5	2.5	5-lane	657	563	100%	700	700	597	597	224	192	373	405		
Ed Schmidt Boulevard	S. of Emory Farms Avenue to Limmer Loop	0.84	1.5	1.5	3-lane	422	395	50%	525	525	330	330	177	166	153	165		
Innovation Boulevard	City limits to Emory Farms Avenue	0.31	1.5	1.5	3-lane	246	160	50%	525	525	122	122	38	25	84	97		
Innovation Boulevard	N. of Emory Farms Avenue to S. of Limmer Loop	0.41	1.5	1.5	3-lane	246	160	50%	525	525	161	161	50	33	111	129		
US 79	City limits to Alliance Boulevard	0.98	2.5	2.5	5-lane	1870	1273	50%	700	700	854	854	913	622	0	233	59	
US 79	Alliance Boulevard to City limits	3.03	2.5	2.5	5-lane	1446	1153	100%	700	700	5,310	5,310	4,387	3,498	922	1,811		
Chris Kelley Boulevard	US 79 to City limits	1.52	2.5	2.5	5-lane	992	924	100%	700	700	2,665	2,665	1,511	1,407	1,154	1,258		
Carl Stern Boulevard	SH 130 NB Service Road to Cyril Drive	0.37	1.5	1.5	3-lane	157	56	100%	525	525	292	292	58	21	234	271		
Carl Stern Boulevard	Cyril Drive to Chris Kelley Boulevard	0.35	2.5	2.5	5-lane	157	56	100%	700	700	620	620	56	20	565	601		
Carl Stern Boulevard	Chris Kelley Boulevard to FM 1660	1.22	1.5	1.5	3-lane	429	277	100%	525	525	964	964	525	339	439	625		
Carl Stern Boulevard	FM 1660 to Riverbed Pass	0.25	1.0	1.0	2-lane	105	78	100%	475	475	118	118	26	19	92	98		
Jim Cage Lane	US 79 to Austin Avenue	0.10	1.0	1.0	2-lane	162	256	100%	475	475	49	49	17	26	32	22		
Evans Street	FM 1660 to Brushy Street	0.12	1.0	1.0	2-lane	8	7	100%	475	475	57	57	1	1	56	56		
Front Street	Carl Stern Boulevard to Janis Mae Drive	0.15	1.5	1.5	3-lane	195	158	100%	525	525	119	119	29	24	89	95		
Front Street	Janis Mae Drive to FM 1660	1.06	1.0	1.0	2-lane	177	224	100%	475	475	504	504	188	237	316	266		
Front Street	FM 1660 to City limits	0.31	1.0	1.0	Rural	25	16	100%	150	150	46	46	8	5	39	41		
Riverwalk Drive	Chris Kelley Boulevard to N. of Holbrooke Street	0.59	1.0	1.0	2-lane	110	65	100%	475	475	281	281	65	38	216	242		
Kaatz	Little Lake Road to Dana Drive	0.20	1.0	1.0	2-lane	5	5	100%	475	475	94	94	1	1	93	93		
CR 138	W. of Little Lake Road to E. of Dana Drive	0.20	1.5	1.5	3-lane	396	222	50%	525	525	79	79	40	22	39	57		
FM 1660 S	US 79 to Evans Street	0.48	1.0	1.0	2-lane	379	539	100%	475	475	226	226	180	257	46	0		30
FM 1660 S	Evans Street to King Lane	1.11	1.5	1.5	3-lane	459	565	100%	525	525	875	875	510	628	365	247		
FM 1660 S	King Lane to Swindoll Lane	0.64	1.0	1.0	2-lane	212	200	100%	475	475	302	302	135	127	167	175		
CR 199	Front Street to City limits	0.14	1.0	1.0	Rural	25	16	50%	150	150	10	10	2	1	9	9		
CR 199	City limits to CR 132	0.15	1.0	1.0	Rural	25	16	50%	150	150	11	11	2	1	9	10		
CR 132	CR 199 to City limits	0.11	1.0	1.0	Rural	11	6	50%	150	150	8	8	1	0	8	8		
CR 137	FM 1660 to City limits	0.72	1.0	1.0	2-lane	442	243	100%	475	475	342	342	318	175	24	167		
CR 163	S. of FM 1660 to City limits	0.56	1.0	1.0	Rural	1	1	50%	150	150	42	42	0	0	42	42		
											18425	18425	11069	8973	7504	9483	148	30

Appendix B:

Projected 10-Year Growth- Vehicle-Miles of Demand

Residential				
Service Area	Added Dwelling Units	Development Unit	Vehicle- mile per Development Unit	Total Vehicle-miles
A	3,766	Dwelling Unit	5.10	19,217

Basic Employment				
Service Area	Added Basic square feet	Development Unit	Vehicle- mile per Development Unit	Total Vehicle-miles
A	1,800,000	1,000 sq. ft.	5.82	10,476

Service Employment				
Service Area	Added Service square feet	Development Unit	Vehicle- mile per Development Unit	Total Vehicle-miles
A	770,000	1,000 sq. ft.	8.94	6,884

Retail Employment				
Service Area	Added Retail square feet	Development Unit	Vehicle- mile per Development Unit	Total Vehicle-miles
A	1,200,000	1,000 sq. ft.	7.49	8,989

Summary					
Service Area	Residenial Growth Vehicle- miles	Basic Growth Vehicle- miles	Service Growth Vehicle- miles	Retail Growth Vehicle- miles	Total Growth Vehicle- miles
A	19,217	10,476	6,884	8,989	45,566

Appendix C:

Roadway Impact Fee CIP Service Units of Supply

Project #	Roadway	Limits	Length (mi)	Number of Lanes	Functional Classification	Peak Hour Volume	% In Service Area	Hourly Capacity per lane-mile	Vehicle-Mile of Supply	Vehicle-Mile of Demand	Excess Capacity per vehicle-mile	Total Project Cost	Total Project Cost in Service Area
A1	CR 109	CR 108 to CR 118 extension	0.00	3	Major Collector	0	100%	525	0	0	0	$9,550,000	$0
A2	CR 118	CR 109 extension to W. of FM 1660	0.07	5	Minor Arterial	0	50%	650	114	0	114	$1,175,000	$587,500
A3	CR 118	FM 1660 to CR 132 extension	0.50	5	Minor Arterial	0	50%	650	815	0	815	$6,150,000	$3,075,000
A4	CR 132	FM 1660 to CR 109 extension	0.00	2	Minor Collector	0	100%	475	0	0	0	$3,500,000	$0
A5	CR 132	FM 1660 to Carol Drive extension	0.53	2	Minor Collector	20	50%	475	250	5	245	$850,000	$425,000
A6	CR 132	CR 118 extension to N. of Bosque Drive	0.54	2	Minor Collector	0	50%	475	258	0	258	$2,125,000	$1,062,500
A7	CR 132	Carol Drive extension to S. of Bosque Drive	0.20	2	Minor Collector	10	50%	475	93	1	92	$400,000	$200,000
A8	CR 132	W. of CR 133 to E. of CR 133	0.41	2	Minor Collector	28	50%	475	194	6	188	$825,000	$412,500
A9	CR 132 Realignment	CR 132 to CR 133	0.42	5	Minor Arterial	0	100%	650	1,379	0	1,379	$4,925,000	$4,925,000
A10	CR 132	CR 132 Realignment to S. of CR 132 extension	0.17	5	Minor Arterial	28	50%	650	277	2	274	$1,800,000	$900,000
A11	CR 132	Carol Drive extension to CR 132 Realignment	0.68	3	Major Collector	0	100%	525	1,078	0	1,078	$3,675,000	$3,675,000
A12	Carol Drive	Limmer Loop to CR 132	0.79	2	Minor Collector	0	100%	475	752	0	752	$3,075,000	$3,075,000
A13	Carol Drive	Magner Lane to US 79	0.44	2	Minor Collector	0	100%	475	416	0	416	$1,700,000	$1,700,000
	FM 1660	City limits to 982 ft. S. of City limts	0.19	3	Major Collector	850	50%	525	146	79	67	$725,000	$362,500
	FM 1660	982 ft. S. of City limts to N. of Blanco Drive	0.29	3	Major Collector	850	100%	525	452	244	208	$750,000	$750,000
	FM 1660	N. of Blanco Drive to CR 132	0.21	3	Major Collector	850	50%	525	167	90	77	$800,000	$400,000
A17	FM 1660	CR 132 to Carrington Street	0.08	3	Major Collector	850	100%	525	128	69	59	$475,000	$475,000
	FM 1660	Sylvan Street to N. of Limmer Loop	0.17	3	Major Collector	1,070	50%	525	131	89	42	$450,000	$225,000
	FM 1660	N. of Limmer Loop to Limmer Loop	0.09	3	Major Collector	1,070	100%	525	141	96	45	$325,000	$325,000
	FM 1660	Limmer Loop to S. of Limmer Loop	0.12	3	Major Collector	551	50%	525	92	32	60	$400,000	$200,000
A21	FM 1660	Magner Lane to Front Street	0.65	3	Major Collector	550	100%	525	1,024	358	666	$3,500,000	$3,500,000
A22	Limmer Loop	E. of Innovation Boulevard to Ed Schmidt Boulevard	0.61	5	Minor Arterial	797	50%	650	987	242	745	$4,725,000	$2,362,500
	Limmer Loop	E. of Ed Schmidt Boulevard to Adriana Lane	0.49	5	Minor Arterial	1,077	100%	650	1,608	533	1,075	$3,575,000	$3,575,000
	Limmer Loop	Adriana Lane to FM 1660	0.23	5	Minor Arterial	963	50%	650	379	112	267	$1,575,000	$787,500
	Limmer Loop	FM 1660 to Carol Drive	0.60	5	Minor Arterial	390	50%	650	973	117	856	$4,325,000	$2,162,500
A26	Limmer Loop	Carol Drive to City limits	0.19	5	Minor Arterial	390	100%	650	628	75	553	$1,325,000	$1,325,000
A27	Magner Lane	E. of CR 132 to Limmer Loop	0.38	3	Major Collector	0	50%	525	298	0	298	$2,050,000	$1,025,000
A28	Magner Lane	Carol Drive to E. of Kates Way	0.25	3	Major Collector	50	100%	525	393	12	380	$750,000	$750,000
	Magner Lane	E. of Kates Way to City limits	0.09	3	Major Collector	50	50%	525	68	2	65	$275,000	$137,500
A30	Silo Street	US 79 to Live Oak Street	0.20	3	Major Collector	0	100%	525	312	0	312	$1,075,000	$1,075,000
A31	Live Oak Street	Short Street to E. of Ed Schmidt Boulevard	0.50	3	Major Collector	0	100%	525	780	0	780	$2,675,000	$2,675,000
A32	Ed Schmidt Boulevard	S. of Emory Farms Avenue to Limmer Loop	0.84	5	Minor Arterial	817	50%	650	1,363	343	1,021	$5,175,000	$2,587,500
A33	Emory Farms Avenue	Alliance Boulevard to Innovation Boulevard	0.41	3	Major Collector	0	50%	525	320	0	320	$2,200,000	$1,100,000
A34	Emory Farms Avenue	W. of Innovation Boulevard to SH 130 NB Service Road	0.16	3	Major Collector	0	50%	525	125	0	125	$875,000	$437,500
A35	SH 130 NB Service Road	Emory Farms Avenue extension and N. City limits	0.39	2	Major Arterial	0	50%	700	276	0	276	$1,575,000	$787,500
A36	Spotted Fawn Drive	W. City limits to the Winterfield Drive extension	0.04	2	Minor Collector	0	100%	475	33	0	33	$150,000	$150,000
A37	Winterfield Drive	Kirkhill Street to SH 130 SB Service Road	0.77	3	Major Collector	0	50%	525	604	0	604	$5,150,000	$2,575,000
A38	SH 130 SB Service Road	S. City limits to S. of Carl Stern Drive	0.66	2	Major Arterial	0	100%	700	924	0	924	$2,625,000	$2,625,000
A39	SH 130 NB Service Road	S. City limits to S. of Carl Stern Drive	0.63	2	Major Arterial	0	100%	700	886	0	886	$2,500,000	$2,500,000
A40	Carl Stern Drive	Cyril Drive to SH 130 NB Service Road	0.37	5	Minor Arterial	213	100%	650	1,206	79	1,127	$4,750,000	$4,750,000
A41	Knowles Drive	Chris Kelley Boulevard to SH 130 Service Road	0.62	2	Minor Collector	0	100%	475	585	0	585	$2,400,000	$2,400,000
A42	Great Western Drive	Chris Kelley Boulevard to W. City limits	0.05	2	Minor Collector	0	100%	475	51	0	51	$225,000	$225,000
A43	Riverwalk Drive	Chris Kelley Boulevard to W. City limits	0.18	3	Major Collector	0	100%	525	279	0	279	$1,375,000	$1,375,000
A44	Riverwalk Drive	E. of Creston Cove to E. City limits	0.22	3	Major Collector	0	100%	525	349	0	349	$1,500,000	$1,500,000
A45	CR 138	W. of Little Lake Road to E. of Dana Drive	0.20	5	Minor Arterial	618	50%	650	325	62	263	$1,300,000	$650,000
A46	CR 138	CR 197 to E. of Navidad River Drive	0.16	3	Major Collector	0	50%	525	128	0	128	$1,100,000	$550,000
A47	E-W Roadway	W. of CR 137 to CR 163	0.56	3	Major Collector	0	100%	525	886	0	886	$4,175,000	$4,175,000
A48	CR 137	FM 1660 to S. of new E-W Roadway	0.72	3	Major Collector	685	100%	525	1,132	492	640	$3,500,000	$3,500,000
A49	CR 163	S. of FM 1660 to S. of E-W Roadway	0.56	2	Minor Collector	2	50%	475	265	1	264	$1,375,000	$687,500
A50	FM 1660	King Lane to Swindoll Lane	0.64	3	Major Collector	412	100%	525	1,003	262	741	$2,650,000	$2,650,000
A51	FM 1660	Evans Street to US 79	0.28	3	Major Collector	918	100%	525	438	255	183	$800,000	$800,000
A52	Jim Cage Lane	Austin Avenue to Evans Street	0.17	2	Minor Collector	0	100%	475	164	0	164	$675,000	$675,000
A53	US 79	FM 1660 South Intersection	0.09	1	Major Arterial	0	100%	0	0	0	0	$350,000	$350,000
A54	Front Street	FM 1660 to Front Street extension	0.31	2	Major Collector	41	100%	525	325	13	312	$1,150,000	$1,150,000
A55	Front Street	CR 199 to W. of CR 132	0.53	3	Major Collector	0	50%	525	418	0	418	$3,400,000	$1,700,000
A56	Front Street	E. of CR 132 to W. of CR 134 extension	0.36	3	Major Collector	0	50%	525	283	0	283	$2,300,000	$1,150,000
A57	CR 199	CR 199 extension to W. of CR 199 realignment	0.31	3	Major Collector	41	50%	525	244	6	238	$1,000,000	$500,000
A58	CR 199 realignment	CR 199 to CR 132	0.20	3	Major Collector	0	100%	525	319	0	319	$1,100,000	$1,100,000
A59	CR 199	Front Street to CR 199 extension	0.14	3	Major Collector	41	50%	525	109	3	106	$450,000	$225,000
A60	CR 199	CR 199 to Carl Stern Drive extension	0.81	2	Minor Collector	0	100%	475	765	0	765	$3,125,000	$3,125,000
A61	Carl Stern Drive	Riverbed Pass to CR 199 extension	0.24	3	Minor Arterial	0	100%	650	476	0	476	$1,800,000	$1,800,000
A62	Carl Stern Drive	CR 199 extension to E. City limits	0.77	5	Minor Arterial	0	100%	650	2,511	0	2,511	$8,600,000	$8,600,000
A63	CR 132	US 79 to N. of Front Street extension	0.03	5	Minor Arterial	17	100%	650	94	0	93	$1,050,000	$1,050,000
A64	CR 132	CR 199 to CR 132	0.11	5	Minor Arterial	17	50%	650	179	1	178	$1,300,000	$650,000
A65	CR 132	CR 199 Realignment to S. City limits	1.06	5	Minor Arterial	0	100%	650	3,459	0	3,459	$12,100,000	$12,100,000
									34,858	3,683	31,175	$153,325,000	$112,350,000

Appendix D:

Conceptual Level Roadway Project Cost Estimates

Project #	Roadway	Limits	Number of Lanes	Functional Classification	Estimated Construction Cost	Estimated Right-of-Way Cost	Estimated Design Cost	Total Estimated Cost
A1	CR 109	CR 108 to CR 118 extension	3	Major Collector	$7,841,000	$454,000	$1,234,000	$9,550,000
A2	CR 118	CR 109 extension to W. of FM 1660	5	Minor Arterial	$965,000	$34,000	$152,000	$1,175,000
A3	CR 118	FM 1660 to CR 132 extension	5	Minor Arterial	$5,083,000	$245,000	$800,000	$6,150,000
A4	CR 132	FM 1660 to CR 109 extension	2	Minor Collector	$2,857,000	$177,000	$450,000	$3,500,000
A5	CR 132	FM 1660 to Carol Drive extension	2	Minor Collector	$724,000	$0	$114,000	$850,000
A6	CR 132	CR 118 extension to N. of Bosque Drive	2	Minor Collector	$1,729,000	$107,000	$272,000	$2,125,000
A7	CR 132	Carol Drive extension to S. of Bosque Drive	2	Minor Collector	$341,000	$0	$54,000	$400,000
A8	CR 132	W. of CR 133 to E. of CR 133	2	Minor Collector	$708,000	$0	$111,000	$825,000
A9	CR 132 Realignment	CR 132 to CR 133	5	Minor Arterial	$4,058,000	$207,000	$639,000	$4,925,000
A10	CR 132	CR 132 Realignment to S. of CR 132 extension	5	Minor Arterial	$1,530,000	$24,000	$241,000	$1,800,000
A11	CR 132	Carol Drive extension to CR 132 Realignment	3	Major Collector	$3,015,000	$179,000	$474,000	$3,675,000
A12	Carol Drive	Limmer Loop to CR 132	2	Minor Collector	$2,520,000	$156,000	$397,000	$3,075,000
A13	Carol Drive	Magner Lane to US 79	2	Minor Collector	$1,393,000	$86,000	$219,000	$1,700,000
A14	FM 1660	City limits to 982 ft. S. of City limts	3	Major Collector	$625,000	$0	$98,000	$725,000
A15	FM 1660	982 ft. S. of City limts to N. of Blanco Drive	3	Major Collector	$642,000	$0	$101,000	$750,000
A16	FM 1660	N. of Blanco Drive to CR 132	3	Major Collector	$684,000	$0	$108,000	$800,000
A17	FM 1660	CR 132 to Carrington Street	3	Major Collector	$391,000	$0	$62,000	$475,000
A18	FM 1660	Sylvan Street to N. of Limmer Loop	3	Major Collector	$373,000	$0	$59,000	$450,000
A19	FM 1660	N. of Limmer Loop to Limmer Loop	3	Major Collector	$270,000	$0	$42,000	$325,000
A20	FM 1660	Limmer Loop to S. of Limmer Loop	3	Major Collector	$332,000	$0	$52,000	$400,000
A21	FM 1660	Magner Lane to Front Street	3	Major Collector	$2,991,000	$19,000	$471,000	$3,500,000
A22	Limmer Loop	E. of Innovation Boulevard to Ed Schmidt Boulevard	5	Minor Arterial	$4,062,000	$0	$639,000	$4,725,000
A23	Limmer Loop	E. of Ed Schmidt Boulevard to Adriana Lane	5	Minor Arterial	$3,063,000	$26,000	$482,000	$3,575,000
A24	Limmer Loop	Adriana Lane to FM 1660	5	Minor Arterial	$1,350,000	$12,000	$212,000	$1,575,000
A25	Limmer Loop	FM 1660 to Carol Drive	5	Minor Arterial	$3,705,000	$31,000	$583,000	$4,325,000
A26	Limmer Loop	Carol Drive to City limits	5	Minor Arterial	$1,130,000	$10,000	$178,000	$1,325,000
A27	Magner Lane	E. of CR 132 to Limmer Loop	3	Major Collector	$1,665,000	$99,000	$262,000	$2,050,000
A28	Magner Lane	Carol Drive to E. of Kates Way	3	Major Collector	$647,000	$0	$102,000	$750,000
A29	Magner Lane	E. of Kates Way to City limits	3	Major Collector	$223,000	$0	$35,000	$275,000
A30	Silo Street	US 79 to Live Oak Street	3	Major Collector	$874,000	$52,000	$137,000	$1,075,000
A31	Live Oak Street	Short Street to E. of Ed Schmidt Boulevard	3	Major Collector	$2,181,000	$129,000	$343,000	$2,675,000
A32	Ed Schmidt Boulevard	S. of Emory Farms Avenue to Limmer Loop	5	Minor Arterial	$4,409,000	$68,000	$694,000	$5,175,000
A33	Emory Farms Avenue	Alliance Boulevard to Innovation Boulevard	3	Major Collector	$1,791,000	$106,000	$282,000	$2,200,000
A34	Emory Farms Avenue	W. of Innovation Boulevard to SH 130 NB Service Road	3	Major Collector	$701,000	$42,000	$110,000	$875,000
A35	SH 130 NB Service Road	Emory Farms Avenue extension and N. City limits	2	Major Arterial	$1,343,000	$0	$211,000	$1,575,000
A36	Spotted Fawn Drive	W. City limits to the Winterfield Drive extension	2	Minor Collector	$112,000	$7,000	$18,000	$150,000
A37	Winterfield Drive	Kirkhill Street to SH 130 SB Service Road	3	Major Collector	$4,234,000	$245,000	$666,000	$5,150,000
A38	SH 130 SB Service Road	S. City limits to S. of Carl Stern Drive	2	Major Arterial	$2,248,000	$0	$354,000	$2,625,000
A39	SH 130 NB Service Road	S. City limits to S. of Carl Stern Drive	2	Major Arterial	$2,155,000	$0	$339,000	$2,500,000
A40	Carl Stern Drive	Cyril Drive to SH 130 NB Service Road	5	Minor Arterial	$4,024,000	$73,000	$633,000	$4,750,000
A41	Knowles Drive	Chris Kelley Boulevard to SH 130 Service Road	2	Minor Collector	$1,961,000	$122,000	$309,000	$2,400,000
A42	Great Western Drive	Chris Kelley Boulevard to W. City limits	2	Minor Collector	$169,000	$11,000	$27,000	$225,000
A43	Riverwalk Drive	Chris Kelley Boulevard to W. City limits	3	Major Collector	$1,131,000	$46,000	$178,000	$1,375,000

A44	Riverwalk Drive	E. of Creston Cove to E. City limits	3	Major Collector	$1,224,000	$71,000	$193,000	$1,500,000
A45	CR 138	W. of Little Lake Road to E. of Dana Drive	5	Minor Arterial	$1,097,000	$10,000	$173,000	$1,300,000
A46	CR 138	CR 197 to E. of Navidad River Drive	3	Major Collector	$897,000	$52,000	$141,000	$1,100,000
A47	E-W Roadway	W. of CR 137 to CR 163	3	Major Collector	$3,452,000	$180,000	$543,000	$4,175,000
A48	CR 137	FM 1660 to S. of new E-W Roadway	3	Major Collector	$3,016,000	$0	$475,000	$3,500,000
A49	CR 163	S. of FM 1660 to S. of E-W Roadway	2	Minor Collector	$1,169,000	$0	$184,000	$1,375,000
A50	FM 1660	King Lane to Swindoll Lane	3	Major Collector	$2,271,000	$0	$357,000	$2,650,000
A51	FM 1660	Evans Street to US 79	3	Major Collector	$691,000	$0	$109,000	$800,000
A52	Jim Cage Lane	Austin Avenue to Evans Street	2	Minor Collector	$550,000	$34,000	$87,000	$675,000
A53	US 79	FM 1660 South Intersection	1	Major Arterial	$289,000	$0	$45,000	$350,000
A54	Front Street	FM 1660 to Front Street extension	2	Major Collector	$994,000	$0	$156,000	$1,150,000
A55	Front Street	CR 199 to W. of CR 132	3	Major Collector	$2,926,000	$0	$460,000	$3,400,000
A56	Front Street	E. of CR 132 to W. of CR 134 extension	3	Major Collector	$1,980,000	$0	$312,000	$2,300,000
A57	CR 199	CR 199 extension to W. of CR 199 realignment	3	Major Collector	$861,000	$0	$136,000	$1,000,000
A58	CR 199 realignment	CR 199 to CR 132	3	Major Collector	$893,000	$53,000	$141,000	$1,100,000
A59	CR 199	Front Street to CR 199 extension	3	Major Collector	$384,000	$0	$60,000	$450,000
A60	CR 199	CR 199 to Carl Stern Drive extension	2	Minor Collector	$2,563,000	$159,000	$403,000	$3,125,000
A61	Carl Stern Drive	Riverbed Pass to CR 199 extension	3	Minor Arterial	$1,481,000	$85,000	$233,000	$1,800,000
A62	Carl Stern Drive	CR 199 extension to E. City limits	5	Minor Arterial	$7,102,000	$377,000	$1,118,000	$8,600,000
A63	CR 132	US 79 to N. of Front Street extension	5	Minor Arterial	$899,000	$5,000	$141,000	$1,050,000
A64	CR 132	CR 199 to CR 132	5	Minor Arterial	$1,115,000	$0	$175,000	$1,300,000
A65	CR 132	CR 199 Realignment to S. City limits	5	Minor Arterial	$10,003,000	$519,000	$1,574,000	$12,100,000

Appendix E:

Debt Service and Credit Analysis

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees
Impact Fee Calculation Assumptions
Summary

I. General Assumptions

Annual Interest Rate on Deposits[1]	1.71%
Annual Service Unit Growth[2]	4,557
Existing Fund Balance[3]	-
Portion of Projects Funded by Existing Debt[4]	$ -
Non-debt Funded New Project Cost[5]	50,046,867
New Project Cost Funded Through New Debt[6]	49,946,867
Total Recoverable Project Cost[7]	$ 99,993,733

II. New Debt Issues Assumptions

Year	Principal[8]	Interest[9]	Term
1	$ 4,994,687	4.65%	20
2	4,994,687	5.00%	20
3	4,994,687	5.00%	20
4	4,994,687	5.00%	20
5	4,994,687	5.00%	20
6	4,994,687	5.25%	20
7	4,994,687	5.25%	20
8	4,994,687	5.25%	20
9	4,994,687	5.25%	20
10	4,994,687	5.25%	20
Total	$ 49,946,867		

III. Capital Expenditure Assumptions

Year	Annual Capital Expenditures[10]
1	$ 7,499,530
2	9,999,373
3	9,999,373
4	9,999,373
5	9,999,373
6	9,999,373
7	9,999,373
8	9,999,373
9	9,999,373
10	12,499,217
Total	$ 99,993,733

(1) TexPool rate as of 4/30/2018
(2) Derived from the 10-year Growth Projections in DKS Report
(3) New Impact Fee, Balance Not Applicable for Hutto
(4) Not Applicable for Listed Impact Fee CIP
(5) Assumes 50% of new project costs funded through sources other than debt
(6) Assumes 50% of new project costs funded through new debt issues
(7) DKS Pre-Credit Impact Fee Calculations
(8) Assumes new debt issued in equal annual amounts
(9) Estimated interest cost provided by City Staff - May 2018
(10) Assumes new debt proceeds expended over a 2-year timeframe with Year 10 bond proceeds spent in one year; Non-debt funded capital expenditures made in equal annual amounts

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

Detailed Expense Schedules

I. New Debt Service Detail

Year	Series 1	Series 2	Series 3	Series 4	Series 5	Series 6	Series 7	Series 8	Series 9	Series 10	Total Annual New Debt Service
1	$ 388,979	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 388,979
2	388,979	400,787	-	-	-	-	-	-	-	-	789,766
3	388,979	400,787	400,787	-	-	-	-	-	-	-	1,190,552
4	388,979	400,787	400,787	400,787	-	-	-	-	-	-	1,591,339
5	388,979	400,787	400,787	400,787	400,787	-	-	-	-	-	1,992,125
6	388,979	400,787	400,787	400,787	400,787	409,326	-	-	-	-	2,401,451
7	388,979	400,787	400,787	400,787	400,787	409,326	409,326	-	-	-	2,810,777
8	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	-	-	3,220,103
9	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	-	3,629,429
10	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
11	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
12	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
13	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
14	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
15	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
16	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
17	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
18	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
19	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
20	388,979	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	4,038,755
21	-	400,787	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	3,649,776
22	-	-	400,787	400,787	400,787	409,326	409,326	409,326	409,326	409,326	3,248,990
23	-	-	-	400,787	400,787	409,326	409,326	409,326	409,326	409,326	2,848,203
24	-	-	-	-	400,787	409,326	409,326	409,326	409,326	409,326	2,447,416
25	-	-	-	-	-	409,326	409,326	409,326	409,326	409,326	2,046,630
26	-	-	-	-	-	-	409,326	409,326	409,326	409,326	1,637,304
27	-	-	-	-	-	-	-	409,326	409,326	409,326	1,227,978
28	-	-	-	-	-	-	-	-	409,326	409,326	818,652
29	-	-	-	-	-	-	-	-	-	409,326	409,326
	$ 7,779,583	$ 8,015,732	$ 8,015,732	$ 8,015,732	$ 8,015,732	$ 8,186,519	$ 8,186,519	$ 8,186,519	$ 8,186,519	$ 8,186,519	$ 80,775,107

II. Summary of Annual Expenses

Year	New Annual Debt Service[(1)]	Annual Capital Expenditures[(2)]	Annual Bond Proceeds[(2)]	Existing Annual Debt Service[(3)]	Annual Credit[(4)]	Total Expense
1	$ 388,979	$ 7,499,530	$ (4,994,687)	$ -	$ (42,805)	$ 2,851,017
2	789,766	9,999,373	(4,994,687)	-	(156,588)	5,637,864
3	1,190,552	9,999,373	(4,994,687)	-	(322,144)	5,873,095
4	1,591,339	9,999,373	(4,994,687)	-	(526,622)	6,069,404
5	1,992,125	9,999,373	(4,994,687)	-	(761,100)	6,235,712
6	2,401,451	9,999,373	(4,994,687)	-	(1,022,826)	6,383,312
7	2,810,777	9,999,373	(4,994,687)	-	(1,304,119)	6,511,345
8	3,220,103	9,999,373	(4,994,687)	-	(1,601,329)	6,623,461
9	3,629,429	9,999,373	(4,994,687)	-	(1,911,662)	6,722,454
10	4,038,755	12,499,217	(4,994,687)	-	(2,232,941)	9,310,344
11	4,038,755	-	-	-	-	4,038,755
12	4,038,755	-	-	-	-	4,038,755
13	4,038,755	-	-	-	-	4,038,755
14	4,038,755	-	-	-	-	4,038,755
15	4,038,755	-	-	-	-	4,038,755
16	4,038,755	-	-	-	-	4,038,755
17	4,038,755	-	-	-	-	4,038,755
18	4,038,755	-	-	-	-	4,038,755
19	4,038,755	-	-	-	-	4,038,755
20	4,038,755	-	-	-	-	4,038,755
21	3,649,776	-	-	-	-	3,649,776
22	3,248,990	-	-	-	-	3,248,990
23	2,848,203	-	-	-	-	2,848,203
24	2,447,416	-	-	-	-	2,447,416
25	2,046,630	-	-	-	-	2,046,630
26	1,637,304	-	-	-	-	1,637,304
27	1,227,978	-	-	-	-	1,227,978
28	818,652	-	-	-	-	818,652
29	409,326	-	-	-	-	409,326
	$ 80,775,107	$ 99,993,733	$ (49,946,867)	$ -	$ (9,882,137)	$ 120,939,837

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

III. Summary of Principal Paid to Date for Existing Debt[(3)]

The projects related to this Impact Fee CIP have not been previously funded with debt.

IV. Summary of Debt Financing

Existing Debt Funded Project Costs[(5)]		-
-Less Principal PTD		-
Outstanding Debt Principal		-
New Project Costs Debt Principal[(5)]		49,946,867
Principal Component	**$**	**49,946,867**

(1) This Appendix - Page 2
(2) This Appendix - Page 1
(3) Not Applicable for Impact Fee CIP
(4) This Appendix - Page 9
(5) This Appendix - Page 1

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

Revenue Test

Year	Impact Fee	Service Units	Impact Fee Revenue	Annual Expenses	Sub-Total	Accumulated Interest	Estimated Fund Balance
Initial							$ -
1	$ 2,396	4,557	$ 10,918,534	$ 2,851,017	$ 8,067,517	68,876	8,136,393
2	2,396	4,557	10,918,534	5,637,864	5,280,670	184,013	13,601,075
3	2,396	4,557	10,918,534	5,873,095	5,045,438	275,314	18,921,828
4	2,396	4,557	10,918,534	6,069,404	4,849,130	364,490	24,135,447
5	2,396	4,557	10,918,534	6,235,712	4,682,821	452,092	29,270,361
6	2,396	4,557	10,918,534	6,383,312	4,535,222	538,511	34,344,093
7	2,396	4,557	10,918,534	6,511,345	4,407,189	624,052	39,375,334
8	2,396	4,557	10,918,534	6,623,461	4,295,073	709,003	44,379,410
9	2,396	4,557	10,918,534	6,722,454	4,196,080	793,602	49,369,092
10	2,396	4,557	10,918,534	9,310,344	1,608,190	856,707	51,833,989
11	-	-	-	4,038,755	(4,038,755)	850,584	48,645,818
12	-	-	-	4,038,755	(4,038,755)	796,146	45,403,209
13	-	-	-	4,038,755	(4,038,755)	740,779	42,105,233
14	-	-	-	4,038,755	(4,038,755)	684,466	38,750,944
15	-	-	-	4,038,755	(4,038,755)	627,191	35,339,380
16	-	-	-	4,038,755	(4,038,755)	568,939	31,869,563
17	-	-	-	4,038,755	(4,038,755)	509,692	28,340,500
18	-	-	-	4,038,755	(4,038,755)	449,433	24,751,178
19	-	-	-	4,038,755	(4,038,755)	388,145	21,100,568
20	-	-	-	4,038,755	(4,038,755)	325,811	17,387,624
21	-	-	-	3,649,776	(3,649,776)	265,734	14,003,581
22	-	-	-	3,248,990	(3,248,990)	211,373	10,965,965
23	-	-	-	2,848,203	(2,848,203)	162,927	8,280,689
24	-	-	-	2,447,416	(2,447,416)	120,498	5,953,770
25	-	-	-	2,046,630	(2,046,630)	84,188	3,991,328
26	-	-	-	1,637,304	(1,637,304)	54,173	2,408,198
27	-	-	-	1,227,978	(1,227,978)	30,636	1,210,856
28	-	-	-	818,652	(818,652)	13,686	405,890
29	-	-	-	409,326	(409,326)	3,436	-
			109,185,337	120,939,837		11,754,499	

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

Max Fee Calculation

Year	Number of Years to End of Period	Future Value Interest Rate Factor	Escalation Recovery Fee Factor	Annual Service Units Actual	Annual Service Units Escalated	Annual Expense Actual	Annual Expense Escalated
1	29	1.6202	1.0000	4,557	7,383	$ 2,851,017	$ 4,619,291
2	28	1.5930	1.0000	4,557	7,259	5,637,864	8,981,256
3	27	1.5663	1.0000	4,557	7,137	5,873,095	9,198,914
4	26	1.5400	1.0000	4,557	7,017	6,069,404	9,346,792
5	25	1.5141	1.0000	4,557	6,899	6,235,712	9,441,688
6	24	1.4887	1.0000	4,557	6,783	6,383,312	9,502,911
7	23	1.4637	1.0000	4,557	6,670	6,511,345	9,530,777
8	22	1.4391	1.0000	4,557	6,558	6,623,461	9,532,122
9	21	1.4150	1.0000	4,557	6,448	6,722,454	9,512,167
10	20	1.3912	1.0000	4,557	6,339	9,310,344	12,952,821
11	19	1.3679	1.0000	-	-	4,038,755	5,524,503
12	18	1.3449	1.0000	-	-	4,038,755	5,431,756
13	17	1.3223	1.0000	-	-	4,038,755	5,340,566
14	16	1.3001	1.0000	-	-	4,038,755	5,250,907
15	15	1.2783	1.0000	-	-	4,038,755	5,162,753
16	14	1.2568	1.0000	-	-	4,038,755	5,076,078
17	13	1.2357	1.0000	-	-	4,038,755	4,990,860
18	12	1.2150	1.0000	-	-	4,038,755	4,907,071
19	11	1.1946	1.0000	-	-	4,038,755	4,824,690
20	10	1.1745	1.0000	-	-	4,038,755	4,743,691
21	9	1.1548	1.0000	-	-	3,649,776	4,214,850
22	8	1.1354	1.0000	-	-	3,248,990	3,689,022
23	7	1.1164	1.0000	-	-	2,848,203	3,179,661
24	6	1.0976	1.0000	-	-	2,447,416	2,686,364
25	5	1.0792	1.0000	-	-	2,046,630	2,208,733
26	4	1.0611	1.0000	-	-	1,637,304	1,737,322
27	3	1.0433	1.0000	-	-	1,227,978	1,281,116
28	2	1.0258	1.0000	-	-	818,652	839,739
29	1	1.0085	1.0000	-	-	409,326	412,821
					68,492	120,939,837	164,121,241

Total Escalated Expense for Entire Period	$	164,121,241
Less Future Value of Initial Fund Balance		-
Net Escalated Expense for Entire Period	$	164,121,241
Total Escalated Service Units		68,492
Impact Fee for Citywide Service Area	**$**	**2,396**

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

Impact Fee Project and Funding Listing

Impact Fee Project Name[1]	Impact Fee No.[1]	Total Project Cost [1]	Impact Fee Cost[2]	Debt Funded[3] Existing	Debt Funded[3] Proposed	Non-Debt Funded[3]	Impact Fee Cost
CR 109 - CR 108 to CR 118 extension	A1	$ 9,550,000	$ -	$ -	$ -	$ -	$ -
CR 118 - CR 109 extension to W. of FM 1660	A2	1,175,000	522,364	-	261,182	261,182	522,364
CR 118 - FM 1660 to CR 132 extension	A3	6,150,000	2,734,074	-	1,367,037	1,367,037	2,734,074
CR 132 - FM 1660 to CR 109 extension	A4	3,500,000	-	-	-	-	-
CR 132 - FM 1660 to Carol Drive extension	A5	850,000	377,880	-	188,940	188,940	377,880
CR 132 - CR 118 extension to N. of Bosque Drive	A6	2,125,000	944,700	-	472,350	472,350	944,700
CR 132 - Carol Drive extension to S. of Bosque Drive	A7	400,000	177,826	-	88,913	88,913	177,826
CR 132 - W. of CR 133 to E. of CR 133	A8	825,000	366,766	-	183,383	183,383	366,766
CR 132 Realignment - CR 132 to CR 133	A9	4,925,000	4,378,964	-	2,189,482	2,189,482	4,378,964
CR 132 - CR 132 Realignment to S. of CR 132 extension	A10	1,800,000	800,217	-	400,108	400,108	800,217
CR 132 - Carol Drive extension to CR 132 Realignment	A11	3,675,000	3,267,552	-	1,633,776	1,633,776	3,267,552
Carol Drive - Limmer Loop to CR 132	A12	3,075,000	2,734,074	-	1,367,037	1,367,037	2,734,074
Carol Drive - Magner Lane to US 79	A13	1,700,000	1,511,521	-	755,760	755,760	1,511,521
FM 1660 - City limits to 982 ft. S. of City limts	A14	725,000	322,310	-	161,155	161,155	322,310
FM 1660 - 982 ft. S. of City limts to N. of Blanco Drive	A15	750,000	666,847	-	333,424	333,424	666,847
FM 1660 - N. of Blanco Drive to CR 132	A16	800,000	355,652	-	177,826	177,826	355,652
FM 1660 - CR 132 to Carrington Street	A17	475,000	422,337	-	211,168	211,168	422,337
FM 1660 - Sylvan Street to N. of Limmer Loop	A18	450,000	200,054	-	100,027	100,027	200,054
FM 1660 - N. of Limmer Loop to Limmer Loop	A19	325,000	288,967	-	144,484	144,484	288,967
FM 1660 - Limmer Loop to S. of Limmer Loop	A20	400,000	177,826	-	88,913	88,913	177,826
FM 1660 - Magner Lane to Front Street	A21	3,500,000	3,111,954	-	1,555,977	1,555,977	3,111,954
Limmer Loop - E. of Innovation Boulevard to Ed Schmidt Boulevard	A22	4,725,000	2,100,569	-	1,050,285	1,050,285	2,100,569
Limmer Loop - E. of Ed Schmidt Boulevard to Adriana Lane	A23	3,575,000	3,178,639	-	1,589,320	1,589,320	3,178,639
Limmer Loop - Adriana Lane to FM 1660	A24	1,575,000	700,190	-	350,095	350,095	700,190
Limmer Loop - FM 1660 to Carol Drive	A25	4,325,000	1,922,743	-	961,372	961,372	1,922,743
Limmer Loop - Carol Drive to City limits	A26	1,325,000	1,178,097	-	589,048	589,048	1,178,097
Magner Lane - E. of CR 132 to Limmer Loop	A27	2,050,000	911,358	-	455,679	455,679	911,358
Magner Lane - Carol Drive to E. of Kates Way	A28	750,000	666,847	-	333,424	333,424	666,847
Magner Lane - E. of Kates Way to City limits	A29	275,000	122,255	-	61,128	61,128	122,255
Silo Street - US 79 to Live Oak Street	A30	1,075,000	955,815	-	477,907	477,907	955,815
Live Oak Street - Short Street to E. of Ed Schmidt Boulevard	A31	2,675,000	2,378,422	-	1,189,211	1,189,211	2,378,422
Ed Schmidt Boulevard - S. of Emory Farms Avenue to Limmer Loop	A32	5,175,000	2,300,623	-	1,150,312	1,150,312	2,300,623
Emory Farms - Alliance Boulevard to Innovation Boulevard	A33	2,200,000	978,043	-	489,021	489,021	978,043
Emory Farms - W. of Innovation Blvd to SH 130 NB Service Road	A34	875,000	388,994	-	194,497	194,497	388,994
SH 130 NB Service Road - Emory Farms extension and N. City limits	A35	1,575,000	700,190	-	350,095	350,095	700,190
Spotted Fawn Drive - W. City limits to the Winterfield Drive extension	A36	150,000	133,369	-	66,685	66,685	133,369
Winterfield Drive - Kirkhill Street to SH 130 SB Service Road	A37	5,150,000	2,289,509	-	1,144,755	1,144,755	2,289,509

City of Hutto - 2018 Roadway Impact Fee Study

Capital Improvement Plan for Impact Fees

Impact Fee Calculation Assumptions

Impact Fee Project and Funding Listing

Impact Fee Project Name[1]	Impact Fee No.[1]	Total Project Cost [1]	Impact Fee Cost[2]	Debt Funded[3] Existing	Debt Funded[3] Proposed	Non-Debt Funded[3]	Impact Fee Cost
SH 130 SB Service Road - S. City limits to S. of Carl Stern Drive	A38	2,625,000	2,333,966	-	1,166,983	1,166,983	2,333,966
SH 130 NB Service Road - S. City limits to S. of Carl Stern Drive	A39	2,500,000	2,222,824	-	1,111,412	1,111,412	2,222,824
Carl Stern Drive - Cyril Drive to SH 130 NB Service Road	A40	4,750,000	4,223,367	-	2,111,683	2,111,683	4,223,367
Knowles Drive - Chris Kelley Boulevard to SH 130 Service Road	A41	2,400,000	2,133,912	-	1,066,956	1,066,956	2,133,912
Great Western Drive - Chris Kelley Boulevard to W. City limits	A42	225,000	200,054	-	100,027	100,027	200,054
Riverwalk Drive - Chris Kelley Boulevard to W. City limits	A43	1,375,000	1,222,553	-	611,277	611,277	1,222,553
Riverwalk Drive - E. of Creston Cove to E. City limits	A44	1,500,000	1,333,695	-	666,847	666,847	1,333,695
CR 138 - W. of Little Lake Road to E. of Dana Drive	A45	1,300,000	577,934	-	288,967	288,967	577,934
CR 138 - CR 197 to E. of Navidad River Drive	A46	1,100,000	489,021	-	244,511	244,511	489,021
E-W Roadway - W. of CR 137 to CR 163	A47	4,175,000	3,712,117	-	1,856,058	1,856,058	3,712,117
CR 137 - FM 1660 to S. of new E-W Roadway	A48	3,500,000	3,111,954	-	1,555,977	1,555,977	3,111,954
CR 163 - S. of FM 1660 to S. of E-W Roadway	A49	1,375,000	611,277	-	305,638	305,638	611,277
FM 1660 - King Lane to Swindoll Lane	A50	2,650,000	2,356,194	-	1,178,097	1,178,097	2,356,194
FM 1660 - Evans Street to US 79	A51	800,000	711,304	-	355,652	355,652	711,304
Jim Cage Lane - Austin Avenue to Evans Street	A52	675,000	600,163	-	300,081	300,081	600,163
US 79 - FM 1660 South Intersection	A53	350,000	311,195	-	155,598	155,598	311,195
Front Street - FM 1660 to Front Street extension	A54	1,150,000	1,022,499	-	511,250	511,250	1,022,499
Front Street - CR 199 to W. of CR 132	A55	3,400,000	1,511,521	-	755,760	755,760	1,511,521
Front Street - E. of CR 132 to W. of CR 134 extension	A56	2,300,000	1,022,499	-	511,250	511,250	1,022,499
CR 199 - CR 199 extension to W. of CR 199 realignment	A57	1,000,000	444,565	-	222,282	222,282	444,565
CR 199 realignment - CR 199 to CR 132	A58	1,100,000	978,043	-	489,021	489,021	978,043
CR 199 - Front Street to CR 199 extension	A59	450,000	200,054	-	100,027	100,027	200,054
CR 199 - CR 199 to Carl Stern Drive extension	A60	3,125,000	2,778,531	-	1,389,265	1,389,265	2,778,531
Carl Stern Drive - Riverbed Pass to CR 199 extension	A61	1,800,000	1,600,434	-	800,217	800,217	1,600,434
Carl Stern Drive - CR 199 extension to E. City limits	A62	8,600,000	7,646,516	-	3,823,258	3,823,258	7,646,516
CR 132 - US 79 to N. of Front Street extension	A63	1,050,000	933,586	-	466,793	466,793	933,586
CR 132 - CR 199 to CR 132	A64	1,300,000	577,934	-	288,967	288,967	577,934
CR 132 - CR 199 Realignment to S. City limits	A65	12,100,000	10,758,471	-	5,379,235	5,379,235	10,758,471
Future Impact Fee Update Cost (2 five-year updates)		100,000	100,000	-	-	100,000	100,000
Total		$ 153,425,000	$ 99,993,733	$ -	$ 49,946,867	$ 50,046,867	$ 99,993,733

(1) 2018 Transportation Impact Fee Study

(2) DKS Calculation Excluding Existing Demand and Deficiencies - A1 and A4 are Assumed to be Developer Funded.

(3) Based on Contributions by Project and Estimated Future Debt Financing

City of Hutto - 2018 Roadway Impact Fee Study
Capital Improvement Plan for Impact Fees
Impact Fee Calculation Assumptions
Credit Calculation

2018 Vehicle Miles Citywide		36,850
Ten Year Growth in Vehicle Miles [1]		45,566
		10 years
Annual Growth in Vehicle Miles		4,557

	1	2	3	4	5	6	7	8	9	10	Total
Total Debt Service Eligible for Impact Fees	$ 388,979	$ 789,766	$ 1,190,552	$ 1,591,339	$ 1,992,125	$ 2,401,451	$ 2,810,777	$ 3,220,103	$ 3,629,429	$ 4,038,755	$ 22,053,279
2018 Vehicle Miles plus Growth	41,407	45,963	50,520	55,076	59,633	64,190	68,746	73,303	77,859	82,416	
Total Debt Service Eligible for Impact Fees per Vehicle Mile	$ 9.39	$ 17.18	$ 23.57	$ 28.89	$ 33.41	$ 37.41	$ 40.89	$ 43.93	$ 46.62	$ 49.00	
Annual Growth in Credit Calculation Vehicle Miles (Cumulative)	4,557	9,113	13,670	18,226	22,783	27,340	31,896	36,453	41,009	45,566	
Annual Ad Valorem Revenue Generated by Vehicle Miles for Debt Service Eligible for Impact Fees	$ 42,805	$ 156,588	$ 322,144	$ 526,622	$ 761,100	$ 1,022,826	$ 1,304,119	$ 1,601,329	$ 1,911,662	$ 2,232,941	$ 9,882,137

Credit Amount **$ 9,882,137**

(1) 10-year Growth Projections in DKS Report

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 9A. **AGENDA DATE:** July 05, 2018

PRESENTED BY: Robert W. Sims, P.E., City Engineer

ITEM:

Consideration and possible action on the proposed City of Hutto Five Year FY 2019 – 2023 Capital Improvements Plan (CIP) . (Robert Sims and P&Z Boardmember)

STRATEGIC GUIDE POLICY: Infrastructure & Growth

ITEM BACKGROUND:

The City of Hutto's Capital Improvements Plan (CIP) is a planning document that has been developed to better serve the citizens of Hutto by identifying current and anticipated future infrastructure needs to plan for responsible growth within the City. Through a multi-year capital improvements plan the City can address needs with a comprehensive and fiscally responsible approach. Capital projects are intended to address infrastructure needs and are generally divided into the following categories:

- Water and Wastewater
- Transportation and Drainage
- Parks and Recreation
- Municipal Facilities
- Fleet

BUDGETARY AND FINANCIAL SUMMARY:

Not Applicable

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

Planning and Zoning Commission recommends approval.

CITY ATTORNEY REVIEW:

Not Applicable

STAFF RECOMMENDATION:

Staff recommends approval.

SUPPORTING MATERIAL:

1. Five Year Capital Improvement Plan FY 2019-2023

CITY OF HUTTO

FIVE YEAR CAPITAL IMPROVEMENT PLAN

FY 2019-2023

TABLE OF CONTENTS

OVERVIEW

INTRODUCTION

The City of Hutto's Capital Improvements Plan (CIP) is a planning document that has been developed to better serve the citizens of Hutto by identifying current and anticipated future infrastructure needs to plan for responsible growth within the City. Through a multi-year capital improvements plan the City can address needs with a comprehensive and fiscally responsible approach. Capital projects are intended to address infrastructure needs and are generally divided into the following categories

- Water and Wastewater
- Transportation and Drainage
- Parks and Recreation
- Municipal Facilities
- Fleet

In the past, the City has implemented a five-year CIP, but the City Council has expressed concerns about the process by which the plan was derived. This CIP will directly address needs for FY 2019 and FY 2020 and project possible projects for FY 2021, 2022, and 2023. In late 2018 or early 2019, a formalized capital planning process by which projects will be selected, ranked and evaluated will be presented.

The CIP will continue to be revised annually in order to accommodate new projects, revise current projects, reflect current City initiatives and extend the plan for an additional year. The first year of the plan will be incorporated into the budget and funds will be appropriated. Subsequent years are intended for planning purposes only. Scopes of projects and cost estimates will be reviewed on an annual basis.

GUIDING PLANS

The City Council has adopted several plans to guide the City's development.

Strategic Plan

The Strategic Plan was approved in May 2017 and was updated in March 2018. This plan establishes the vision, values, focus areas, objectives, and goals for the City. The ten (10) objectives identified in this plan are:

1. Construct and maintain infrastructure to provide identified levels of service.
2. Create an "open for business" culture.
3. Create an aggressive, progressive economic development strategy for the community.
4. Enhance mobility within the City.

5. Generate a strategic path forward for enhancing the public safety apparatus including police, fire, and emergency medical services.
6. Enhance the overall governance of the community.
7. Ensure responsible fiscal stewardship through transparency and reporting.
8. Implement a quality city-wide customer service program.
9. Maintain a positive and inspired workforce.
10. Maintain an environment and quality of life that encompasses a safe, friendly, and an entertaining atmosphere for all ages.

These ten (10) objectives in addition to the following adopted plans or assessments will assist in the selection and prioritization of CIP projects

TABLE 1: EXISTING PLANS OR ASSESSMENTS	
PLAN/ASSESMENT	ADOPTED/REVISED
Wastewater Master Plan	2013
Water Master Plan	2016
Comprehensive Plan	2015
Pedestrian Mobility Plan	2012
Thoroughfare Plan	2011
Parks Master Plan	2015
Old Town Master Plan	2006
Hutto Facility Needs Assessment	2010
Transit Plan	2016
Future Land Use Map	2017

CATEGORIES

The CIP is generally divided into five categories to facilitate a better understanding of the grouping and the needs that are being addressed.

Water and Wastewater

To better plan utility infrastructure, the City has developed ten-year capital improvements plans contained in the Water Master Plan and the Wastewater Master plan. This enables staff to better plan for future improvements as they relate to development. The timing of many utility projects can only be estimated as many of the projects are related to service extensions and are dependent on the timing of development. The Water Master Plan was updated in May 2016. The Wastewater Master Plan was last updated in 2013 and is scheduled to be updated later in 2018.

OVERVIEW

Transportation and Drainage

The Transportation and Drainage category of the Capital Improvements Plan outlines projects related to traffic-flow/mobility, pedestrian mobility, intersection improvements, roadway rehabilitation and drainage improvements. Projects may be funded through a number of mechanisms including the general fund, developer participation, inter-agency cooperation, debt proceeds, etc. A Mobility Master Plan is scheduled to be completed later in 2018.

Parks and Recreation

The Parks and Recreation category of the CIP outlines future parkland and park improvements based on the Parks Master Plan.

Municipal Facilities

The Municipal Facilities category of the Capital Improvements Plan includes the renovation and upkeep of existing facilities in addition to the construction of new facilities.

Fleet

The Fleet category of the Capital Improvements Plan includes the replacement of the growing lists of expensive vehicles and equipment utilized by city staff.

FUNDING

The City has a number of potential funding sources available in order to finance Capital Improvement Projects. These include:

- Operating Revenues
- Fund Balance (Reserves)
- Dedicated Fees (e.g., water and wastewater impact fees and parkland dedication fees)
- Grants (e.g., TWDB, Texas Parks & Wildlife, various state/federal highway programs)
- Debt
- Partnerships (e.g., Williamson County, Hutto ISD)

Per the City Charter, before the City can award a contract for any phase of a Capital Improvement Project, it must have sufficient funds on hand and appropriate those funds to satisfy its funding obligation or commitment. Consequently, a sound financing plan relies heavily upon realistic project scheduling. A sound financing plan also attempts to minimize the impact of infrastructure funding on the ratepayer and/or taxpayer as well as minimize the Capital Improvement Plan's overall cost. The Finance and management staff must work closely with each project's design professional(s) and the City's financial advisor to achieve these objectives.

In 2017, the City of Hutto adopted a five year Capital Improvements Plan for FY 2018-2022. The projects included in FY 2018 and their status are included below for reference purposes.

TABLE 2: FY 2018 CIP PROJECTS

PROJECT	STATUS	ESTIMATED COST	ACTUAL EXPENSES YTD
East Street Reconstruction	Complete	$1,030,214.90	$1,307,625.58
Pavement Management	Complete	$990,000.00	$709,514.65
Limmer Loop Improvements Agreement	Reimbursement	$100,000.00	$100,000
CR 119 Extension	Reimbursement	$1,000,000.00	$500,000
Limmer Loop Sidewalk	Construction	$1,000,000.00	$163,730.25
Front Street Waterline Replacement	Complete	$1,800,000.00	$1,256,611.41
Innovation Infrastructure Improvements	Construction	$5,100,000.00	$1,477,628.61
Co-Op Infrastructure Improvements	Construction	$6,000,000.00	$3,031,130.61
Carmel Crossing Wastewater Interceptor	Reimbursement	$181,851.00	-
Construct Wastewater North of Limmer Loop	Design	$3,000,000.00	-
Hutto Park at Brushy Creek Amphitheater	Construction	$3,400,000.00	$106,816.81
Brushy Creek Gap Trail	Review	$90,000.00	-
Fritz Park Improvements	-	$55,000.00	$33,182.50
Creekside Park Improvements	-	$55,000.00	-
Parkland Acquisition	Complete	$1,710,000.00	$1,806,699.23
Heart of Texas	Complete	$63,000,000.00	$60,919,786.48
Williamson County Animal Shelter Expansion	Complete	$223,949.00	$236,857.02
Hutto Engineering Manual	In House	-	-
Drainage Masterplan	Study	$150,000.00	$148,163.06
Mobility Masterplan	Study	$250,000.00	$184,488.29
Wastewater Master Plan	Study	$175,000.00	$143,944.00
Develop a New 5-Year CIP Prioritization System	In House	-	-

FIVE YEAR CAPITAL IMPROVEMENT PLAN

FY 2019 - 2023

PARKS AND RECREATION

GENERAL

The City of Hutto's Park and Recreation Department provides Hutto families with safe parks and facilities for recreation and leisure opportunities. The Parks and Recreation Capital Improvement Projects are aimed at improving the quality of life for citizens. This specifically aligns with Objective ten (10) which is to "maintain an environment and quality of life that encompasses a safe, friendly, and an entertaining atmosphere for all ages." Specific projects have been selected to improve the City's existing parks and accommodate the growing community needs.

TABLE 3: PARKS AND RECREATION CIP FUNDING

Sources of Funding	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
General Fund	$90,000	-	$250,000	-	-	-	$250,000
General Obligation	-	$5,000,000	-	-	-	-	$5,000,000
Certificated of Obligation	$3,000,000	-	-	-	-	-	-
Grant	$110,000	$500,000	-	-	-	-	$500,000
Other	$1,710,000	-	-	-	$500,00	$500,00	$1,000,000
Total	$4,910,000	$5,500,000	$250,000	-	$500,000	$500,000	$6,750,000

TABLE 4: PARKS AND RECREATION FUND UTILIZATION

Use of Funds	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -23 Total
Brushy Creek Gap Trail	$90,000	-	-	-	-	-	-
Parkland Acquisition	$1,710,000	$5,000,000	-	-	-	-	$5,000,000
Fritz Park Improvements	$55,000	-	-	-	-	-	-
Creekside Park Improvements	$55,000	$500,000	-	-	-	-	$500,000
Pollard Park Amphitheater	$3,000,000	-	-	-	-	-	-
Park Improvements	-	-	$250,000	-	$500,000	$500,000	$1,250,000
Total	$4,910,000	$5,500,000	$250,000	-	$500,000	$500,00	$6,750,000

Park Property Acquisition

Project Client: Community Services

CIP No. PR-0001

Project Expenditures by Fiscal Year:

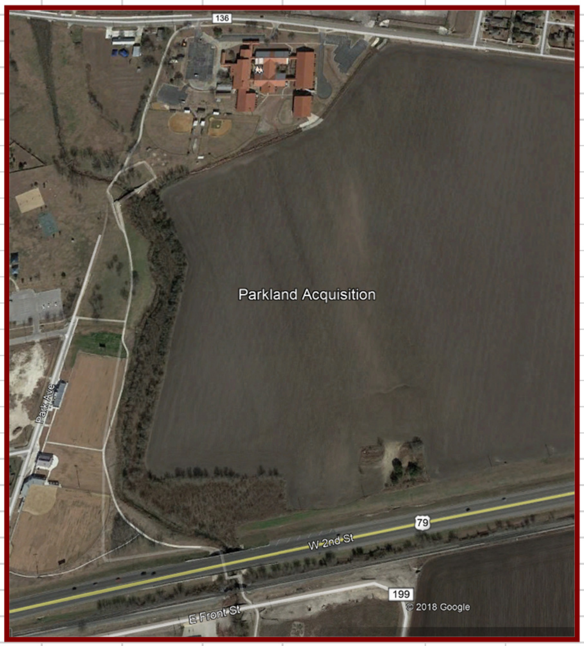
Prior Years	Projected 19	20	21	22	23	Future	Total
-	$5,000,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$5,000,000.00

Description :

Hutto will purchase parkland west of Cottonwood Creek, north of US-79, near current Fritz Park for a multi-use park.

Scope :

The parkland is proposed to be purchased and used as a multi purpose regional park.



Project Task	Duration	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	-	
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	
Utilities	$0
Construction	
ROW	$5,000,000
Total	$5,000,000

Funding:	
General Fund	$0
General Obligation	$5,000,000
Other	$0
Total	$5,000,000

Creekside Park TPWL Grant Improvements

Project Client: Community Services   **CIP No.** PR-0012

Project Expenditures by Fiscal Year:

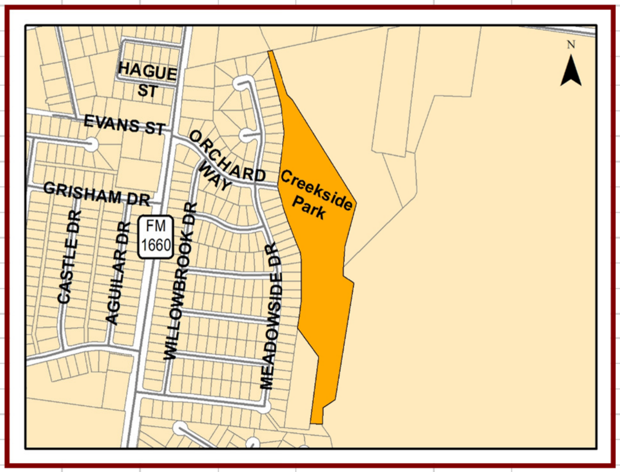
Prior Years	Projected 19	20	21	22	23	Future	Total
-	$500,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$500,000.00

Description :

For the Texas Parks and Wildlife grant Hutto must contribute 50% to these projects in construction costs and the grant will cover the other 50% of construction costs as long as Hutto contributes at minimum $550,000 towards these projects (Hutto is spending $610,000 total for Fritz and Creekside Parks). As part of this grant there are some improvements to Creekside Park that will be made.

Scope :

The improvements to Creekside Park include fencing for baseball fields, dirt for youth baseball fields, irrigation, pervious parking, lighting, solar lighted botanical garden, and picnic tables.



Project Task	Duration	
Planning/Design	6	
Right-of-way/Utilities	-	
Construction	6	
Total	12	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$500,000

Funding:	
General Fund	$0
General Obligation	$0
Other	$500,000
Total	$500,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN

FY 2019 - 2023

MUNICPAL FACILITES

GENERAL

The Municipal Facilities Capital Improvement Projects are aimed at accommodating growth of staff and equipment as the need for additional services continue to grow with the increase in population. In addition to these projects funds are proposed for infrastructure at the Co-Op site where City Hall is proposed to be constructed through a public-private partnership.

TABLE 5: MUNICIPAL FACILITIES CIP FUNDING

Sources of Funding	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
General Fund	-	-	-	-	-	-	-
General Obligation	-	-	-	-	-	-	-
Certificate of Obligation	$63,223,949	$2,000,000	-	-	-	-	$2,000,000
Grant	-	-	-	-	-	-	-
Other	-	$1,200,000	-	-	$1,500,000	-	$2,700,000
Total	$63,223,949	$3,200,000	-	-	$1,500,000	-	$4,700,000

TABLE 6: MUNICIPAL FACILITIES FUND UTILIZATION

Use of Funds	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -23 Total
Heart of Texas Acquisition	$63,000,000	-	-	-	-	-	-
Williamson County Animal Shelter Expansion	$223,949	-	-	-	-	-	-
Police Communication Center	-	$2,000,000	-	-	-	-	$2,000,000
Existing City Hall to PD Renovation	-	$200,000	-	-	-	-	$200,000
Co-Op / New City Hall	-	$1,000,000	-	-	-	-	$1,000,000
Public Works Facility	-	-	-	-	$1,500,000		$1,500,000
Total	$63,223,949	$3,200,000	-	-	-	-	$4,700,000

Co-Op / New City Hall

Project Client: Engineering & Public Works — **CIP No.** FA-0001

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$1,000,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,000,000.00

Description :

Complete new City Hall that incorporates all City Staff in one building with Council chamber and a library on the first floor.

Scope :

The new City Hall will have a total of 35,683 square feet on two floors. The first floor will include an up to date library and a spacious council chambers as well as staff and clerk offices, conference rooms and storage. The second floor includes offices for executive staff, storage, a break room, and large areas of open flex space for the expanding City.

Project Task	**Duration**	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	6	
Total	6	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$1,000,000
ROW	$0
Total	$100,000

Funding:	
General Fund	$0
General Obligation	$0
Other	$1,000,000
Total	$1,000,000

Existing City Hall to PD Renovation

Project Client: Engineering & Public Works | **CIP No.** FA-0002

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$200,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$200,000.00

Description :

Renovate current City Hall to serve as Police Department Headquarters

Scope :

Project Task	Duration	
Planning/Design	6	
Right-of-way/Utilities	-	
Construction	12	
Total	18	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$200,000
ROW	$0
Total	$200,000

Funding:	
General Fund	$0
General Obligation	$0
Other	$200,000
Total	$200,000

Police Communication Center

Project Client: Engineering & Public Works

CIP No. FA-0003

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$2,000,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2,000,000.00

Description :

Construction of a Hutto Police Communication Center

Scope :

This project will add an up-to-date police communication center to the renovated City Hall turned Police Head Quarters.

Project Task	**Duration**	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	-	
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$2,000,000

Funding:	
General Fund	$0
General Obligation	$2,000,000.00
Other	-
Total	$2,000,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN

FY 2019 - 2023

WATER AND WASTEWATER

GENERAL

The Water and Waste Water Capital Improvement Projects align with multiple objectives from the Strategic Plan. The specific objectives are

1. Construct and maintain infrastructure to provide identified levels of service.
2. Create an "open for business" culture.
3. Create an aggressive, progressive economic development strategy for the community.
7. Ensure responsible fiscal stewardship through transparency and reporting.

These projects are anticipated to be funded from a combination of cash and debt. The actual amount of any debt issuance will be evaluated each year in light of project cost estimates, resources available, coverage requirements and other considerations. In addition to the projects shown below, there are a number of Water and Wastewater infrastructure projects in the works that will be funded by developers. These projects are vital to the ability of the City to continue to provide capacity for ongoing growth and development. If any of these anticipated developer funded projects were to fall through the City would need to look into options for completing necessary infrastructure improvements to allow development to continue.

TABLE 7: WATER AND WASTEWATER CIP FUNDING

Sources of Funding	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
General Fund	-	$450,000	-	-	-	-	$450,000
General Obligation	-	-	-	-	-	-	-
Certificate of Obligation	$4,975,000	$3,625,000	$4,600,000	-	-	-	$8,225,000
Grant	-	-	-	-	-	-	-
Other	$181,851	$181,851	$181,851	$668,851	$681,851	$2,181,851	$3,896,255
Total	$5,156,851	$4,256,851	$4,781,851	$668,851	$681,851	$2,181,851	$12,571,255

TABLE 8: WATER AND WASTEWATER FUND UTILIZATION

Use of Funds	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
Carmel Crossing Wastewater Interceptor	$181,851	$181,851	$181,851	$181,851	$181,851	$181,851	$909,255
Front Street Waterline Replacement	$1,800,000	-	-	-	-	-	-
Wastewater North of Limmer Loop (RSI)	$3,000,000	-	-	-	-	-	-
FM 1660 Utility Relocation	-	$450,000	-	-	-	-	$450,000
Pecan Tower	-	$250,000	-	-	-	-	$250,000
Shiloh Tank	-	$675,000	-	-	-	-	$675,000
Tank Rehab	-	$2,500,000	-	-	-	-	$2,500,000
Rehabilitation and Upgrades to Existing WWTP	-	-	$4,600,000	-	-	-	$4,600,000
Wastewater Interceptor	-	-	-	$62,000	$500,000	$1,000,000	$1,562,000
Water System Improvements	-	-	-	-	-	$1,000,000	$1,000,000
Permit Capacity Increase	-	$200,000	-	-	-	-	$200,000
Wastewater Master Plan	$175,000	-	-	$225,000	-	-	$225,000
Water Master Plan Update	-	-	-	$200,000	-	-	$200,000
Total	$5,156,851	$4,256,851	$4,781,851	$668,851	$681,851	$2,181,851	$12,571,255

FM 1660 Utility Relocation

Project Client: Engineering & Public Works

CIP No. W-0006

Project Expenditures by Fiscal Year:

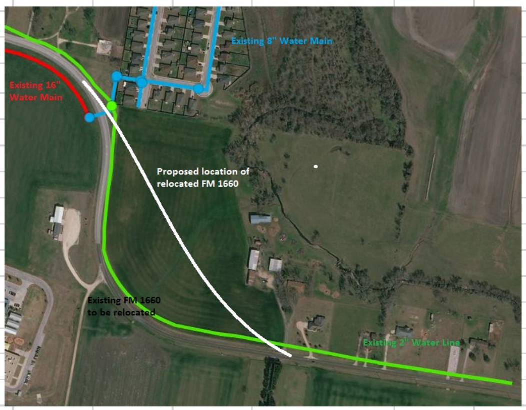
Prior Years	Projected 19	20	21	22	23	Future	Total
-	$450,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$450,000.00

Description :

Replacement and relocation of City utility lines that must be moved before TxDOT can begin relocation of FM 1660.

Scope :

This project includes extension of casing for 8" water line under proposed FM 1660, carrier pipe for future force main, 3500 feet of 8" water main, 1500 feet of 2" water line, and four fire hydrants. The design will be done by City Staff and put out to bid for an outside contractor to construct.



Project Task	Duration	
Planning/Design	3	
Right-of-way/Utilities	-	
Construction	7	
Total	10	months

Operational Impact	
Personnel	3
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	3

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$450,000
ROW	$0
Total	$450,000

Funding:	
General Fund	$0
General Obligation	$0
Other	$450,000
Total	$450,000

Pecan Street Water Tower

Project Client: Engineering & Public Works

CIP No. WA-0003

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$250,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$250,000.00

Description :

This project is to rehabilitate and place back into service the Pecan Street Water Tower, in order to boost the ability of the cities water system to meet the growing service needs.

Scope :

This money includes the design and construction required to bring the Pecan Street Water Tower back into service.

Project Task	Duration	
Planning/Design	3	
Right-of-way/Utilities	-	
Construction	6	
Total	9	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$250,000

Funding:	
General Fund	$250,000
General Obligation	$0
Other	$0
Total	$250,000

Shiloh Ground Water Storage Tank

Project Client: Engineering & Public Works | **CIP No.** WA-0001

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$675,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$675,000.00

Description :

During the June 2017 tank inspections the existing ground stoage tank at Shiloh was found to be structurally unsound. This project is for a new tank to replace the old tank and ensure that the City of Hutto's water system is in good shape.

Scope :

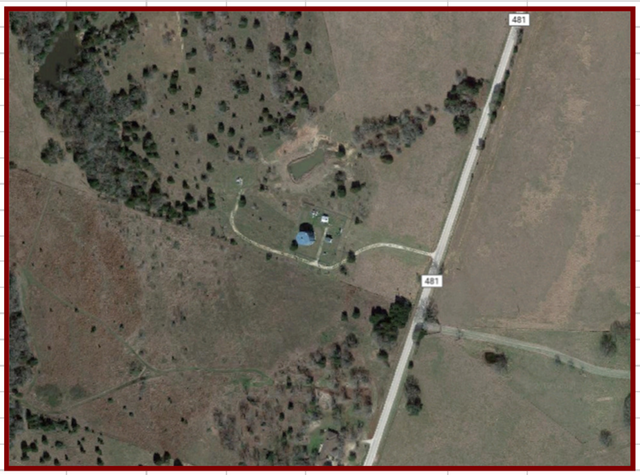
This project is for the construction of a new 350,000 gallon welded steel tank ground storage tank to replace the old tank.

Project Task	Duration	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	9	
Total	9	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$675,000
ROW	$0
Total	$675,000

Funding:	
General Fund	$0
General Obligation	$675,000
Other	$0
Total	$675,000



City of Hutto Water Storage Tank Rehab

Project Client: Engineering & Public Works — **CIP No.** WA-0002

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$2,500,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$2,500,000.00

Description :

This project includes the rehabilitation of existing water storage tanks in the city. Maintaining the integrity of the cities water system.

Scope :

Phase 1 of the project includes the rehab of a ground storage tank and elevated storage tank at Carl Stern and elevated storage tank at Frame Switch. Phase 2 includes the rehab of the ground storage tank and elevated storage tank at Northwest and the ground storage tank at frame switch.

Project Task	Duration	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	-	
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	-
Utilities	-
Construction	$2,500,000
ROW	-
Total	$2,500,000

Funding:	
General Fund	$0
General Obligation	$2,500,000
Other	$0
Total	$2,500,000

Wastewater Treatment Plant Permit Capacity Increase

Project Client: Engineering & Public Works

CIP No. WW-0001

Project Expenditures by Fiscal Year:

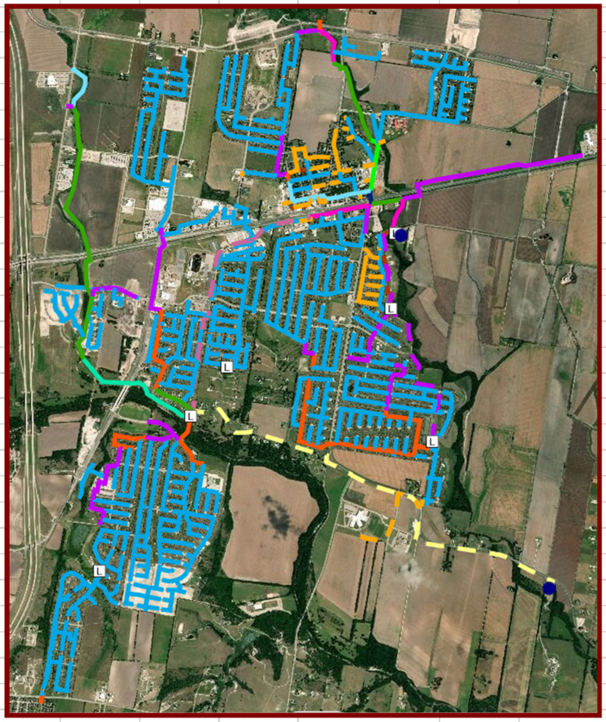
Prior Years	Projected 19	20	21	22	23	Future	Total
-	$200,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$200,000.00

Description :

Due to the rapid and ongoning development occuring in the city of Hutto there is a need for the existing wastewater treatment plants to be upgraded to meet the demands of the growing city.

Scope :

This money will go to ammending the existing wastewater treatment permits with the TCEQ in order to increase the maximum permitted capacities of these plants. This will include gathering all required water and soil analysis and reports as well as preparation of administrative and techincal worksheets and attachements as well and fees to be submitted to the TCEQ.



Project Task	Duration	
Preparation	4	
Review	8	
	-	
Total	12	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$200,000

Funding:	
General Fund	$200,000
General Obligation	$0
Other	$0
Total	$200,000

FIVE YEAR CAPITAL IMPROVEMENT PLAN

FY 2019 - 2023

TRANSPORTATION AND DRAINAGE

GENERAL

The Transportation and Drainage Capital Improvement Projects also align with multiple objectives from the Strategic Plan. The specific objectives are

1. Construct and maintain infrastructure to provide identified levels of service.
2. Create an "open for business" culture.
3. Create an aggressive, progressive economic development strategy for the community.
4. Enhance mobility within the City.
7. Ensure responsible fiscal stewardship through transparency and reporting.
10. Maintain an environment and quality of life that encompasses a safe, friendly, and an entertaining atmosphere for all ages.

These projects are anticipated to be funded from a combination of cash and debt. The actual amount of any debt issuance will be evaluated each year in light of project cost estimates, resources available, coverage requirements and other considerations.

TABLE 9: TRANSPORTATION AND DRAINAGE CIP FUNDING

Sources of Funding	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
General Fund	-	$980,000	$690,000	-	-	-	$1,670,000
General Obligation	-	-	-	-	-	-	-
Certificated of Obligation	-	-	-	-	-	-	-
Grant	-	-	-	-	-	-	-
Other	-	-	$2,500,000	$4,856,819	$2,450,379	$2,675,000	$12,482,198
Total	$6,850,000	$980,000	$3,190,000	$4,856,819	$2,450,379	$2,675,000	$14,152,198

TABLE 10: TRANSPORTATION AND DRAINAGE FUND UTILIZATION

Use of Funds	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	2019 -2023 Total
Pavement Management	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$2,500,000
Traffic Impact Study	-	$30,000	-	-	-	-	$30,000
Ed Schmidt / Limmer Loop Traffic Signal	-	$250,000	-	-	-	-	$250,000
Traffic Signal Maintenance	-	$50,000	$75,000	$75,000	$75,000	$75,000	$350,000
Cottonwood Creek Drainage	-	$50,000	-	-	$500,000	$1,000,000	$1,550,000
Old Town Streets and Drainage Phase I	-	-	$15,000	$1,546,000	-	-	$1,561,000
Street Reconstruction	-	-	-	-	-	$1,000,000	$1,000,000
Innovation Infrastructure Improvements	$5,100,000	-	-	-	-	-	-
Limmer Loop Improvements Agreement	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$500,000
CR 119 Extension	$1,000,000	-	-	-	-	-	-
SH 130 Frontage Roads	-	-	$1,900,000	-	-	-	$1,900,000
CR 137 Capacity Improvements	-	-	$600,000	$2,470,819	-	-	$3,070,819
Mager Lane to City Limits	-	-	-	$165,000	$825,379	-	$990,379
ADA Transition Plan	-	-	-	-	$200,000	-	$200,000
Drainage Master Plan	$150,000	-	-	-	-	-	-
Mobility Plan	-	-	-	-	$250,000	-	$250,000
Total	$6,850,000	$980,000	$3,190,000	$4,856,819	$2,450,379	$2,675,000	$14,152,198

Pavement Management 2019

Project Client: **Engineering & Public Works** — **CIP No.** **ST-0001**

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$500,000.00	$500,000.00	$500,000.00	$500,000.00	$500,000.00	$0.00	$2,500,000.00

Description :

Perform needed road maintenance in the city to maintain safe and attactive roads for use by citizens.

Scope :

This money is to be allocated on a yearly basis to perform pavement maintenance as needed through the city.

Project Task	**Duration**	
Planning/Design		
Right-of-way/Utilities	-	
Construction	-	
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$2,500,000
ROW	$0
Total	$2,500,000

Funding:	
General Fund	$0
General Obligation	$0
Other	$2,500,000
Total	$2,500,000

Traffic Impact Study

Project Client: **Engineering & Public Works** **CIP No.** **ST-002**

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$30,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$30,000.00

Description :

Scope :

Project Task	**Duration**	
Planning/Design		
Right-of-way/Utilities		
Construction		
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	
ROW	$0
Total	$30,000

Funding:	
General Fund	$30,000
General Obligation	-
Other	-
Total	$30,000

Ed Schmidt & Limmer Loop Traffic Signal

Project Client: **Engineering & Public Works** **CIP No.** **ST-0003**

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$250,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$250,000.00

Description :

Due to several large commercial and residential developments planned to be constructed North of the intersection of Limmer Loop and Ed Schmidt. The traffic volume at this intersection will need to be signalized to maintain traffic flow and to improve public safety.

Scope :

This money is allocated to install a traffic control signal light at the intersection of Ed Schmidt Boulevard and Limmer Loop.

Project Task	**Duration**	
Planning/Design	-	
Right-of-way/Utilities		
Construction		
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$250,000

Funding:	
General Fund	$250,000
General Obligation	$0
Other	$0
Total	$250,000

Traffic Signal Maintenance

Project Client: Engineering & Public Works — **CIP No.** ST-0004

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$50,000.00	$75,000.00	$75,000.00	$75,000.00	$75,000.00	$0.00	$350,000.00

Description :
With the installation of the new traffic signal at Limmer Loop and Ed Scmidt the city will need to allocate funds to provide maintenance on the signal light in order to keep it in good working condition and maintain public saftey at the interscetion.

Scope :

Funds will be used to provide maintenance on the new traffic signal at Limmer Loop and Ed Schmidt.

Project Task	Duration	
Planning/Design	-	
Right-of-way/Utilities	-	
Construction	-	
Total	-	months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	$350,000.00
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utility Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$0

Funding:	
General Fund	$350,000
General Obligation	$0
Other	$0
Total	$350,000

Creekside Cottonwood Creek Drainage Improvements

Project Client: Engineering & Public Works — **CIP No.** ST-0005

Project Expenditures by Fiscal Year:

Prior Years	Projected 19	20	21	22	23	Future	Total
-	$50,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$50,000.00

Description :

Recent storm events which have led to flood damage occuring along Cottonwood creek have demonstrated the need for riparian improvements along the creek.

Scope :

Project provides for intial phase for design and obtaining a CLOMR from FEMA. This will include survey and water modeling/analysis of the existing drainage and proposed drainage based on proposed channel improvements to mitigate potenetial flood damage along the creek as well as submittion of models and engineering reports to FEMA and the Army Corp of Engineers for review and approval to obtain a CLOMR.

Project Task	Duration
Planning/Design	8
Review	10
	-
Total	18 months

Operational Impact	
Personnel	-
Supplies & Materials	-
Repair & Maint.	-
Capital & Other	-
Total	-

Estimated Project Cost:	
Design/Utiltiy Coordination	$0
Utilities	$0
Construction	$0
ROW	$0
Total	$0

Funding:	
General Fund	$50,000
General Obligation	$0
Other	$0
Total	$50,000

FLEET

FLEET

There are no fleet projects at this time.

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10A. **AGENDA DATE:** July 05, 2018

PRESENTED BY: Eliska Padilla, Executive Director of Communications and Marketing

ITEM:

Presentation of proposed goals supporting the city-wide objectives and strategic focus areas for the Fiscal Year 2018-2019. (Eliska Padilla)

STRATEGIC GUIDE POLICY: Infrastructure & Growth

ITEM BACKGROUND:

The City of Hutto utilizes a modified Balanced Scorecard approach as the fundamental framework for its Strategic Plan & Execution Guide. This framework encourages the proper alignment of the goals and objectives of the organization to the overall vision to which the organization is aspiring. Thus, each year, at the direction of the City Manager, staff prepare goals and critical paths that ensure the completion of strategic goals that support the city-wide Council-approved objectives and strategic focus areas.

Each goal supports one or more of the following 10 City objectives:

1. Construct and maintain infrastructure to provide levels of service
2. Create an "Open for business" culture
3. Create an aggressive, progressive economic development strategy for the community
4. Enhance mobility within the City
5. Generate a strategic path forward for enhancing the public safety apparatus including police, fire, and emergency medical services
6. Enhance the overall governance of the community
7. Ensure responsible fiscal stewardship through transparency and reporting
8. Implement a quality city-wide customer service program
9. Maintain a positive and inspired workforce
10. Maintain an environment and quality of life that encompasses a safe, friendly, and an entertaining atmosphere for all ages

Additionally, each Objective, supports one or more of the city's Strategic Focus Areas for the City of Hutto:

- Well balanced and diversified economy,
- Public safety,
- Fiscal responsibility,
- Quality of life and services,
- Infrastructure and growth

The proposed goals are tactical, achievable, and specific actions, programs, documents, or policies that the organization is engaged in to strategically advance the objectives toward completion.

BUDGETARY AND FINANCIAL SUMMARY:

These goals are budgeted in the 2018-2019 proposed budget.

RELATED COUNCIL COMMITTEE OR ADVISORY BOARD RECOMMENDATIONS:

None.

CITY ATTORNEY REVIEW:

Not applicable.

STAFF RECOMMENDATION:

Staff provides information to inform decision making for future budget proposals.

SUPPORTING MATERIAL:

There are no supporting documents.

CITY OF HUTTO
CITY COUNCIL AGENDA

AGENDA ITEM NO.: 10B. **AGENDA DATE:** July 05, 2018

PRESENTED BY:

ITEM:

Update on construction at Innovation Business Park and Hutto Park on Brushy Creek. (Anthony Host)

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.