City of Fredericksburg

City Council Regular Meeting Agenda
Tuesday, April 2, 2024 ~ 3:00 PM
Law Enforcement Center
1601 E. Main Street
Fredericksburg, Texas 78624

Jeryl Hoover, Mayor
Tony Klein, Councilmember
Bobby Watson, Councilmember/Pro Tem
Randy Briley, Councilmember
Emily Kirchner, Councilmember
Clinton Bailey, City Manager

The City of Fredericksburg City Council will meet in a regular session on Tuesday, April 2, 2024, at 3:00 PM. To watch a live stream visit the City's agenda website: https://fredericksburgtx.portal.civicclerk.com/event/1024/files

The City Council welcomes citizen participation and comments at all City Council Meetings on Agenda Items.

Comment Card for Written or Verbal Comments-submitted by 4:00 p.m. the day before the meeting.

i. Complete the Comment Card online at www.fbgtx.org;
ii. Make sure to check the appropriate box (verbal or written);
iii. Only one (1) agenda item per Comment Card.

Sign up in person between 2:30 p.m. and 3:00 p.m. at the meeting location.

i. Only one (1) agenda item per Comment Card;
ii. Speakers will be limited to 3 minutes to speak. **Please Note**: The Mayor can reduce the number of minutes for any speaker during Public Comment on a single agenda item depending on the number of people who sign up for it.
iii. Any citizen with handouts should provide them to the City Secretary before speaking. If you wish the City Council to receive your handouts for the meeting, please provide ten (10) copies; if not, the City Council will receive your handouts the following day.

NOTE: The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for discussion. An announcement will be made on the basis of the Executive Session discussion. The Charter Review Committee may also publicly discuss any item listed on the agenda for the Executive Session.

Attendance By Other Elected or Appointed Officials: It is anticipated that the Planning & Zoning Commission, Historic Review Board, Charter Review Committee, and Board of Adjustments members may attend the City Council Meeting at the date and time above in numbers that may constitute a quorum. Notice is hereby given that at the City Council Meeting at the date and time above, no Board or Commission action will be taken by such in attendance unless such item and action are specifically provided on a separate agenda posted subject to the Texas Open Meeting Act. This is not an agenda of an official meeting of the City Boards and Commissions, and minutes will not be taken.

1. CALL TO ORDER

2. INVOCATION

Jamey Vogel, County Resident and Business Owner, will lead the Invocation

3. PLEDGE OF ALLEGIANCE

4. CEREMONIAL MATTERS/PROCLAMATIONS/EMPLOYEE RECOGNITION

A. Proclamation proclaiming Child Abuse Prevention Awareness Month in Fredericksburg

B. Proclamation proclaiming National Telecommunicator Week

5. COUNCIL COMMENTS

6. CONSENT

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF THE CITY COUNCIL.

A. Consider approval of City Council Minutes for the following meetings:
   i. February 20, 2024, Joint Meeting with the Planning and Zoning Commission
   ii. March 18, 2024, Special Meeting
   iii. March 19, 2024 Regular Meeting

7. ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

A. Consider the approval of Resolution 2024-03R for an FY2025 Law Enforcement Utility Vehicle through the Office of the Governor Criminal Justice Grant Program (Brian Vorauer, Police Chief)

B. Consider the approval of Resolution 2024-04R for the FY2025 Office of the Governor, Victim Assistance, First Responder Programs Grant (Wellness Program) (Brian Vorauer, Police Chief)

C. Consider the approval of Resolution 2024-05R adopting a Water Conservation Plan for the City of Fredericksburg and authorizing submission of the Plan to the Texas Commission of Environmental Quality and the Texas Water Development Board, providing for effective date and other related matters (Kris Kneese, Director of Public Works and Utilities)

8. OTHER ACTION ITEMS AND UPDATES

A. Consider a presentation and discussion on the 2024 Water Supply and Future Weather Outlook (Kris Kneese, Director of Public Works and Utilities).

B. Consider the approval of a contract with the Fredericksburg Chamber of Commerce to run the Fredericksburg Food and Wine Fest (Garret Bonn, Assistant City Manager)

C. Consider the appeal of the denial of a Short-Term Rental-Unocuppied Permit Application requested by Travis and Quynn Dusek for the property located at 708 Whitney Street (Anna Hudson, Director of Development Services)

D. Consider the appeal of a denial of a Short-Term Rental-Unoccupied Permit Application requested by Paul and Carrie Wikander for the property located at 1005 S. Adams (Anna Hudson, Director of Development Services)

E. Consider the approval of the Strategic Procurement Policy and Procedures, April 2024 Edition (Krista Wareham, Director of Finance)

F. Consideration and possible action relating to a settlement agreement in the case of the State of Texas, et al. Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in 216th District Court (Cause No. 17175) (Anna Hudson - Director of Development Services)

9. CITY MANAGER'S REPORT

A. Update on City Secretary Position

10. ITEMS FOR FUTURE AGENDA

11. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Sections - (551.071, 551.072, 551.086, and 551.074). Pursuant to Texas Government Code 551.086. Competitive Matters. 71 Consultation with Attorney on a matter for which it is the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct conflict with this Chapter and requires discussion of the item in closed session); and pursuant to Texas Government Code 551.074 – to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

A. Discuss and consider and take action on a competitive matter related to a public utility as defined in Section 552.133, Local Government Code; Purchase of Wholesale Power

B. Consider and discuss Real Estate in the vicinity of US 290E and Old San Antonio Rd. (Section 551.072)

C. Consider and discuss the value and possible disposition of city-owned real properties located throughout the City (Section 551.072)

D. Consider and discuss the State of Texas, et al. Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in 216th District Court (551.071)

12. BUSINESS ITEM

The City Council will reconvene into Regular Session upon the conclusion of the Executive Session, the City Council may take action on any item posted in Executive Session, as necessary. NOTICE – The City Council may take official action during executive session on competitive matters.

13. ADJOURN

CERTIFICATION

This is to certify that I, Garret Bonn, posted this Agenda at 4:15p.m. on March 28, 2024, on the bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.

Garret Bonn, P.E.
Assistant City Manager/ Interim City Secretary

PROCLAMATION

WHEREAS, Children thrive in safe, stable, nurturing families. By establishing partnerships that fortify the bonds between parents and children, Fredericksburg can build strong, healthy families and resilient, thriving communities*; and*

WHEREAS, Sadly, child abuse remains a significant public health issue, but we will continue to identify the risk factors that lead to child abuse and neglect, and by so doing, we will ensure that our children are safe and secure; and

WHEREAS, In Fiscal Year 2023, there were 58,110 confirmed victims of abuse and neglect in Texas with 32 children being confirmed victims from Gillespie County. There is a great need for the community to come together to help create a safe county for children and families.

WHEREAS, Ultimately, child abuse prevention cannot be relegated to a single community, agency, or system. We each have a role to play as we work together to protect the most vulnerable among us. Behind many healthy, successful families is a strong community that enabled them to meet their own needs, and we must work together to strengthen our communities and build accessible, localized support systems. These systems, in turn, contribute to the well-being of the entire community by keeping children safe and families whole.*; and*

WHEREAS, recognize the dedicated professionals across our great state who meet families upstream-before a crisis occurs and offer them accessible lifelines that mitigate their challenges. A collaborative, multifaceted endeavor, child abuse prevention involves the diligent work of families, friends, neighbors, houses of faith, advocacy groups, nonprofit organizations, schools, health care providers, social workers, and government agencies.

NOW, THEREFORE, I, Mayor Jeryl Hoover, City of Fredericksburg, Texas, do hereby proclaim the month of April, 2024, as:

"CHILD ABUSE PREVENTION AND AWARENESS MONTH"

In the City of Fredericksburg and I encourage all citizens to learn more about the many ongoing efforts to create positive, healthy environments for the children of our great City and state. Together, we assist with painting the City blue in support of the abuse prevention and awareness.

In Witness Whereof, I have hereunto set my hand and caused the seal of the City of Fredericksburg to be affixed this 2nd day of April, 2024.

____

Jeryl Hoover
Mayor

PROCLAMATION

WHEREAS, Emergencies can occur at any time that require Police, Fire, or Emergency Medical Services; and

WHEREAS, When an emergency occurs, the prompt response of Police Officers, Fire Fighters, and Emergency Medical Services personnel is critical to the protection and preservation of life and property; and

WHEREAS, The safety of our Police Officers and Firefighters is dependent upon the quality and accuracy of information obtained from citizens who telephone the Gillespie County Communications Center; and

WHEREAS, Public Safety Telecommunicators are the first and most critical contact our citizens have with emergency services; and

WHEREAS, Public Safety Telecommunicators are the single vital link for our Police Officers and Firefighters by monitoring their activities by radio, providing them information, and insuring their safety; and

WHEREAS, Public Safety Telecommunicators of the Gillespie County Communications Center have contributed substantially to the apprehension of criminals, suppression of fires, and treatment of patients; and

WHEREAS, Each Dispatcher has exhibited compassion, understanding and professionalism during the performance of their job in the past year making them a calm voice in the dark;

NOW, THEREFORE BE IT RESOLVED, that I, Jeryl Hoover, Mayor of the City of Fredericksburg, State of Texas, do hereby proclaim the week of April 14 through 20, 2024, as

NATIONAL PUBLIC SAFETY TELECOMMUNICATORS WEEK

in Fredericksburg, Texas, and ask that citizens honor the men and women whose diligence and professionalism help keep our City and citizens safe.

IN WITNESS WHEREOF, I hereunto set my hand and official seal of the City of Fredericksburg this 2nd day of April, 2024.

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Jeryl Hoover
Mayor

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG
TEXAS, 78624

JOINT CITY COUNCIL AND PLANNING &
ZONING COMMISSION MEETING
FEBRUARY 20, 2024
5:30 P.M.

On this the 20th day of February 2024, the CITY COUNCIL AND PLANNING AND ZONING COMMISSION convened in Special Joint Session at the Hill Country University Center located at 2818 US 290 with the following members present to constitute a quorum:

CITY COUNCIL PRESENT:
JERYL HOOVER, MAYOR
BOBBY WATSON
RANDY BRILEY
EMILY KIRCHNER
TONY KLEIN

PLANNING AND ZONING PRESENT:
JANICE MENKING
TOM MUSSELMAN
DARYL WHITWORTH
POLLY RICKERT
JIM JARREAU

PLANNING AND ZONING ABSENT:
JEFF LAWRENCE
TIM DOOLEY
STEVE THOMAS
CINDY SCROGGINS

ALSO, PRESENT:
CLINTON BAILEY – City Manager
GARRET BONN – Assistant City Manager
MICK MCKAMIE– City Attorney
ANNA HUDSON - Director of Development Services
SHELBY COLLIER – Senior Planner

Mayor Jeryl Hoover called the City Council meeting to order at 5:30 PM

Janice Menking called the Planning and Zoning meeting to order at 5:30 P.M.

DISCUSSION AND POSSIBLE ACTION

Presentation and possible action on the 2024 Draft Comprehensive Plan and Parks Master Plan

Nathalie Booth with Halff gave a presentation on the 2024 Comprehensive Plan. She provided a summary of the public outreach and explained that the plan has been an 18-month process with the final draft having been released in January of 2024. The plan focuses on 7 Guiding Principles and include

Neighborhood Quality, Workforce, Tourism, City Center, Mobility, Small-Town Sensitive Growth, and Governance.

Neighborhood Quality states that Fredericksburg will strengthen and enhance the livability of neighborhoods where families can live and will encourage the creation and maintenance of quality, affordable housing for residents of all backgrounds and income levels.

Workforce focuses on fostering an environment for developing and retaining quality talent in targeted industries and will maintain a resilient, diverse and sustainable economy that supports both existing and new locally owned businesses.

Tourism has a goal of prioritizing a unique, small-town character which promotes its heritage and will attract visitors with its diverse retail, service, entertainment, and recreation options.

City Center states that Fredericksburg will preserve the historic charm of main street while cultivating a sense of place and expanding the City Center to better serve the residents. Creating a TIRZ district was discussed.

Mobility intends to have a well-planned thoroughfare network that reduces vehicular congestion within the City and will support safe, comfortable and convenient transportation systems.

Small-Town Sensitive Growth focuses on implementing land use patterns and related policies to support its unique community character and natural resources, improve residents' quality of life, and deliver incremental growth that optimizes its infrastructure and service capability.

Governance will provide communication and engagement to create a healthy, safe and informed community.

Economic elements were discussed such as creating a cultural and a TIRZ district.

While discussing implementation Nathalie stated that the next steps were to keep the plan in the conversations. This would help the plan keep momentum.

Jim Jarreau stated that he would like to see the plan reevaluated after 3 years.

Polly Rickert commented that she would like a follow up workshop with City Council after the plan was adopted.

Polly Rickert commented that the future place making map depicted several orange zones outside of the Historic District and she believes that they should be yellow/residential. Emily Kirchner agreed.

Patricia spoke regarding the need for native plants to be used in the parks and trails.

Steve McAnally had no comment.

Todd Edision had no comment.

Annette Bennett commented on the need for a better experience for the cultural arts district, MDDS, tree preservation, multiple uses in neighborhoods and the need for sustainable energy.

Nathlie Booth discussed the Parks Master Plan and stated that the overwhelming response to the public outreach indicated a desire to maintain the small-town feel with a desire to increase walkability. In review of the public outreach responses, it was determined that the community requested more trails so a trail opportunity zone map was created. In addition, there was a desire for more parks and a perspective park legend was created over the proposed future place type map.

Nathlie discussed the importance of funding and provided a prioritized CIP list that addressed the multiple park projects and their rating.

Tom Musselman stated that the City owned property on Friendship Lane needed to become a park.

George Studor questioned the proposed trails shown by the creek and stated that the plan is incomplete. He went on to recommend changes to the Cross Mtn trail.

Annette Bennett questioned whether trails would be used for bicycles.

City Council responded that there is an existing ordinance that prohibits bicycles on sidewalks.

ADJOURN

With nothing further to come before the Commission and City Council, Jim Jarreau moved to adjourn the Planning and Zoning Meeting. Seconded by Daryl Whitworth. Bobby Watson moved to adjourn the City Council Meeting. seconded by Tony Klein. All voted in favor and the meeting was adjourned at 7:15 p.m.

PASSED AND APPROVED this 3rd day of April 2024.

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JANICE MENKING, P&Z Chairman

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JERYL HOOVER, Mayor

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SHELBY COLLIER, Senior Planner

City of Fredericksburg

CITY COUNCIL SPECIAL MEETING MINUTES
MONDAY, MARCH 18, 2024 ~ 10:00 a.m.
CHASE BANK
1601 E. MAIN STREET
FREDERICKSBURG, TEXAS 78624

Mayor Jeryl Hoover
Mayor Pro Tem Bobby Watson
Councilmember Emily Kirchner
Councilmember Tony Klein
Councilmember Randy Briley (left at noon)

Members Absent:
None

City Staff Present:
Clinton Bailey, City Manager
Garret Bonn, Assistant City Manager
Krista Wareham, Finance Director
Leslie Embrey, Assistant to the City Secretary
Shelley Goodwin, City Secretary

1. CALL TO ORDER
Mayor Hoover called the March 18, 2024, Regular Meeting to order at 10:00 a.m. and announced that a quorum had been met.

2. OTHER ACTION ITEMS AND UPDATES
A. Discussion of City Council communication and collaboration
Mayor Hoover stated he requested this item to discuss communication and collaboration with each other and how we are operating.

City Council discussed the following:
- Faster communication
- Weekly meetings with the City Manager
- Mayor's Office Hours
- Coordination with communications with entities (Council liaison)
- Meeting structure is good
- First Five Luncheon (County Judge, Mayor, Convention and Visitor Bureau, Economic Development Corporation, and Chamber of Commerce)

B. Discussion of Mayor and City Council Member community priorities

Councilmember Kirchner
- Essential services

- List of City proprieties
- Grant Writer
- Economic Development
- May 2023 City Council Priorities 1,4, and 5 have been addressed

Councilmember Klein
- Law Enforcement
- Transportation and traffic issues
- Cost savings within City budget
- Development and contractor communications; written requirement to complete process
- Proactive transparency

Councilmember Briley
- STR software still has glitches
- Community outreach support
- Diversity HOT tax
- Police/Fire/ EMS enablement and retention (training)
- Family-based programs
- Public and Tourism Transportation and Parking

Mayor Pro Tem Watson
- Future City Needs change to Strategic Plan
- Removing 1-4 from May 2023 City Council Priorities
- Complete strategy for Main Street
- New website and communicate with residents better
- Comp Plan execution (review of all zoning Ordinance0

Mayor Hoover
- Reduction in parking in certain areas
- Mobility
- Community/Neighborhoods
- Community Engagement/Communication
- City/County Collaboration
- Coming together as a plan with Turner Hall and Middle School
- Inspire more to invest in Fredericksburg
- Going heritage community

Clinton Bailey, City Manager reviewed the following:
- Water Diversity funded in the current budget
- Comprehensive Plan
- Strategic Plan
- Community project at Turner Hall and Middle School

C. Discuss and provide direction to staff regarding the development of a Strategic Plan

Clinton Bailey, City Manager, provided a PowerPoint regarding City of Fredericksburg Strategic Plan.

Mayor Hoover reviewed his opinion of a Strategic Plan and Strategic Goals.

The City Council discussed:

- Strategic Plan
- Strategic Goal
- Mission Vision Statement
- Goal Setting
- Strategies and initiatives

D. Discuss and provide direction to staff regarding the upcoming Fiscal Year 2025 Budget Process

Clinton Bailey, City Manager, reviewed the State Law requirements and the process he would like to present the FY 2025 proposed budget to City Council.

Krista Wareham, Director of Finance, reviewed the following:

- Reserves and Fund balance
- No new revenue will only bring in $350,000
- Scenario on no new tax rate and the scenario of voter approval rate

The City Council discussed the following:

- Hope we don't take steps to go backways
- What the needs are
- Bond issues
- Consolidate Meetings
- Less PowerPoints and more reports

E. Overview and discussion of the Capital Improvement Plan (CIP)

Garret Bonn, Assistant of City Manager, provided a PowerPoint presentation of CIP Projects from the General Fund, Tourism, Sanitation, Street, and personnel.

The City Council discussed:

- MarktPlatz funds
- Sanitation Transfer Station
- Personnel Requests
- General Fund FY 2023

F. Discuss and provide direction to staff regarding new sources of revenue and cost savings measures related to the City's General Fund

The City Council discussed:

- Revisit the Hotel Occupancy Tax

- Increase sales tax for overnight stays to ensure visitors pay
- Economic Impact for all new businesses
- Section/4A 4B Economic Development Corporation Sales Tax
- Cost savings
- Review fee structures
- Technology fee
- Add saving increases to spreadsheet

Clinton Bailey, City Manager discussed:

- Dark Fiber
- Taxi Shuttle/Wine Tour Bus operating in City limits
- Transportation User Fees
- PD salary distribution for Code
- Tax Incrément Reinvestment Zone (TIRZ)
- Vehicle lease program
- Parking management

3. ADJOURN

With no other business, Mayor Hoover adjourned the Monday, March 18, 2024, City Council Regular Meeting at 2:57 p.m.

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Jeryl Hoover
Mayor

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Interim City Secretary

City of Fredericksburg

CITY COUNCIL REGULAR MEETING MINUTES
TUESDAY, MARCH 19, 2024 ~ 9:00 a.m.
LAW ENFORCEMENT CENTER
1601 E. MAIN STREET
FREDERICKSBURG, TEXAS 78624

Mayor Jeryl Hoover
Mayor Pro Tem Bobby Watson
Councilmember Emily Kirchner
Councilmember Tony Klein
Councilmember Randy Briley

Members Absent:
None

City Staff Present:
Clinton Bailey, City Manager
Mick McKamie, City Attorney
Garret Bonn, Assistant City Manager
Lynn Bizzell, Fire Chief
Brian Vorauer, Police Chief
Andrea Schmidt, Director of Parks and Recreation
Kris Kneese, Director of Public Works and Utilities
Anna Hudson, Director of Development Services
Sean Doerre, Public Information Officer
Aaron Anderegg, Interim Director of Information Technology
Leslie Embrey, Assistant to the City Secretary
Shelley Goodwin, City Secretary

1. CALL TO ORDER

Mayor Hoover called the March 19, 2024, Regular Meeting to order at 9:00 a.m. and announced that a quorum had been met.

2. INVOCATION

Mayor Hoover introduced Coach Flick, Fredericksburg FCA, who led the invocation.

3. PLEDGE OF ALLEGIANCE

Mayor Hoover led the Pledge of Allegiance.

4. CEREMONIAL MATTERS/PROCLAMATIONS/EMPLOYEE RECOGNITION

Mayor Hoover, City Council, and City Manager provided Shelley Goodwin, City Secretary, a Certificate of Appreciation thanking her for service to the City of Fredericksburg.

5. COUNCIL COMMENTS

Councilmember Briley spoke on the following meetings and events:

- Pioneer Museum Spring Break event
- Convention and Visitor Bureau will be handing out silver eclipse glasses

Councilmember Klein stated he attended the Fredericksburg Food and Wine Fest Steering Committee. He noted that there is a lot of planning occurring and hoping to hold the event this year.

Mayor Pro Tem Watson stated he was grateful for the recent rain.

Councilmember Kirchner reported on the following meetings and events she attended:

- Chamber Banquet
- Fort Martin Scott wonderful 175th Anniversary Event
- Cross is up at Cross Mountain
- Texas Municipal League Mid-Year Conference
- The last Solar Eclipses Task Force Meeting

Mayor Hoover provided the attached STR Update.

6. CONSENT

A. Consider approval of City Council Minutes for the March 5, 2024, City Council Regular Meeting

Motion: Upon a motion made by Councilmember Kirchner and a second by Mayor Watson to approve 6. A. of the Consent Agenda. The City Council voted five (5) for and none (0) against. The motion passed unanimously.

7. ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

A. Consider a Conditional Use Permit request by Matthew Durrette per Sec. 3.110 to operate an STR-Facility in an R2 Zone Area on Property Located at 106 East Nimitz Street (Request #Z-2330)

i. Presentation by the Applicant

Denise Morris stated Matt Durrette is running late.

ii. Staff Report

Anna Hudson, Director of Development Services, reviewed the history of the property and the request. She stated her department did not receive any written comments. She also noted the Planning and Zoning Commission approved the request with the condition that the current structure would be the only structure located on this property. She also stated this will be the final request that the City Council will approve, the new process will go before the Board of Adjustments.

iii. Hold a Public Hearing to receive comments for or against the request

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Klein, to go out of the Regular Meeting and into the Public Hearing at 9:17 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Motion: A motion was made by Mayor Pro Tem Watson, seconded by Councilmember Klein, to go out of the Public Hearing and into the Regular Meeting at 9:18 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

iv. Take action on the Ordinance 2024-10 amending Appendix B, “Zoning Ordinance,” of the Fredericksburg Municipal Code, as amended, by granting a Conditional Use Permit permitting a Short-Term Rental Facility Use on certain property located at 106 East Nimitz Street, Fredericksburg, Texas; providing that this Ordinance shall be cumulative of all ordinances; providing a penalty clause; providing a savings clause; providing a severability clause; providing for publication in the official newspaper; and providing an effective date.

The City Council discussed the rezoning and the condition that the Planning and Zoning Commission

Motion: A motion was made by Councilmember Briley, seconded by Mayor Pro Tem Watson, to approve Ordinance 2024-10 amending Appendix B, “Zoning Ordinance,” of the Fredericksburg Municipal Code, as amended, by granting a Conditional Use Permit permitting a Short-Term Rental Facility Use on certain property located at 106 East Nimitz Street, Fredericksburg, Texas; providing that this Ordinance shall be cumulative of all ordinances; providing a penalty clause; providing a savings clause; providing a severability clause; providing for publication in the official newspaper; and providing an effective date, with a condition provided from the Planning and Zoning Commission. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

B. Consider an Amendment to the Planned Unit Development (PUD) request by Nick Skuteris with DC Partners for Property Located at 1149, 1293, 1389, 1413, and 1449 US Hwy 87 North (22.031 acres), formerly referred to as the Seven Hills Development (Request # Z-2401)

i. Presentation by the applicant

Nick Skuteris, DC Partners, spoke about the project, its traffic impact, and its timeline. He also provided the attached PowerPoint and his company's background. He noted that the proposed hotel, retail, restaurant, and condominium development would be one of the first mixed-use projects and is an example of horizontal mixed-use where the residential rental units are separated from the commercial uses. He reviewed the site plans, the original, and the proposed changes.

ii. Staff Report

Anna Hudson, Director of Development Services, provided the project's history. She reviewed the original PUD, the proposed PUD zoning amendments and has a site plan tied to it. In the Planning and Zoning Commission public hearing, the Commission failed to make a formal vote for recommendation on March 5, 2024, and the vote to approve was denied; however, they held a Special Meeting on March 18, 2024, to take formal action. She stated that the Staff recommended approval with the following conditions:

iii. Hold a Public Hearing to receive comments for or against the request

Motion: A motion was made by Mayor Pro Tem Watson, seconded by Councilmember Briley, to go out of the Regular Meeting and into the Public Hearing at 9:59 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Brady Clossen, President of Convention and Visitor Bureau, introduced Travis James, Texas Bureau Economic.

Travis James, Texas Bureau Economic, provided the attached Impact Analysis that reflects $250,000 once the project is built out.

Rosemary Esteson spoke regarding the boutique hotel. She also spoke regarding the Planning and Zoning Commission voted.

Tim Crenwelge, resident, spoke regarding a good business practice. He also spoke regarding the look of the powerlines and the future growth of west end of Main Street.

Mike Mahoney, resident, spoke in support of Planning and Zoning Commission decision to deny. He reviewed the history of the previous project.

Barbara Heinen, resident, stated she is a fifth generation of founding family and doesn't feel this project fits Fredericksburg.

Mary Gallagher, resident, stated she feels this project is not right for Fredericksburg. She noted the Plan doesn't say anything about Fire, Police, and Dark Skies.

Mike Davis, owner of several properties on Main Street, encouraged the City Council to preserve what is important to the resident. He noted the City Council needs to decide what is best for that part of Main Street.

Kandice Duecker spoke regarding the possibilities of the project and encouraged the City Council to support this project.

Lance Eacker, resident, encouraged the City Council to support this project. He stated the west side of Main Street needs traffic flow and beautified.

Motion: A motion was made by Councilmember Klein, seconded by Mayor Pro Tem Watson, to go out of the Public Hearing and into the Regular Meeting at 10:36 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

iv. Take action on Ordinance 2024-11 amending the Zoning Ordinance of the City and establishing the Zoning District for approximately 22.031 acres, including certain lots of the Klier Subdivision, certain lots of the Carabetta Subdivision, a portion of Block III as said block is shown on the map of Fredericksburg, Texas, and environs by the German Emigration Company, and a portion of Outlot No. 582 as said Outlot is shown on the map of Fredericksburg, Texas, and environs by the German Emigration Company; establishing Planned Unit Development (PUD) Zoning for said property; providing that this Ordinance shall be cumulative of all ordinances; providing a penalty clause; providing a savings clause; providing a severability clause; providing for publication in the official newspaper; and providing an effective date.

The City Council discussed the following:

- Receiving an Impact Analysis in advance of considering projects like this
- TIRZ Economic Development dedication to the zoning
- The current PUD stays in effect if the request to amend fails

- Abandoning the PUD
- C2 zoning includes height restriction
- Allowable uses in C2 zoning
- Speculations and unconfirmed statistics
- Arc Ray Project
- Comparison between the current PUD and the proposed amendments
- 2017 Economic Impact Study and Visioning documents
- CVB Master Plan and Comp Plan
- Traffic and water impacts

Mick McKamie, City Attorney, reviewed that the vote is regarding the zoning issues and not the application request for building.

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Briley, to deny Ordinance 2024-11 amending the Zoning Ordinance of the City and establishing the Zoning District for approximately 22.031 acres, including certain lots of the Klier Subdivision, certain lots of the Carabetta Subdivision, a portion of Block III as said block is shown on the map of Fredericksburg, Texas, and environs by the German Emigration Company, and a portion of Outlot No. 582 as said Outlot is shown on the map of Fredericksburg, Texas, and environs by the German Emigration Company; establishing Planned Unit Development (PUD) Zoning for said property; providing that this Ordinance shall be cumulative of all ordinances; providing a penalty clause; providing a savings clause; providing a severability clause; providing for publication in the official newspaper; and providing an effective date. The City Council took the following roll call vote:

Councilmember Briley	aye
Councilmember Klein	aye
Mayor Hoover	aye
Mayor Pro Tem Watson	nay
Councilmember Kirchner	nay

The City Council voted three (3) for denial and two (2) opposed. The motion to deny carried.

C. Consider the adoption of the City of Fredericksburg 2024 Comprehensive Plan "Gute Stadt – Good City" (Request #Z-2402)

i. Staff Report

Anna Hudson, Director of Development Services, thanked the Advisory Committee. She reviewed the attached PowerPoint.

Nathlie Booth, Half Association, thanked everyone involved. She reviewed the Plan and the process.

Jordon Maddox, Half Association, reviewed the next steps and implemented action.

The City Council discussed the following:

- Future Land Use Map
- ADA component

ii. Hold a Public Hearing

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Kirchner, to go out of the Regular Meeting and into the Public Hearing at 11:35 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Moe Saidia, resident, spoke regarding the ADA not being included in the plan. He encouraged the City Council to include mobility in the plan.

Nathlie Booth, stated it could be added and is part of the Park Master Plan.

Motion: A motion was made by Councilmember Klein, seconded by Mayor Pro Tem Watson, to go out of the Public Hearing and into the Regular Meeting at 11:38 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

iii. Take action on Ordinance 2024-12 adopting a new Comprehensive Plan for the City, providing that the adopted Comprehensive Plan shall supersede and replace the Comprehensive Plan previously adopted on January 23, 2006; providing a severability clause; providing that this Ordinance shall be cumulative of all ordinances; providing a savings clause; providing for publication in the official newspaper; and providing an effective date.

Motion: A motion was made by Councilmember Briley, seconded by Councilmember Kirchner, to approve Ordinance 2024-12 adopting a new Comprehensive Plan for the City, providing that the adopted Comprehensive Plan shall supersede and replace the Comprehensive Plan previously adopted on January 23, 2006; providing a severability clause; providing that this Ordinance shall be cumulative of all ordinances; providing a savings clause; providing for publication in the official newspaper; and providing an effective date. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

D. Consider the approval of Resolution 2024-02R adopting the Parks Master Plan as the City of Fredericksburg's primary tool to guide the delivery of Park and Recreation Services through the year 2034; to become effective upon its passage and approval

Andrea Schmidt, Director of Parks and Recreation, thanked everyone who worked on the Master Plan. She reviewed the Executive Summary.

The City Council discussed:

- The City responsible for parks
- City and County resident use of parks
- List of 98 recommendations

Motion: A motion was made by Mayor Pro Tem Watson, seconded by Councilmember Briley, to approve Resolution 2024-02R adopting the Parks Master Plan as the City of Fredericksburg's primary tool to guide the delivery of Park and Recreation Services through the year 2034; to become effective upon its passage and approval. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

8. OTHER ACTION ITEMS AND UPDATES

A. Consider the approval of the 2024 Hotel Occupancy Tax Recipient Funding policy and

program changes

Shelley Goodwin, City Secretary, reviewed the proposed changes.

Krista Wareham, Director of Finance and Shelley Goodwin, City Secretary, both reviewed the attached PowerPoint.

The City Council requested the following changes:

- One application instead of two applications
- Remove the 20% contingency requirement in the policy

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Klein, to approve of the 2024 Hotel Occupancy Tax Recipient Funding policy and program changes. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

B. Consider the following petitions to be released from the City of Fredericksburg's Extraterritorial Jurisdiction:

i. The property is located on Windsong Lot 6 (1.08 acres)

ii. The property is located at the end of West Travis Street and along Metzger Road (42 acres)

Mick McKamie, City Attorney, reviewed the statue that allows the release of ETJ and the requirements. He recommended the City Council release properties from ETJ, He noted that once the property is released the County subdivision rules will apply to the properties.

The City Council discussed the following:

- The statue
- City services and water rates

Kris Kneese, Director of Public Works and Utilities, stated water rates are a higher rate for ETJ residents.

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Briley, to approve released from the City of Fredericksburg's Extraterritorial Jurisdiction:

i. The property is located on Windsong Lot 6 (1.08 acres)

ii. The property is located at the end of West Travis Street and along Metzger Road (42 acres)

The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

9. CITY MANAGER'S REPORT

A. City Manager's Monthly Update

Clinton Bailey, City Manager, provided the following updates:

- Development
- MGO
- Public Works
- Finance
- Police Department
- Fire Department
- City Openings

- Fredericksburg Family Friendly Hill County City (Yelp)

The City Council discussed the additional large developments coming.

10. ITEMS FOR FUTURE AGENDA

A. Review the Future Agenda spreadsheet

Clinton Bailey, City Manager, reviewed the Future Agenda spreadsheet.

11. EXECUTIVE SESSION

A. Consider and discuss the State of Texas, et al. Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in 216th District Court (551.071)

B. Consider and discuss Real Estate in the vicinity of US 290E and Old San Antonio Rd. (Section 551.072)

C. Consider and discuss the value and possible disposition of city-owned real properties located throughout the City (Section 551.072)

Motion: A motion was made by Councilmember Kirchner and a second by Mayor Pro Tem Watson to go out of Regular Session into Executive Session at 12;38 P.m. The City Council voted five (5) for it, and none (0) opposed it. The motion carried unanimously.

Motion: A motion was made by Mayor Pro Tem Watson, seconded by Councilmember Klein, to go out of the Executive Session and into the Regular Meeting at 1:00 p.m. The City Council voted five (5) for it, and none (0) opposed it. The motion carried unanimously.

11. BUSINESS ITEM

The City Council took no action after the Executive Session.

12. ADJOURN

With no other business, Mayor Hoover adjourned the Tuesday, March 19, 2024, City Council Regular Meeting at 1:00 p.m.

____
Jeryl Hoover
Mayor

____
Interim City Secretary

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Police Department
TO: Mayor & City Council Members
FROM: Braxton Roemer, Lieutenant Special Services
MEETING DATE: April 2, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consider the approval of Resolution 2024-03R for an FY2025 Law Enforcement Utility Vehicle through the Office of the Governor Criminal Justice Grant Program (Brian Vorauer, Police Chief)

PRESENTATION:

SUMMARY:
The Fredericksburg Police Department is seeking an opportunity to purchase a Law Enforcement Utility Vehicle through the Office of the Governor, Criminal Justice Grant Program, FY2025.

BACKGROUND:
The Fredericksburg Police Department lacks adequate equipment to respond effectively and safely to calls for service, pedestrian traffic, and emergency situations in the downtown area of Fredericksburg, in the large city parks that account for 330 acres of land (City of Fredericksburg Parks & Recreation), and in the region covered by the Mutual Aid Agreement with the Kerrville and Boerne Police Departments. Due to the significant increase in pedestrian traffic, parades, and festivals in the City of Fredericksburg, it is essential for our officers to be proactive in maintaining control and handling every situation with proper care and safety measures. Currently, officers have to respond to calls on foot, via bicycle, or in a large patrol unit. However, these modes are often not effective in mitigating situations that occur in large crowds, in the middle of downtown, or in off-road scenarios. The addition of a law enforcement UTV would enhance the agility of police functions during large events.

The Law Enforcement Utility Vehicle grant through the Office of the Governor will allow the police department to
purchase a street-legal law enforcement UTV that will provide additional resources to our patrol officers. This purchase will not only help to effectively address and provide police services to the citizens of Fredericksburg and its visitors, but also to the populations of Boerne and Kerrville through our Multi-Jurisdictional Agreement. Funds received through this grant would enable the Fredericksburg Police Department to better equip itself for community safety and response needs. The total cost of the requested law enforcement utility vehicle is $43,475.88. This grant program does not require a match on the part of the City as the grant will cover 100% of the cost of the vehicle. If

the City is awarded the grant, all equipment could be purchased as early as October 1, 2024 but not later than 1 year after the start of the grant.

FUNDING SOURCE: Office of the Governor, Criminal Justice Grant Program, FY2025. There is a minimum of $10,000 and a maximum of $75,000 for funding requests through this funding stream.

FINANCIAL IMPACT:
The City of Fredericksburg will not experience a financial impact due to this grant opportunity. No cash match is required for this grant.

STAFF RECOMMENDATION:
It is recommended that the Mayor and City Council approve the Resolution as written to pursue the Law Enforcement Utility Vehicle grant opportunity.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
1. Law Enforcement Utlitiy Vehicle Resolution

APPROVAL/REVIEW:

Brian Vorauer, Police Chief — Date: March 26, 2024

Krista Wareham, Director of Finance — Date: March 26, 2024

William McKamie, City Attorney — Date: March 26, 2024

Shelley Goodwin, City Secretary — Date: March 27, 2024

Clinton Bailey, City Manager — Date: March 28, 2024

RESOLUTION 2024-03R

WHEREAS, the City of Fredericksburg, Texas finds it in the best interest of the citizens of Fredericksburg, Texas that the Law Enforcement Utility Vehicle be operated for the 2025 fiscal year; and

WHEREAS, the City of Fredericksburg, Texas agrees to provide applicable matching funds for the said project as required by the Office of the Governor, Criminal Justice Grant Program grant application; and

WHEREAS, the City of Fredericksburg, Texas agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Fredericksburg, Texas assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Fredericksburg, Texas designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Fredericksburg, Texas approves submission of the grant application for the Law Enforcement Utility Vehicle to the Office of the Governor.

PASSED AND APPROVED on this the 2nd day of April, 2024.

____
Jeryl Hoover, Mayor

ATTEST:

____
Interim City Secretary

Grant Number: 5031301

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Police Department
TO: Mayor & City Council Members
FROM: Braxton Roemer, Lieutenant Special Services
MEETING DATE: April 2, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consider the approval of Resolution 2024-04R for the FY2025 Office of the Governor, Victim Assistance, First Responder Programs Grant (Wellness Program) (Brian Vorauer, Police Chief)

PRESENTATION:

SUMMARY:
The Fredericksburg Police Department is seeking an opportunity to fund a Police Officer Wellness Program through the Office of the Governor, Victim Assistance, First Responder Programs, FY2025.

BACKGROUND:
The Fredericksburg Police Department lacks an adequate Officer Wellness Program that addresses the issues police officers face every day. According to Cordico, "law enforcement has never been more challenging. Nationwide, officers overwhelmingly report job-related stress has affected their mental health-yet 90% of officers say cultural stigma creates a barrier to getting help for emotional or behavioral issues." Due to the significant demands that are put on officers in the line of duty, it is essential for our officers to have access to mental health and physical wellness resources. The addition of an Officer Wellness Program, according to the FBI Law Enforcement Bulletin, is "one of the most effective steps an agency can take to reduce the stigma [and] to offer prevention and wellness programs that encourage officers to speak out about their mental health issues."

The Police Officer Wellness Program grant through the Office of the Governor will allow the Fredericksburg Police Department to obtain an Officer Wellness Program that can reduce the stigma associated with utilizing mental health resources, provide officers with anonymous and confidential support, screen officers for potential physical health concerns, reduce officer burnout, and enhance officer well-being with relevant resources. The grant includes a PowerLine wellness program that has the capability to address topics such as sleep optimization, work-life balance, depression, addiction, and more. All these topics can be accessed and focused on through one platform that houses a multitude of tools including but not limited to a nationwide peer network, group sessions, and self-assessments. The Frontline Mobile Health platform will assess each officer physically, provide each participant with a Human Performance Assessment, and the acquired health metrics can then be utilized to further assist the officer(s) with any health concerns that may arise.
The total cost of the requested Police Officer Wellness Program is $25,200.00. This grant program

requires a 20% match on the part of the City, so the grant will fund $20,160.00 while the City would be responsible for $5,040.00. If the City is awarded the grant, all components of the program could be purchased early as October 1, 2024 but not later than 1 year after the start of the grant.

FUNDING SOURCE: Office of the Governor, Victim Assistance, First Responder Program, FY2025. There is a minimum of $10,000 but no maximum for funding requests through this funding stream.

FINANCIAL IMPACT:
20% Cash Match
$1,200.00 from GL 01-22-4070 Computer Software and Maintenance
$3,840.00 from GL 01-22-3140 Contract Professional Services
Cash Match Total= $5,040.00

STAFF RECOMMENDATION:
It is recommended that the Mayor and City Council approve the Resolution as written to pursue the Police Officer Wellness Program grant opportunity.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
1. Police Officer Wellness Program Resolution

APPROVAL/REVIEW:

Brian Vorauer, Police Chief — Date: March 15, 2024

Krista Wareham

Krista Wareham, Director of Finance — Date: March 21, 2024

William McKamie, City Attorney — Date: March 21, 2024

Shelley Goodwin, City Secretary — Date: March 26, 2024

Date: March 28, 2024

Clinton Bailey, City Manager

RESOLUTION 2024-04R

WHEREAS, the City of Fredericksburg, Texas finds it in the best interest of the citizens of Fredericksburg, Texas that the Police Officer Wellness Program be operated for the 2025 fiscal year; and

WHEREAS, the City of Fredericksburg, Texas agrees to provide applicable matching funds for the said project as required by the Office of the Governor, Victim Assistance, First Responder Programs grant application; and

WHEREAS, the City of Fredericksburg, Texas agrees that in the event of loss or misuse of the Office of the Governor funds, the City of Fredericksburg, Texas assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, the City of Fredericksburg, Texas designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Fredericksburg, Texas approves submission of the grant application for the Police Officer Wellness Program to the Office of the Governor.

PASSED AND APPROVED on this the day of April, 2024.

____
Jeryl Hoover, Mayor

ATTEST:

____
Interim City Secretary

Grant Number: 5031701

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Public Works and Utilities
TO: Mayor & City Council Members
FROM: Kris Kneese, Director of Public Works, Utilities, and Engineer
MEETING DATE: April 2, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consider the approval of Resolution 2024-05R adopting a Water Conservation Plan for the City of Fredericksburg and authorizing submission of the Plan to the Texas Commission of Environmental Quality and the Texas Water Development Board, providing for effective date and other related matters (Kris Kneese, Director of Public Works and Utilities)

PRESENTATION:

SUMMARY:
Consider approval of a resolution adopting the City of Fredericksburg Water Conservation Plan.

BACKGROUND:
The City of Fredericksburg adopts this WATER CONSERVATION PLAN in conformance with the rules governing water conservation plans as set forth by the Texas Water Code §13.146 and the Texas Water Development Board (TWDB). This plan also satisfies the requirement that public utilities providing potable water service to 3,300 or more connections generate a plan every five years.

This plan is a strategy or combination of strategies for reducing the consumption of water, reducing the loss or waste of water, improving or maintaining the efficiency in the use of water, and increasing recycling and reuse of water.

FUNDING SOURCE: Water Department Fund

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
City Staff recommends approving the resolution adopting the City's Water Conservation Plan

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COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:

1. Fredericksburg Water Conservation Plan 2024
2. Resolution - Water Conservation Plan

APPROVAL/REVIEW:

_______________________________ Date: March 25, 2024
Kris Kneese, Director of Public Works, Utilities, and Engineer

_______________________________ Date: March 26, 2024
Garret Bonn, Assistant City Manager

_______________________________ Date: March 26, 2024
Krista Wareham, Director of Finance

_______________________________ Date: March 26, 2024
William McKamie, City Attorney

_______________________________ Date: March 27, 2024
Shelley Goodwin, City Secretary

_______________________________ Date: March 28, 2024
Clinton Bailey, City Manager

Introduction
The City of Fredericksburg (the City) adopts this WATER CONSERVATION PLAN (the PLAN) in conformance with the rules governing water conservation plans as set forth by the Texas Water Code §13.146 and the Texas Water Development Board (TWDB). This PLAN also satisfies the requirement that public utilities providing potable water service to 3,300 or more connections generate a plan every five years.

This PLAN is a strategy or combination of strategies for reducing the consumption of water, reducing the loss or waste of water, improving or maintaining the efficiency in the use of water, or increasing recycling and reuse of water.

Conservation Goals

The city's annual average water use over the past 5 years has been 208 gallons per capita per day (gpcd) of the total system input; however in 2022 the gpcd was 224. The average water loss over that same time frame has been 6.9% or 14.4 gpcd; however in 2018 the water loss was 8.73% or 18 gpcd. The city's average residential gpcd over the last 5 years has been 137. With these average water loss numbers in mind, presented below are the city's five-year (2029) and ten-year (2034) goals for reducing the annual average water use and water loss.

Five (5) year conservation goals (2029)
1. Reduce the average per capita day water usage by 10% by 2029 to 188 gpcd (of total system input).
2. Reduce the water loss in the system by 2029 so that water loss is no more than 5% of delivered water or 10 gpcd.

Ten (10) year conservation goals (2034)
1. Reduce the average per capita day water usage by another 5% by 2034 to 179 gpcd (of total system input).
2. Reduce water loss in the system by 2029 so that water loss in no more than 4% of water delivered or 8 gpcd.

The full scale implementation of an ongoing public education program campaign, daily demand readings versus billable usage, increased oversight of non-metered usage (street dept and fire), use of rainwater harvesting in areas for use as irrigation, and encouraging use of landscape elements that utilize less water. The city has also replaced the water meter to full AMR. Additionally, the city has developed a water line replacement plan to upgrade older service lines in town to decrease losses due to leaking water mains, mainly on smaller diameter water mains.

Best Management Practices
The Texas Legislation continues to prioritize state water planning and conservation. TCEQ and the TWDB jointly adopted rules requiring the submission of a water conservation plan from public utilities serving 3,300 or more connections. These utilities must also make annual progress reports to the TWDB, describing how they are implementing the conservation plans. Previously, TWDB-approved water conservation plans were only required for utilities making water rights applications or receiving funding from the TWDB. The TWDB Report 362 Water Conservation Best Management Practices Guide is the reference manual for water conservation practices in this plan. The best management practices (BMPs) that the city currently uses and plans on using to meet their annual water conservation goals are as follows:

BMP Category	BMP	Fredericksburg Program	Status
System Operations	Water Audit & Loss	Third party audit of all distribution lines, meters, valves, fire hydrants pumps and other appurtenances.	3 phased program, divides City's water system into 3 parts. Phase 1 complete in FY23. Phase 2 complete in FY24. Phase 3 to be completed in FY25. The City completes an annual water loss audit each year.

Regulatory Enforcement	Conservation Ordinance Planning and Development	Revised Water Conservation Ordinance	Revised ordinance was adopted by City Council on April 7, 2014. This ordinance was amended in April 2023 when City entered Stage 4 Water Restriction.
Financial	Water Conservation Pricing	Revised Water Rates and Water Rate Structure Re-Design	New water rates and rate structure implemented. Effective date March 1, 2019.
Regulatory Enforcement	Prohibit wasting water	Water Conservation Ordinance	Revised ordinance added definition of "waste of water"
Conservation Reuse	Treated effluent	Under the City's TCEQ 210 Permit, contracts for effluent use executed for irrigation of two local golf courses, and numerous contractors for construction water.	Exploring expansion of reclaimed water system to increase percentage of reuse. The 2016 Reclaimed Water Master Plan identified a couple of additional reclaimed water projects.
System Operations	Automated meter reading	Daily readings	The City replaced the water meters with a Sensus AMI system. Customer portal allows for water monitoring, budgeting and conservation. Additionally, the system has a Meter Data Management System to enable water customers to manage water use budgets and help City personnel develop more effective enforcement processes.
System Operations	Water Infrastructure	Replacement of Aging Water Line Infrastructure	The city set up a project to replace aging water distribution infrastructure. In addition to city crews, the city has contracted with a utility contractor

			to work on the project. This was set up in 2021 and is on-going.
Rebates & Incentives Programs	Low-flow showerhead and low flow toilet replacement program	Distribution of low-flow showerheads to City water customers	The City has an annual program, known as Touch-a-Truck, to distribute water saver kits to customers and educate customers.
Conservation and Analysis Planning	Rainwater Harvesting	Currently recommended by home and commercial customers	On going
Conservation and Analysis Planning	Water survey for single-family and multi-family customers	Currently completed by home owner.	On going
Education and Public Awareness	Public Information	Dissemination of material via utility bills, City website, social media, local newspaper and local radio	City Staff presents water information/data in public meetings, newspaper interviews, farmers market, and social media.
Education and Public Awareness	School Education	Logo contest	Future ideas
Education and Public Awareness	Partnerships with nonprofit organizations	Take advantage of opportunities as they present themselves	City Staff has worked with Underground Water Conservation District, as well as no profit organizations.

Source Supply Metering Devices
The city meters all of it supply wells and takes daily and weekly readings on all of the wells depending on demand trends. The city has the meters calibrate at least once a year to ensure accurate flow monitoring. Additionally, the City replaced all customer meters with Sensus ultrasonic meters to ensure accurate reads at the end points in the distribution system.

Metering
The water system is equipped with automated meter readers (AMR). These readings are recorded during the last week of the month for billing. All connections are metered. Additionally, the Sensus meters provide hourly water consumption reads for water customer leak detection.

Control of Unaccounted Water
The City has begun monitoring of water system usage versus pumping to identify potential water loss activities and locations. With the new AMR meters, usage and pumping can be monitored more accurately to identify both large and small discrepancies within the system. Additional data will be collected for city use (water trucks, fire dept) to account for unmetered usage to reduce water loss.

Repair Program

The City has identified the oldest segments of its water distribution system and has developed a priority system for replacement of existing mains to prevent future maintenance and leaks. This program has been included in the City's 5-year Capital Improvement Plan (CIP). Visual inspections of the distribution system are performed on a routine basis for the identification of possible leaks. When leaks occur, accurate measurements of the amount of water will be recorded to include in the loss reports.

Phased Leak Detection Program
The city hired a leak detection company to survey the water distribution system looking for water leaks over a three year cycle. This program has identified small leaks continuous leaks in the water distribution system.

Public Outreach
City Officials and Staff present information and data at public meetings. Updates are given at regular City Council meetings, townhall meetings, known as coffee with City Manager. City Staff has staffed booths at water conservation events, included the local farmer's market. Additionally, City Council passed a resolution in October 2023 to support and direct the innovative "One Water" Strategies.

Coordination with Regional Water Planning Group
In 1997, the State Legislature, through Senate Bill I, determined that a Texas State Water Plan for 2000-2050 timeframe be prepared through a system of regional water planning groups. In implementing this plan, the TWDB divided the state into 16 planning areas and appointed representational Regional Water Planning Groups (RWPG). These groups have guided the development of each region's plan. The City is located in RWPG K. The planning effort is part of a planning effort to include local concerns in the statewide planning effort and will be a part of the model which guides the development of the State Water Plan.

Realizing that water resource planning and oversight in Texas is a common responsibility of local utilities and their counterparts throughout the region, the City will provide a copy of this plan to the regional planning group, as well as other affected agencies, including the TWDB and the Hill Country Underground Water District (HCUWD).

RESOLUTION NO: - 2024-05R

A RESOLUTION OF THE CITY COUNCIL OF FREDERICKSBURG, TEXAS, ADOPTING A WATER CONSERVATION PLAN FOR THE CITY OF FREDERICKSBURG, TEXAS AND AUTHORIZING SUBMISSION OF THE PLAN TO THE TEXAS COMMISSION OF ENVIRONMENTAL QUALITY AND THE TEXAS WATER DEVELOPMENT BOARD; PROVIDING FOR EFFECTIVE DATE AND OTHER RELATED MATTERS.

WHEREAS, the City of Fredericksburg operates a public water supply system have more than 6,600 customer connections, and

WHEREAS, state law requires all cities having at least 3,300 water connections to submit a Water Conservation Plan to the Texas Commission of Environmental Quality and the Texas Water Development Board:

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

SECTION 1: The attached Water Conservation Plan for the City of Fredericksburg is hereby adopted. The Director of Public Works and Utilities is authorized and directed to submit the plan to TCEQ and the TWDB and to such other agencies as may be required by law.

SECTION 2: The Water Conservation Plan and appropriate ordinances providing for enforcement shall be reviewed, updated, and amended from time to time as appropriate to take into account changes in laws, regulations, or other conditions.

SECTION 3: This resolution shall be immediately effective upon adoption.

PASSED AND APPROVED this the _______ day of April, 2024.

____
Jeryl Hoover, Mayor

ATTEST:

____
Interim City Secretary

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Public Works and Utilities
TO: Mayor & City Council Members
FROM: Kris Kneese, Director of Public Works, Utilities, and Engineer
MEETING DATE: April 2, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consider a presentation and discussion on the 2024 Water Supply and Future Weather Outlook (Kris Kneese, Director of Public Works and Utilities).

PRESENTATION:

SUMMARY:
This agenda item will include a joint presentation and discussion by City Staff and Hill Country Underground Water Conservation District Manager Paul Tybor regarding the City of Fredericksburg Water Supply and Future Weather Outlook.

BACKGROUND:
City Staff will give a presentation on the status of the City of Fredericksburg water supply and water conservation measures. Paul Tybor will give a presentation regarding long term water demands and short and long term weather forecasts for the Gillespie County area. A copy of the presentation will be provided to the Mayor and City Council prior to the meeting.

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
Consider the presentation and have discussion regarding the City of Fredericksburg water supply.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Government Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

Kris Kneese, Director of Public Works, Utilities, and Engineer

Date: March 25, 2024

Garret Bonn, Assistant City Manager

Date: March 26, 2024

Krista Wareham, Director of Finance

Date: March 26, 2024

William McKamie, City Attorney

Date: March 26, 2024

Shelley Goodwin, City Secretary

Date: March 27, 2024

Clinton Bailey, City Manager

Date: March 28, 2024

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Secretary
TO: Mayor & City Council Members
FROM: Garret Bonn, Assistant City Manager
MEETING DATE: April 2, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consider the approval of a contract with the Fredericksburg Chamber of Commerce to run the Fredericksburg Food and Wine Fest (Garret Bonn, Assistant City Manager)

PRESENTATION:

SUMMARY:
This item is for the consideration and approval of a contract with the Fredericksburg Chamber of Commerce relating to the Fredericksburg Food and Wine Fest.

BACKGROUND: In the late 1980's, there was one winery and vineyard in Gillespie County, owned by Bob Oberhellman (Bell Mountain Winery). In an effort by Mr. Oberhellman to promote only Texas Wine, the Fredericksburg Food & Wine Fest event was created. When Mr. Oberhellman approached the City of Fredericksburg, the Market Square Redevelopment Commission had already been formed and adopted the "Food and Wine Fest" event concept as an annual fundraiser for improvements to Market Square. Their mission was and still is to only showcase Texas wine, Texas food products, Texas music. The sole purpose of the Fest is to promote everything Texas. The first Food and Wine Fest event was held in 1991.

The Food and Wine Fest event was established with the following goals and objectives:

- Bring area residents together to get involved, participate and volunteer
- Establish, develop, and actively maintain a website, media promotions and social media
- Create three special events and engage wineries to host the Thursday and Friday night events
- Expose and introduce all attendees to everything Texas
- Bring new visitors to the area to enjoy the Fest and explore Fredericksburg
- Stimulate the area's economy with shopping experiences and dining Increase the number of festival attendees from year to year
- Work to gain partnerships, create goals and a committee
- Maintain a positive relationship with sponsors
- Foster a relationship with local entities such the Fredericksburg Convention and Visitor Bureau

In order to meet these goals, the Food and Wine Fest strives to design and deliver an event that reflects the event's mission to showcase Texas wineries, Texas Specialty Booths and Texas music and to maintain event operations to enhance the festival attendees' experience and those who are participating as a part of the event.

Over the past four to five years, the City Council has discussed enhancing the Food and Wine Fest event. During a recent Council meeting, the decision was made to allow the Chamber of Commerce to run the event and a steering committee was formed to provide direction.

FUNDING SOURCE: HOT Funds

FINANCIAL IMPACT:
TBD

STAFF RECOMMENDATION:
City staff recommends approval of the contract, as prepared by the City Attorney.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Family Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

Krista Wareham

Date: March 27, 2024

Krista Wareham, Director of Finance

Date: March 27, 2024

William McKamie, City Attorney

Date: March 27, 2024

Shelley Goodwin, City Secretary

Date: March 28, 2024

Clinton Bailey, City Manager

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Development Services
TO: Mayor & City Council Members
FROM: Anna Hudson, Director of Development Services
MEETING DATE: April 2, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consider the appeal of the denial of a Short-Term Rental-Unocuppied Permit Application requested by Travis and Quynn Dusek for the property located at 708 Whitney Street (Anna Hudson, Director of Development Services)

PRESENTATION:

SUMMARY:
The 2024 Short Term Rental Ordinance requires appeals of denials of new or renewing Short Term Rental permit applications to be reviewed by City Council.
STR Permits must be posted on-site and show both the date issued and expiration date. Since 2018, STR permits have expired after a year and must be renewed.
Hotel Occupancy Taxes are to be collected by the operator and remitted to the City (7%) and State (6%) separately.

BACKGROUND:
The house is located in an R1 neighborhood at 708 Whitney Street. Since 2022, new STR-unoccupied in R1 have not been allowed. The current owners purchased the home in June of 2021 and received an STR permit. The STR permit expired in June of 2022.The changes in the STR ordinance now require all renewals to receive an inspection. The 2024 renewal process identified the property as having an expired permit that is now ineligible for a new permit in R1. Hotel Occupancy was not remitted for 2022 and part of 2023. Once staff made the owner aware, they paid all back H.O.T and are now current.

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision

Family Life Vision
Quality of Life Vision

ATTACHMENTS:

1. 708 Whitney STR Permit Timeline and Statement
2. 708 Whitney zoning map and VRBO info

APPROVAL/REVIEW:

Anna Hudson, Director of Development Services — Date: March 26, 2024

Garret Bonn, Assistant City Manager — Date: March 26, 2024

Krista Wareham, Director of Finance — Date: March 26, 2024

William McKamie, City Attorney — Date: March 26, 2024

Shelley Goodwin, City Secretary — Date: March 27, 2024

Clinton Bailey, City Manager — Date: March 28, 2024

March 3, 2024

Lykke House Expired STR Permit Appeal

BACKGROUND

We are Quynn and Travis Dusek. We purchased an existing STR in June 2021 from a family named the Crosses, who subdivided the land and reside in the now adjacent property. It is our first STR and we want to do it right. Since we were working remotely, we lived and worked out of the property a couple days a week, cleaned it, and rented it on the weekend. We wanted to get a feel of the city and appreciate a home we purchased with the hopes of moving into it full time someday.

In 2022, Quynn's mother was diagnosed with early onset Dementia, and we made the difficult decision to uproot our lives and move back to her hometown in Washington to help with the growing needs that this terrible disease creates. Because of this chaos, we onboarded Racen Property Management to give us assistance with the day-to-day operations, and cleaning of the STR. It was during this transition that our STR permit lapsed without our knowledge.

In June 2023, we received a Hotel Occupancy Tax Form at our new address. This was the first one we had seen, so we reached out to City of Fredericksburg to pay it. We, like other STR owners, assumed that the AirBnB platform was collecting and paying this tax as it does with other taxes. At this point, we began to pay HOT taxes regularly, and assumed that this was connected to our permit. There was no notification of a lapse in the permit when we were paying, nor that we had an outstanding balance. As of writing this letter, we are current on HOT and have back paid the missing year's balance.

We have compiled a timeline of our communications with the City to show our intentions of being good STR owners.

TIMELINE

- June 6, 2021 – Purchased home and received STR permit.
- June 17, 2021 – Email with Shelby Collier regarding home rename. Address and new name provided and accepted.
- June 27, 2022 – Permit expired.
- June 5, 2023 – Emailing with Gillespie County on Property Rendition and name change – provided as a reference for receiving a change of property name.
- June 12, 2023 – Received our first HOT form via mail. Reached out to Darren Eckhardt with issues using online portal to pay HOT for 1Q23. Paid taxes same day. Still were not notified of a lapsed permit.
- February 2, 2024 – Received notice from our management company that an inspection is required and was provided the STR Life Safety Inspection Checklist. This was forwarded from Quynn to Travis asking if we knew we needed to get inspected.
- February 13, 2024 – Quynn sent an unprompted email to Jan Musgrove asking for help and clarification on STR permitting and fees. She asks if permits are yearly here.
- February 14, 2024 – Attempt to sign into MGO with issues locating home with permit number. Unaware permit number expired.
- February 21, 2024 – Received notice from Darren Eckhardt that HOT payment has not been received from 2022 and 4Q23. We sent 4Q23 HOT on 2-13-24, confirmed received on 2-26-24.
- February 21, 2024 – Received response email from Shelby regarding questions on permits and fees from the 13th. <u>At this point, we learned our STR permit had expired.</u>
- February 26, 2024 – Outstanding HOT payments from 2022 received and paid. Payment processed and received all taxes paid email on 3-1-2024.

SUMMARY AND REQUEST

Clearly, from the February 13th email, there was a disconnect between our understanding and how the permit and taxes were linked together. From the chaos in moving cross country, we did not look closer at the Permit on display at Lykke House and did not realize permits were contracted yearly. We received our first letter in the mail regarding HOT taxes at the beginning of June 2023 and have been actively paying since. When we were not able to pay online, we reached out to the City of Fredericksburg to fix our mistakes and remit for the year we missed.

This year, City of Fredericksburg has improved their website, provided STR owners with a step-by-step guideline of requirements, and have a new HOT remittance through MGO. They have made it seamless and error proof. If this was provided when we first purchased, there would have been no lapse in payment or permit. We are hoping for the same opportunity as others who are starting out, to utilize the provided data and ensure a properly run STRIn the case that we owned several STRs, I'm sure we would have a more professional understanding. However, we are a husband and wife taking on a passion project which we care deeply about.

Our BnB runs at an average annual operating loss of -$25,000 to -$30,000. This is no concern of the city or other parties involved, but is shared here to convey our passion for, and commitment to, this STR of ours. We consider ourselves still part of this community, championing it in every conversation and finding excuses to visit. We truly care about the property and the guests. If the city will work with us, we wish to continue running our STR, and remain a part of this community.

We hope that the provided timeline and summary shows we were operating with good intentions. It this has been a learning curve for us, and as we learn about our mistakes, we act quickly to correct them. We are requesting that our non-conforming Short Term Rental Permit be reinstated.

X

Quynn Dusek

X

Travis Dusek

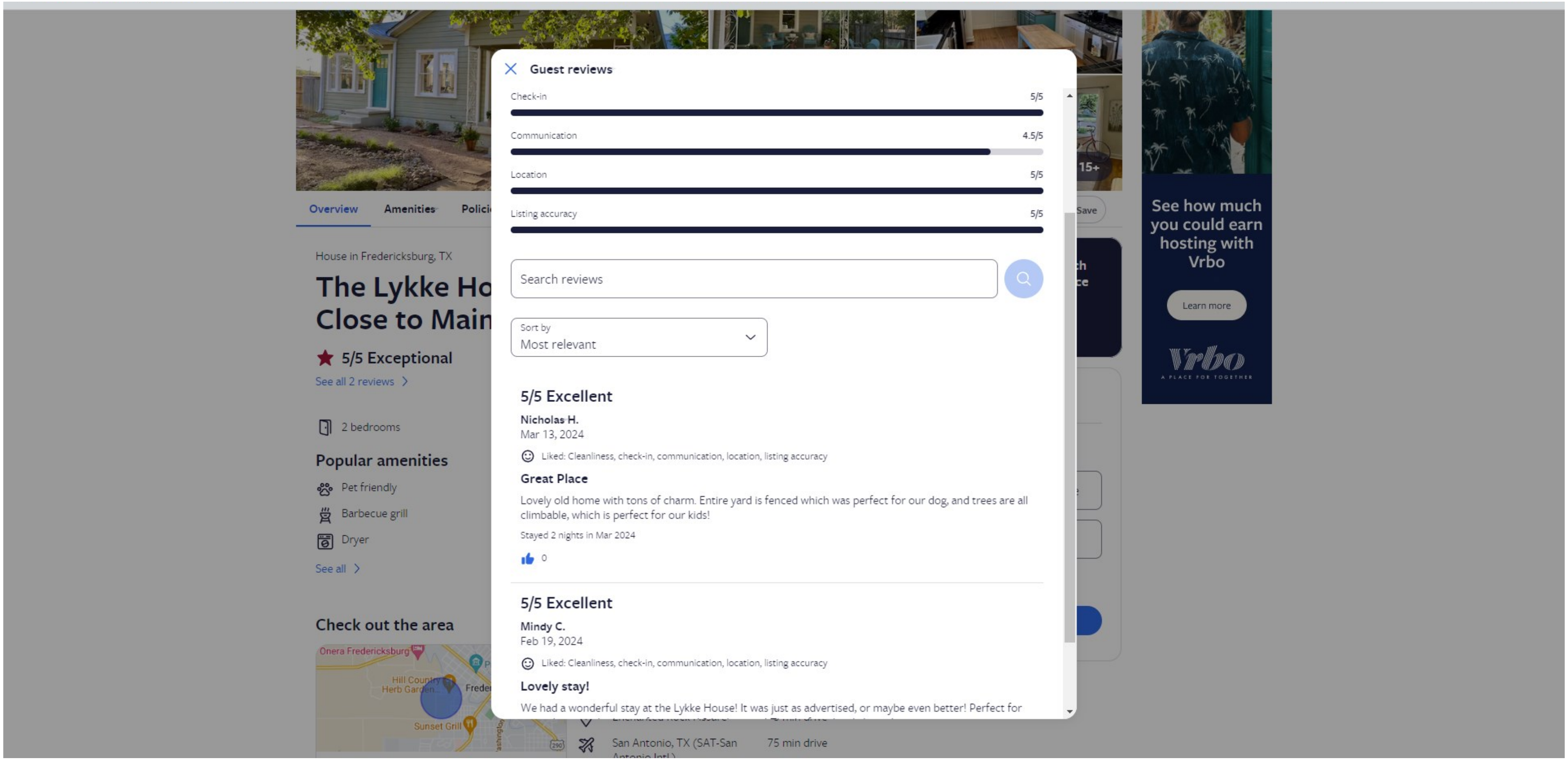
X

Notary

JOSHUA J PRICE
COMM. EXP. 09/17/2026
NOTARY
PUBLIC
COMM. NO. 115886
STATE OF WASHINGTON


Zoning Map
Fredericksburg TX
708 whitney
Show search results for 708 whitney
Legend
Historic District
Zoning
City Limit Boundary
Zoning
ZONED
C1 - Neighborhood Commercial
C1.5 - Medium Commercial
C2 - Commercial
CBD - Central Business District
M1 - Light Manufacturing
M2 - Medium Manufacturing
M3 - Industrial Park
OS - Open Space
PF - Public Facilities
PUD - Planned Unit Development
R1 - Single Family Residential
R1A - Single Family Residential - Small Lot
R2 - Mixed Residential
R3 - Multi-Family Residential
R4 - Manufactured Home Residential
R5 - Patio Home Residential
1-Mile ETJ Boundary
GCAD Parcels
GCAD Parcels
FULTON ST
WHITNEY ST
WINFRED ST
POST OAK RD
MOCKINGBIRD ST
BLUEBIRD ST
S EDISON ST
COTTONWOOD ST
Winfried Creek

708 Whitney


Guest reviews
Check-in 5/5
Communication 4.5/5
Location 5/5
Listing accuracy 5/5
Search reviews
Sort by
Most relevant
5/5 Excellent
Nicholas H.
Mar 13, 2024
Liked: Cleanliness, check-in, communication, location, listing accuracy
Great Place
Lovely old home with tons of charm. Entire yard is fenced which was perfect for our dog, and trees are all climbable, which is perfect for our kids!
Stayed 2 nights in Mar 2024
0
5/5 Excellent
Mindy C.
Feb 19, 2024
Liked: Cleanliness, check-in, communication, location, listing accuracy
Lovely stay!
We had a wonderful stay at the Lykke House! It was just as advertised, or maybe even better! Perfect for
Overview
Amenities
House in Fredericksburg, TX
The Lykke Ho
Close to Main
5/5 Exceptional
See all 2 reviews
2 bedrooms
Popular amenities
Pet friendly
Barbecue grill
Dryer
See all
Check out the area
San Antonio, TX (SAT-San
75 min drive
15+
Save
See how much you could earn hosting with Vrbo
Learn more
Vrbo

← See all properties

Save

Overview Amenities Policies Location Host

House in Fredericksburg, TX

The Lykke House - Peaceful Retreat Close to Main! Sleeps 6

★ 5/5 Exceptional

See all 2 reviews >

2 bedrooms | 2 bathrooms | Sleeps 6

Popular amenities

- Pet friendly
- Kitchen
- Barbecue grill
- Washer
- Dryer
- Air conditioning

See all >

$350 avg per night

Add dates for total pricing

Start da... | End date

Travelers
2 travelers

Price details

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Development Services
TO: Mayor & City Council Members
FROM: Anna Hudson, Director of Development Services
MEETING DATE: April 2, 2024
CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consider the appeal of a denial of a Short-Term Rental-Unoccupied Permit Application requested by Paul and Carrie Wikander for the property located at 1005 S. Adams (Anna Hudson, Director of Development Services)

PRESENTATION:

SUMMARY:
The 2024 Short Term Rental Ordinance requires appeals of denials of new or renewing Short Term Rental permit applications to be reviewed by City Council.
STR Permits must be posted on-site and show both the date issued and expiration date.
Since 2018 STR permits have expired after a year and must be renewed.
Hotel Occupancy Taxes are to be collected by the operator and remitted to the City (7%) and State (6%) separately.

BACKGROUND:
The new STR Ordinance went into effect on January 1, 2024, and STR Unoccupied is no longer an allowed use in R2 zoning. 1005 S. Adams has R2 zoning and applied to renew an STR Unoccupied permit after the 2024 Ordinance went into effect. The STR permit was last renewed in 2022. The owner has remained current with H.O.T and has no history of code violations for the property.

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:

1. STR Denial Appeal for 1005 S Adams
2. 1005 S Adams and VRBO info

APPROVAL/REVIEW:

Date: March 26, 2024

Anna Hudson, Director of Development Services

Date: March 26, 2024

Garret Bonn, Assistant City Manager

Date: March 26, 2024

Krista Wareham, Director of Finance

Date: March 26, 2024

William McKamie, City Attorney

Date: March 27, 2024

Shelley Goodwin, City Secretary

Date: March 28, 2024

Clinton Bailey, City Manager

Paul Christian and Carrie Ottmers Wikander DBA PCJW LLC
1069 Ottmers Road
Fredericksburg, Texas 748624

To: Fredericksburg City Council

Subject: Mod Haus 1005 South Adams Street Short Term Rental

Dear Council Members:

My wife and I purchased the property at 1005 South Adams in 2015 and after renovating the interior, adding a pool and fencing, and passing all the required city inspections, began operating the home as a short term rental in June, 2016. The R2 zoning location, less than one mile from Marktplatz and Main street, and across busy South Adams Street from a mini market, gas station, multiple restaurants as well as Hill Country Memorial Hospital, makes it ideal for use as a short term rental. The home, originally built in 1960 (hence "Mod Haus") has six bedrooms, four baths and being located on three acres, is not close to other homes and has plenty of off street parking.

It has always been our intent to abide by all rules and regulations, paying hotel taxes from the start as required, to date totaling nearly $95,000.00, and registering as a STR in 2021 and renewing in 2022, passing inspections both times. We have good relations with the neighbors and to our knowledge none have complained. We pay our bills and fees as we get them, and, having never received a STR renewal notice, did not renew in 2023.

We take pride in living in Fredericksburg (Carrie is fifth generation), and we plan to spend our remaining years here. Mod Haus is our primary source of income and as a "not really retired" senior I spend many hours a week there doing maintenance.

We respectfully request the council to reinstate our STR permit.

Sincerely,

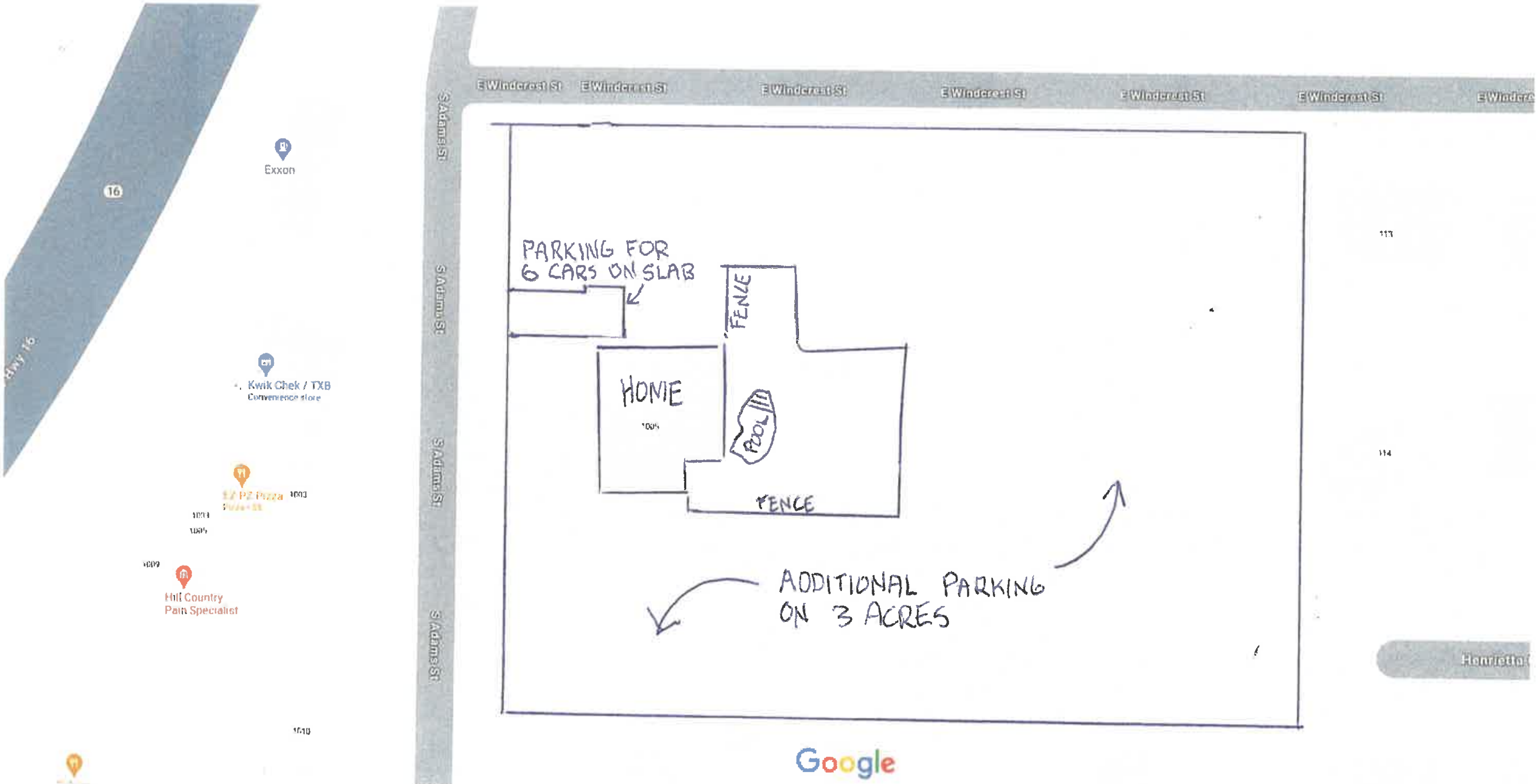
Paul C. Wikander

State of TX County of Gillespie
Subscribed and sworn to (or affirmed) before me on this 28th day of Feb, 2024 by Jonathan Melendez proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.
Notary Signature

JONATHAN MELENDEZ
Notary Public, State of Texas
Comm. Expires 01-16-2028
Notary ID 134716413

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

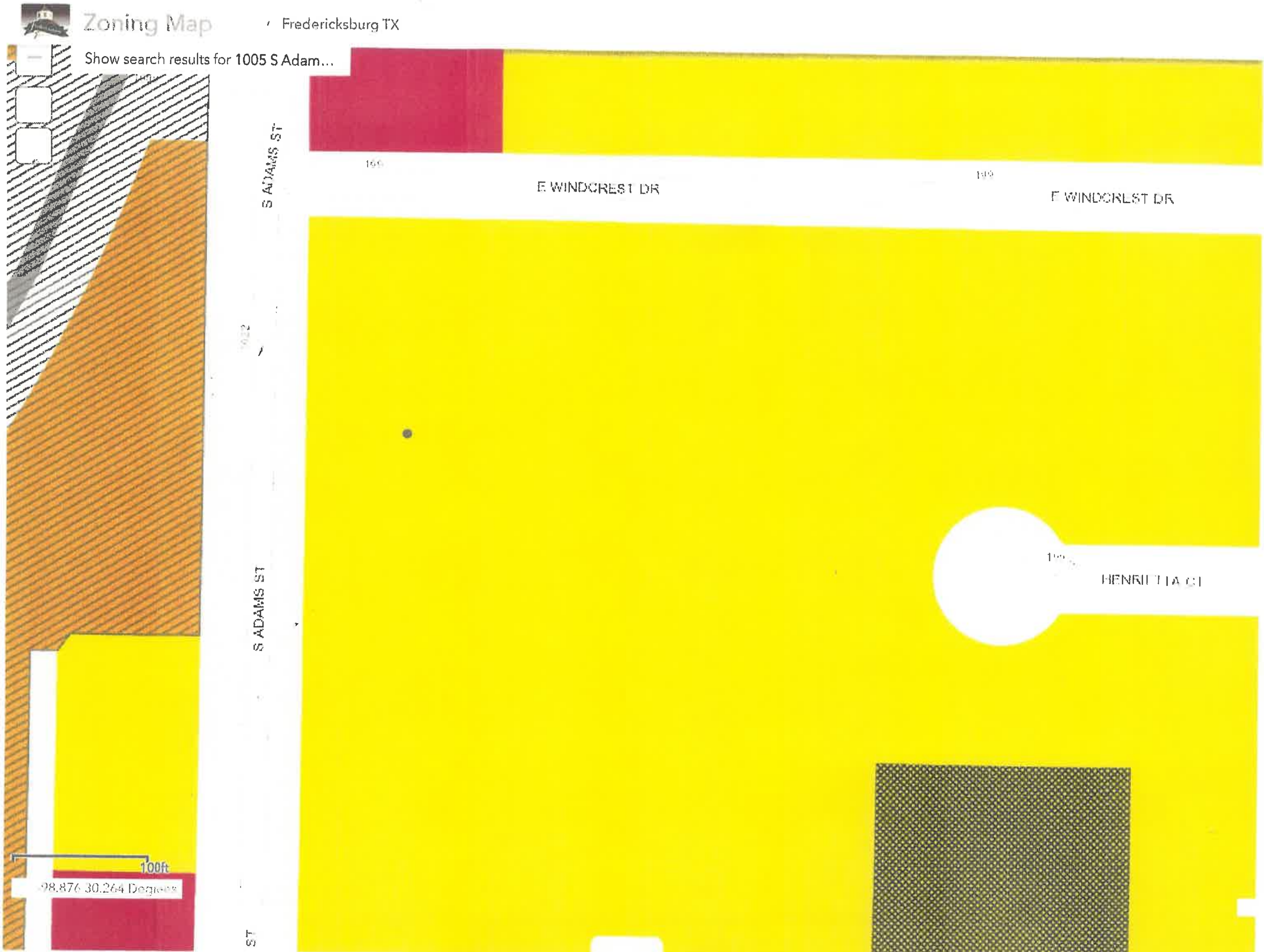
Google Maps

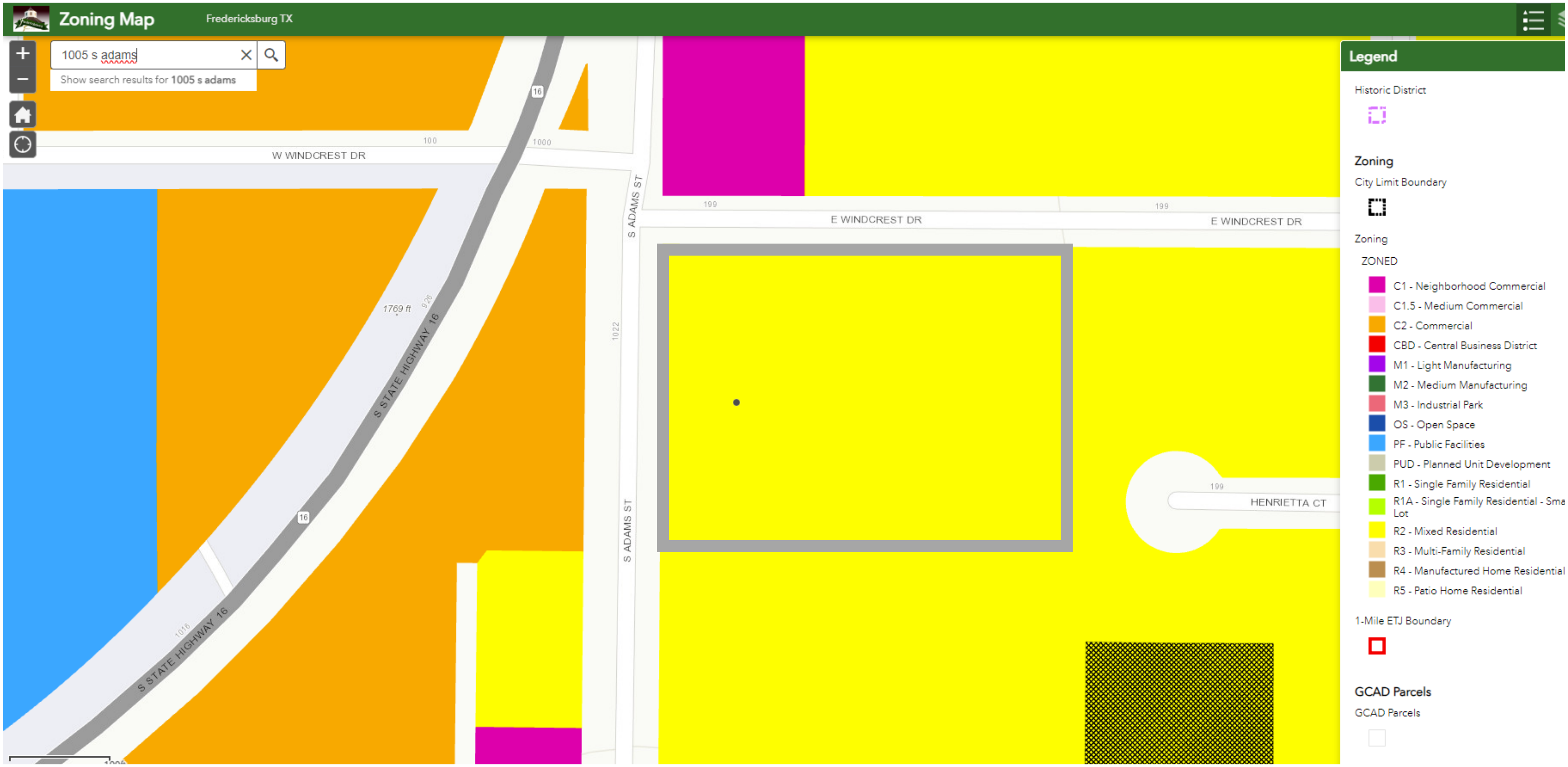


Map data ©2024 Google 20 ft

Google Maps

Imagery ©2024 Airbus, Map data ©2024 Google 20 ft


Zoning Map
Fredericksburg TX
Show search results for 1005 S Adam...
S ADAMS ST
E WINDCREST DR
E WINDCREST DR
HENRIETTA CT
S ADAMS ST
100ft
-98.876 30.264 Degrees


Zoning Map
Fredericksburg TX
1005 s adams
Show search results for 1005 s adams
W WINDCREST DR
E WINDCREST DR
E WINDCREST DR
S ADAMS ST
S ADAMS ST
S STATE HIGHWAY 16
S STATE HIGHWAY 16
HENRIETTA CT
1769 ft
Legend
Historic District
Zoning
City Limit Boundary
Zoning
ZONED
C1 - Neighborhood Commercial
C1.5 - Medium Commercial
C2 - Commercial
CBD - Central Business District
M1 - Light Manufacturing
M2 - Medium Manufacturing
M3 - Industrial Park
OS - Open Space
PF - Public Facilities
PUD - Planned Unit Development
R1 - Single Family Residential
R1A - Single Family Residential - Sma
Lot
R2 - Mixed Residential
R3 - Multi-Family Residential
R4 - Manufactured Home Residential
R5 - Patio Home Residential
1-Mile ETJ Boundary
GCAD Parcels
GCAD Parcels

1005 S Adams

Overview Amenities Policies Location Host

Save Check availability

Guest reviews

Check-in 5/5

Communication 4.9/5

Location 4.8/5

Listing accuracy 4.9/5

Search reviews

Sort by
Most relevant

5/5 Excellent

Rachel F.
Feb 26, 2024

Liked: Cleanliness, check-in, communication, location, listing accuracy

Beautiful House

My 10 girlies and I came and stayed for my bachelorette trip and had an amazing time. The house was bigger than it looked in the photos, and there was plenty of room for everyone.

Stayed 2 nights in Feb 2024

0

5/5 Excellent

Omar T.
Jan 14, 2024

Liked: Cleanliness, check-in, communication, location, listing accuracy

Great stay!

We had a blast at the Mod Haus!

Frequently asked questions

4.9 Exceptional
172 reviews

Reviews are presented in chronological or
moderation process, and verified unless ot

Learn more

5 - Excellent

4 - Good

3 - Okay

2 - Poor

1 - Terrible

4.7/5 Cleanliness

5/5 Check-in

4.9/5

4.8/5

Stayed 4 nights in Dec 2023

0

Vrbo

Get the app | United States | Trip Boards | List your property | Help | My trips | Sign in

← See all properties

Save

Overview | Amenities | Policies | Location | Host

House in Fredericksburg, TX

Mod House - Mid Century Modern Fredericksburg Getaway

★ 4.9/5 Exceptional

See all 172 reviews >

6 bedrooms

4 bathrooms

Sleeps 14

2900 sq ft

Popular amenities

Pool

Fireplace

Kitchen

Barbecue grill

Washer

Dryer

Earn OneKeyCash each time you stay at a place that feels like home

Sign in

$810 avg per night

Add dates for total pricing

Start da...

End date

Travelers

2 travelers

Price details

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Finance Department
TO: Mayor & City Council Members
FROM: Krista Wareham, Director of Finance
MEETING DATE: April 2, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consider the approval of the Strategic Procurement Policy and Procedures, April 2024 Edition (Krista Wareham, Director of Finance)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends approval of the Strategic Procurment Policies and Procedures, April 2024 edition.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
1. Strategic Procurement Policy Manual 4.2.2024

APPROVAL/REVIEW:

Date: March 26, 2024

____
David Kellam, Senior City Accountant

Krista Wareham, Director of Finance

Date: March 26, 2024

Krista Wareham, Director of Finance

Date: March 26, 2024

William McKamie, City Attorney

Date: March 26, 2024

Shelley Goodwin, City Secretary

Date: March 26, 2024

Clinton Bailey, City Manager

Date: March 28, 2024

STRATEGIC PROCUREMENT POLICY MANUAL

APRIL 2ND, 2024 Edition

TABLE OF CONTENTS

INTRODUCTION

Welcome to the Strategic Procurement Policy and Procedures Manual for the City of Fredericksburg. This manual was written to establish uniform policies and procedures for obtaining goods and services that are consistent with legally mandated purchasing requirements under State and Federal law. The application of a comprehensive procurement policy across City Departments is critical to ensure that our citizens' funds are expended in a responsible and legal manner by all City of Fredericksburg personnel, officials and stakeholders.

The goal of this manual is to ensure equal access for all through competitive processes for the acquisition of goods and services for all vendors, including HUBS; ensure compliance with state, local, and federal laws applicable to procurement; provide an ongoing supply of quality goods and services to all City offices; and enforce responsible spending of public funds; and protect the interests of the City of Fredericksburg and the community it serves.

I. GENERAL STATEMENT OF POLICY

It is the policy of the City of Fredericksburg that all procurement shall be conducted strictly on the basis of economic and business merit to best promote the interest of the citizens of Fredericksburg, Texas. The City of Fredericksburg encourages free and unrestricted competition on all acquisitions, ensuring the taxpayers best possible return on each dollar. All contracts and purchases shall be handled in accordance with state and federal laws to obtain the lowest price, best value and/or most qualified for the City as applicable under law. Invitation for bids, request for proposals, requests for qualifications, requests for quotes and the like shall be solicited in accordance with all state and federal laws and this policy.

The Procurement Division of the Finance Department has been established to assist municipal officials, personnel and stakeholders to procure necessary goods and services. It shall be the policy of the City of Fredericksburg, Texas to fully comply in all aspects with the laws, policy and procedures contained herein.

II. PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES

A. AUTHORITY

Texas Local Government Code (TLGC) §252 outlines the competitive bidding requirements and the exceptions to competitive bidding. It also provides that certain municipal charter provisions prevail over the statute. It covers areas such as awarding bids, time warrants, changes to plans and specifications, alternative competitive bidding for goods and services, and criminal penalties for violation of the chapter.

As with the afore mentioned code, *Texas Local Government Code (TLGC) §271, Subchapter H*, outlines competitive bidding requirements, and exceptions to competitive bidding. It also regulates the alternative delivery methods for certain projects. When entering into a contract for the construction of a facility or public work, the City may use alternative methods that provide best value for the City. However, the City must first determine the method that provides best value prior to advertising a solicitation.

III. PURCHASE METHODS

A. PURCHASE ORDERS (PO)

Purchase Order is a document that authorizes a purchase transaction. When accepted by the seller, it becomes a contract binding on both parties. A Purchase Order contains descriptions, quantities, prices, discounts, payment terms, date of performance or shipment, other associated terms and conditions, and identifies a specific seller.

B. VENDOR CHARGE ACCOUNT

Expenses may be billed through an Account set up with the vendor by Accounts Payable. Payment will not be made until the Department Head or Director confirms goods have been received or services have been performed. Unless otherwise specified on the invoice or statement, invoices are paid within 30 days of the invoice or statement date.

C. PURCHASE CARD PROGRAM (P-CARDS)
A City issued purchase card (P-card) through JP Morgan Chase Bank is an approved payment method for all non-contracted purchases $4,999.99 or less. It is a low cost, fast payment method to vendors and accommodates the City's participation in a rebate program. All City procurement policies requirements apply. The Purchase Card Program Policy is addressed in a section further down in this manual.

IV. PURCHASE AMOUNTS AND APPROVALS

A. BUDGETING
A sufficient and unencumbered, appropriated balance must be available to pay for supplies, materials, equipment, or contractual services for all transactions.

B. AUTHORITY
The City Manager is generally authorized to approve expenditures of not more than $50,000.

C. DETERMINE PRICE THRESHOLD
The lowest responsive bid/quote the department intends to use for purchase determines which price threshold regulations apply. If the department starts the process and the lowest responsive bid is $50,000 or more, the quotes must be disregarded, and the Procurement Division must be contacted to begin the appropriate process.

D. INTERLOCAL COOPERATION CONTRACTS
Municipalities may utilize *Interlocal Cooperation Contracts* under *Texas Local Government Code §271.102* and *§271.103* in lieu of seeking competitive bids.

E. OPEN MARKET PURCHASES
1. At times, the purchase of goods or services may be most effective in the open market. The City may use the open market purchase procedure and the purchase may be made without advertising for goods or services if the amount is estimated at less than $50,000.
2. As feasible and practical, open market purchases will be based on (3) three competitive bids unless otherwise specified in this policy. The bidder offering the best value for the City will be awarded. *Texas Government Code §2155*, *§2156*, *§2157* and *§2158*
3. Municipalities may contact vendors directly for quotes for goods, equipment, software and services.
4. Purchases estimated at $50,000 or more must follow competitive bidding requirements as set forth in *Texas Local Government Code §252.021.*

F. PURCHASES LESS THAN $50,000.00
1. One quote is permissible for expenses less than $5,000 as long as the best value for the City is taken into consideration.
2. As feasible and practical, three (3) or more quotes/bids are required for expenses of $5,000 or more.
3. Purchase requisitions and purchase orders are <u>not</u> required for purchases less than $10,000.
4. Purchase requisitions and purchase orders <u>are</u> required for purchases of $10,000 or more. See diagram Appendix A.
5. A purchase order must be issued prior to authorizing the vendor to order goods or begin a project or service.
6. A purchase order is <u>not</u> required for existing subscription services that renew on an annual basis or renew at the end of a term longer than one year.

Note: A purchase order should've been obtained in the first year of the term to implement the new subscription service.

7. Quotes may not be expired or older than 30 days, whichever comes first.
8. Purchases may be made by Department Heads or their designees without further approval of the Finance Department.
9. Quotes/bids will be received in writing from the vendor by mail, E-mail or fax. Verbal quotes will not be accepted.
10. Municipalities may use vendors that participate in *Interlocal Cooperation Contracts* under *Texas Local Government Code §271.102* and *§271.103* (aka: purchasing cooperatives). Municipalities may obtain one (1) quote/bid from a participating vendor in lieu of seeking three (3) or more quotes/bids from a non-participating vendor.

G. PURCHASES OF $50,000 OR MORE

1. *Texas Local Government Code* §*252.021* provides that all purchases and contracts estimated at greater than $50,000 require advertising which requests sealed bids or proposals. The Department or Procurement Division is responsible for the advertisement and distribution of the requests for bids or proposals. Criminal penalties may apply to those who fail to comply with competitive bidding requirements as set forth in *Texas Government Code §252.062.*
   a. Solicitations must be advertised for a minimum of two weeks.
   b. At minimum, solicitations must be advertised:
      - in the local newspaper, and
      - on the City website

      Texas Government Code §2269.052

   c. Solicitations may be advertised through other outlets such as:
      - newspaper outlets in other cities (e.g. Austin, Boerne, Kerrville, Llano, San Antonio, etc),
      - web outlets like Bid Net Direct, or TX Smart Buy, and
      - sending the solicitation to potential vendors directly.
2. Departments will collaborate with the Procurement Division concerning purchases of $50,000 or more.
3. Only City Council has the authority to approve and award bids, proposals and contracts that exceed $50,000.
4. A purchase order is required and must be issued prior to authorizing a vendor to start a project, or service or order goods. See diagram Appendix A.
5. A purchase order is not required for existing subscription services that renew on an annual basis or renew at the end of a term longer than one year.

   Note: A purchase order should've been obtained in the first year of implementing the new subscription service.
6. City officials and personnel must comply with all federal and state purchasing laws, as well as procurement procedures and requirements adopted by the City Council.

   Note: Separate, component, or sequential purchases made in order to avoid the competitive bidding requirements are prohibited by Texas Local Government Code §252.062

V. TYPES OF FORMAL SOLICITATIONS ($50,000 OR MORE)

A. INVITATION FOR BIDS (IFB OR RFX)

1. State Law allows municipalities to utilize various methods of procurement to obtain the services or products that we may require. Those methods are:
   a. Lowest Bid

This is the traditional method of obtaining goods and services where price is the only factor used to determine the contract award. This method should only be used for non-complex specifications (simple products).

b. Lowest Responsible Bidder

This method is commonly used for the purchase of goods and services in order to make a selection based on factors other than pricing. The "Lowest Responsible Bidder" is one who submits the lowest bid ***and*** who has proven themselves capable of performing a contract and/or appears financially and technically capable of adequately performing the contract. The selection criteria must be published in the IFB.

In determining if a bidder is "responsible" the following may be considered:

- Price
- Record of federal, state or local governmental entity suspension, termination or debarment
- References
- Safety record
- Vendor's past relationship with the City
- Any relevant criteria specifically listed in the IFB

c. Best Value

Texas Local Government Code §252.043

In determining best value, the following criteria may be considered:

- Purchase price.
- Reputation of the vendor and vendor's goods and services.
- Quality of the vendor's goods and services.
- Extent to which goods and services meet the City's needs.
- Vendor's past relationship with the City.
- Impact on the City's ability to comply with laws and rules relating to contracting with HUBs and nonprofit organizations employing persons with disabilities.
- Total long-term cost to the City to acquire the vendor's goods and services.

B. REQUEST FOR PROPOSALS (RFP OR RFX)

A procurement method where the City requests proposals based on the scope of work provided, ranks the vendors, negotiates a contract, and then awards the project to the vendor that offers the best overall proposal. The selection criteria must be published and should include specific factors for selecting vendors, e.g., pricing, references, financial stability, local experience, etc.

C. REQUEST FOR QUALIFICATIONS (RFQ OR RFX)

A procurement method where the City requests vendor qualifications based on the scope of work provided (no pricing/cost information can be requested), ranks the vendors, negotiates a contract, and then awards the contract to most qualified vendor. The selection criteria must be published and should include specific factors for selecting vendors, e.g., qualifications, references, financial stability, local experience, etc. Any vendor, firm or individual that provides pricing or cost information in their solicitation response will be disqualified.

VI. SPECIFIC PURCHASE TYPES

Texas Government Code §2269

A. CONSTRUCTION

All work on City property requires a contract signed by the City Manager and certificates of insurance. The department must prove that using an alternative method is the best value for the City. Unless prior authorization is given by City Council to use an alternative method, the City must use the Lowest Responsible Bid method for construction purchases. If a variance is approved by City Council, the City may use the construction manager-agent, construction manager-at-risk, design-build, job order contract, or request for competitive sealed proposal methods in lieu of standard competitive bidding.

These alternative delivery methods have some advantages over traditional competitive bidding since subjective considerations can be taken into account. When subjective criteria is used in the selection process, the City has greater flexibility to choose vendors that can provide maximum quality on every project. Further, alternative delivery systems are advantageous on projects where time, flexibility, and/or innovation is critical. The downside is that the selection process usually takes longer.

The Procurement Division can assist in selecting the best method for each project.

1. Construction Manager-Agent (CMA)
   The construction manager-agent method allows the City to employ an agent to oversee a project on its behalf. The "agent" which is hired by the City is known as the CMA. Typically, the CMA will be a general contractor, architect, or engineer with experience constructing the type of project the City is building. The CMA manages the project for the City during the design and construction phase.

2. Construction Manager-at-Risk (CMAR)
   Construction manager-at-risk is a delivery method by which the City contracts with an architect or engineer for design and construction phase services and also contracts with a construction manager-at-risk to serve as the general contractor.

   The CMAR provides consultation during the design, construction, rehabilitation, alteration, or repair of a facility. Under this method of procurement, the contractor assumes the risk for any expenditures/work above the contracted price. The contracted price may be a guaranteed maximum price.

   Once awarded the contract, the CMAR must publicly advertise for bids from trade contractors or subcontractors for the performance of all major elements of the work, as outlined by state law. The CMAR may only perform minor work itself unless it submits a bid/proposal in the same manner as others and is chosen by the governmental entity as the best value.

3. Job Order Contracting
   Job order contracting is a procurement method used for maintenance, repair, alteration, renovation, remediation, or minor construction of a facility when the work is of a recurring nature, but the delivery times, type, and quantities of work required are indefinite. This method applies only to a facility that is a building governed by accepted building codes, or a structure or land, whether improved or unimproved, that is associated with a building. Indefinite quantities and orders are awarded substantially on the basis of pre-described and pre-priced tasks. The solicitation must establish the maximum aggregate contract price when advertised. The job order method cannot be used for civil engineering construction projects or a building or structure that is incidental to a project that is primarily a civil engineering construction project. City Council must approve each job, task, or Purchase Order that exceeds $50,000.00.

4. Design-build
   Design-build is a project delivery method by which the City contracts with a single entity to provide both design and construction services for the construction, rehabilitation, alteration, or repair of a building or associated structure.

5. Request for Competitive Sealed Proposal

   Request for Competitive Sealed Proposal is a procurement method that allows the City to award construction contracts based on project relevant weighted factors other than selecting a company on price alone. The selection criteria should be consistent with weighting for traditional bids and be a balanced approach between pricing options, vendor qualifications, vendor experience, and local economic support.

B. CONSTRUCTION PROJECT BONDING REQUIREMENTS

Texas Government Code §2253.021

Payment and Performance Bonds are required for construction projects to protect the City's interests. The project's dollar value determines which bond(s) are needed.

1. Payment Bonds

   A Payment Bond is a surety bond issued by an insurance company or bank to guarantee that a vendor will pay fees owed for labor and materials necessary for construction of a project. Construction contracts over $50,000.00 require a Payment Bond. The Finance Director or their designee approves its form prior to contract award.

2. Performance Bonds

   A Performance Bond is a surety bond issued by an insurance company or bank to guarantee satisfactory completion of a project by a vendor. A Performance Bond is required for construction contracts over $100,000.00. The bond must be in the full amount of the contract price, conditioned that the vendor will faithfully perform the contract, executed by a surety company authorized to do business in the state, payable to the City, and its form must be approved by the Finance Director or their designee.

   A bond required by this section must be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1, Vernon's Texas Insurance Code).

   Under this section, the following must be clearly and prominently displayed on the bond or on an attachment to the bond:

   a. the name, mailing address, physical address, and 10-digit telephone number of the surety company to which any notice of claim should be sent; or

   b. the toll-free telephone number maintained by the Texas Department of Insurance under *Insurance Code §521.051*, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.

3. Maintenance Bonds

   A maintenance bond is a surety bond issued by an insurance company or bank to protect the contractor or property owner from financial liability due to defects found at the completion of a project. The City requires the bond as protection from financial losses for a specified period of time once the project is complete. It safeguards the City against potential shortcomings in workmanship, ensuring the contractor remains accountable for their obligations after the project completion.

The City does not require a vendor for any public building, or other construction contract, to obtain a surety bond from any specific insurance or surety company, agent, or broker.

VII. ARCHITECT, ENGINEERING, AND LAND SURVEYING PROCUREMENT POLICY

A. ENGINEERING, ARCHITECTURAL, AND LAND SURVEYING SERVICES

All Engineering, Architectural, and Land Surveying Services will be procured in accordance with *Chapter 2254, Professional Services Procurement Act.* The code states that contracts for procurement of professional services as defined by the *Texas Occupations Code* may not be awarded on the basis of competitive bids. The contract must be awarded on the basis of demonstrated competence and qualifications so long as the professional fees are consistent with, and not higher than the published recommended practices and fees of professional associations, and do not exceed maximums as prescribed by law.

B. CRITERIA FOR EVALUATION

The following criteria will be used for the evaluation of architect, engineering and land surveying firms. The criteria used will be specific to each RFQ solicited and may not include every listed criterion. Weighting factors may be utilized to identify the relative importance placed upon these items.

1. The competence and qualifications of the individual who will be directly responsible for the proposed work, based upon education and experience pertinent to the work considered.
2. Technical adequacy of the personnel and sub consultants to be utilized for the proposed work, based upon education and experience pertinent to the work considered.
3. Demonstrated experience of the prime firm based upon previous work similar to that of the type considered.
4. Demonstrated success of the prime firm based upon the record of performance for City and other projects.
5. Demonstrated commitment of the prime firm to their continued involvement in project success throughout the entire period of the project life.
6. Prime firm’s history of accuracy of cost estimates and ability to perform within budget constraints.
7. Prime firm’s workload capability and current workload as well as the firm’s history of performing work within a specified schedule.
8. The approach proposed for the design project or study.
9. Knowledge of the City of Fredericksburg administration, contracting, local contractors, codes, adopted design criteria and specifications, and local site conditions.
10. Consideration for the utilization of a prime firm or individuals that have prior experience with an existing project that is proposed for continuation or modification.
11. Demonstrated ability of key team personnel to work with City staff and/or other project managers in relation to the schedule and budget requirements, comments, suggestions, design rationale, and project alternatives.

C. AVAILABILITY OF FUNDS

No contracts may be entered into unless a sufficient and unencumbered, appropriated balance is available to pay for the project.

D. APPROVAL AUTHORIZATION

1. Contracts for engineering, architectural or land surveying services with a total fee amount exceeding the approval authorization granted by the Council to the City Manager requires Council approval.
2. Contracts for engineering, architectural or land surveying services with a total fee not exceeding the approval authorization granted by Council to the City Manager can be negotiated at the staff level with approval by the City Manager.

E. REQUEST FOR QUALIFICATIONS (RFQ) PROCESS

1. The RFQ process is required for engineering, architectural or land surveying services only under the following conditions:

   a. For architect and engineering services on construction projects with an estimated construction cost greater than or equal to $1,000,000.

   b. For planning and analysis projects or studies where the professional services fee is estimated to be greater than or equal to $50,000.

   c. If any portion of the scope of work of a project includes architect/engineering services, a Request for Qualifications (RFQ) is required subject to the provisions provided in this policy.

   d. Projects may be grouped allowing for a single RFQ process to be used to hire multiple projects.

   e. A single consultant can be hired for a group of projects or multiple firms can be selected and assigned projects from the list. The consultant list obtained by this process cannot be used for projects not stated at the time of the RFQ.

   f. The RFQ process may be used to hire a program or project manager for a group of projects.

2. The RFQ process can be waived in cases where a proposed project is the extension or expansion of a previous project, and it is in the best interest of the City to use the same architect, engineer or land surveyor because of his/her familiarity with the project.

F. SELECTION OF QUALIFIED FIRMS

In procuring architectural or engineering services, the City shall:

1. First select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and
2. Then attempt to negotiate with that provider a contract at a fair and reasonable price.
3. If a satisfactory contract cannot be negotiated with the most highly qualified provider, the City shall formally end negotiations in writing with that provider and begin negotiations with the next most highly qualified provider.
4. The City shall continue this process to select and negotiate with providers until a contract is entered into.

VIII. HIGH TECHNOLOGY AND TECHNOLOGY-RELATED PURCHASES

Texas Local Government Code §252.001 & §252.021

A. REQUIREMENTS

High technology and technology-related purchases are subject to federal and state purchasing laws and the policies and procedures contained within this manual.

B. INFORMATION AND TECHNOLOGY DEPARTMENT RESPONSIBILITIES

1. Review and evaluate purchase requests for high technology goods, information technology commodity items, automated information systems and other technology-related purchase requests.
2. Review purchase requests for copiers, printers, and any device that accesses or uses the City network resources.
3. Review agreements and/or contracts prior to purchasing software or technology-related services and equipment.
4. Send agreements and/or contracts to legal for review prior to purchasing software or technology-related services and equipment.
5. Provide copy of signed agreements and/or contracts to the Purchasing Division and the City Secretary's office.

C. PRE-APPROVED EXPENSES

The IT Department will provide a list to the Finance Director and Procurement Division for technology purchases that are pre-approved by City Council for purchase. The list will not require further consultation or recommendation from the IT Department. An updated list will be provided if City Council approves additional expenditures during the budget year.

IX. EVALUATION AND SELECTION COMMITTEE

A. PURPOSE

The purpose of the committee is to bring together City personnel, officials and stakeholders to evaluate solicitation responses to ensure accountability, consistency and transparency in the selection process.

B. COMMITMENT

Serving on the Evaluation and Selection Committee is a commitment to the City and stakeholders to evaluate responses to RFP's and RFQ's in a fair and unbiased manner.

C. FORMING THE COMMITTEE

1. Selecting the Committee Members
    a. Select, at minimum, 3-4 members to participate on the committee. Additional committee members may be selected if needed.
    b. Members of the Committee may be employees and Officials of the City, and stakeholders in the community that have relevant experience or expertise related to the solicitation.
2. The committee may consist of, at City Staff discretion:
    b. The primary contact for the solicitation,
    c. Department Head/Superintendent,
    d. A member of the Procurement Division,
    e. Other City personnel with relevant experience,
    f. A stakeholder in the community, if appropriate.

D. DUTIES

1. Committee members have the following duties:
    a. Complete a Conflict of Interest Form.
    b. Attend all committee meetings.
    c. Read the RFx and all addenda to acquaint yourself with the nature of the requested goods, equipment or services.
    d. Read all vendor responses fully.
    e. Render a fair and impartial evaluation based exclusively upon the evaluation criteria as published in the RFP/RFQ utilizing:
        i. The contents of the vendors' proposals;
        ii. Information gained from clarification of proposals;
        iii. Oral presentations; and
        iv. Other legitimate sources of reference.
    f. Keep all information contained in the submission or obtained during the evaluation process confidential.
    g. Refer public information requests to the City Secretary's office.

XI. GENERAL CONTRACT REQUIREMENTS

A. CONTRACT RENEWALS

Texas Local Government Code §271.005

1. Terms
Renewal terms for contracts subject to competitive bidding should be limited to two (2) renewals following the original term. Exceptions to this policy may be made on a case-by-case basis when in the best interest of the City.
2. Multiple Award Contracts
When multiple vendor awards occur, if all vendors do not agree to renew, the contract in its entirety should be rebid.
3. Contract Changes
The renewal must be under the same terms and conditions as the original contract, provided that the unit price bid under the original contract may, by mutual agreement of both parties, be increased by no more than twenty-five (25%) percent of the original contract price.
4. Vendor Performance
Texas Government Code §2253
   a. Vendor performance will be a critical decision factor when deciding whether or not to renew or rebid a contract. In addition to vendor performance, price and overall best value to the City will be critical in decision factor elements.
   b. If performance issues arise:
      - contact the Procurement Division and the City Attorney,
      - all actions taken (request for remediation, etc) must be documented,
      - the vendor shall be given the opportunity to correct any issues, and
      - the Vendor Performance Form should be completed and sent to the vendor (copies to Procurement and City Attorney).

B. CONTRACT REVIEW AND APPROVAL REQUIRED

1. Regardless of the procurement methodology, all written contracts require:
   a. Review by the City Attorney,
   b. Approval by the City Manager or their designee.
   c. A copy of all contracts will be retained by the City Secretary's office for Records Management Retention.
2. Contracts greater than or equal to $50,000 must be presented to City Council for approval following the review by the City Attorney.

C. CHANGE ORDERS

1. After performance of a construction contract begins, City Council may approve change orders if necessary to:
   a. make changes in plans or specifications; or
   b. decrease or increase the quantity of work to be performed; or materials, equipment or supplies to be furnished.
2. The following limitations apply to a change order:
   a. The original contract price may not be increased by more than twenty-five (25%) percent; and,
   b. The original contract price may not be decreased by more than twenty-five (25%) without the written consent of the contractor.
3. Material changes in scope, quantities, or related work may not be made. A material change is defined as substantial revisions.
4. All change orders must include sufficient explanation or detail for the City Manager to make an informed consent to change the original contract. Such information should be communicated in a memorandum to the City Manager or their designee with the Change Order attached.
5. Change Order Approvals

Texas Local Government Code §252.048 & §271.060

a. Change Orders of $50,000 or more must be approved by City Council.

XII. GENERAL

A. NOTICE REQUIREMENTS

A governmental entity shall advertise or publish notice requests for bids, proposals, or qualifications in the manner prescribed by law. Notices are, at a minimum, required to be advertised in the local newspaper once a week for two (2) consecutive weeks with the submission date no earlier than 14 days from the first publication date. *Texas Government Code §2269.052*

B. SOLE SOURCE VS SINGLE SOURCE PURHCASES

1. Sole Source Purchases

When a good or service that is only available from one vendor anywhere, a bid or quote requirements may not be required due to purchasing from a sole source vendor. These purchases will be addressed on a case-by-case basis. There may be just one vendor because of patents or copyrights, or simply because the vendor is the only one that supplies the good or service. These purchases are exempt from the standard bidding requirements and must qualify as outlined in *Texas Local Government Code §252.022(7).*

1. Single Source Purchases

A procurement decision whereby purchases are directed to one source because of standardization, or warranty, even though other competitive sources may be available.

C. RESTRICTIONS ON COMMUNICATIONS

Formal solicitations will contain a "Restrictions On Communications" section requesting vendors not to communicate with: 1) elected City officials and their staff regarding the solicitation from the time it has been released until the contract is posted as a City Council agenda item; and 2) City employees from the time the solicitation has been released until the contract is awarded. These restrictions extend to "thank you" letters, phone calls, emails, and any contact that results in the direct or indirect discussion of the solicitation or response submitted by the vendor. All communications should be directed to the primary contact for the solicitation or Procurement Division to ensure all vendors are treated equally. Changes or clarifications to the original publicized documents are only binding when communicated through a written addendum.

D. INSURANCE REQUIREMENTS

1. Where the City contracts with an outside party (contractor, consultant, vendor, or concessionaire) for goods or services, the contract should include indemnity and hold harmless provisions that appropriately transfer the project risks from the City to the contractor. Because the contractor may or may not have the financial resources to account for the risks, the City requires the contractor to purchase and maintain valid insurance to help ensure the financial security required by the City. The insurance types and amounts are as follows:
   a. Workers Compensation covering all employees per the state statutory requirement is required on all contracts.
   b. Liability Insurance is required on all contracts over $15,000:
   c. Employer's Liability of $100,000;
   d. Comprehensive General Liability and Bodily Injury & Property Damage $1,000,000, per occurrence and $2,000,000 general aggregate; and
   e. Business Automobile Liability covering owned vehicles, rented and non-owned vehicles, and employee non ownership Bodily Injury Property Damage $1,000,000 (per occurrence and aggregate).

f. Reasonable Coverage: Although insurance coverage is not required for every project, and limits will vary by exposure, understanding insurance is important to assure that all of the City's potential liabilities and exposures from a project are properly and reasonably protected. Where questions arise about the types of insurance or amounts the Department should contact the City's Director of General Operations.

E. DISQUALIFICATIONS

Texas Local Government Code §252.0436

2. Vendors may be disqualified from the bidding process for any of the following reasons:
   a. The vendor is indebted to the City*.
   b. The vendor is involved in any litigation against the City;
   c. The vendor is in arrears on any existing contract or has defaulted on a previous contract with the City;
   d. The vendor is debarred, suspended, terminated, or otherwise excluded from or ineligible covered transactions by any federal, state, or local government entity or agency;
   e. The bid is not received by the bid submittal deadline;
   f. The bid is not executed by a person authorized to enter into a contract binding on the vendor; or,
   g. The Bid Bond is not submitted by the bid submittal deadline or is not in the name of the vendor submitting a bid.

F. PROTEST, REVIEW, AND APPEAL

1. When awards are not made to the lowest bidder, the facts and the basis for the award decision must be well documented and such documentation must remain available for public review.
2. Unsuccessful respondents that wish to protest an award are required to furnish sufficient evidence to challenge the decision within five (5) business days of the award of the bid by City Council.
3. Review of the bid challenge will be made by the City Manager and City Attorney's office. Their decision will be final.
4. The City can continue with the bid award while awaiting a final decision on the appeal process.

G. SPECIAL CONSIDERATIONS

Texas Local Government Code §271.905 and §271.9051

1. Local Business Preference Consideration
   a. Goods and Services less than $500,000.00
      In purchasing any real property, personal property that is not affixed to real property, or services, if a municipality receives one or more bids from a vendor whose principal place of business is in the City and whose bid is within five percent (5%) of the lowest price received from a vendor who is not a resident of the City, the City may enter into a contract with:

      i. the lowest bidder; or

      ii. the bidder whose principal place of business is within the City Limits if the governing body determines, in writing, that the local bidder offers the best combination of contract price and additional economic development opportunities created by the contract award, including the employment of residents of the City and increased tax revenues to the local government.

   b. Goods and Services of $500,000.00 or more
      In purchasing any real property, personal property that is not affixed to real property, or services, if a municipality receives one or more bids from a vendor whose principal place of business is in the City and whose bid is within three percent (3%) of the lowest price received from a vendor who is not a resident of the City, the City may enter into a contract with:

i. the lowest bidder; or

ii. the bidder whose principal place of business is within the City Limits if the governing body determines, in writing, that the local bidder offers the best combination of contract price and additional economic development opportunities created by the contract award, including the employment of residents of the City and increased tax revenues to the local government.

c. Awards for Construction Contracts less than $100,000.00
In purchasing any real property, personal property that is not affixed to real property, or services, if a city receives one or more bids from a vendor whose principal place of business is in the city and whose bid is within five percent (5%) of the lowest price received from a vendor who is not a resident, the City may enter into a contract for construction services in an amount of less than $100,000 with

i. the lowest bidder; or

ii. the bidder whose principal place of business is within the City Limits if the governing body determines, in writing, that the local bidder offers the best combination of contract price and additional economic development opportunities created by the contract award, including the employment of residents of the City and increased tax revenues to the local government.

H. FORMAL PURCHASES (RFX) – AWARD OF CONTRACT

1. For RFx, the details of submissions received are not released to the public until after the contract is awarded by the City Council. This is to protect the interests of the City in situations where staff may wish to withhold information in order to obtain more favorable offers during negotiations. It is not designed to protect the interests of private parties that submit information.

The following are exceptions:

a. For Request for Proposals relating to construction projects, if pricing is requested in the published material, the prices must be publicly read aloud.
b. It does not apply when a single individual or entity is seeking a contract as there are no "competitors" for the contract.
c. Any portions of submissions that contain trade secrets or other commercial or financial information must be withheld and kept confidential by law.
d. Invitation for Bids, the bid tabulation is posted prior to the award by Council.

2. When a selection committee is used, all scoring sheets, summary sheets, committee worksheets, etc. must be kept by the departments and available to the public following the bid award.

3. All requests for information, before and after the award of contract, will be referred to the City Secretary's office as a formal Public Information Request.

I. REQUESTS FOR INFORMATION

1. Contents of RFx's will be kept confidential so as not to inadvertently reveal trade secrets, proprietary information, financial records, and work product. *Texas Government Code §2267.066(c)*
2. Requests for information about RFx's will be subject to the policies and processes of the *Public Information Act, Texas Government Code §552*
3. All requests for information will be directed to the City Secretary's office.

J. INTERLOCAL COOPERATION CONTRACTS (AKA: COOPERATIVE PURCHASES)

1. Contracts for Purchases

a. A local government, including a council of governments, may agree with another local government or with the state or a state agency, including the comptroller, to purchase goods and services.
b. A local government, including a council of governments, may agree with another local government, including a nonprofit corporation that is created and operated to provide one or more governmental functions and services, or with the state or a state agency, including the comptroller, to purchase goods and any services reasonably required for the installation, operation, or maintenance of the goods. This subsection does not apply to services provided by firefighters, police officers, or emergency medical personnel.
c. A local government that purchases goods and services under this section satisfies the requirement of the local government to seek competitive bids for the purchase of the goods and services.
d. Competitive bidding requirements may be waived if the purchase is made through a purchasing cooperative. City Council has the authority to approve admission into a new cooperative by resolution. Listed below is a list of cooperatives the City is a member of. Please contact the Procurement Division for further information. *Texas Government Code §791*

2. Purchasing Cooperatives the City utilizes
   a. BuyBoard
   b. Sourcewell
   c. Omnia Partners
   d. Texas Interlocal Purchasing System (TIPS)
   e. Texas SmartBuy
   f. Texas Department of Information Resources (TXDIR)
   g. Texas Multiple Award Schedules (TXMAS) Contracts
   h. MiCTA
   i. Pavilion
   j. PACE

K. HISTORICALLY UNDERUTILIZED BUSINESSES (HUBS)

At least two historically underutilized businesses (HUBs) must be contacted on a rotating basis when making expenditures of $3,000 or more, but less than $50,000. A list of HUBs may be found on the State of Texas Procurement and Support Services Website, which can be found at https://mycpa.cpa.state.tx.us/tpasscmblsearch/tpasscmblsearch.do. If the list fails to identify a HUB located in Gillespie County that provides the goods or services needed by the City, then the City is exempt from this requirement. *Texas Local Government Code §252.0215 and Texas Government Code §2161*

L. MUNICIPAL GOVERNMENTS ARE TAX EXEMPT

1. Sales & Use Taxes

The City of Fredericksburg is exempt from Sales & Use Taxes. Personnel and officials must present a Texas Sales & Use Tax Exemption Certificate at the time of purchase for goods, equipment or services.

XIII. CITY DEPARTMENTS RESPONSIBILITIES

The responsibilities for the procurement for projects, goods, equipment, software and services will be shared by the Finance Department, Procurement Division and City Departments.

A. PLANNING, BUDGETING AND SOLICITATIONS (RFX)

1. Determine need.
2. Verify budget funding.
3. Complete and email the New Project, Equipment or Services Request Form, as applicable, to the Procurement Division with the following attachments/information:
   a. Scope of work

   b. Special terms and conditions
   c. Selection criteria and weighting (RFPs and RFQs only)
      Note: Invitation for Bids require selection of a vendor based on price using the lowest bidder, or lowest responsible bidder criteria.
   d. Specifications
   e. Drawings (if applicable)
   f. Liquidated Damages Worksheet
   g. Proposed RFx Form
   h. Potential vendors
4. Select meeting dates for evaluation and selection of RFx responses
5. Select an Evaluation and Selection Committee to review and evaluate formal RFx responses and documents
6. Prepare to answer questions from vendors
7. Attend pre-bid conferences, as needed, to answer vendors' questions.
8. Once submissions are opened, begin following the steps in Finalizing the RFx Process.
   a. Review responses; make a selection with input from the Evaluation and Review Committee.
   b. Ensure all committee members complete a Conflict of Interest Form.
   c. Ensure the vendor is not debarred on www.sam.gov and print or scan results.
   d. Contact the vendor's references.
   e. Prepare the agenda item for City Council.
   f. Send the vendor a Notice of Intent to Award and Form 1295 for Ethics Commission.
   g. Work with the City Attorney's office to finalize contract.
   h. For new vendors, obtain a W-9 and contact Accounts Payable to create a vendor account.
   i. Following approval by City Council, continue following the steps in Finalizing the RFx Process.
      - Send the vendor a Notice of Award,
      - Obtain the vendor's certificate of insurance,
      - Collect bonds, and
      - Send vendor Formal Notice to Proceed.

9. Administer bid for the life of the contract.
   a. Set up a preconstruction meeting
   b. Monitor price increase requests, lapses in insurance coverage, bonding, etc.
   c. Work with the vendor for any Change Order requests
   d. Monitor vendor performance through progress meetings/status reports.
      - If performance issues arise:
        - notify the Procurement Division
        - contact the City Attorney,
        - all actions taken (Requests For Remediation, etc) must be documented using the Vendor Performance Form,
        - the vendor shall be given the opportunity to correct any issues, and
        - the Vendor Performance Form should be completed and sent to the vendor (copies to Procurement Division and City Attorney).

10. Verify project status, quality, milestones and completeness.
11. Verify goods, equipment, and services are received in their entirety.

B. BUDGET AMENDMENTS

1. Follow the steps outlined above for goods, equipment and services.
2. The Budget Amendment Request Form should be completed and emailed for:

a. Budgeted goods, equipment and services that increase in price during the budget year.
b. Unbudgeted goods, equipment and services that were not included in the current fiscal year budget.

3. The New Project, Equipment or Services Form is not needed if:
   a. one has already been completed, or
   b. budgeted goods, equipment or services have increased in price.

XIV. PROCUREMENT DIVISION RESPONSIBILITIES

A. Assist Departments with questions or issues that may arise.
B. Ensure that purchases are processed within guidelines established by Federal and State Law and the Strategic Procurement Manual.
C. Receive New Project, Equipment or Services Request Form, Budget Amendment Request Form, solicitation responses, quotes and other documents from Departments.
D. Verify a sufficient unencumbered, and appropriated balance is available to pay for projects, equipment, goods and services.
E. Compose and issue Purchase Orders to Departments for projects, equipment, goods and services.
F. Obtain insurance coverage.
G. Obtain the City Attorney's approval of draft contract and agreements.
H. Advertise RFx in the newspaper, City website and other outlets.
I. Distribute RFx invitations to potential vendors.
J. Facilitate and collaborate with vendors and Departments about questions/responses and otherwise.
K. Publish any required addenda.
L. Participate on the Evaluation and Selection Committee for RFx.
M. Review City Council Agenda item and related attachments.
N. Provide support to Departments at City Council Meetings during the contract award proceedings.
O. Prompt Department to request Form 1295 for Ethics Commission from the selected vendor.
P. Review purchases to ensure the amount invoiced does not exceed the amount budgeted for the expense.
Q. Receive vendor/supplier invoices from Departments for projects, goods and services that will be purchased through Lease/Purchase Financing.

XV. ACCOUNTS PAYABLE RESPONSIBILITIES

A. Assist Departments with questions or issues that may arise.
B. Review invoices, statements and other documentation for accuracy and to ensure the purchase does not exceed the amount budgeted.
C. Process invoices for payment in accordance with the Prompt Payment Act, *Texas Government Code §2251.*
D. Manage the Electronic Accounts Payable (EAP) System.

XVI. ELECTRONIC ACCOUNTS PAYABLE (EAP) SYSTEM

A. Every Department shares responsibility for entering expenditures in the EAP System.
B. Collaborate and coordinate with AP Clerk regarding any questions or issues that may arise.
C. Vendor invoices for goods and services purchased through Lease/Purchase Financing will not be entered in EAP. Please provide invoices to the Procurement Division.
D. Invoices and/or statements
   1. Upload invoice and/or statement,
   2. Attach PO (if applicable) and other supporting documentation,
   3. Enter the description of goods and services purchased,
   4. Provide the correct GL number(s) for the expense.

XVII. UNBUDGETED EXPENSES

A. AUTHORITY

1. The City Manager is authorized to approve expenditures of not more than $50,000, provided that:
   a. The original price has not increased by more than twenty-five (25%) percent.

B. UNBUDGETED EXPENDITURES OF $50,000 OR MORE

1. These purchases must go through City Council for approval unless it is a qualifying Emergency purchase under *Texas Local Government Code §252.022(7)(A).*
2. Non-emergency purchases are subject to formal competitive bidding requirements.

C. UNBUDGETED EXPENDITURES OF LESS THAN $50,000:

1. Must go through the City Manager for approval unless it is a qualifying Emergency purchase under *Texas Local Government Code §252.022(7)(A).*
2. Purchases for non-emergency situations must use a vendor in a purchasing cooperative or obtain 3 quotes.
3. A <u>Purchase Approval Form</u> will be completed to:
   a. Document unbudgeted expenditures, and
   b. Obtain City Manager approval.

D. URGENT VS. EMERGENCY PURCHASES

1. *Urgent Purchases of not more than $50,000*
   a. These purchases may occur when a situation arises that could not be foreseen. For example, A/C or heat unit needs to be repaired or replaced.
   b. These purchases may occur when expenses are not pre-planned during the mid-year or annual budgeting process. For example, a subscription for services that renews annually but was not included in the budget.
   c. These purchases <u>are not exempt</u> from either using a vendor in a purchasing cooperative or obtaining 3 quotes.
   d. When an urgent purchase is requested, the purchase will be presented to the City Manager for approval using the <u>Purchase Approval Form</u>.
2. *Urgent Purchases of $50,000 or more*
   a. These purchases will go before City Council prior to making the purchase.
   b. These purchases will follow competitive sealed bidding requirements.
3. *Emergency Purchases of Any Dollar Amount*
   a. Under *Texas Local Government Code §252.022(7)(A),* emergency purchases occur when a situation arises that was unforeseen, must be remedied immediately, <u>and</u> has a potential public safety impact. Examples of this are:
      - Acts of God;
      - Unforeseen repairs to machinery critical to City operations;
      - Items/services needed to preserve and protect the health and safety of the City's residents; or
      - Unforeseen damage to public machinery, equipment or other property.
   b. The purchase must meet the criteria for emergency purchases as specified in Texas Local Government Code *Texas Local Government Code §252.022(7)(A).*
   c. When an emergency purchase is made under one of the above stated conditions, the purchase will go before City Council to be ratified.

XIII. EXEMPTIONS FROM COMPETITIVE PURCHASING REQUIREMENTS

B. CERTAIN EXEMPTIONS APPLY

The competitive purchasing requirements do not apply to items exempted from the competitive purchasing provisions under *Texas Local Government Code §252.022*. These exemptions are:

1. Purchases made because of public calamity that requires immediate appropriation of money to relieve the needs of the citizens or to preserve city property.
2. Necessary to preserve or protect the public health or safety of the city's residents.
3. Necessary because of unforeseen damage to public machinery, equipment, or property.
4. Personal, professional, or planning services.
5. Work performed and paid for by the day as the work progresses (day labor).
6. A purchase of land or right-of-way.
7. A procurement of items that are available from only one source, including:
    - Items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies, copyrights, secret processes, or natural monopolies;
    - Films, manuscripts or books;
    - Electric power, gas or other utility services;
    - Captive replacement parts or components for equipment;
    - Books, papers, other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and
    - Management services provided by a non-profit organization to a municipal museum, park, zoo or other facility which the organization has provided significant financial or other benefits;
8. A purchase of rare books, papers and other library materials for a public library;
9. Paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements;
10. A public improvement project, already in progress, authorized by the voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by the voters;
11. A payment under a contract by which a developer participates in the construction of a public improvement (Texas Local Government Code §212 Municipal Regulation of Subdivisions and Property Development)
12. Personal property sold:
    - At a public auction by a licensed auctioneer;
    - At a going out of business sale as defined by Texas Government Code §17.81 and in compliance with Chapter 17 Deceptive Trade Practices of the Business & Commerce Code;
    - By another political subdivision of the state, a state agency of Texas or the federal government, or;
    - Under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391 Regional Planning Commissions.
13. Services performed by blind or severely disabled persons;
14. Goods purchased by a municipality for subsequent retail sale by the City;
15. Electricity; or
16. Advertising, other than legal notices.

XIX. LEGAL

A. CITY ATTORNEY APPROVAL REQUIRED

The City Attorney shall review all documents, contracts, agreements and legal instruments in which the City may have an interest, unless otherwise determined by the City Attorney. Equipment, materials, supplies and service contracts bearing any special terms and conditions, other than administrative provisions, not previously approved by the City Attorney, shall be submitted for such approval and must receive approval prior to issuance.

B. PREVIOUSLY REVIEWED TERMS AND CONDITIONS

Written agreements and contracts having been approved by the City Attorney are considered to have been reviewed by the City Attorney for renewal or re-use purposes, unless substantial changes to the terms and conditions have been made.

C. PROMPT PAYMENT ACT

The City shall pay all payments owed not later than 30 days after the goods or services are received, or the date that the invoice is received and approved, whichever is later. This act also requires that when payment is not made as required, the City shall automatically add interest to the payment at the rate of one percent per month. *Texas Government Code §2251*

D. PENALTIES

Texas Local Government Code §252.062 states, a municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements of *Texas Local Government Code §252.021 (Competitive Requirements for Purchases)*. An offense under this section is a Class B Misdemeanor. Class B misdemeanor's may be punished by a fine of up to $2,000, confinement in jail for up to 180 days, or both the fine and confinement.

Texas Local Government Code 252.063 states, the final conviction of a municipal officer or employee for an offense results in the immediate removal from office or employment of that person.

XX. ELECTRONIC PROCUREMENT POLICY

Electronic sealed bids or proposals shall be in accordance with *Texas Local Government Code §252.0415(a)* which requires the identification, security, and confidentiality of electronic bids or proposals to remain effectively unopened until the proper time.

Electronic reverse auctions shall be in accordance with *Texas Local Government Code §271.906 and §2155.062(d)*, which requires a real-time bidding process taking place during a previously scheduled Internet location with multiple suppliers, anonymous to each other, submitting bids to provide goods or services.

XXI. PURCHASE CARD PROGRAM POLICY

A. INTRODUCTION

The City Purchase Card Program is a purchase card (p-Card) used as a credit card set up through JP Morgan Chase Bank. It offers an alternative purchasing tool in addition to the existing City of Fredericksburg's procurement processes. The p-Card provides an efficient and effective method of purchasing and paying for goods and services with a value of $4,999.99 or less. In most cases, the purchase card will replace submitting statements or invoices via the EAP System, paper check requisitions, reimbursement requests, or other associated paperwork.

This policy describes the procedures for appropriate purchase card use. By signing the Cardholder Agreement Form, the employee promises to comply with program rules and regulations. A purchase card will be issued to an employee upon management approval and after the employee executes a signed agreement form. Upon receipt of the card, the employee should immediately sign the back of the card and keep it in a secure place.

The purchase card is issued to one employee only. No other person is permitted to use another employee's card. As a cardholder, the employee is responsible for the appropriate use of City funds. Although the card is issued to the employee, it remains City property and may be rescinded at any time. The employee should use the card only for the types of purchases described in this guide.

Each employee should document any questions, suggestions or difficulties he/she or the suppliers have regarding the purchase card program. This feedback will provide vital information to our program during evaluations. Also, the employee should notify the Finance Director or their designee of any suggestions for improvements or changes.

B. POLICY

Usage of the City's purchase card is allowed at the discretion of the City Manager or Finance Director to current employees who are granted City purchasing authority. Delegation of City purchasing authority governs the use of the purchase card as a tool for purchasing materials and services. Use of this card is restricted to the purchasing of those goods or services that **cannot** be procured through normal procedures. All goods and services purchased by the City should be acquired through credit extended by the City's vendors to the City whenever possible and paid by approved check requisition and invoice within the agreed credit terms of the vendor.

The City purchase card will not circumvent the City's Strategic Procurement Policy & Procedures manual. It is designed to streamline smaller purchases that are made on-site, via Internet, telephone, fax or mail. Each employee's card has been assigned an individual credit limit based on the department director's approval. If that limit becomes too low to accommodate monthly requirements, the employee may request an increase through their department director.

The use of the purchase card does not justify the payment of any sales and use taxes for which the City is exempt. As in all other purchases, the merchant shall be given a copy of the Texas Sales and Use Tax Exemption Certificate issued to the City and accordingly, state and local sales tax should not be charged. This is also applicable to all telephone and internet orders. If the cardholder fails to provide the Texas Sales and Use Tax Exemption Certificate to the merchant, the cardholder will be responsible for requesting a refund of sales tax or paying the amount of sales tax out of their own pocket.

Purchase Card Responsibilities Include:

- Using the card responsibly and in accordance with this policy.
- Purchasing items for City of Fredericksburg business use only.
- Never lending or sharing the purchase card or card account number with unauthorized users.
- Purchasing only goods and services that have received prior authorization through following the City's Strategic Procurement Policy and Procedure Manual.
- Knowing the purchase card limitations and restrictions as provided by the City Finance Department.
- Returning the purchase card to the Finance Department, as appropriate.
- Obtaining your Department Head's signature on your purchase card statement PRIOR TO forwarding it to the Finance Department. Including proof of purchase documents, such as sales receipts and invoices with your purchase card statement for your Department Head to review.
- Providing invoices, receipts and other supporting documentation with their credit card statement,

to the Finance Department.

- Submitting their credit card statement with invoices, receipts and other supporting documentation to the Finance Department no later than three (3) business days after the 15th of the month.

C. AUTHORIZATION

City employees must receive written permission from their Department Head to use the City's purchase card. The City Manager and/or Finance Director will have final approval for City employees to use the City's purchase card. Each department is responsible for notifying the City Finance Department of their authorized users of the City's purchase card.

The purchase card may be used only by City authorized users who have authority to buy goods and services on behalf of the City of Fredericksburg. Each user is responsible for ensuring the purchase card information is protected.

The Finance Director helps ensure the proper use of purchase card by overseeing the City implementation and use of the card and/or account number.

D. PURCHASE CARD ISSUANCE

A purchase card will be issued to a City employee upon the approval of the department director. An individual will only receive the card after completing the application form and receiving purchase card instruction from the Director of Finance or their designee.

In addition to the above, the cardholder is required to read and sign the Purchase Card Policy Agreement form and adhere to all policies and procedures of the City and his/her department. Once an employee receives his/her card, it should be signed and kept in a secure place. Although the card has been issued to the employee, it is City property and may only be used for the purchases outlined in this manual.

E. OWNERSHIP AND CANCELLATION OF THE PURCHASE CARD

The purchase card remains property of the City. It may not be transferred to, assigned to, or used by anyone other than an authorized user of the City. Users of the purchase card are accountable for the activity on the card. The issuer or City may suspend or cancel user privileges at any time for any reason. If the user is in possession of a card, the user will surrender the card upon termination of employment (i.e. retirement, voluntary or involuntary termination), or at any time when requested to do so by their supervisor, department head, Director of Finance or City Manager.

F. RECEIPTS

It is the responsibility of each purchase card user to obtain transaction receipts from the merchant each time the card is used, including telephone and internet charges. These are to be forwarded to the City Finance Department with the cardholder statement for review and to ensure eligibility for payment each month. Failure to provide the required documentation for payment processing may subject the user to loss of purchase card privileges and may cause the amount charged to be classified as a personal purchase and payable by the card user. The City shall keep statement data and proof of reconciliation, including receipts and packing slips, on file for a period consistent with the record retention requirements of the law.

Failure to provide receipts and allow for timely payment of the purchase card purchase will also subject the users department to finance charges.

G. DISPUTED CHARGES

It is each user's responsibility to follow-up on any erroneous charges, returns or adjustments to ensure proper credit is given on subsequent statements.

H. SAFEGUARDING AN ISSUED PURCHASE CARD

An issued purchase card or card account number should always be treated with utmost care and should be kept in a secure location and protected from misuse by unauthorized users. When using the purchase card for internet purchases, users should ensure that the site utilizes industry recognized encryption transmission tools.

I. LOST OR STOLEN PURCHASE CARDS

It is the responsibility of the cardholder to immediately report a lost or stolen purchase card by calling the issuing bank at 1-800-316-6056. The employee cardholder must also report the lost or stolen card to the department head and the Finance Department as soon as practicable, orally and in writing. Unauthorized use of the card will be reported to the City of Fredericksburg Police Department or other appropriate authority.

J. FINANCE DEPARTMENT RESPONSIBILITIES

The Finance Director and/or designee is responsible for:

- Implementation of this policy,
- Timely reconciliation of purchase card accounts ,
- Appropriate record keeping,
- Handling purchase card administration,
- Knowing the purchase card limitations and restrictions,
- Developing and implementing internal procedures that govern City use of the purchase card,
- Sharing new program information with authorized users answering questions about the use of purchase card,
- Monitoring card usage to ensure that City policies, and internal policies and procedures are being followed,
- Assigning purchase card privileges to authorized users,
- Communicating with the City Manager when new or modified cards are necessary and requesting new cards from an approved issuer, and
- Communicating with the City Manager when card cancellations are necessary and terminating accounts and individual authority to use purchase card.

K. COMPLIANCE WITH POLICY, VIOLATIONS AND CONSEQUENCES

Card user violations of this agreement or of any policy regarding the purchase of goods or services will be investigated and may result in any or all of the following actions, but not limited to: written warning, revocation of purchase card privileges, cancellation of delegation of purchasing authority, disciplinary action, termination and/or criminal prosecution. Human error and extraordinary circumstances may be taken into consideration when investigating any violation of this agreement.

The City Manager, Finance Director or their designees have the authority to investigate and to determine whether a violation of procurement or purchase card policy has occurred and to determine action deemed most appropriate pursuant to applicable law and/or City policy.

Violations of purchase card usage include but are not limited to:

- Purchase of items for personal use,
- Purchase of items in violation of the City's travel policy,
- Use of the purchase card for cash advances,
- Failure to return the purchase card when card user is reassigned, terminated or upon request,
- Failure to turn in invoices, receipts or other back up documentation with the purchase card statement to the City Finance Department no later than three (3) business days after the 15th of the month, and
- Sharing the purchase card or card account number with unauthorized users.

L. CONCLUSION

The City purchase card should be used responsibly. Since the card is issued in the employee's name, all purchases are assumed to be made by the employee. Each employee should be aware that improper use might result in disciplinary action, up to and including termination and criminal prosecution. The department may maintain a purchase card log, but the original sales receipts shall be forwarded to the Finance Department. The cardholder may be randomly audited to track purchasing and record keeping activity.

By using the purchase card for business transactions, the employee will help save the City of Fredericksburg both time and money. We welcome your feedback and suggestions for improvement. If you have any questions, or need further assistance, please contact the Finance Department or Procurement Division.

XXII. TRAVEL EXPENDITURES

A. INTRODUCTION

It is the policy of the City of Fredericksburg that officials and employees are fully reimbursed for necessary and reasonable job-related expenses incurred in the authorized conduct of City business. All requests for reimbursement of expenses are subject to requirements of documentation and reasonableness and will be honored in conformance with adopted policies and procedures.

B. PURPOSE

This policy establishes guidelines for administering and accounting for travel expenses incurred by those representing the City of Fredericksburg on authorized travel for City business.

C. ADMINISTRATION

All officials and employees who travel on City business, and managers who approve travel, are responsible for administration of this policy. All individuals traveling for City business have the option to make travel accommodations using the State of Texas TPASS contract for hotels, rental cars, and airlines at https://www.gsa.gov/plan-book or https://www.comptroller.texas.gov/purchasing/programs/travel-management.

Expenses incurred during business-related travel are defined in this policy. Appropriate forms will need to be completed for travel reimbursement. It is the responsibility of the individual to reflect expenditures related to travel accurately on the Travel Reimbursement form. The Travel Reimbursement Form is located on the City's Employee Intranet website.

D. IRS REGULATIONS

The City travel policy must follow specific rules relating to travel expense. As such, this policy is designed to meet all IRS requirements. Therefore, all travelers must adhere to the following three rules:

1. Expenses must be paid or incurred while performing services as a representative of the City of Fredericksburg and must not exceed the per diem allowed for the destination city.
2. Expenses must be adequately accounted for, and travel settled, within five (5) business days.
3. Excess reimbursement must be returned within five (5) business days.

Failure to follow the procedures in this policy violates the rules under the IRS's regulations, which may result in travel expenses and mileage reimbursements being classified as taxable income.

E. TAXES

The City is exempt from sales and use taxes. If sales tax is paid, it must be reimbursed to the City by the vendor or the traveler.

The City is NOT exempt from hotel, restaurant, or rental car tax.

F. ALLOWABLE EXPENSES

The City of Fredericksburg will pay expenses incurred in the course of authorized City travel. Individuals shall be entitled to accommodations and services which are reasonable, economical, and meet quality standards for convenience, safety, and comfort. Individuals are expected to exercise good judgment in distinguishing between comfort and extravagance. This is intended as a general guide and is not necessarily all-inclusive. Discretion remains with the individual's supervisor in approving expenses for unusual circumstances.

All expenditures must be authorized by your Department Head, Director or City Manager as applicable.

Travel out of state must be pre-approved by the City Manager's Office.

To be reimbursed, reasonable travel expenses must be properly documented, receipted, and approved. Expenses incurred beyond the per diem rate allowed for the destination city of travel will not be reimbursed. Each individual is responsible for adhering to this policy when incurring expenditures on behalf of the City.

Purchase cards cannot be used to purchase meals or incidentals during an individual's travel if the official or employee received the Meals & Incidentals per diem for their travel.

City vehicles or vehicles used for City business should be fueled at the Consolidated Warehouse fuel pumps prior to departure out of town on City business.

Personal vehicles are eligible for mileage per diem rates unless the employee receives a stipend/allowance for their vehicle. Mileage will be reimbursed in accordance with the current IRS standard mileage rate.

G. TRANSPORTATION

1. *City Vehicle*

   Individuals are encouraged to use City vehicles for out-of-town travel. Those employees with an assigned City vehicle should get authorization from their Department Head or Director to take their assigned vehicle out of town. It is generally preferred for officials and employees to use a City vehicle for travel outside the City limits and employees to carpool.

   A copy of all fuel receipts must be attached to the Travel Reimbursement Form or credit card statement.

2. *Rental Vehicle*

   If a City vehicle is unavailable, the individual should consult the TPASS website for pricing on rental cars through Enterprise/National, Avis, or Hertz. If the cost of a rental car exceeds the cost of the current mileage rate, a personal vehicle may be used. The quote must include the cost of rental insurance. A copy of all fuel receipts must be attached to the Travel Reimbursement Form; Rental cars must be paid for via City Purchase card per the existing TPASS contract.

3. *Personal Vehicle*

If a City vehicle is not available and a rental vehicle is cost prohibitive, the City will reimburse out-of-town travel at the current mileage rate authorized by the IRS. Travel reimbursements will be based on miles from departure city to destination city plus five percent (5%) for "in town" driving at the destination city. Google Maps (www.maps.google.com) will be used for directions in order to provide accurate mileage. Driving from home to work is not considered a reimbursable expense according to IRS Guidelines.

Fuel and other vehicle related receipts cannot be submitted for reimbursement when requesting mileage reimbursement.

Employees who receive a vehicle stipend/allowance are not eligible to receive mileage reimbursement. Vehicles should be fueled at the Consolidated Warehouse or purchased on your City Purchase Card for out-of-town travel related to City business.

4. *Commercial Airline*

   Air travel can be utilized for trips when the cost (including local transportation and parking) does not exceed the amount that would be paid for vehicle mileage-based reimbursement. Tickets should be purchased with as much advance notice as possible and only coach accommodation will be allowed to ensure the best price.

   Air travel must be pre-approved by the City Manager when circumstances place time constraints on the traveler.

   A proper receipt shows dates of travel, destination city, payment method and payment amount. An internet reservation printed from a computer is not an adequate receipt for travel expenses. If ground travel is preferred, the individual must provide the cost of airline travel. The traveler will only be reimbursed for the lesser cost of the two modes of transportation unless the individual can provide documented travel receipts for rental fees, etc. and receive authorization from the City Manager.

   (For example: A flight from San Antonio to Washington Reagan costs $351 with 21-day advance notice and rental car is a total of $300. Mileage for roundtrip – including 5% *in town allowance – would be $1,933.21. If traveler prefers to drive, they will be reimbursed for the lower cost alternative of $651- the cost of the flight and rental car.)*

5. *Rental Cars or Taxis*

   When air travel is used, expenses for rental cars, taxis, or public transportation will be reimbursed if transportation is necessary to conduct City business. Proper receipts must be submitted with the Travel Reimbursement Form or credit card statement.

6. Employees will not operate vehicles and drive while under the influence of alcohol or illegal substances. Violation of this policy may result in disciplinary action and may include termination of employment.

H. LODGING

The City will pay for the cost of lodging necessary for out-of-town travel. Luxury/resort accommodations will not be allowed unless the conference or convention is hosted at the resort. Individuals should request a government rate when making reservations and make such accommodations based on the best value for the City. An exit receipt is required from the hotel/motel and must be attached to the Travel Reimbursement Form or credit card statement.

I. MEALS AND INCIDENTAL EXPENSES (M&IE)

1. The IRS defines expenses in this category to include food, beverage, laundry, cleaning and pressing of clothing, and fees/tips for services. Incidental expenses do not include taxicab fares, lodging taxes, or the cost of faxes, telephone calls, or internet charges.

2. Overnight Travel
   A per diem will be paid for meals and incidental expenses incurred while traveling away from home overnight. Travelers are required to use per diem rates rather than itemized receipts for each purchase. Costs of meals and incidentals over the per diem rate will not be reimbursed.

   To determine if a full or partial day applies, consider the start time of the event.

   For example, an out-of-town seminar in Austin starts at noon on Wednesday and runs until noon on Friday. Meals are not provided for this example. The City will pay for lunch and dinner on Wednesday, breakfast, lunch and dinner on Thursday and breakfast and lunch on Friday.

   Wed – $50.00 (partial day)

   Thu – $64.00 (full day)

   Fri – $50.00 (partial day)

3. Day Travel
   The City will pay the per diem rate for meals during day trips that do not require an overnight stay. Meals must not exceed the per diem rate for the destination city. Travelers are required to use per diem rates rather than itemized receipts for each purchase. Costs of meals and incidentals over the per diem rate will not be reimbursed.

   Officials and employees should be aware that food expenses incurred on a day trip are not considered reimbursable under IRS Guidelines. This is considered taxable income (fringe benefit) under IRS regulations.

   Per diem rates are updated each fiscal year on the U.S. General Services Administration website. To get the per diem rate for the destination city, visit www.gsa.gov/perdiem.

J. REGISTRATION

The City will pay registration fees for an approved conference, convention, seminar, meeting, classes, or event. If the individual fails to arrange payment prior to the event, they must obtain an itemized receipt to be reimbursed for the expense. The receipt must be attached to the Travel Reimbursement Form or credit card statement. Entertainment events, such as golf and tennis tournaments priced separately from basic registration, are not allowed.

K. SPOUSES OR OTHER GUESTS

The City will not pay for, or reimburse the individual for, any travel expenses of his or her spouse, children, or other guests including, but not limited to, registration, activity fees, lodging, meals, etc.

L. DIGNITARIES AND SPECIAL GUESTS

City personnel, officials or authorized representatives of the City must get prior written approval from the City Manager must be obtained to invite a dignitary or special guest to participate in a City Program or Event when the City is expected to pay travel expenses.

Expenses incurred by the dignitary or special guest will be considered and are subject to the discretion of the City Manager and this policy.

Any expenses incurred for the spouse, companion, children, family, or friends of the dignitary or special guest will not be considered eligible travel expenses.

M. TELECOMMUNICATIONS

Phone calls, facsimile communications, Wi-fi, and internet connection fees directly related to City business will be reimbursed. City-issued phones should be used for communications related to City business when possible. Fees for Wi-fi and internet connection on airplanes and public transit will not be reimbursed.

N. OTHER EXPENSES

Tolls, parking expenses, public transportation, and luggage fees incurred will be reimbursed. Valet parking is not eligible for reimbursement unless it is the only parking offered by the hotel/motel. Receipts and valid explanation are required.

Entertainment expenses and alcoholic beverages are not allowed. For example, tickets to sporting events, concerts, etc. would be considered entertainment and would not be allowed.

Parking violations and other traffic tickets are not a reimbursable expense.

GLOSSARY OF TERMS

Amendment – An agreed in addition to, deletion from, correction, or modification of a document or contract. See also Authorized Deviation, Change Order, Contract Modification.

Appropriated – The City Council appropriates funds through the adoption of the annual budget and subsequent amendments. Appropriated funds are funds that are able to be used for the purchase of goods and services. Another way of saying this would be to say funds are budgeted and authorized for the intended purchase.

Architect – An individual registered as an architect under Chapter 1051 of the Occupations Code for Texas Board of Architectural Examiners; General Provisions Affecting Architects; Landscape Architects; and Interior Designers; Provisions affecting only Architects.

Authorized Deviation – A change or deviation specifically allowed by the contracting entity. See also Amendment, Change Order, Contract Modification.

Automated information system – Includes A) the computers and computer devices on which an information system is automated, including computers and computer devices, B) a service related to the automation of an information system, including computer software or computers, C) a telecommunications apparatus or device that serves as a component of a voice, data, or video communications network for transmitting, switching, routing, multiplexing, modulating, amplifying, or receiving signals on the network, and services related to telecommunications, D) service provided by a telecommunications provider. *Texas Government Code* §*2157.001*

Award – Approval by the City Council, City Manager, Director of Finance or their designee, under whose authority a purchase order is issued.

Best Value – If the sealed competitive bidding requirements applies to the contract for goods or services, the contract may be awarded to the lowest, responsible bidder (see definition on page 5) or to the bidder who provides goods or services at the best value for the City. In determining the best value for the City, we may consider:

- the purchase price;
- the reputation of the bidder and of the vendor's goods or services;
- the quality of the vendor's goods or services;
- the extent to which the goods or services meet the City's needs;
- the bidder's past relationship with the City;
- the impact on the ability of the City to comply with laws and rules relating to contracting with historically underutilized businesses (HUBs) and non-profit organizations employing persons with disabilities;
- the total long-term cost to the City to acquire the bidder's goods or services, and
- any relevant criteria specifically listed in the Invitation for Bids or proposals.

Bid Advertisement – A public notice put in a newspaper of general circulation, containing information about an Invitation for Bid or Request for Proposal.

Bid Bond – A bond required of a contractor that ensures that the contractor will enter into the contract for which he has submitted a formal written bid and/or proposal.

Bid List – A list of vendors who have indicated in writing an interest in submitting bids for particular categories of goods and services. This list is a compilation of recommended vendors from the department and a database of vendors maintained by the Finance Department.

Bond Funds – Money in the treasury received from the sale of bonds and includes the proceeds of bonds that have been voted but have not been issued delivered.

Capital Asset – Property with a useful life of three years and a purchase cost of at least $10,000.

Captive replacement part – A dealer supplied Original Equipment Manufacturer (OEM) part.

Change Order – A written modification or amendment to a contract. See also Amendment, Modification, Authorized Deviation, Change Order Authority, Contract Modification.

Change Order Authority – The power or right of a public entity to unilaterally modify a contract without express consent of the contractor. See also Amendment, Modification, Authorized Deviation, Change Order, Contract Modification.

City Council – The elected officials of the City of Fredericksburg, Texas.

Commodity Code – A specific group of goods or services categorized into distinct classes that have been assigned a numerical reference number within the purchasing and inventory system.

Competitive Bidding – The process wherein a vendor openly competes with other vendors, through a formal or informal process, for the City's business.

Component Purchases – Purchases of component parts of an item that in normal purchasing practices would be purchased in one purchase.

Consortium – A partnership, association, or society of suppliers. See also Cooperative Procurement (Purchasing).

Consulting Services – The service of studying or advising the City under a contract that does not involve the traditional relationship of employer or employee.

Contract – An agreement between the City and a Supplier to furnish supplies and/or services over a designated period of time, during which purchases are made of the commodity specified.

Contract Modification – Any written alteration in specifications, delivery point, frequency of delivery, period of performance, price, quantity, or other provisions of the contract, accomplished by mutual agreement of the parties to the contract. See also Amendment, Authorized Deviation, Change Order, Contract Amendment.

Contractor – The successful vendor(s) awarded a contract by the City of Fredericksburg.

Cooperative Purchasing – The action taken when two or more entities combine their requirements to obtain the advantages of volume purchases, including administrative saving and other benefits. A variety of arrangements, whereby two or more public procurement entities purchase from the same supplier or multiple suppliers using a single Invitation for Bids (IFB) or Request for Proposals (RFQ). Cooperative procurement efforts may result in contracts that other entities may "piggyback." See also Consortium. *Texas Local Government Code §271.102 and §791.025*

Current funds – Money in the treasury, taxes in the process of being collected in the current tax year, and all other revenue that may be anticipated with reasonable certainty in the current tax year.

Delivery Date - The date by which goods or services are needed.

Department(s) – All departments within the City of Fredericksburg. e.g. Administration, Police, Fire, Street, Parks & Recreation, Development Services, Gillespie County Health Division, Information and Technology, Municipal Court, Engineering, Electric, Water, LBJ Golf Course, Sanitation, Emergency Medical Services, Tourism, Storm Water Vegetation Management, Emergency Management.

Emergency Purchase – Emergency purchases occur when a situation arises that was unforeseen, must be remedied immediately, and has a potential public safety impact. Emergency purchases are exempt from standard purchasing procedures and must qualify for exemption as outlined in *Texas Local Government Code §252.022*. Examples of emergency purchases are:

- Acts of God;
- Unforeseen repairs to machinery critical to City operations;
- Items/services needed to preserve and protect the health and safety of the City's residents; or
- Unforeseen damage to public machinery, equipment or other property.

Encumbrance – The process wherein the City reserves funds for the purchase of supplies, goods, services and equipment in one budgetary – accounting period and pays for the purchase in another budgetary – accounting period.

Expedite – When the procurement process is accelerated through normal procedures in order to prevent work stoppage or loss of government's money.

Finance Department – Responsible for assisting departments with budgeting, managing expenses and capitalizing assets.

FOB Destination Point – Free on Board (FOB); the vendor pays freight charges to the destination; title to goods passes to buyer at his receiving dock; freight claims must be filed and handled by buyer.

FOB Shipping Point – Free on Board (FOB); shipment becomes "collect" from seller's shipping dock; freight charges may be prepaid and added to the invoice; City pays freight charges; title to goods passes to buyer at the shipping dock of seller; freight claims must be filed and handled by buyer.

Goods – A generic term that includes all types of property to be purchased by the City. This includes, but is not limited to software, equipment, supplies, materials, technology, components and repair parts.

Government entity – A Federal or State agency or department; a district, authority, county, municipality, or other political subdivision of the state; a local government corporation or another entity created by or acting on behalf of a political subdivision in the planning and design of a construction project; or a publicly owned utility.

High technology procurement – The procurement of equipment, goods or services of a highly technical nature, including:

A. Data processing equipment and software and firmware used in conjunction with data processing equipment;
B. Telecommunications equipment and radio and microwave systems;
C. Electronic distributed control systems, including building energy management systems; and
D. Technical services related to those items.

Information resources – The procedures, equipment, and software that are employed, designed, built, operated, and maintained to collect, record, process, store, retrieve, display, and transmit information, and associated personnel including consultants and contractors.

Information Technology Commodity – Commercial software, hardware, or technology services, other than telecommunications services, that are generally available to businesses or the public; the term includes seat management in which the governmental entity transfers its personal computer equipment and service responsibilities to a private vendor to manage the personal computing needs for each desktop of the entity, including all necessary hardware, software, and support services. *Texas Government Code §2157.068*

Invitation for Bids – This is a formal written document that requests from bidders a firm price and delivery details for specified merchandise listed on a purchase requisition. An Invitation to Bid is always required when the anticipated level of expenditure will be greater than $50,000. It may be used any time the Director of Finance, the Department, or the City Manager feels it is justified.

Lowest Responsible Bidder – This is the vendor who offers the lowest bid which meets all the specifications, requirements, terms and conditions of the Invitation to Bid. It is expressly understood that the lowest responsible bid includes any related costs to the City, using a total cost concept. The term "responsible" refers to the financial and practical ability of the bidder to perform the contract. The term is also used to refer to the experience or safety record of the vendor. *Texas Local Government Code §271.0275*

Nonprofessional Service – Any service not specifically identified as a professional service. See also *Texas Local Government Code §2254.002 of the Professional Services Procurement Act*.

Original Equipment Manufacturer (OEM) – The company that produces parts, materials, or equipment, or authorized reseller of such parts, materials, or equipment.

Payment Bond – a bond required of the contractor that ensures that all suppliers and subcontractors of the contractor will be paid for work and/or material supplied in the course of the contract.

Performance Bond – A bond required of the contractor that guarantees vendor performance during the execution of the contract.

Personal Services - Services provided to the City personally by a particular individual. Any contribution of machinery and equipment compared to total cost must be substantially less than the contribution of wages.

Planning Services - Services primarily intended to guide the City to ensure the orderly and coordinated development of land areas.

Procurement – Purchasing, renting, leasing, or otherwise obtaining any supplies, equipment, services, or construction; includes all functions that pertain to the procurement, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration. The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, salvage and disposal of operations.

Professional Service - A service rendered by members of a recognized profession or possessing a special skill.. Such service generally acquired to obtain information, advice, training, or direct assistance. See also *Texas Local Government Code §2254.002 of the Professional Services Procurement Act.*

Public Work Contract – A contract for constructing, altering, or repairing a public building or carrying out or completing any public work.

Purchase - An act that includes the acquisition of goods or services, to include the act of leasing personal or real property. Separate, sequential, and component purchases shall be treated as a single purchase.

Purchase Approval Form – This form should be used for routing all written contracts below $50,000. It is intended to provide the City Manager with enough information to make an informed decision regarding the approval of requested purchases. At a minimum this information should include: summary information of purchase request, background information, number of bids solicited, number of bids received, funding source, budget vs. actual cost and summary tabulation.

Purchasing - The act, function, and responsibility for the acquisition of goods and services. See also Procurement.

Procurement Division - A division of the Finance Department that is responsible for assisting all departments with the acquisition of goods and services to support their departmental mission.

Purchase Order - A formal, binding, legal agreement issued by the City's Purchasing Coordinator. A purchase order is requested by a departmental requisition that details the merchandise or services required. When accepted by a vendor without qualifications within a specified time period, the agreement becomes a contract. A Purchase Order grants the vendor the authority to deliver the goods or services and invoice for the same. It is the City's commitment to accept the goods or services and pay for them at the agreed price.

Purchase Requisition – A document created by the requestor authorizing the commencement of a purchasing transaction; typically will include a description of the need and other information relative to the transaction.

Real property – Land, improvement, or an estate or interest in real property, other than a mortgage or deed of trust creating a lien on property or an interest securing payment or performance of an obligation in real property.

RFx – An abbreviation used to describe Invitation for Bids, request for proposals, requests for qualifications requests for quotes, or solicitation. *See also solicitation.*

Request for Proposal (RFP) - A formal written document requesting that potential vendors make an offer for services to the City. The Request for Proposal method of procurement may be used for goods or services including high technology and insurance when it is determined that the proposal process provides the best value to the City. When the RFP is used for the selection of professional services as allowed in the *Texas Local Government Code §252.022(a)(4)*, the City shall comply *with Texas Government Code §2254.003* in the procurement of these services.

The City shall not award a contract for these services based on competitive bids but shall make the selection and award on the basis of demonstrated competence and qualifications for a fair and reasonable price. Fees must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations and may not exceed any maximum(s) provided by law.

Request for Qualifications (RFQ) - a formal written document used when soliciting providers of architectural, engineering or land surveying services. The City shall comply with *Texas Government Code §2254.004* in the procurement of these services. The City must first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications. After a firm has been selected based on qualifications and experience, then a fair and reasonable fee shall be negotiated. If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the City shall formally end negotiations with that firm and select the next most highly qualified firm and begin negotiations with that provider for a fair and reasonable price.

Reverse Auction - Single or multiple-item, open, descending-price auction. The initiator specifies the opening bid price and bid decrement. Each bidder submits a successively lower bid and at the end of the auction, bidders with the lowest bid win. Each winning bidder sells at a price equal to the bid he/she made.

Separate Purchases – Purchases made separately of items that in normal purchasing practices would be purchased in one purchase.

Sequential Purchases – Purchases made over a period of time of items that in normal purchasing practices would be purchased in one purchase.

Services - A generic term to include all work or labor performed for the City on an independent contractor basis, including maintenance, construction, manual, clerical or professional services.

Single Source – A procurement decision whereby purchases are directed to one source because of standardization, warranty, or other factors, even though other competitive sources may be available.

Solicitation – An Invitation for Bids, Request for Proposals, Request for Qualifications, Request for Quotes, telephone call or any document used to obtain bids or proposals for the purpose of entering in to a contract, or acquiring goods or services. *See also RFx.*

Specifications - Statements containing a detailed description of the terms of the contract, as well as specific details for the goods and/or services. The details or specifications should be descriptive, but not restrictive.

State Contract Purchase - An item available through the State of Texas General Services Commission Cooperative Purchasing Program. The State has publicly advertised and received qualified bids for specific items. These appear on a listing periodically published by the State. The City of Fredericksburg has elected to participate in the cooperative purchasing program for governmental subdivisions and other state agencies. *Texas Local Government Code §271.102*

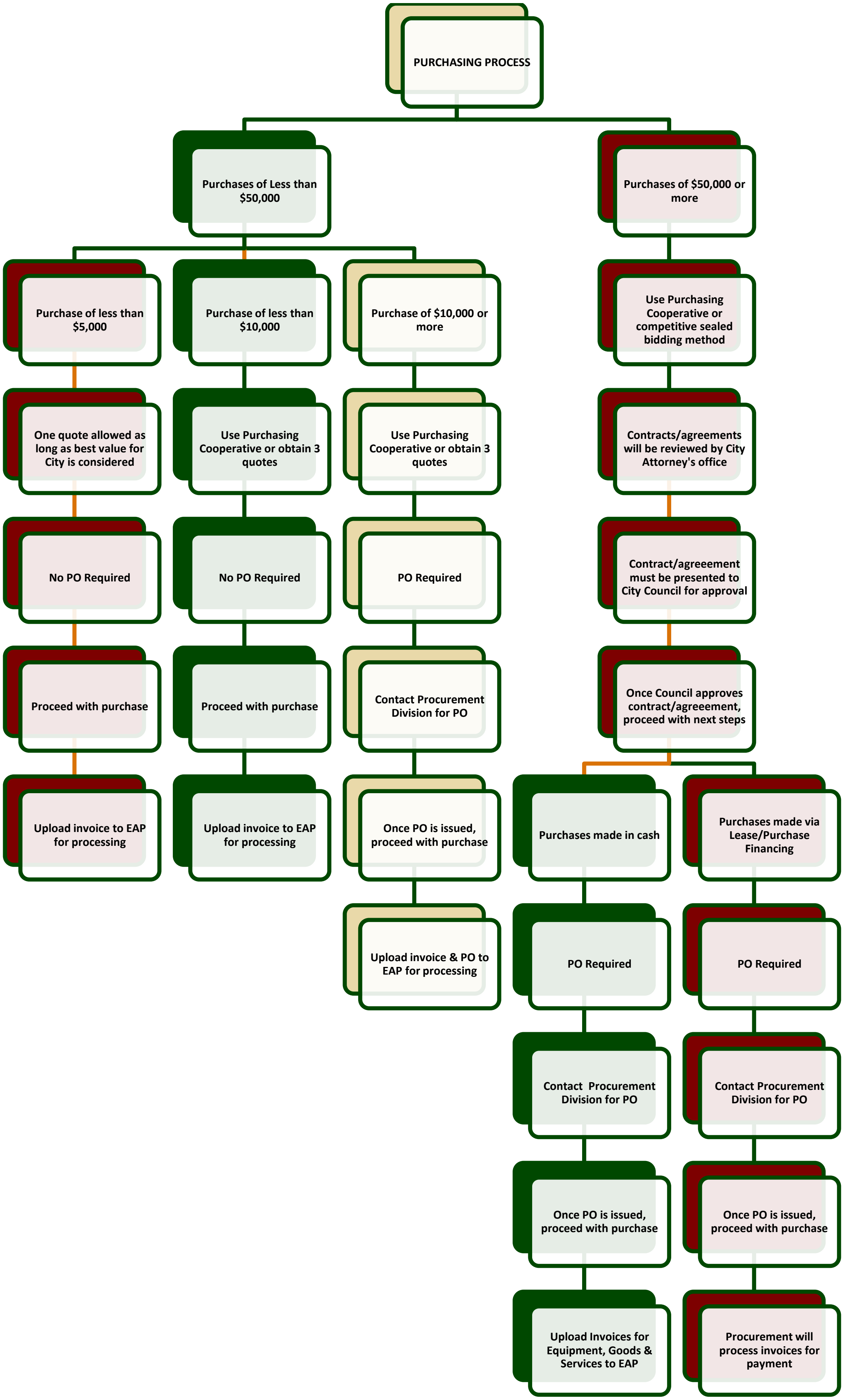
Surplus – Item(s) no longer needed by a department, regardless of its value or condition.

Unbudgeted purchases – An expense that was not identified and approved by City Council in the approved Annual Budget.

Urgent Purchase – These purchases occur when a situation arises that should have been anticipated or pre-planned during the mid-year or annual budgeting process and does <u>not</u> have a potential public safety impact. These purchases are subject to competitive bidding processes.

Vendor - A generic term applied to individuals and companies alike, who provide goods and services to the City.

APPENDIX A – PURCHASING PROCESS DIAGRAM



CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM: Garret Bonn, Assistant City Manager
MEETING DATE: April 2, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consideration and possible action relating to a settlement agreement in the case of the State of Texas, et al. Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in 216th District Court (Cause No. 17175) (Anna Hudson - Director of Development Services)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:

ATTACHMENTS:
None

APPROVAL/REVIEW:

________________________________ Date: March 28, 2024
Clinton Bailey, City Manager

Date: March 28, 2024

Garret Bonn, Assistant City Manager

Date: March 28, 2024

William McKamie, City Attorney

Date: March 28, 2024

Clinton Bailey, City Manager

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM:
MEETING DATE: April 2, 2024

CATEGORY: CITY MANAGER'S REPORT

CAPTION: Update on City Secretary Position

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

____
Clinton Bailey, City Manager

Date: March 28, 2024

Date: March 28, 2024

Garret Bonn, Assistant City Manager

Date: March 28, 2024

Clinton Bailey, City Manager

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM:
MEETING DATE: April 2, 2024

CATEGORY: EXECUTIVE SESSION

CAPTION: Discuss and consider and take action on a competitive matter related to a public utility as defined in Section 552.133, Local Government Code; Purchase of Wholesale Power

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PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

Clinton Bailey, City Manager

Date: March 28, 2024

Date: March 28, 2024

Garret Bonn, Assistant City Manager

Date: March 28, 2024

Krista Wareham, Director of Finance

Date: March 28, 2024

William McKamie, City Attorney

Date: March 28, 2024

Shelley Goodwin, City Secretary

Date: March 28, 2024

Clinton Bailey, City Manager

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM:
MEETING DATE: April 2, 2024

CATEGORY: EXECUTIVE SESSION

CAPTION: Consider and discuss Real Estate in the vicinity of US 290E and Old San Antonio Rd. (Section 551.072)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

Clinton Bailey, City Manager

Date: March 28, 2024

Date: March 28, 2024

Garret Bonn, Assistant City Manager

Date: March 28, 2024

Krista Wareham, Director of Finance

Date: March 28, 2024

William McKamie, City Attorney

Date: March 28, 2024

Shelley Goodwin, City Secretary

Date: March 28, 2024

Clinton Bailey, City Manager

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Secretary
TO: Mayor & City Council Members
FROM: Garret Bonn, Assistant City Manager
MEETING DATE: April 2, 2024
CATEGORY: EXECUTIVE SESSION

CAPTION: Consider and discuss the value and possible disposition of city-owned real properties located throughout the City (Section 551.072)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

Clinton Bailey, City Manager

Date: March 28, 2024

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Development Services
TO: Mayor & City Council Members
FROM:
MEETING DATE: April 2, 2024

CATEGORY: EXECUTIVE SESSION

CAPTION: Consider and discuss the State of Texas, et al. Association Against Fredericksburg Annexations vs. City of Fredericksburg, Texas, pending in 216th District Court (551.071)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Business Visioning
Government Vision
Family Life Vision
Quality of Life Vision

ATTACHMENTS:
None

APPROVAL/REVIEW:

______________________________ Date: March 28, 2024
Anna Hudson, Director of Development Services

______________________________ Date: March 28, 2024
Garret Bonn, Assistant City Manager

William McKamie, City Attorney

Date: March 28, 2024

Clinton Bailey, City Manager

Date: March 28, 2024