City of Fredericksburg

City Council Regular Meeting Agenda
Tuesday, September 17, 2024 ~ 9:00 AM
Law Enforcement Center
1601 E. Main Street
Fredericksburg, Texas 78624

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

The City of Fredericksburg City Council will meet in a regular session on Tuesday, September 17, 2024, at 9:00 AM. The meeting will be live-streamed & available for re-watch on the City's website: fredericksburgtx.portal.civicclerk.com.

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 p.m. the day before the meeting.

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

Sign up in person between 8:30 a.m. and 9:00 a.m. at the meeting location.

i. Only one agenda item per Comment Card;
ii. Speakers will be limited to three 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 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 City Council 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, and Zoning Board of Adjustment 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 - Mayor Jeryl Hoover**

2. **INVOCATION - Jimmy Pruitt, Bridge Church Pastor, will lead the Invocation**

3. **PLEDGES OF ALLEGIANCE - Mayor Jeryl Hoover will lead the Pledges**

4. **CEREMONIALS - Proclamation to be presented by Mayor Hoover proclaiming "Jacob Brodbeck Day"**

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:
August 6, 2024 Regular Meeting
August 8, 2024 Joint Meeting with County Commissioners

B. Consider the approval of street/lane closure requests for (1) N. Crockett Street from W. Austin Street to W. Schubert Street, (2) Designate W. Schubert (eastbound lane only) from N. Crockett Street to N. Adams Street as a drive-thru lane, and (3) N. Adams Street (one southbound lane only) from W. Schubert Street to W. Austin Street; from 5:30 p.m. to 8:45 p.m., on both Friday, December 13, 2024, and Saturday, December 14, 2024, for the Christmas Journey event hosted by Bethany Lutheran Church (Jennifer Krupa, Assistant Director of Parks and Recreation/Special Events Coordinator).

C. Petition for Release of Property from the City of Fredericksburg Extra-Territorial Jurisdiction of approximately 7.627 acres of land at Outlot 261 and Outlot 262 and some land not falling with an Outlot out of the J. Chapa Survey No. 131, Abstract No. 115 and the B. Adams Survey No. 123, Abstract No. 4 in Gillespie County, Texas on or near 804 S. Bowie St., Fredericksburg, TX. (Mick McKamie, City Attorney)

7. **ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**

A. Consideration and approval of Ordinance 2024-29 adopting the Fiscal Year 2024-2025 Budget for the City of Fredericksburg, Texas commencing October 1, 2024, and ending on September 30, 2025. (Krista Wareham, Finance Director)

B. Consideration and approval of Ordinance 2024-30 adopting the tax rate and levying taxes for the use and support of the municipal government of the City of

Fredericksburg, Texas. (Krista Wareham, Finance Director)

C. Consideration and possible action to ratify adopting a tax rate that exceeds the No-New-Revenue rate for Fiscal Year 2024-2025. (Krista Wareham, Finance Director)

D. Consideration and approval of Ordinance 2024-28 related to the Building Permit Fee Schedule. (Anna Hudson, AICP, Director of Development Services)

8. OTHER ACTION ITEMS AND UPDATES

A. Consideration and Possible Action Relating to Three (3) Existing Lease Agreements at the New City Hall Campus (East Campus). (Garret Bonn, Asst. City Manager)

B. Consideration and Possible Action for the Award of Construction of Water and Sewer Utilities Along W. Live Oak. (Kris Kneese, Public Works/Utilities Director)

9. CITY MANAGER'S REPORT

10. ITEMS FOR FUTURE AGENDA

A. Review Future Agenda Items List

11. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Section 551.072:

A. Consider and discuss Real Estate in the vicinity of US 290E and Industrial Loop. (Section 551.072)

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.

13. ADJOURN

CERTIFICATION

This is to certify that I, Leticia Vacek, posted this Agenda at 6 pm on September 13, 2024 on the bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.

Leticia Vacek

Leticia Vacek, TRMC/CMC/MMC
City Secretary

City of Fredericksburg

CITY COUNCIL AND GILLESPIE COMMISSIONERS COURT JOINT BUDGET MEETING

MINUTES
Thursday August 8, 2024 ~ 9:00 am
John Wm. Klein Room
115 N Crockett
FREDERICKSBURG, TEXAS 78624

City Council Members Present:
Mayor Jeryl Hoover
Mayor Pro-Tem Emily Kirchner
Councilmember Bobby Watson
Councilmember Tony Klein
Councilmember Randy Briley

County Commissioners Present:
County Judge Daniel Jones
Commissioner Charles Olfers
Commissioner Keith Kramer
Commissioner Dennis Neffendorf
Commissioner Don Weinheimer

City Staff Present:
Clinton Bailey, City Manager
Garret Bonn, Assistant City Manager
Leticia Vacek, City Secretary
Brian Vorauer, Chief of Police
Kris Kneese, Director of Public Works/Utilities
Anna Hudson, Director of Development Services
Krista Wareham, Director of Finance
Kelli Olfers, Director of Gillespie County Health
Sean Doerre, Public Information Officer
David Kellam, Finance Manager
Justin Calhoun, Emergency Management Coordinator
Reagan Rabke, Fire Marshal
David Jung, Director of EMS
Les Metzler, Director of Dispatch
Brandon Gold, Assistant Director IT
Josh Trieber, Sanitation Superintendent
Amy Burrier, Fire/EMS/Analytical

CALL TO ORDER

Mayor Hoover called the Joint Meeting of the Fredericksburg City Council to order at 9:00 am on Thursday, August 8, 2024. He announced that a quorum was present. Judge Jones called the Joint Meeting of the Gillespie

Commissioners Court to order 9:00 am. He announced that a quorum of the County Commissioners was present.

FISCAL YEAR 2024/2025 PROPOSED BUDGET - Clinton Bailey, City Manager

Mayor Hoover announced that today's session was very informal and turned it over to City Manager Bailey. Mr. Bailey made opening remarks being this was the second annual joint meeting which has proven to have been beneficial. He thanked everyone for the informal budget opportunity to meet and stated that his hope was to continue the discussions on other topics as well.

Economic Development Commission (EDC) Funding – Tim Lehmberg, EDC Director

Mr. Lehmberg reported that this year's budget for the EDC will see a 6% increase in expenses. Items noted as increasing were insurance, benefits, salaries, and projected expenses. He mentioned their commitment to continue to support the Chamber's Entrepreneur Development initiative which was budgeted last year and included this year.

Mr. Lehmberg noted that they were doing well regarding their level of funding and were not requesting an increase in their current allocation of $132,000 each from the City and from the County. He mentioned that last year he requested a 10% increase in their level of funding. It was noted that the EDC did not pay rent at the location where they are housed (CVB). Additionally, it was stated that the City pays its allocation to the EDC from Enterprise Funds.

With regards to the workload, he stated that the economy has leveled out. He added that they set a record for inquiries received last year but it has slowed down to a more manageable level. He noted they are receiving inquiries and activity, but the trend is larger projects and less smaller ones throughout. He stated that he is efficient in how he operates to the point that he has not had to add an administrative assistant. He reported that they currently have one EDC Board seat vacant which is an appointment by the County. He asked if anyone had suggestions for their open board vacancy to submit their interest to him. Lastly, he reported that he was already working on next year's budget and will be able to remain at the same level of funding.

Gillespie County Health Services - Kelli Olfers, Director of Gillespie County Health Service

Mrs. Olfers reported that the budget for Health Services is based on the updated fee schedule proposed to go before the City Council for approval. Thereafter, the item will go before the County Commissioner's for their approval. She stated that the proposed fee schedule will result in $18,000 revenue. She added that their maintenance and operation fund will decrease by $15,000. Mrs. Wareham mentioned that several departments were able to reduce their previous year maintenance and operations line items to the eclipse. Mrs. Olfers also reported that they have added an expedited fee for those that want their permits the day of and increased the mobile permit fee. She noted that they educate the wineries of the required permit for mobile units.

Mrs. Olfers briefly discussed the succession plan for her office as she is preparing to retire. She added that the planned new position was set for September of 2025 but since that is so close to the start of the new fiscal year; the plan is to review it in six months. She added that a mid-year budget amendment can always be exercised if necessary. Mrs. Wareham added that $35,000 was removed from the budget based on the decision to review the new position mid-year.

Emergency Management Services (EMS)/Fire Department Budgets – Reagan Rabke, Fire Marshal and Justin Calhoun, Emergency Management Coordinator

Mr. Justin Calhoun reported that he had an overall 10% reduction in the EMS Budget. He noted that fleet lease was down as was small tools and equipment. He added that the debt on the generators has been paid off. Councilmember Briley asked of the FEMA funds. Mr. Calhoun replied that the State no longer sends that money down. Regarding the miscellaneous revenues, Mrs. Wareham stated it was interest that was earned on the reserves.

Mrs. Wareham stated that they were preparing a Fund Balance with all reserves listed within the city budget. She also mentioned that a 2.5% cost of living increase was built into all departments at this time.

Mr. Reagan Rabke reported on the number of calls with a higher call volume on Fridays and Saturdays. He also mentioned the call volume of the city vs county and the time it takes to respond. He referenced their Capital Improvements to the South Station roof which requires replacement. Also mentioned was the 3rd Fire Station with an approximate cost of $10 million to build and its location. Mr. Rabke noted a new ladder truck to replace the current 23-year-old ladder that can only reach 95 feet while a new one will reach 110 feet. A discussion was held regarding the use of the current ladder truck and its repairs, making it a high maintenance cost of $16,000 annually. He stated that the new ambulance approved in last year's budget will finally go into production in October 2024. Mr. Bailey stated that the planning of this capital equipment is crucial, and adjustments to the Capital Equipment Schedule due to production timelines. Transfers were briefly stated to have increased, but revenues are not reflected if the transfer patient has no insurance. Mr. Rabke also noted the replacement of the heart defibrillators budgeted at $400,000 that includes a 4-year maintenance for them.

At this time, precincts and zones were discussed in relation to response. Mayor Hoover asked Mayor Pro-Tem Kirchner to provide an update on the use of hotel occupancy tax for police and fire. Mayor Pro-Tem Kirchner stated that she has been working on an initiative for the city and would like to also include the County. She explained the two initiatives with one approach as potentially utilizing the 15% cap allowed by the State (15% can be used for Historic Preservation, and 15% can be used for the promotion of the Arts) and propose to utilize 15% for Emergency Services since more police are required to be hired and we have increased fire calls due to all our tourists. She noted the bill is being drafted and pre-filing starts in November. She indicated that she was hopeful as the Legislature goes into Session in January and if passed, the earliest it could become effective September 1st. The second initiative is a voluntary one whereby she has been working with some STR Owners to add a voluntary fee to the Friends of Fredericksburg Fund to enable half of the money to go to Police and the other half to Fire/EMS. With full participation, that approach could equate to $1,000,000 per entity. Commissioner Weinheimer spoke to the reality that the volunteer firefighters are aging out and busy with the drunk people which is taking away from their core responsibility. Mayor Hoover added that the circumstances were driving our first responders to tend to a different need which was worrisome. Councilmember Watson noted that in the future, a need for another Fire Substation would be needed on 290E which would alleviate the pressure off the volunteer firefighters. Judge Jones stated these issues merit a larger discussion at a future joint meeting.

Law Enforcement Center (LEC)/Emergency Dispatch Center – Police Chief Brian Vorauer, and Les Metzler, Director of Dispatch

Chief Vorauer stated that he had a conversation with the Sherrif's Office on much needed office space. He reported that the cost to remodel the Council Chambers not including any AV would cost $450,000 which is in the budget.

Mr. Metzler spoke of the transmission through dispatch and discussion ensued on the extent and clarification of receiving calls. Further discussion took place regarding the cost of replacing the current equipment with new equipment. Mr. Calhoun indicated the reasons why the new equipment was necessary.

Consider and discuss Outstanding Budget Items

Mayor Hoover asked if there were any other items to consider. Mr. Bailey spoke to previous conversations of adding a Fire/EMS Substation and suggested a future joint meeting to discuss a location in detail.

Mayor Pro-Tem Kirchner mentioned the Glockenspiel noting the location of its placement at MarktPlatz. She indicated that a "masterplan" for MarktPlatz would be beneficial for a precise area for the placement of the Glockenspiel. She added a masterplan would account for the current footprint as well as future development for a total buildout. Mayor Hoover stated that it is on the radar to discuss said item in more detail. Councilmember Klein mentioned that the Market Square Redevelopment Committee would be playing a part in its placement as well. Mayor Pro-Tem Kirchner thanked everyone for their comments indicating she wanted to ensure there is a plan for its placement.

ADJOURN

There being no further business to discuss, Mayor Hoover adjourned the Joint Meeting at 11:05 am.

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Jeryl Hoover, Mayor

ATTEST:

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Leticia Vacek, TRMC/CMC/MMC
City Secretary

City of Fredericksburg

CITY COUNCIL REGULAR MEETING

MINUTES
Tuesday, August 6, 2024, ~ 9:00 am
Law Enforcement Center
1601 E. Main Street
FREDERICKSBURG, TEXAS 78624

City Council Members Present:
Mayor Jeryl Hoover
Mayor Pro-Tem Emily Kirchner
Councilmember Bobby Watson
Councilmember Tony Klein
Councilmember Randy Briley

City Staff Present:
Clinton Bailey, City Manager
Garret Bonn, Assistant City Manager
Leticia Vacek, City Secretary
Brian Vorauer, Chief of Police
Lynn Bizzell, Fire Chief
Kris Kneese, Director of Public Works/Utilities
Anna Hudson, Director of Development Services
Krista Wareham, Director of Finance
Aaron Anderegg, IT Director
Sean Doerre, Public Information Officer
David Kellam, Finance Manager
Darren Eckhardt, Hotel Occupancy Tax Specialist

1. **CALL TO ORDER -** Mayor Hoover called the meeting to order and noted a quorum was present.

2. **INVOCATION -** Christine Burdick, Supervisor at the Fredericksburg Visitor Information Center, delivered the Invocation.

3. **PLEDGES OF ALLEGIANCE -** Mayor Jeryl Hoover led the Pledges.

4. **CEREMONIALS –** Mayor Hoover announced there were no Ceremonials.

5. **COUNCIL COMMENTS**

Mayor Hoover recognized the Councilmembers**.**

Councilmember Briley reported that the Chamber 2025 Leadership Class was kicking off August 7 and their Retreat will be held on August 13, 2024. He noted the size of the class will be 23. He also reported that the CVB letters are being re-worked in front of the CVB Office.

Councilmember Klein stated that he had no announcements.

Mayor Pro-Tem Kirchner reported that she visited with Site Manager Shannon, of the TX Historical Commission who informed her of the upcoming programming noting that the Camels are Coming for our Youth and Citizens. The Texas Camel Corps will be at Fort Martin Scott with host Doug Baum. Programs will be held at 10am, 2pm, and 6pm on August 8, 9, and 10 and admission is free.

Councilmember Watson reported a highly successful Preview Week for the Fredericksburg Food & Wine Festival. He added that so many are looking forward to the October Food & Wine Festival. He noted Jim Mikula would provide more information on the same. He added that the Hill Country Leadership Institute is having a meeting on Affordability and Economics in Comfort. Lastly, he noted he would be in attendance at the August 19, 2024, Airport Advisory Board Meeting and the EDC Meeting on Friday, August 16, 2024.

Mayor Hoover announced the full agenda with some presentations and moved forward with Item 6.

6. CONSENT

A. **Consider the approval of a street closure request to close one southbound traffic lane and the parking lane adjacent to Marktplatz on North Adams from Austin to Main Street beginning Friday, October 18, 2024, at 7:00 am until Sunday, October 20, 2024, by 12:00 pm for BestFest (Jennifer Krupa, Assistant Director of Parks and Recreation/Special Event Coordinator)**

B. **Approval of the City Council Regular Meeting Minutes of June 18, 2024. (Leticia Vacek, City Secretary)**

Mayor Pro-Tem Kirchner moved to approve items 6A and 6B as presented. Councilmember Klein seconded the motion. The motion carried unanimously.

7. ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

A. **Adoption of Ordinance 2024-23 declaring that the Amendments to the City Charter approved by the Voters at the Special Election held on May 4, 2024 are hereby adopted by Ordinance and effective as of June 1, 2024. (Leticia Vacek, City Secretary)**

Councilmember Klein moved to approve Ordinance 2024-23. Councilmember Briley seconded the motion. The motion carried unanimously.

B. **CONSIDERATION AND APPROVAL OF ORDINANCE 2024-22 BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF FREDERICKSBURG, TEXAS, COMBINATION TAX AND LIMITED PLEDGE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024"; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND FURTHER SECURING SAID CERTIFICATES BY A LIEN ON AND PLEDGE OF THE PLEDGED REVENUES OF THE CITY'S COMBINED UTILITY SYSTEM; AND OTHER MATTERS INCIDENT AND RELATED THERETO (Garret Bonn, Asst. City Manager)**

i. Presentation by Dan Wegmiller, Specialized Public Finance, Inc. (Financial Advisor)
ii. Hold a Public Hearing (Mayor declares the Public Hearing open and calls upon individuals to speak. Mayor declares the Public Hearing closed)
iii. Take Action to Adopt Ordinance No. 2024-22 (Adoption of Ordinance 2024-22)

Mayor Hoover announced that he would defer Item 7B at this time for a later time to accommodate the presenter. He addressed Item 8A at this time.

Mayor Hoover recognized Mr. Dan Wegmiller who made a brief presentation regarding the bid opening held on the amount authorized of $9.5 Million. He stated that the Issue sold this morning where the city's bond rating of AA+ on the General Obligation side was leverage for the lowest interest rate possible. The rating analysts noted a strong local economy with a growing tax base and strong reserves and conservative budgeting efforts and good fiscal management policies and practices and very strong and manageable profile. Mr. Wegmiller added that the sale brought in 7 Bids and the lowest bid was 3.659667% while the estimating was at 4.35%. Saw strong bids today and benefitted from the low bids received due to the stock market. Lastly, he added that you can pay down the note at your choosing to pay off the debt early.

Mayor Hoover declared the public hearing open and recognized the following individuals that registered to speak on Ordinance 2024-22.

Dr. Eric Hammersen addressed the Council and asked how much more tax would be needed to pay off the note. Mrs. Wareham responded that it would be one penny and a half. Mayor Hoover declared the public hearing closed. Mayor Hoover added that the Ordinance would be updated with the information on the lowest bid received today from Fidelity Capital Market.

Councilmember Briley moved that the City Council adopt Ordinance 2024-22 authorizing the "City of Fredericksburg, Texas, Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2024 with the lowest bid received from Fidelity Capital Market. Councilmember Watson seconded the motion. The motion carried unanimously.

At this time, Mayor Hoover addressed Item 8C.

8. OTHER ACTION ITEMS AND UPDATES

A. **Discussion and possible action on the Glockenspiel Conceptual Plan at Marktplatz. (Mike Zenner, Pedernales Creative Arts Alliance and Andrea Schmidt, Director of Parks & Recreation)**

Mrs. Schmidt reported that the presentation has been approved by the Market Redevelopment Commission. She added that Mr. Mike Zenner will present the conceptual plan and if approved by the City Council; the next step will be that it is placed on the next agenda of the Historic Review Board for approval.

Mr. Mike Sinner introduced several members of the Commission as well as his co-chair. He presented the Mission and Vision Statements. The Pedernales Creative Arts Alliance (PGAA) Mission Statement reads as follows: PGAA's mission is to honor tradition while embracing progress, ensuring that the Glockenspiel Tower becomes an enduring symbol of pride and connection for the community of Fredericksburg. He also stated that PGAA is dedicated to creating, preserving, and celebrating a Glockenspiel Bell Tower that enriches our community's German cultural heritage, fosters unity, and provides a gathering space for generations to come.

He shared the design of the tower and noted the proposed location as of now displaying the views. He showed a rendering of the Project Details, specifically the concept of the tower by Chistoph Foundry in

South Carolina which is the only city in the US that makes the figurines. The height of the tower will be 45 ft with moving figurines and a beautiful bell tower at the top of the structure. He noted the base of the tower would be limestone offering space for landscape around the tower. He mentioned they have been in communications with several cities in the US and Germany. He spoke of creating a cultural legacy, a place where traditions are started and that the Glockenspiel provides a timeless design creating a place of learning and appreciation. He noted this concept would harmonize the draw that Fredericksburg brings. Lastly, he stated that the cost of the project would be north of $1.5 Million. Lastly, he spoke of donors, grants, and 2-year pledges that they will pursue. He stated that this is what was agreed to by the Market Redevelopment Commission.

Councilmember Klein moved to approve and proceed with the Glockenspiel Conceptual Plan as presented. Councilmember Briley seconded the motion. Mayor Pro-Tem Kirchner requested a holistic plan, more of a masterplan be provided to the Historic Review Board. The maintenance by the city as well as staff training was also discussed. Councilmember Klein agreed with Mayor Pro-Tem Kirchner regarding a masterplan as a friendly amendment to his motion. Councilmember Briley seconded the motion. The motion carried unanimously.

B. **Review and Discussion of the Truth in Taxation Rates provided by the Chief Appraiser of Gillespie Central County Appraisal District. (Krista Wareham - Director of Finance)**

Krista Wareham presented the Truth in Taxation requirements and its process. Mrs. Wareham referenced a slide on the No-New Revenue Rate of $0.160769; the Voter-Approval Rate of $0.205326; and the Current Tax Rate of $0.165180. At this time, she introduced the Chief Appraiser, Scott Fair who presented on the no new revenue rate and the voter approval rate. No action was required on said item.

Mayor Hoover noted that no action was required on said item. He announced that the council would now return to and address Item 7B.

C. **Overview of a Tax Increment Reinvestment Zone (TIRZ) Program. (Anna Hudson, AICP - Director of Development Services)**

Mrs. Hudson presented a powerpoint on the TIRZ Program noting that it is a tool to utilize to incentivize development and redevelopment. She noted that it was not a new tax that establishes a base tax value for the zone or district. The base tax value goes into a reserved "TIRZ Fund" and the funds can only be utilized on projects within the TIRZ boundaries that are established. The City Council appoints a TIRZ Board to oversee the projects prioritized within the TIRZ boundaries. She explained the increase in valuation can be split with the General Fund (i.e. 25 to 75%) as is done in Marble Falls or can elect to leave it at 100%. It was stated that the TIRZ can be renewed, and boundaries can be extended.

Councilmember Briley asked if the Council could make adjustments. Mrs. Hudson responded that the Council could make adjustments. She added that TIRZ funds can be used on bad sewer, facades in need of painting, beautification, etc…adding there were many other uses. She noted the bookends of Main Street and other areas in need of redevelopment. She stated that TIRZ has a life span of 25-years however, the boundaries can change.

Councilmember Klein noted that it has been mentioned to utilize this tool on the West Side on Main. Mayor Pro-Tem Kirchner stated that it is similar to a savings that becomes available to access and use towards improvements. She asked if the County would be a participant in the TIRZ Program. Mrs. Hudson stated if they do participate, the fund will grow at a much faster rate. Mayor Hoover asked if there can be more than one TIRZ. Mrs. Hudson replied yes.

Mrs. Hudson added that it is a public improvement that would benefit everyone. She showed the map and referred to the next steps as this would be more of a laser focus on the downtown area. She added that the

Council remains in control and would hire a third party to assist with a feasibility study for the implementation.

Mayor recognized a few individuals to comment on the TIRZ Program.

Mr. Tom Dooley asked how much the feasibility will cost. Mr. Bailey replied that it is expected to cost $30,000. Councilmember Watson added that the TIRZ is an exceptionally good tool for our city to address the needs of areas that have been discussed.

Annette Bennett asked how much money would be taken out of the General Fund. Mayor Hoover stated that the feasibility study would answer many of the questions being asked.

Geroge Studor and Jim Jarreu were also recognized on their comments related to the TIRZ boundaries.

Mayor Hoover stated that at this time; the Council has not decided on how to proceed.

No action was required on said item.

D. Petition for Release of Approximately 140.914 acres of Property, Generally located at 3567 US Highway 290 East from the City of Fredericksburg's Extraterritorial Jurisdiction, Gillespie County – Mr. Mickey Pool's Property. (Mick McKamie, City Attorney)

Mich McKamie reported that the new statute (Chapter 276) allows property owners to petition to release their property from the ETJ. He added that the Council may grant the release or do nothing, and it becomes effective (released automatically) by law after 45 days. He recommended one of the two actions.

Mayor Hoover entertained a motion. No motion was made and therefore, no action was taken.

9. CITY MANAGER'S REPORT

A. Andrea Schmitz reported on the repainting of the decorative pole on the north side of Marktplatz Square that was installed in 1991by the Pedernales Creative Arts Alliance (PCAA). The arms were removed and taken to Ms. Ruby Lee Clark, local artist who is repainting them now. Robin and Jason Barnes repainted the blue and white stripes while on the lift. It was noted that PCAA is providing all to have this done by October. Mayor Hoover publicly acknowledged local artist, Ruby Clark who painted the arms years ago as well as to the Barnes Family.

Nimitz Rotary Club's donation for Improvements to Cross Mountain Park Entrance – Andrea Schmidt reported on the donation to utilize the extra funds after the improvements were made to the entrance which will connect to the sidewalk. Additionally, she added that the Nimitz Rotary Club provided donations for Improvements to the Cross Mountain Park Entrance. Councilmember Klein added that there were also community funds that were donated for said improvements.

B. Food and Wine Festival Update - Jim Makula, CEO Chamber of Commerce gave an update of the Food and Wine Festival Preview Week which sold 476 tickets were sold for that event thus, it was quite successful. So far, two weeks into the ticket sales for October and have sold 487 tickets noting there were 4 different type of passes. He denoted the four types of tickets sold and stated that they have 15 Sponsors at an average of $5,000 each. He encouraged everyone to get their tickets now.

C. Fredericksburg Police Department Community Outreach Update – Chief Brian Vorauer presented an informative powerpoint showing all the Police Department's Community Outreach. He thanked Alyssa Rivera, Outreach Coordinator who assisted with the powerpoint and coordinated all the outreach events ensuring staffing availability at the various events.

10. ITEMS FOR FUTURE AGENDA

City Manager Bailey reviewed the City Council Future Agenda Items and Upcoming Meetings denoting the Council Budget Workshop on August 27, 2024. Coffee with the City Manager on September 11th and the Public Hearing on the Tax Rate on September 12, 2024.

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):

A. Consider and discuss the Civil Action No. 1:24-CV-00701-D11 Joseph Brillhart, Laura Brillhart, and Sally Clark, Plaintiffs, v. City of Fredericksburg, Texas, pending United States District Court for the Western District of Texas, Austin Division (551.071).

B. Consultation with City Attorney regarding legal requirements for municipal regulation of signs under current state and federal law (Texas Government Code 551.071). There will be no action after this Executive Session Item.

C. Consultation with City Attorney regarding legal requirements for determining eligibility for use of, reporting of, and audit of expenditures of HOT funds. (Texas Government Code 551.071)

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

E. Discussion and possible action on the value and disposition of city-owned real properties located throughout the City (Section 551.072)

Mayor Hoover recessed the City Council Regular Meeting at 10:48am into executive session to discuss Items 11A through 11E.

12. BUSINESS ITEM

Mayor Hoover reconvened the City Council Regular Meeting at 12:03pm and announced that no action would be taken.

13. ADJOURN

Mayor Hoover adjourned the City Council Meeting at 12:03pm

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Jeryl Hoover, Mayor

ATTEST:

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Leticia Vacek, TRMC/CMC/MMC
City Secretary

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Parks and Recreation
TO: Mayor & City Council Members
FROM: Jennifer Krupa, Asst. PARD Director/
Special Events
MEETING DATE: September 17, 2024 **CATEGORY:** CONSENT

CAPTION: Consider the approval of street/lane closure requests for (1) N. Crockett Street from W. Austin Street to W. Schubert Street, (2) Designate W. Schubert (eastbound lane only) from N. Crockett Street to N. Adams Street as a drive-thru lane, and (3) N. Adams Street (one southbound lane only) from W. Schubert Street to W. Austin Street; from 5:30 p.m. to 8:45 p.m., on both Friday, December 13, 2024, and Saturday, December 14, 2024, for the Christmas Journey event hosted by Bethany Lutheran Church (Jennifer Krupa, Assistant Director of Parks and Recreation/Special Events Coordinator).

PRESENTATION:

SUMMARY: Bethany Lutheran Church hosts an annual Christmas Journey Drive-Thru experience each December. The church, in consultation with the police department, streets division, and special events coordinator, are asking City Council to approve the following street closures on Friday & Saturday, December 13 & 14, 2024, from 5:30 p.m. until 8:45 p.m.:

- Designate W. Schubert Street (south side/eastbound lane only) between Crockett and Adams Streets as a drive-thru lane. Westbound traffic is open.
- Close N. Adams Street (west side/one southbound lane only) between W. Schubert and W. Austin Streets
- Close N. Crockett Street between W. Austin Street and W. Schubert Street

Emergency access will remain open on all streets during the closures.

BACKGROUND:
The streets division will deliver the equipment needed to close the streets on Friday, December 13, 2024. The church will be responsible for closing the streets/lanes and removing the equipment both days, and then placing the equipment on the side of each street for pick-up by the streets division on Monday, December 16, 2024.

Chapter 44, Article II, Section 44-24, of the City's Code of Ordinances states:
Sec. 44-24. - Authority of chief of police to enforce traffic regulations.

(a)

The chief of police is hereby empowered to take all actions as may be necessary or advisable to enforce traffic regulations to make effective the provisions of this chapter and other traffic laws or ordinances and to make and enforce temporary or experimental regulations to cover emergencies or special events or conditions. No such temporary or experimental regulation shall remain in effect for more than 90 days, nor shall it be effective until approved by the City Manager.
(b)
The chief of police is hereby empowered, in addition to the traffic engineer, to close streets for emergencies, special events or other conditions. Street closures which are expected to be for periods in excess of two hours, except for emergencies, shall require approval by the City Council.

FUNDING SOURCE: General Fund

FINANCIAL IMPACT:
N/A

STAFF RECOMMENDATION:
Recommend City Council consider the adoption of a motion to approve the closure of N. Crockett Street from W. Austin to W. Schubert; designate W. Schubert (eastbound lane only) from Crockett to Adams Streets as a drive-thru lane, and close one southbound lane on N. Adams Street from W. Schubert to W. Austin Street; from 5:30 p.m. to 8:45 p.m., on both Friday and Saturday, December 13 & 14, 2024, for the Christmas Journey event hosted by Bethany Lutheran Church.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Quality of Life Vision

ATTACHMENTS:
1. Street Closure Form_BLC Christmas 2024
2. BLC Christmas Drive-Thru Map

APPROVAL/REVIEW:

Andrea Schmidt

Andrea Schmidt, Parks and Recreation Director — Date: September 05, 2024

William McKamie, City Attorney — Date: September 09, 2024

Clinton Bailey, City Manager — Date: September 13, 2024

Street Closure Request Form

Street Closures

Street closure requests must be made two (2) months in advance to City Council for any closure two (2) hours or more. Street closures less than two hours in length will need police department approval. Please consider this timeline when submitting your request. You must attach the dated notification letter or email you have sent to abutting property owners (if applicable) with any feedback received. Submit completed form and attachments to the Special Events Coordinator. Once received, your request will be routed to the appropriate departments for review and assigned to a meeting agenda for City Council consideration. The event organizer or representative should be present at the City Council meeting in case there are any questions.

Event Name: Bethany Lutheran Church: Christmas Journey Drive-Thru

Event Date(s): Friday, December 13, 2024 and Saturday, December 14, 2024

Contact Name: Layne Petty

Contact Phone: 830-997-2069 or (830) 456-1817

Closure Area:

- [x] Entire Street
- [ ] Parking Lane Only — Side of Street (enter N,S,E,W):
- [x] Partial Street — Side of Street (enter N,S,E,W): S/W
- [ ] Blocking or Using City-Owned Property — Location:

Additional details; describe details of use below:

(1) Designated drive-thru lane will be eastbound on W. Schubert. Westbound traffic is OK.

(2) Asking to close the west side of Adams Street (one southbound lane) between Schubert and Austin Street.

Street Closure Details:

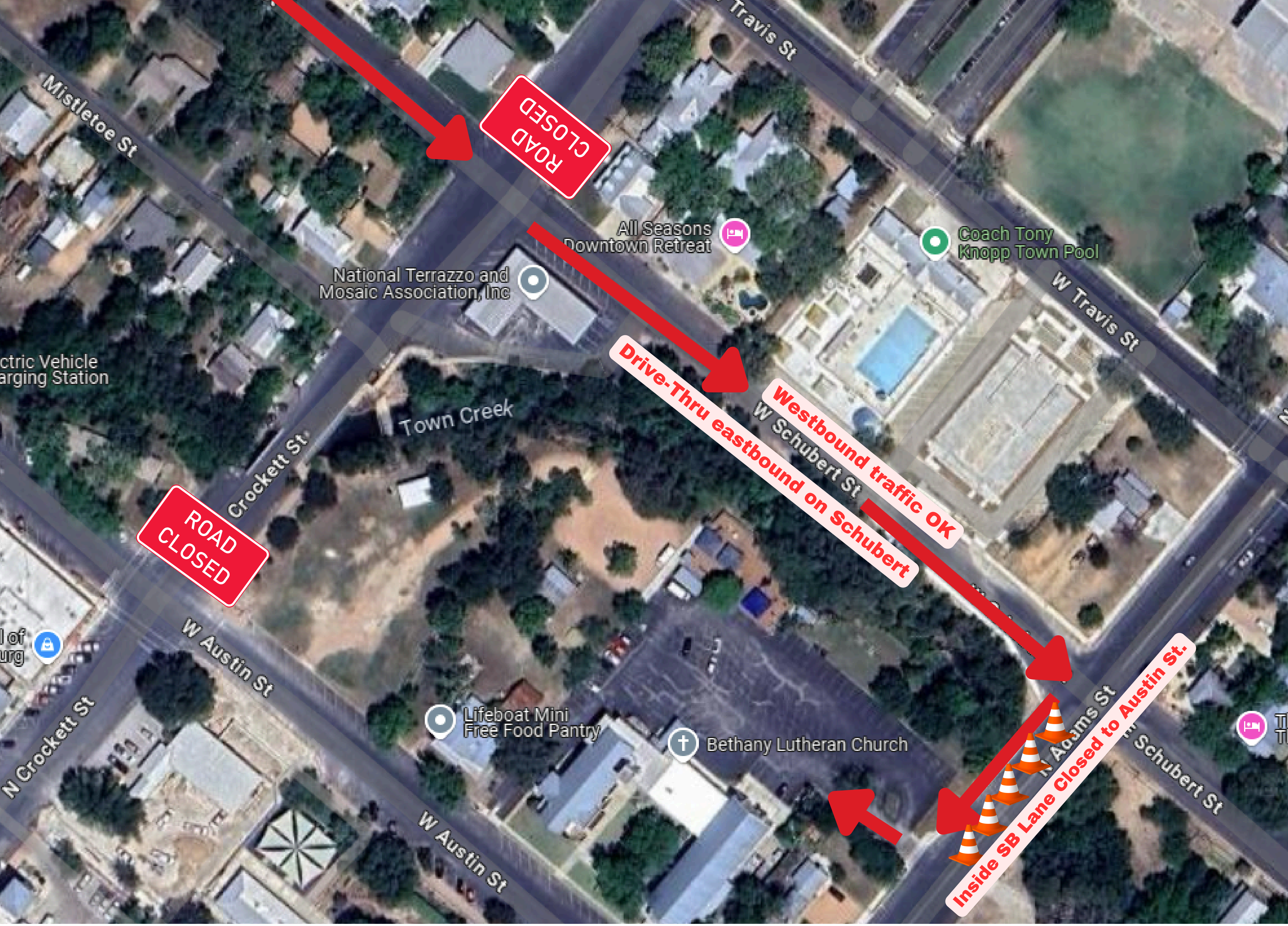
Street Name	Between (cross street)	And (cross street)	Start Date	Start Time	End Date	End Time
Example: W. Austin Street	N. Crockett	N. Adams	Saturday, April 22, 2023	6:00 A.M.	Saturday, April 22, 2023	12:00 P.M.
W. Schubert St. NOT CLOSED Designated drive-thru lane	N. Crockett St.	N. Adams Street	Friday, 12/13/24 & Saturday, 12/14/24	5:30 p.m.	Friday, 12/13/24 & Saturday, 12/14/24	8:45 p.m.
N. Adams Street Westside of street: one SB lane only	W. Schubert St.	W. Austin St.	Friday, 12/13/24 & Saturday, 12/14/24	5:30 p.m.	Friday, 12/13/24 & Saturday, 12/14/24	8:45 p.m.
N. Crockett St. CLOSED	W. Austin St.	W. Schubert St.	Friday, 12/13/24 & Saturday, 12/14/24	5:30 p.m.	Friday, 12/13/24 & Saturday, 12/14/24	8:45 p.m.

CITY USE ONLY:

Police: Lt. Seelig via email Date: 9/3/24

Streets: G. Durst via email Date: 8/30/24

Parks: Jennifer Kurz Date: 8/30/24



Bethany Christmas Journey Drive-Thru

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Secretary
TO: Mayor & City Council Members
FROM:
MEETING DATE: September 17, 2024 **CATEGORY:** CONSENT

CAPTION: Petition for Release of Property from the City of Fredericksburg Extra-Territorial Jurisdiction of approximately 7.627 acres of land at Outlot 261 and Outlot 262 and some land not falling with an Outlot out of the J. Chapa Survey No. 131, Abstract No. 115 and the B. Adams Survey No. 123, Abstract No. 4 in Gillespie County, Texas on or near 804 S. Bowie St., Fredericksburg, TX. (Mick McKamie, City Attorney)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE: **FINANCIAL IMPACT:**

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Neighborhood Quality
Workforce
Tourism
City Center
Mobility
Small Town Sensitive Growth
Governance

ATTACHMENTS:
1. ETJ Release Request J. Hutson

APPROVAL/REVIEW:

Leticia Vacek, City Secretary

Date: September 12, 2024

William McKamie, City Attorney

Date: September 12, 2024

Leticia Vacek, City Secretary

Date: September 12, 2024

Clinton Bailey, City Manager

Date: September 13, 2024

September 6, 2024

Via Hand Delivery

Ms. Leticia Vacek
City Secretary
City of Fredericksburg, Texas
126 W. Main Street
Fredericksburg, TX 78624

RE: Petition for Release of Area from the Extraterritorial Jurisdiction of the City of Fredericksburg ("Petition")

Dear Ms. Vacek,

Enclosed please find the above-referenced Petition submitted on behalf of Jeffrey and Katherine Hutson, owners of the subject real property. I have also enclosed a check in the amount of $1,000.00 to cover fees related to said Petition.

Please let me know if you require anything further. Once this is placed on City Council agenda for review, please let me know so that I may attend.

I look forward to working with you on this matter.

Sincerely,

Jeffrey Hutson
(713) 297-1449
804 S Bowie St
Fredericksburg, TX 78624

Filed with City Secretary
Date 9-6-24
Time 2 PM
Signature

PETITION FOR RELEASE OF AREA
FROM THE EXTRATERRITORIAL JURISDICTION

THE STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS:

The undersigned (hereinafter called "Petitioners"), pursuant to Section 42.102 of the Texas Local Government Code, as amended, hereby respectfully petition the City of Fredericksburg, Texas (hereinafter called the "City"), for the removal of the area described in Exhibit "A" herein (the "Property") from the extraterritorial jurisdiction (the "ETJ") of the City.

In support of this Petition, Petitioners would respectfully show:

I.

Petitioners have authority, pursuant to Section 42.102(b) of the Texas Local Government Code, to file this Petition as the owner(s) of the majority in value of an area of land in a municipality's ETJ.

II.

This Petition is signed by a majority in value of the holders of title of land in the area as described by the Petition, as indicated by the warranty deed dated June 1, 2017, recorded at Register No. 20172646 of the Official Records of Gillespie County, Texas, attached hereto as Exhibit "B". The Petitioners constitute all of the owners of the land covered by this Petition.

III.

This Petition has satisfied the signature requirements described by Sections 42.103 and 42.104(a) of the Texas Local Government Code and Chapter 277, Election Code, and is not later than the 180th day after the date the first signature for the Petition is obtained.

IV.

The signatures collected for this Petition is in writing, pursuant to Section 42.104(c) of the Texas Local Government Code.

V.

The Property is located in Gillespie County, Texas, and totals approximately 7.627 acres, as described in Exhibit "A", which is located within the extraterritorial jurisdiction of the City and, to the best of the Petitioners' knowledge, is not subject to any of the exceptions from applicability described in Section 42.101, Texas Local Government Code.

VI.

This Petition shall be verified by the City Secretary of the City or other person at the City responsible for verifying signatures.

VII.

The City must notify the residents or landowners of the District of the results of the Petition, which notification requirement may be satisfied by notifying the Petitioners in writing.

VIII.

If Petitioners have obtained the signatures on the Petition required under Section 42.104, Texas Local Government Code to release the District from the City's ETJ, the City shall immediately release the District from its ETJ pursuant to Section 42.105(c), Texas Local Government Code.

WHEREFORE, PREMISES CONSIDERED, Petitioners pray that this Petition be filed with the City Secretary of the City of Fredericksburg, Texas, and that, thereafter, the Property be removed from the extraterritorial jurisdiction of the City, in the manner provided by law, including particularly Sections 42.102-105 of the Texas Local Government Code, as amended, that after this

Petition has been granted, that it and the Petitioners' action thereon be filed of record and be recorded in the Office of the City Secretary of Fredericksburg, Texas; and that Petitioners have such other order and relief to which they may show itself entitled. If the City Council has not released the Property from the ETJ by the later of the 45th day after the date the City receives this Petition or the next meeting of the City Council that occurs after the 30th day after the date the City receives this Petition, the Property shall be released by operation of law pursuant to Chapter 42.105(d), Texas Local Government Code.

PETITIONERS:

Jeffrey Phillips Hutson

Katherine Fay Hutson

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this 6th day of September 2024, by Jeffrey Phillips Hutson

KOLT MEEKS
Notary Public, State of Texas
Comm. Expires 10-21-2025
Notary ID 133405956

Notary Public in and for the
State of Texas

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

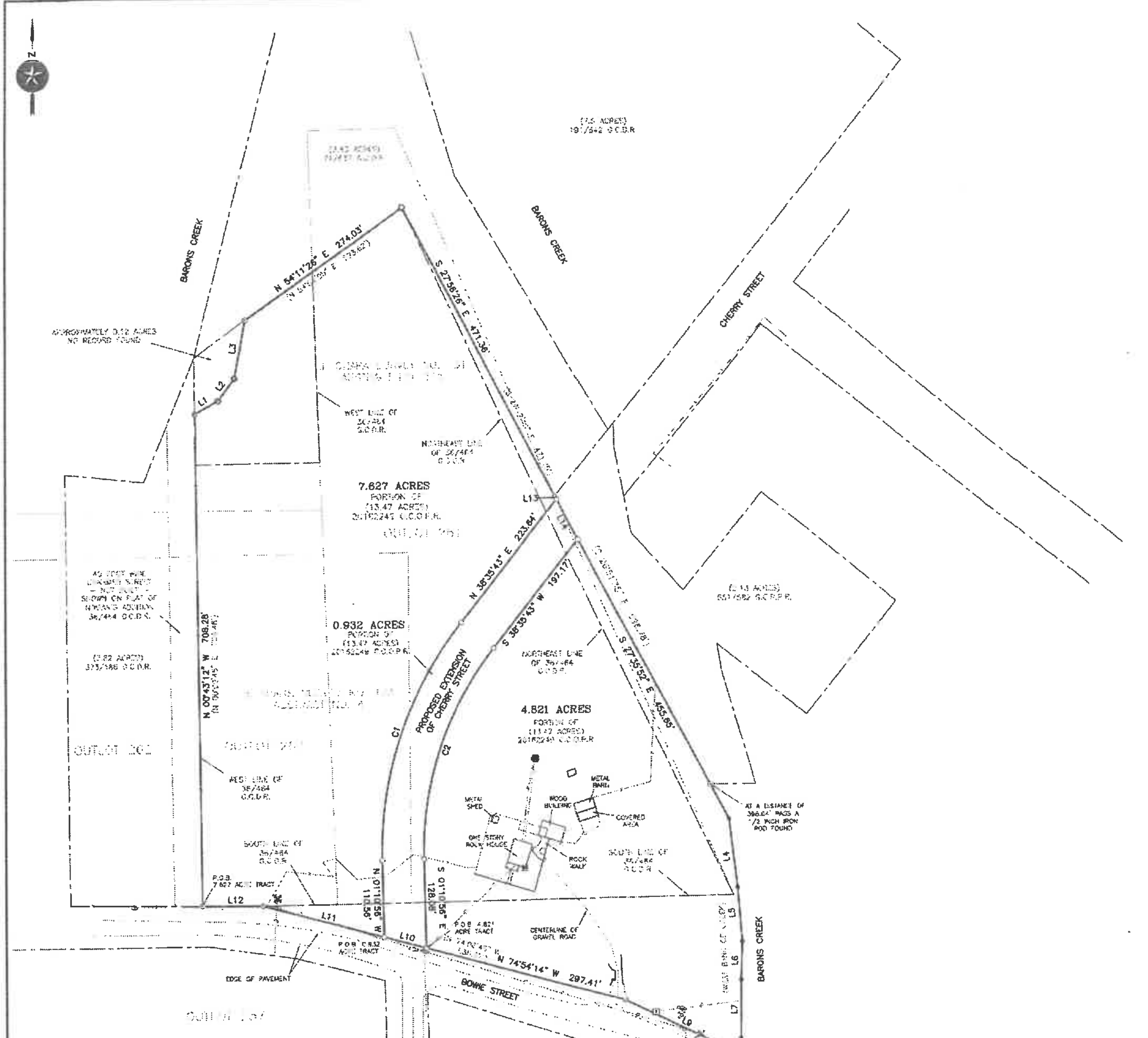
This instrument was acknowledged before me on this 6th day of September 2024, by Katherine Fay Hutson

KOLT MEEKS
Notary Public, State of Texas
Comm. Expires 10-21-2025
Notary ID 133405956

Kolt Meeks

Notary Public in and for the
State of Texas

EXHIBIT "A"



LINE TABLE

LINE	BEARING	DISTANCE
L1	N 60°43'47" E	37.86'
L2	N 36°41'00" E	39.79'
L3	N 10°25'46" E	83.91'
L4	S 06°54'06" E	98.73'
L5	S 04°17'48" E	78.33'
L6	S 01°41'53" W	55.65'
L7	S 06°29'16" W	83.99'
L8	S 19°26'34" W	21.97'
L9	N 63°20'38" W	173.34'
L10	N 74°54'14" W	62.51'
L11	N 74°54'14" W	176.61'
L12	N 89°39'43" W	85.26'
L13	S 27°35'52" E	5.31'
L14	S 27°35'52" E	65.68'

RECORD LINE TABLE

LINE	BEARING	DISTANCE
L1	N [illegible] E	38.00'
L2	N 37°20'30" E	39.87'
L3	N 11°10'00" E	84.23'
L9	N 62°20'10" W	169.55'
L12	N 89°[illegible]30" W	85.34'

SURVEY NOTES:

1. BEARINGS, DISTANCES & ACREAGE ARE GRID, NAD 83 US TX CENTRAL ZONE 4203.

2. UNDERGROUND UTILITIES, PIPELINES, SPRINKLER SYSTEMS, VALVES, BOXES, AND/OR SPRINKLER HEADS THAT MAY EXIST, ARE NOT SHOWN HEREIN.

3. THE SURVEY FOR THE 7.627 ACRE TRACT AND THE 0.932 ACRE TRACT WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT/COMMITMENT. THERE MAY BE EASEMENTS, RESTRICTIONS, AND/OR COVENANTS AFFECTING THOSE TRACTS THAT ARE NOT SHOWN HEREON.

4. FOR THE 4.821 ACRE TRACT, RECORD EASEMENTS, RESTRICTIONS, AND/OR COVENANTS ARE ADDRESSED/SHOWN HEREON AS PER ITEMS LISTED IN TITLE COMMITMENT PROVIDED BY TITLE COMPANY NAMED HEREIN.

5. A METES AND BOUNDS DESCRIPTION ACCOMPANIES THIS PLAT.

6. A "1/2 INCH IRON ROD SET" IS A 1/2 INCH REBAR WITH PLASTIC CAP MARKED "SEARCHERS SPLS 6276."

NOTES:

1. SURVEY PERFORMED BASED ON DESCRIPTION OF A 13.47 ACRE TRACT RECORDED IN INSTRUMENT NO. 20162249 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS. THE DESCRIPTION INCLUDES LAND NOT INCLUDED IN THE PRIOR INSTRUMENT RECORDED IN VOLUME 36, PAGE 464 OF THE DEED RECORDS OF GILLESPIE COUNTY, TEXAS.

2. LAND WITHIN BARONS CREEK MAY BE OWNED BY THE CITY OF FREDERICKSBURG ACCORDING TO INSTRUMENT NO. 20153211 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS BEING ALL OF THE LAND DESCRIBED IN PARAGRAPH C OF THAT CERTAIN DISTRICT COURT JUDGEMENT RENDERED IN CAUSE NO. 1174, STYLED GILLESPIE COUNTY V. ERNST MEUSEBACH ET AL, AND DATED FEBRUARY 17, 1920

4.821 ACRE TRACT NOTE:

SCHEDULE B ITEMS, AS PER NATIONAL INVESTORS TITLE INSURANCE COMPANY EFFECTIVE DATE: FEBRUARY 20, 2017, 3:15 PM ISSUED DATE: FEBRUARY 21, 2017, 9:30 AM GF NO. 217-110

AS PER INFORMATION PROVIDED IN TITLE COMMITMENT LISTED ABOVE, THIS PROPERTY IS SUBJECT TO:

10a. BOUNDARY LINE AGREEMENT, 110/736 G.C.D.R. LOCATED ON EAST SIDE OF 4.821 ACRE TRACT. SEE NOTE 2 ABOVE.

10b. BOUNDARY LINE AGREEMENT, INSTRUMENT NO. 20162924 G.C.O.P.R. DOES NOT AFFECT 4.821 ACRE TRACT

CURVE TABLE

CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	530.00'	367.95'	360.61'	N 18°42'23" E	39°46'40"
C2	470.00'	326.30'	319.78'	S 18°42'23" W	39°46'40"

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT THE PLAT AS SHOWN HEREON WAS PREPARED FROM AN ON-THE-GROUND SURVEY PERFORMED BY ME OR UNDER MY SUPERVISION AND COMPLETED ON MARCH 1, 2017.

FOR THE 4.821 ACRE TRACT, THERE ARE NO VISIBLE EASEMENTS, ENCROACHMENTS, OR PROTRUSIONS EXCEPT AS SHOWN HEREON.

FOR THE 7.627 ACRE TRACT AND THE 0.932 ACRE TRACT, NO WARRANTY IS MADE OR INTENDED FOR THE LOCATION OF ANY OR ALL EASEMENTS THAT MAY EXIST WITHIN THE BOUNDS OF THIS SURVEY.

JOSH W. LEAMONS
REGISTERED PROFESSIONAL LAND SURVEYOR #6276

MARCH 3, 2017
DATE

STATE OF TEXAS
JOSH W. LEAMONS
6276
LAND SURVEYOR

SEARCHERS
LAND SURVEYING, LLC
MASON | FREDERICKSBURG

LEGEND:

POINT
1/2" IRON ROD FOUND
1/2" IRON ROD SET
FIRE HYDRANT
UTILITY POLE
GUY
WATER WELL
ELECTRIC METER
GAS METER
AIR CONDITIONER
AS MARKED
PEDESTAL
WATER METER
U.E. - UTILITY EASEMENT
B.L. - BUILDING SETBACK LINE
P.O.B. - POINT OF BEGINNING
G.C.P.R. - GILLESPIE COUNTY PLAT RECORDS
G.C.D.R. - GILLESPIE COUNTY DEED RECORDS
G.C.O.P.R. - GILLESPIE COUNTY OFFICIAL PUBLIC RECORDS
G.C.R.P.R. - GILLESPIE COUNTY REAL PROPERTY RECORDS

0' 100' 200' 300'
SCALE: 1" = 100'

TITLE SURVEY
4.821 ACRES OUT OF OUTLOT 261 AND THE J. CHAPA SURVEY NO. 131, A-115 IN GILLESPIE COUNTY, TEXAS

BOUNDARY SURVEY
7.627 ACRES AND 0.932 ACRES OUT OF OUTLOT 261 & 262 AND THE J. CHAPA SURVEY NO. 131, A-115 AND THE F. ADAMS SURVEY NO. 122, A-4 IN GILLESPIE COUNTY, TEXAS

EXHIBIT "A"

SEARCHERS
LAND SURVEYING, LLC

MASON | FREDERICKSBURG
P.O. Box 528 Mason, TX 76856 | 325-347-7489 | TBPLS Firm #10193966
P.O. Box 1504 Fredericksburg, TX 78624 | 805-252-9810 | TBPLS Firm #10194211
www.searchersls.com

LEGAL DESCRIPTION: Being 7.627 acres of land out of Outlot 261 and Outlot 262 and some land not falling within an Outlot is out of the J. Chapa Survey No. 131, Abstract No. 115 and the B. Adams Survey No. 123, Abstract No. 4 in Gillespie County, Texas and being a portion of that certain 13.47 acre tract described in Instrument No. 20162249 of the Official Public Records of Gillespie County, Texas; Said 7.627 acre tract being more particularly described as follows and as surveyed under the supervision of Searchers Land Surveying, LLC in March 2017:

BEGINNING at a 1/2 inch iron rod found in the north line of Bowie Street, for the southeast corner of that certain 2.82 acre tract described in Volume 373, Page 186 of the Deed Records of Gillespie County, Texas, the southeast corner of a 40 foot wide unnamed street shown on plat of Novian's Addition recorded in Volume 36, Page 464 of said Deed Records, the southwest corner of said 13.47 acre tract, and the southwest corner hereof;

THENCE North 00°43'12" West a distance of 708.28 feet along the east line of said 40 foot wide unnamed street, the east line of said 2.82 acre tract. and the west line of said 13.47 acre tract to a 1/2 inch iron rod with cap marked "BONN 4447" found for a corner of said 13.47 acre tract and a corner of a 0.12 acre tract of land (No record found);

THENCE along the west line of said 13.47 acre tract and the east line of said 0.12 acre tract, the following 3 courses:

1. North 60°43'47" East a distance of 37.86 feet to a 4 inch pipe fence corner post found;
2. North 36°41'00" East a distance of 39.79 feet to a 4 inch pine fence corner post found;
3. North 10°26'46" East a distance of 83.91 feet to a 1/2 inch iron rod with cap marked "BONN 4447" found in the southeast line of that certain 3.43 acre tract described in Volume 71, Page 637 of the Deed Records of Gillespie County, Texas, for a corner of said 13.47 acre tract and the northeast corner of said 0.12 acre tract;

THENCE along the southeast and southwest lines of said 3.43 acre tract and the northwest and northeast lines of said 13.47 acre tract, the following 2 courses:

1. North 54°11'26" East a distance of 274.03 feet to a 4 inch cedar fence corner post found for the north corner of said 13.47 acre tract and the north corner hereof;
2. South 27°56'26" East a distance of 471.36 feet to a 1-1/4 inch iron pipe found for a corner of said 3.43 acre tract, a corner of that certain 2.13 acre tract described in Volume 551, Page 582 of the Real Property Records of Gillespie County, Texas and a corner of said 13.47 acre tract;

THENCE South 27°35'52" East a distance of 5.31 feet along the northeast line of said 13.47 acre tract and the southwest line of said 2.13 acre tract to a 1/2 inch iron rod set for the north corner of the 0.932 acre tract surveyed this same day by Searchers Land Surveying, LLC, being a portion of said 13.47 acre tract and the east corner hereof, and from which a 1/2 inch iron rod found for a corner of said 13.47 acre tract bears South 27°35'52" East a distance of 464.22 feet;

THENCE crossing said 13.47 acre tract with the northwest and west lines of said 0.932 acre tract, the following 3 courses:

1. South 38°35'43" West a distance of 223.64 feet to a 1/2 inch iron rod set;
2. Along a curve to the left having a radius of 530.00 feet, an arc length of 367.95 feet, and a chord that bears South 18°42'23" West a distance of 360.61 feet to a 1/2 inch iron rod set;
3. South 01°10'56" East a distance of 110.56 feet to a 1/2 inch iron rod set in the north line of said Bowie Street and the south line of said 13.47 acre tract, for the southwest corner of said 0.932 acre tract and the southeast corner hereof, and from which a 1/2 inch iron rod with cap marked "BONN 4447" found bears South 74°54'14" East a distance of 359.92 feet;

THENCE along the north line of said Bowie Street and the south line of said 13.47 acre tract, the following 2 courses:

1. North 74°54'14" West a distance of 176.61 feet to a 1/2 inch iron rod with cap marked "BONN 4447";
2. North 89°39'43" West a distance of 85.26 feet to the POINT OF BEGINNING containing 7.627 acres of land, more or less.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk
Gillespie County, Texas

June 02, 2017 02:23:49 PM

FEE: $44.00 CCHEESEMAN 20172646
LD

EXHIBIT "B"

217-467

8 PGS 20172646
LD

D'ANN BAETHGE SIDES AND JERRY PAUL BAETHGE TO JEFFREY HUTSON AND KATHERINE HUTSON

NOTICE OF CONFIDENTIALLY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WARRANTY DEED WITH VENDOR'S LIEN

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GILLESPIE §

THAT we, D'ANN BAETHGE SIDES, joined herein pro forma by my husband, WILEY SIDES, acting by and through his Attorney-in-Fact, D'ANN BAETHGE SIDES and JERRY PAUL BAETHGE, not joined herein by my spouse since we own and occupy an urban homestead in Richmond, Fort Bend County, Texas, ("Grantors"), for and in consideration of the sum of TEN AND NO/100 ($10.00) DOLLARS and other valuable consideration and as part of an I.R.C. 1031 tax-deferred exchange for the benefit of the Grantors, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by Grantees of their one certain promissory note of even date herewith, in the principal sum of THREE HUNDRED TEN THOUSAND AND NO/100 ($310,000.00) DOLLARS, payable to the order of GUADALUPE NATIONAL BANK, as therein provided and bearing interest at the rates therein specified and providing for acceleration of maturity in event of default and for attorney's fees, the payment of which note is secured by the vendor's lien herein retained, and is additionally secured by a Deed of Trust of even date herewith to CHAD STARY, Trustee, have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY unto JEFFREY HUTSON and KATHERINE HUTSON ("Grantees"), all of the following described real property in Gillespie County, Texas, to-wit:

> BEING 7.627 acres of land, more or less, situated in Gillespie County, Texas, part of Outlot Nos. 261 and 262, and part of an apparent Outlot Street, and part of an undesignated tract of land, as said Outlots, Outlot Street, and undesignated tract are shown on the map of Fredericksburg, Texas, and Environs by the German Emigration Company; said 7.627 acre tract is described by metes and bounds on Exhibit "A", attached hereto and made a part hereof.

Property taxes for the current year have been prorated and are assumed by Grantees.

This conveyance is expressly made by Grantors and accepted by Grantees subject to the following Exceptions to Conveyance and Warranty, to-wit:

1. Subject to the past and future action of Barons Creek by means of accretion, erosion or avulsion.

2. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing this date in the Public Records.

3. The following matters, all as shown on survey prepared by Josh W. Leamons, Registered Professional Land Surveyor No. 6276, dated March 3, 2017, and revised on March 6, 2017:

   1. Overhead utility lines
   2. Utility pole
   3. Guys.

Noth'vithstanding anything in this Deed to the contrary, the Exceptions to Conveyance and Warranty shall only affect the Property to the extent that such Exceptions to Conveyance and Warranty are valid and effective as of the date of this Deed and the mere reference to such Exceptions to Conveyance and Warranty in this Deed shall not be deemed to impose, reimpose, or reinstate such Exceptions to Conveyance and Warranty if such Exceptions to Conveyance and Warranty are not valid and effective as of the date of this Deed, but only to the extent any such exception is valid and subsisting and affects the Property, and without waiving rights or defenses relating to any such exception and without ratifying, creating or reviving any such exception.

When the context requires, singular nouns and pronouns include the plural.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantees, their heirs and assigns forever, and we do hereby bind ourselves, our heirs, executors and administrators, to WARRANT AND FOREVER DEFEND, subject to the foregoing exceptions, all and singular the said premises unto the said Grantees, their heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed that the VENDOR'S LIEN, as well as the Superior Title in and to the above described premises, is retained against the above described property, premises and improvements until the above described note and all interest thereon are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute.

GUADALUPE NATIONAL BANK, at the instance and request of the Grantees herein, having advanced and paid in cash to the Grantors herein that portion of the purchase price of the herein described property as is evidenced by the hereinbefore described promissory note, the Vendor's Lien, together with the Superior Title to said property, is retained herein for the benefit of said GUADALUPE NATIONAL BANK and the same are hereby TRANSFERRED AND ASSIGNED, to said GUADALUPE NATIONAL BANK, without recourse.

EXECUTED this 1 day of June, 2017.

Address of Grantees:
311 Cordell Street
Houston, TX 77009

D'Ann Baethge Sides
D'ANN BAETHGE SIDES, Individually and as
Attorney-in-Fact for WILEY SIDES

THE STATE OF TEXAS §

COUNTY OF GILLESPIE §

This instrument was acknowledged before me on this the 1 day of June, 2017, by D'ANN BAETHGE SIDES, Individually and as Attorney-in-Fact for WILEY SIDES.

ANTHONY SAUER
Notary Public, State of Texas
Notary ID #435283-6
My Commission Expires
October 4, 2017

Notary Public in and for the
State of Texas

wd:cs/SidesBaethge10653/Warranty Deed with Vendor's Lien
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JERRY PAUL BAETHGE

THE STATE OF TEXAS §

COUNTY OF Ft. Bend §

This instrument was acknowledged before me on this the 1st day of ~~May~~ June, 2017, by JERRY PAUL BAETHGE.

Notary Public in and for the
State of Texas

KARTHIKA MANOKARAN
Notary ID # 130456317
My Commission Expires
December 2, 2019

wd:cs/SidesBaethge10653/Warranty Deed with Vendor's Lien
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CITY COUNCIL AGENDA MEMO

DEPARTMENT: Finance Department
TO: Mayor & City Council Members
FROM: Krista Wareham, Director of Finance
MEETING DATE: September 17, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consideration and approval of Ordinance 2024-29 adopting the Fiscal Year 2024-2025 Budget for the City of Fredericksburg, Texas commencing October 1, 2024, and ending on September 30, 2025. (Krista Wareham, Finance Director)

PRESENTATION:

SUMMARY:
Consideration and approval of Ordinance 2024-29 adopting the Fiscal Year 2024-2025 Budget for the City of Fredericksburg, Texas commencing October 1, 2024, and ending on September 30, 2025; providing appropriations for each department and fund; establishing a department-level budget with line-items as supporting data rather than being a line-item budget; providing for severability; and providing for an effective date.

BACKGROUND: The Fiscal Year 2024-2025 Proposed Budget was presented to the City Council at the budget workshop held at the John W. Klein room on July 23, 2024. On August 8, 2024, we held a City Council budget workshop with the County Commissioners at the John W. Klein room to review and discuss the City/County Fiscal Year 2024-2025 shared proposed budgets. The proposed budget was filed with the City Secretary's office on August 16, 2024. The proposed budget was posted on our website and a hard copy was made available at City Hall. During our previous budget discussions, it became clear that several important items needed further consideration. To ensure a thorough and transparent budget process, we held an additional budget workshop to discuss these items in greater detail. During the additional budget workshop held on August 27, 2024, at the John W. Klein room, we covered several potential impacts on the overall budget and explored viable options for funding. A public hearing for the proposed budget was held at the Law Enforcement Center during the Regular City Council meeting on September 3, 2024. The link to the proposed budget published on August 16, 2024, is https://fbgtx.org/DocumentCenter/View/7103/Budget-Analysis-Report-FY-2025-Proposed?bidId=.

Summary comments on the proposed budget for Fiscal Year 2024-2025 are as follows:

General Fund

- Addition of three Fire-Shift Personnel
- Addition of one Parks-Recreation Coordinator (20% allocation)

- Addition of one Municipal Court-Juvenile Case Manager
- Addition of one Maintenance Tech (70% allocation)
- Addition of one Deputy City Secretary (55% allocation)
- Personnel employee performance-based increases (2.5%)
- Addition of eight police vehicles (7 patrols, 1 unmarked)
- Funding for renovations to Law Enforcement Center-Council Chambers
- Addition of one fire ladder truck (8-year lease/purchase financing)
- Continuation of funding $150,000 for Streets-Sidewalks
- Funding for Development Srvs. Unified Development Code
- Replacement and additions of vehicles and equipment for various departments

Enterprise Funds

- Addition of three EMS-Shift Personnel
- Addition of two Water-Crew Worker I
- Addition of one Parks-Recreation Coordinator (80% allocation)
- Addition of one Maintenance Tech (30% allocation)
- Personnel employee performance-based increases (2.5%)
- Addition of one Deputy City Secretary (45% allocation)
- Electric Transformers
- Water-Replace Bar Screens
- Water-West Live Oak Project
- Water/Sewer-Main Rehab Projects 2"/4"
- Water-North Llano Water Line Rehab-Design
- Water-Windcrest Water Pressure Improvements
- Water/Wastewater Master Plan Update
- Stormwater/Drainage-North Llano Storm Sewer Project
- Replacement and addition of vehicles and equipment for various departments

FUNDING SOURCE:

FINANCIAL IMPACT:
Adoption of the Fiscal Year 2024-2025 Budget will fund existing and new programs as recommended by the City Manager.

STAFF RECOMMENDATION:
Staff recommends that Council approve Ordinance 2024-29 adopting the Fiscal Year 2024-2025 Budget for the City of Fredericksburg, Texas commencing October 1, 2024, and ending on September 30, 2025; providing appropriations for each department and fund; establishing a department-level budget with line-items as supporting data rather than being a line-item budget; providing for severability; and providing for an effective date.

This action item requires a roll call vote.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Governance

ATTACHMENTS:

1. FY24-25 Proposed Budget-changes made after 8-16-24
2. FY24-25 Proposed Budget as of 9-17-24

APPROVAL/REVIEW:

Date: September 12, 2024

Leticia Vacek, City Secretary

Date: September 12, 2024

William McKamie, City Attorney

Date: September 13, 2024

Clinton Bailey, City Manager

City of Fredericksburg

City Wide Budget Summary FY 2025

FY 2024 YTD, FY 2025 Proposed

	FY 2024 ADOPTED BUDGET	FY 2024 YTD	FY 2025 PROPOSED BUDGET-9/17	FY 2025 PROPOSED BUDGET-8/16	
	FY2024	FY2024	FY2025	FY2025	Variance v2 and v3
Revenues	$69,683,946	$64,752,697	$71,879,212	$71,260,293	$618,919
Expenses					
Personnel	$24,787,538	$21,539,733	$26,395,760	$25,647,520	$748,240
Administration Fees	$87,489	$76,118	$87,489	$87,489	$0
Hotel Tax Distributions	$4,834,915	$5,026,159	$4,834,915	$4,834,915	$0
Maintenance & Operations	$22,825,792	$20,307,705	$22,937,042	$22,913,757	$23,285
Intercompany Transfer Out	$4,760,922	$3,891,739	$5,056,848	$5,059,125	-$2,277
Intergovernmental Transfer Out	$1,379,477	$1,197,097	$1,684,558	$1,783,337	-$98,779
Food & Wine Fest Expenses	$196,350	$114,841	$0	$0	$0
Capital	$15,908,409	$5,383,219	$10,712,787	$10,542,037	$170,750
Debt Requirement	$5,578,774	$4,561,164	$6,645,316	$6,635,583	$9,733
EXPENSES TOTAL	**$80,359,665**	**$62,097,775**	**$78,354,715**	**$77,503,763**	**$850,952**

Summary of changes between Proposed Budget published 8/16/24 and 9/17/24

Changes/major impacts in Revenues:
-Increase in Property Tax Revenues of $539,510 (using Voter-Approval Rate including the unused increment)
-Updated City/County shared budget line items

Changes/major impacts in Expenses:
-Increase in Personnel +$279,000 (funded four vacancies in the Police Department)
-Increase in Personnel +$469,000 (funded 2.5% Cost-of-Living Adjustment for all employees and added 2% for the starting base salary-Police sworn officers)
-Increase in Capital +$170,750 (carryover of an approved project in 2024-Temporary Holding Facility-Animal Shelter)
-Updated City/County shared budget line items

City of Fredericksburg

City Wide Budget Summary FY 2025

FY 2024 YTD, FY 2025 Proposed As of 9/17/2024

	FY 2024 ADOPTED BUDGET	FY 2024 YTD			PROPOSED BUDGET 2025 V3	
	FY2024	FY2024	Variance	Variance %	FY2025	Variance % 2024/2025
Revenues	$69,683,946	$64,752,697	$4,931,249	93%	$71,879,212	3%
Expenses						
Personnel	$24,787,538	$21,539,733	$3,247,805	87%	$26,395,760	6%
Administration Fees	$87,489	$76,118	$11,371	87%	$87,489	0%
Hotel Tax Distributions	$4,834,915	$5,026,159	-$191,244	104%	$4,834,915	0%
Maintenance & Operations	$22,825,792	$20,307,705	$2,518,087	89%	$22,937,042	0%
Intercompany Transfer Out	$4,760,922	$3,891,739	$869,183	82%	$5,056,848	6%
Intergovernmental Transfer Out	$1,379,477	$1,197,097	$182,379	87%	$1,684,558	22%
Food & Wine Fest Expenses	$196,350	$114,841	$81,509	58%	$0	-100%
Capital	$15,908,409	$5,383,219	$10,525,190	34%	$10,712,787	-33%
Debt Requirement	$5,578,774	$4,561,164	$1,017,610	82%	$6,645,316	19%
EXPENSES TOTAL	**$80,359,665**	**$62,097,775**	**$18,261,890**	**77%**	**$78,354,715**	**-2%**

Key Takeaways:

-Overall revenues have increased 3% over last year
- -General Fund revenues are flat (Property Taxes have increased, and Other Revenues have decreased. Camping revenues have decreased and Grant revenues are down to the completion of the Shared Use Bridge Project)
- -Enterprise Funds are forecasting a small increase in revenues (no rate increase for utilities)

-Overall expenses have decreased 2% over last year
- -Personnel expenses have increased by 6% (12 new positions, 2.5% Cost-of-Living, 2.5% Merit/Performance, +2% Police base salary for sworn officers)
- -Maintenance and Operations, Health Insurance (Admin Fees), and Hotel Tax Distributions costs have not increased
- -Intercompany Transfer Out has increased by 6% (increased cost for funding Emergency Management, EMS)
- -Intergovernmental Transfer Out has increased by 22% (increased cost for City's share of County expenses)
- -Capital projects have decreased by 33% (less carryover for projects being completed in FY 2024)
- -Debt Requirement has increased by 19% (new equipment-lease purchase financing, and new debt issuances for FY 2024)

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Finance Department
TO: Mayor & City Council Members
FROM: Krista Wareham, Director of Finance
MEETING DATE: September 17, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consideration and approval of Ordinance 2024-30 adopting the tax rate and levying taxes for the use and support of the municipal government of the City of Fredericksburg, Texas. (Krista Wareham, Finance Director)

PRESENTATION:

SUMMARY:
Consideration and approval of Ordinance 2024-30 adopting the tax rate and levying taxes for the use and support of the municipal government of the City of Fredericksburg, Texas, and providing for the interest and sinking fund for the Fiscal Year 2024-2025; apportioning each levy for the specific purpose; providing for severability and providing for an effective date.

BACKGROUND:
On July 31, 2024, the Gillespie Central Appraisal District (GCAD) submitted the No-New-Revenue and the Voter Approval tax rates for the City's Fiscal Year 2024-2025 Budget. The tax rate for the 2024 Tax Year was discussed at the August 20th Regular City Council Meeting, and the Council set the not-to-exceed tax rate at $0.205326 per $100 valuation. The tax rate of $0.205326 is the Voter-Approval Tax Rate including the unused increment. The Voter-Approval Tax Rate is the maximum tax rate a local government, such as a city or county, can set without needing approval from voters through an election. The unused increment refers to the portion of the voter approval tax rate that a local government did not use in previous years. Essentially, the City could have increased taxes but chose not to. The difference between the adopted tax rate and the Voter Approval Rate is considered "unused." Local governments are allowed to "bank" the unused increment for up to three years. Any rate above the voter-approval tax rate requires an election. On Thursday, September 12, 2024, the City Council held a special meeting to conduct a public hearing on the proposed tax increase. The table below shows a recap of the tax rates.

Tax Rate		Rate Info
$ 0.165180	per $100 valuation	Current Tax Rate
$ 0.160769	per $100 valuation	2024 No New Revenue
$ 0.188764	per $100 valuation	2024 VAR, not using the unused increment
$ 0.192171	per $100 valuation	2024 De Minimis Rate
$ 0.205326	per $100 valuation	2024 VAR, using the unused increment

FUNDING SOURCE: The tax rate of $0.205326 funds the General Fund and Debt Service Fund budgets as presented during the budget workshops. The proposed maintenance and operations (M&O) rate is $0.181264, and the proposed interest and sinking (I&S) rate is $0.024062.

CITY OF FREDERICKSBURG TAX RATE	2019	2020	2021	2022	2023	Proposed 2024
Maintenance & Operations	$0.189749	$0.184625	$0.168029	$0.169967	$0.152612	$0.181264
Interest & Sinking	$0.037535	$0.036150	$0.027794	$0.025856	$0.012568	$0.024062
Total Tax Rate	**$0.227284**	**$0.220775**	**$0.195823**	**$0.195823**	**$0.165180**	**$0.205326**

FINANCIAL IMPACT:
Adoption of the Fiscal Year 2024-2025 proposed tax rate of $0.205326 will generate an estimated $1 million in additional revenue for the General Fund, helping fund essential services such as public safety (fire, EMS, and police departments), and public safety improvements.

STAFF RECOMMENDATION:
Staff recommends Council to adopt Ordinance 2024-30, levying taxes for the use and support of the municipal government of the City of Fredericksburg, Texas and providing for the interest and sinking fund for the Fiscal Year 2024-2025; apportioning each levy for the specific purpose; providing for severability and providing for an effective date.

This action item requires a roll call vote.

The Tax Code requires a specific motion to adopt the tax rate:

" I move that the property tax rate be increased by adopting a tax rate of $0.xxxx which is effectively a xx.x% increase in the tax rate. "

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Governance

ATTACHMENTS:
1. FORM 50-876 NOTICE OF PUBLIC HEARING ON TAX INCREASE
2. CFB 2024 50-856 TNT Worksheet

APPROVAL/REVIEW:

Leticia Vacek, City Secretary

Date: September 12, 2024

William McKamie, City Attorney

Date: September 12, 2024

Clinton Bailey, City Manager

Date: September 13, 2024

Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate, as prescribed by Tax Code §§26.06(b-2).

NOTICE OF PUBLIC HEARING ON TAX INCREASE

This notice only applies to a taxing unit other than a special taxing unit or municipality with a population of less than 30,000, regardless of whether it is a special taxing unit.

PROPOSED TAX RATE	$0.205326	per $100
NO-NEW-REVENUE TAX RATE	$0.160769	per $100
VOTER-APPROVAL TAX RATE	$0.205326	per $100

The no-new-revenue tax rate is the tax rate for the 2024 *(current tax year)* tax year that will raise the same amount of property tax revenue for City of Fredericksburg *(name of taxing unit)* from the same properties in both the 2023 *(preceding tax year)* tax year and the 2024 *(current tax year)* tax year.

The voter-approval tax rate is the highest tax rate that City of Fredericksburg *(name of taxing unit)* may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Fredericksburg *(name of taxing unit)* is proposing to increase property taxes for the 2024 *(current tax year)* tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON September 12, 2024 at 9:00 AM *(date and time)* at Law Enforcement Center located at 1601 E. Main Street, Fredericksburg, TX *(meeting place)*.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Fredericksburg *(name of taxing unit)* is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Council *(name of governing body)* of City of Fredericksburg *(name of taxing unit)* at their offices or by attending the public hearing mentioned above.

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

Property tax amount = (tax rate) x (taxable value of your property) / 100

(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)

FOR the proposal: Mayor Jeryl Hoover, Councilmembers Bobby Watson, Emily Kirchner, Tony Klein, Randy Briley

AGAINST the proposal: None

PRESENT and not voting: None

ABSENT: None

Visit Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Fredericksburg *(name of taxing unit)* last year to the taxes proposed to the be imposed on the average residence homestead by City of Fredericksburg *(name of taxing unit)* this year.

	2023	2024	Change
Total tax rate (per $100 of value)	$0.165180	$0.205326	24.3% increase
Average homestead taxable value	$466,210	$510,495	9.49% increase
Tax on average homestead	$770	$1,048	36.11% increase
Total tax levy on all properties	$5,022,399	$6,639,357	32.19% increase

(Include the following text if these no-new-revenue maintenance and operations rate adjustments apply for the taxing unit)

No-New-Revenue Maintenance and Operations Rate Adjustments

State Criminal Justice Mandate (counties)

The ________________ *(county name)* County Auditor certifies that ________________ *(county name)* County has spent $________________ *(amount minus any amount received from state revenue for such costs)* in the previous 12 months for the maintenance and operations cost of keeping inmates sentenced to the Texas Department of Criminal Justice. ________________ *(county name)* County Sheriff has provided ________________ *(county name)* County information on these costs, minus the state revenues received for the reimbursement of such costs.

This increased the no-new-revenue maintenance and operations rate by ______________ /$100.

Indigent Health Care Compensation Expenditures (counties)

The ________________ *(name of taxing unit)* spent $ __________ *(amount)* from July 1 ______________ *(prior year)* to June 30 ________________ *(current year)* on indigent health care compensation procedures at the increased minimum eligibility standards, less the amount of state assistance.

For current tax year, the amount of increase above last year's enhanced indigent health care expenditures is $ ______________ *(amount of increase)*.

This increased the no-new-revenue maintenance and operations rate by ______________ /$100.

Indigent Defense Compensation Expenditures (counties)

The ________________ *(name of taxing unit)* spent $ __________ *(amount)* from July 1 ______________ *(prior year)* to June 30 ________________ *(current year)* to provide appointed counsel for indigent individuals in criminal or civil proceedings in accordance with the schedule of fees adopted under Article 26.05, Code of Criminal Procedure, and to fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure, less the amount of any state grants received. For current tax year, the amount of increase above last year's enhanced indigent defense compensation expenditures is $ ______________ *(amount of increase)*.

This increased the no-new-revenue maintenance and operations rate by ______________ /$100.

Eligible County Hospital Expenditures (cities and counties)

The ________________ *(name of taxing unit)* spent $ __________ *(amount)* from July 1 ______________ *(prior year)* to June 30 ________________ *(current year)* on expenditures to maintain and operate an eligible county hospital.

For current tax year, the amount of increase above last year's eligible county hospital expenditures is $ ______________ *(amount of increase)*.

This increased the no-new revenue maintenance and operations rate by ______________ /$100.

(If the tax assessor for the taxing unit maintains an internet website)

For assistance with tax calculations, please contact the tax assessor for City of Fredericksburg *(name of taxing unit)* at (830) 997-9809 *(telephone number)* or tax@gillcad.org *(email address)*, or visit https://gillespiecad.org *(internet website address)* for more information.

(If the tax assessor for the taxing unit does not maintain an internet website)

For assistance with tax calculations, please contact the tax assessor for ________________ *(name of taxing unit)* at ________________ *(telephone number)* or ________________ *(email address)*.

2024 Tax Rate Calculation Worksheet
Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Fredericksburg	(830) 997-7521
Taxing Unit Name	Phone *(area code and number)*
126 W Main St, Fredericksburg, TX, 78624-3708	https://www.fbgtx.org/
Taxing Unit's Address, City, State, ZIP Code	Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements.*

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet.*

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	**Prior year total taxable value.** Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17).[1]	$ 3,752,353,239
2.	**Prior year tax ceilings.** Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step.[2]	$ 756,383,643
3.	**Preliminary prior year adjusted taxable value.** Subtract Line 2 from Line 1.	$ 2,995,969,596
4.	**Prior year total adopted tax rate.**	$ 0.165180 /$100
5.	**Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.** **A. Original prior year ARB values:** .... $ 3,014,060 **B. Prior year values resulting from final court decisions:** .... - $ 2,650,000 **C. Prior year value loss.** Subtract B from A.[3]	$ 364,060
6.	**Prior year taxable value subject to an appeal under Chapter 42, as of July 25.** **A. Prior year ARB certified value:** .... $ 57,653,440 **B. Prior year disputed value:** .... - $ 6,468,960 **C. Prior year undisputed value.** Subtract B from A.[4]	$ 51,184,480
7.	**Prior year Chapter 42 related adjusted values.** Add Line 5C and Line 6C.	$ 51,548,540

[1] Tex. Tax Code §26.012(14)
[2] Tex. Tax Code §26.012(14)
[3] Tex. Tax Code §26.012(13)
[4] Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Add Line 3 and Line 7.	$ 3,047,518,136
9.	**Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024.** Enter the prior year value of property in deannexed territory.[5]	$ 6,811,148
10.	**Prior year taxable value lost because property first qualified for an exemption in the current year.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. **A. Absolute exemptions.** Use prior year market value: $ 1,074,220 **B. Partial exemptions.** Current year exemption amount or current year percentage exemption times prior year value: + $ 388,477 **C. Value loss.** Add A and B.[6]	$ 1,462,697
11.	**Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/ scenic appraisal or public access airport special appraisal in the current year.** Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. **A. Prior year market value:** $ 307,160 **B. Current year productivity or special appraised value:** - $ 120 **C. Value loss.** Subtract B from A.[7]	$ 307,040
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.	$ 8,580,885
13.	**Prior year captured value of property in a TIF.** Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund.[8] If the taxing unit has no captured appraised value in line 18D, enter 0.	$ 0
14.	**Prior year total value.** Subtract Line 12 and Line 13 from Line 8.	$ 3,038,937,251
15.	**Adjusted prior year total levy.** Multiply Line 4 by Line 14 and divide by $100.	$ 5,019,716
16.	**Taxes refunded for years preceding the prior tax year.** Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year.[9]	$ 2,683
17.	**Adjusted prior year levy with refunds and TIF adjustment.** Add Lines 15 and 16.[10]	$ 5,022,399
18.	**Total current year taxable value on the current year certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11] **A. Certified values:** $ 3,929,844,058 **B. Counties:** Include railroad rolling stock values certified by the Comptroller's office: + $ 0 **C. Pollution control and energy storage system exemption:** Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - $ 0 **D. Tax increment financing:** Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.[12] - $ 0 **E. Total current year value.** Add A and B, then subtract C and D.	$ 3,929,844,058

[5] Tex. Tax Code §26.012(15)
[6] Tex. Tax Code §26.012(15)
[7] Tex. Tax Code §26.012(15)
[8] Tex. Tax Code §26.03(c)
[9] Tex. Tax Code §26.012(13)
[10] Tex. Tax Code §26.012(13)
[11] Tex. Tax Code §26.012, 26.04(c-2)
[12] Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	**Total value of properties under protest or not included on certified appraisal roll.** [13] **A. Current year taxable value of properties under protest.** The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. [14] .... $ 107,231,682 **B. Current year value of properties not under protest or included on certified appraisal roll.** The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. [15] .... + $ 0 **C. Total value under protest or not certified.** Add A and B.	$ 107,231,682
20.	**Current year tax ceilings.** Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step.[16]	$ 803,506,968
21.	**Current year total taxable value.** Add Lines 18E and 19C. Subtract Line 20. [17]	$ 3,233,568,772
22.	**Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.** Include both real and personal property. Enter the current year value of property in territory annexed. [18]	$ 0
23.	**Total current year taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for the current year. [19]	$ 109,591,575
24.	**Total adjustments to the current year taxable value.** Add Lines 22 and 23.	$ 109,591,575
25.	**Adjusted current year taxable value.** Subtract Line 24 from Line 21.	$ 3,123,977,197
26.	**Current year NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100. [20]	$ 0.160769 /$100
27.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. [21]	$ 0.000000 /$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	**Prior year M&O tax rate.** Enter the prior year M&O tax rate.	$ 0.152612 /$100
29.	**Prior year taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the *No-New-Revenue Tax Rate Worksheet.*	$ 3,047,518,136

[13] Tex. Tax Code §26.01(c) and (d)
[14] Tex. Tax Code §26.01(c)
[15] Tex. Tax Code §26.01(d)
[16] Tex. Tax Code §26.012(6)(B)
[17] Tex. Tax Code §26.012(6)
[18] Tex. Tax Code §26.012(17)
[19] Tex. Tax Code §26.012(17)
[20] Tex. Tax Code §26.04(c)
[21] Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	**Total prior year M&O levy.** Multiply Line 28 by Line 29 and divide by $100	$ 4,650,878
31.	**Adjusted prior year levy for calculating NNR M&O rate.** **A. M&O taxes refunded for years preceding the prior tax year.** Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2023. This line applies only to tax years preceding the prior tax year.. + $ 2,313 **B. Prior year taxes in TIF.** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. – $ 0 **C. Prior year transferred function.** If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- $ 0 **D. Prior year M&O levy adjustments.** Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. $ 2,313 **E.** Add Line 30 to 31D.	$ 4,653,191
32.	**Adjusted current year taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ 3,123,977,197
33.	**Current year NNR M&O rate (unadjusted).** Divide Line 31E by Line 32 and multiply by $100.	$ 0.148950 /$100
34.	**Rate adjustment for state criminal justice mandate.** [23] **A. Current year state criminal justice mandate.** Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. $ 0 **B. Prior year state criminal justice mandate.** Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. – $ 0 **C.** Subtract B from A and divide by Line 32 and multiply by $100. $ 0.000000 /$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100
35.	**Rate adjustment for indigent health care expenditures.** [24] **A. Current year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. $ 0 **B. Prior year indigent health care expenditures.** Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose.. – $ 0 **C.** Subtract B from A and divide by Line 32 and multiply by $100. $ 0.000000 /$100 **D.** Enter the rate calculated in C. If not applicable, enter 0.	$ 0.000000 /$100

[22] [Reserved for expansion]
[23] Tex. Tax Code §26.044
[24] Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet		Amount/Rate
36.	**Rate adjustment for county indigent defense compensation.** [25]		
	A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30,of the current tax year, less any state grants received by the county for the same purpose	$ 0	
	B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	$ 0.000000 /$100	
	D. Multiply B by 0.05 and divide by Line 32 and multiply by $100	$ 0.000000 /$100	
	E. Enter the lesser of C and D. If not applicable, enter 0.		$ 0.000000 /$100
37.	**Rate adjustment for county hospital expenditures.** [26]		
	A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year	$ 0	
	B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	$ 0.000000 /$100	
	D. Multiply B by 0.08 and divide by Line 32 and multiply by $100	$ 0.000000 /$100	
	E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.		$ 0.000000 /$100
38.	**Rate adjustment for defunding municipality.** This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.		
	A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year	$ 0	
	B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year	$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	$ 0.000000 /$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.		$ 0.000000 /$100
39.	**Adjusted current year NNR M&O rate.** Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.		$ 0.148950 /$100
40.	**Adjustment for prior year sales tax specifically to reduce property taxes.** Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.		
	A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	$ 3,102,659	
	B. Divide Line 40A by Line 32 and multiply by $100	$ 0.099317 /$100	
	C. Add Line 40B to Line 39.		$ 0.248267 /$100
41.	**Current year voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit.** If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. **- or -** **Other Taxing Unit.** If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.		$ 0.256956 /$100

[25] Tex. Tax Code §26.0442
[26] Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	***Disaster Line 41 (D41):* Current year voter-approval M&O rate for taxing unit affected by disaster declaration.** If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. [27] If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	$ ______/$100
42.	**Total current year debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: **(1)** are paid by property taxes, **(2)** are secured by property taxes, **(3)** are scheduled for payment over a period longer than one year, and **(4)** are not classified in the taxing unit's budget as M&O expenses. **A. Debt** also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. [28] Enter debt amount .... $ 897,630 **B.** Subtract **unencumbered fund amount** used to reduce total debt. .... – $ 0 **C.** Subtract **certified amount spent from sales tax to reduce debt** (enter zero if none) .... – $ 0 **D.** Subtract **amount paid** from other resources .... – $ 0 **E. Adjusted debt.** Subtract B, C and D from A.	$ 897,630
43.	**Certified prior year excess debt collections.** Enter the amount certified by the collector. [29]	$ 0
44.	**Adjusted current year debt.** Subtract Line 43 from Line 42E.	$ 897,630
45.	**Current year anticipated collection rate.** **A.** Enter the current year anticipated collection rate certified by the collector. [30] .... 100.00 % **B.** Enter the prior year actual collection rate. .... 98.78 % **C.** Enter the 2022 actual collection rate. .... 99.15 % **D.** Enter the 2021 actual collection rate. .... 99.11 % **E.** If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. [31]	100.00 %
46.	**Current year debt adjusted for collections.** Divide Line 44 by Line 45E.	$ 897,630
47.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 3,233,568,772
48.	**Current year debt rate.** Divide Line 46 by Line 47 and multiply by $100.	$ 0.027759 /$100
49.	**Current year voter-approval tax rate.** Add Lines 41 and 48.	$ 0.284715 /$100
D49.	***Disaster Line 49 (D49):* Current year voter-approval tax rate for taxing unit affected by disaster declaration.** Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	$ ______/$100

[27] Tex. Tax Code §26.042(a)
[28] Tex. Tax Code §26.012(7)
[29] Tex. Tax Code §26.012(10) and 26.04(b)
[30] Tex. Tax Code §26.04(b)
[31] Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	**COUNTIES ONLY.** Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	$ 0.000000 /$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	**Taxable Sales.** For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. [32] Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	$ 0
52.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. [33] **Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year.** Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. [34] **- or -** **Taxing units that adopted the sales tax before November of the prior year.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	$ 3,102,659
53.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 3,233,568,772
54.	**Sales tax adjustment rate.** Divide Line 52 by Line 53 and multiply by $100.	$ 0.095951 /$100
55.	**Current year NNR tax rate, unadjusted for sales tax.**[35] Enter the rate from Line 26 or 27, as applicable, on the *No-New-Revenue Tax Rate Worksheet*.	$ 0.160769 /$100
56.	**Current year NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year.** Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	$ ______ /$100
57.	**Current year voter-approval tax rate, unadjusted for sales tax.**[36] Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the *Voter-Approval Tax Rate Worksheet*.	$ 0.284715 /$100
58.	**Current year voter-approval tax rate, adjusted for sales tax.** Subtract Line 54 from Line 57.	$ 0.188764 /$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).** Enter the amount certified in the determination letter from TCEQ. [37] The taxing unit shall provide its tax assessor-collector with a copy of the letter. [38]	$ ______
60.	**Current year total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______
61.	**Additional rate for pollution control.** Divide Line 59 by Line 60 and multiply by $100.	$ ______ /$100

[32] Tex. Tax Code §26.041(d)
[33] Tex. Tax Code §26.041(i)
[34] Tex. Tax Code §26.041(d)
[35] Tex. Tax Code §26.04(c)
[36] Tex. Tax Code §26.04(c)
[37] Tex. Tax Code §26.045(d)
[38] Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	**Current year voter-approval tax rate, adjusted for pollution control.** Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	$ ________/$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. [39] The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. [40] In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the portion of the unused increment rate that was used must be backed out of the calculation for that year.

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; [41]
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); [42] or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. [43]

Individual components can be negative, but the overall rate will be the greater of zero or the calculated rate.

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. [44]

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	**Year 3 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.181386/$100
	B. Unused increment rate (Line 66)	$ 0.009798/$100
	C. Subtract B from A	$ 0.171588/$100
	D. Adopted Tax Rate	$ 0.165180/$100
	E. Subtract D from C	$ 0.006408/$100
	F. 2023 Total Taxable Value (Line 60)	$ 3,095,126,871
	G. Multiply E by F and divide the results by $100	$ 198,335
64.	**Year 2 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.221641/$100
	B. Unused increment rate (Line 66)	$ 0.036556/$100
	C. Subtract B from A	$ 0.185085/$100
	D. Adopted Tax Rate	$ 0.195823/$100
	E. Subtract D from C	$ -0.010738/$100
	F. 2022 Total Taxable Value (Line 60)	$ 2,540,257,656
	G. Multiply E by F and divide the results by $100	$ 0
65.	**Year 1 Foregone Revenue Amount. Subtract the 2021 unused increment rate and 2021 actual tax rate from the 2021 voter-approval tax rate. Multiply the result by the 2021 current total value**	
	A. Voter-approval tax rate (Line 67)	$ 0.232379/$100
	B. Unused increment rate (Line 66)	$ 0.020536/$100
	C. Subtract B from A	$ 0.211843/$100
	D. Adopted Tax Rate	$ 0.195823/$100
	E. Subtract D from C	$ 0.016020/$100
	F. 2021 Total Taxable Value (Line 60)	$ 2,104,995,435
	G. Multiply E by F and divide the results by $100	$ 337,220
66.	**Total Foregone Revenue Amount.** Add Lines 63G, 64G and 65G	$ 535,555.00000(
67.	**2024 Unused Increment Rate.** Divide Line 66 by Line 21 of the *No-New-Revenue Rate Worksheet*. Multiply the result by 100	$ 0.016562/$100
68.	**Total 2024 voter-approval tax rate, including the unused increment rate.** Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	$ 0.205326/$100

[39] Tex. Tax Code §26.013(b)
[40] Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)
[41] Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)
[42] Tex. Tax Code §§26.0501(a) and (c)
[43] Tex. Local Gov't Code §120.007(d)
[44] Tex. Local Gov't Code §120.007(d)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit. [44]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [45]

Line	De Minimis Rate Worksheet	Amount/Rate
69.	**Adjusted current year NNR M&O tax rate.** Enter the rate from Line 39 of the *Voter-Approval Tax Rate Worksheet.*	0.148950
70.	**Current year total taxable value.** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet.*	$ 3,233,568,772
71.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 70 and multiply by $100.	$ 0.015462 /$100
72.	**Current year debt rate.** Enter the rate from Line 48 of the *Voter-Approval Tax Rate Worksheet.*	$ 0.027759 /$100
73.	**De minimis rate.** Add Lines 69, 71 and 72.	$ 0.192171 /$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.[48]

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year. [49]

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago.This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	**2023 adopted tax rate.** Enter the rate in Line 4 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______ /$100
75.	**Adjusted 2023 voter-approval tax rate.** Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2023 and the taxing unit calculated its 2023 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2023 worksheet due to a disaster, complete the applicable sections or lines of *Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet.* **- or -** If a disaster occurred prior to 2023 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2023, complete form 50-856-a, *Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet* to recalculate the voter-approval tax rate the taxing unit would have calculated in 2023 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. [50] Enter the final adjusted 2023 voter-approval tax rate from the worksheet. **- or -** If the taxing unit adopted a tax rate above the 2023 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	$ ______ /$100
76.	**Increase in 2023 tax rate due to disaster.** Subtract Line 75 from Line 74.	$ ______ /$100
77.	**Adjusted 2023 taxable value.** Enter the amount in Line 14 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______
78.	**Emergency revenue.** Multiply Line 76 by Line 77 and divide by $100.	$ ______
79.	**Adjusted 2023 taxable value.** Enter the amount in Line 25 of the *No-New-Revenue Tax Rate Worksheet.*	$ ______
80.	**Emergency revenue rate.** Divide Line 78 by Line 79 and multiply by $100. [51]	$ ______ /$100

[45] Tex. Tax Code §26.04(c)(2)(B)
[46] Tex. Tax Code §26.012(8-a)
[47] Tex. Tax Code §26.063(a)(1)
[48] Tex. Tax Code §26.042(b)
[49] Tex. Tax Code §26.042(f)
[50] Tex. Tax Code §§26.42(c)
[51] Tex. Tax Code §§26.42(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	**Current year voter-approval tax rate, adjusted for emergency revenue.** Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	$ ______/$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. .... $ 0.160769/$100
As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).
Indicate the line number used: 26

Voter-approval tax rate .... $ 0.205326/$100
As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).
Indicate the line number used: 68

De minimis rate. .... $ 0.192171/$100
If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code. [52]

print here Scott Fair
Printed Name of Taxing Unit Representative

sign here Scott Fair
Taxing Unit Representative

July 31, 2024
Date

[52] Tex. Tax Code §§26.04(c-2) and (d-2)

Date submitted: 07/31/02024

CITY COUNCIL AGENDA MEMO

DEPARTMENT: Finance Department
TO: Mayor & City Council Members
FROM: Krista Wareham, Director of Finance
MEETING DATE: September 17, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consideration and possible action to ratify adopting a tax rate that exceeds the No-New-Revenue rate for Fiscal Year 2024-2025. (Krista Wareham, Finance Director)

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
If the adopted tax rate exceeds the No-New-Revenue Rate, the Council must take action to ratify the adoption of the tax rate.

This action item requires a roll call vote.

Proposed motion:

" I move that the City Council ratify the adoption of the tax rate of ($ adopted tax rate), which exceeds the No-New-Revenue tax rate of $0.160769 by (% increase), and will result in additional property tax revenue for Fiscal Year 2024-2025. "

Tax Code 26.05(d)

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Governance

ATTACHMENTS:
None

APPROVAL/REVIEW:

______________________________ Date: September 12, 2024
Leticia Vacek, City Secretary

______________________________ Date: September 12, 2024
William McKamie, City Attorney

______________________________ Date: September 13, 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: September 17, 2024

CATEGORY: ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

CAPTION: Consideration and approval of Ordinance 2024-28 related to the Building Permit Fee Schedule. (Anna Hudson, AICP, Director of Development Services)

PRESENTATION:

SUMMARY:

BACKGROUND:
Building permit fees were last updated in 2019.

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:
Staff recommends approval of the proposed changes to building permit fees to be more in line with neighboring communities and to cover more of the administrative expenses of reviewing, issuing, and inspecting building and trade permits.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Governance

ATTACHMENTS:
1. FBG Building Permit Fee Schedule changes
2. Ord 2024-28 Building Fee Ordinance for adoption Sept 17 2024

APPROVAL/REVIEW:

Date: September 11, 2024

Anna Hudson, Director of Development Services

Date: September 12, 2024

Garret Bonn, Assistant City Manager

Date: September 12, 2024

William McKamie, City Attorney

Date: September 13, 2024

Leticia Vacek, City Secretary

Date: September 13, 2024

Clinton Bailey, City Manager

Permit Type	Current	Proposed	Kerrville	Marble Falls	Boerne
Residential					
New	0.15 Per SQ FT	**$0.35 per sq ft**	$1000 and less-$25.00 per permit $1001-$50,000 $25 for first $1000, plus $50,001-$100,000 $270 for first $50,000, plus $100,001-$500,000 $470.00 for first $100,000 plus $500,001 and up $1,670 for first $500,000 plus	$.50 sq ft + 10% per trade	$.38 per sq ft
Remodel	Cost of Construction- Per Fee Schedule	**$0.45 per sq ft**	$.21 per sq ft	$.50 sq ft + 10% per trade	$.53 per sq ft
Fence Permit (1)	$25.00	**$50.00**	$80.00	$100.00	#31
Plan Review Fee		**$50 add, remodel, new const**	50% of building permit	300 $100 3001 $150	
Swimming Pool (Stage 1-3)	$300	$300.00	Res.By value $25.00 per permit plus $4.00 per $1,000. Comm by value $25.00 per permit plus $5.00 per $1,000	$150.00	$31 + $4 per $1000
Swimming Pool (Stage 4)	$400	$400.00			
Moving	$50	**$75.00**	500 per structure	$50.00	$84.00
Demo	$50	**$150.00**	$100.00		$53.00
Tech Fee	$6	$6.00			
Reinspection Fee	$25	**$75.00**	$100. Special Inspection Same day additional $50	$50.00	$53.00
Certificate of Occupancy Residential	$25	$25.00	$50.00		
Commercial					
New	0.18 (first 2,500 sq ft)	**$0.50 first 5,000 sq ft**		$5 per $1000 Value	$.53 first 5000 sq ft
New	0.10 (next 2,500 sq ft)	**$0.25 over 5,000 sq ft**			$.15 over 5000 sq ft
New	0.07 (remaining sq ft)				
Remodel	Cost of Construction- Per Fee Schedule	**$0.25 per sq ft**		$200 10000 $300 10001	$26 +$5 per $1061 const value
Plan Review Fee	1/2 Building Permit	**50% of permit fee if completed by City. 3rd party plan review fees based on construction cost per contract**	50 % of Permit Fee	$200-$450	In house 53% of value
Tree Removal Permit		**$100.00**			
Landscape Plan		**$100 per 1/4 acre up to $1000**			
Demo	$50	**$100.00**	500 per structure		$53.00
Tech Fee	$6	**$6.00**			
Reinspecton Fee	$25	**$75.00**		$100.00	$53.00
Certificate of Occupancy	$25	**$50.00**			
Plumbing					
Plumbing Permit	$15		$30.00	$100 res $200 comm	$31.00
Sewer Line	$10		$10.00		$10.00
Water Line	$10		$10		$10
Fixture	$4		2.5		$3.75
Grease Trap	$0		$20		$26
Irrigation	$30	**$100.00**	$30.00 plus $3.00 per $1000		$1.50 per head
Inspection Fee	$ -	**included in permit**	1st-Free		
Reinspection Fee	$ 25	**$75.00**	2nd-$100, Subsequent $150.00		$53
Total Residential Plumbing		**$100 up to 2,500 sq ft then $100 per additional 2,500 sq ft**			
Total Commercial Plumbing		**$200 up to 2,500 sq ft then $200 per additional 2500 sq ft max $1,000**			
Mechanical/Electric					
Mechanical Permit Residential	$15.00 Plus Itemized	**$100 up to 2,500 sq ft then $100 per additional 2500 sq ft**	30	$100 res $200 comm	$31

Permit Type	Current	Proposed	Kerrville	Marble Falls	Boerne
Mechanical Permit Commercial		**$200 up to 2,500 sq ft then $200 per additional 2500 sq ft max $1,000**			
Mechanical Inspection	0				$53
Electrical Permit	$20.00 Plus Itemized	**$100 up to 2,500 sq ft then $100 per additional 2500 sq ft**	40	$100 res $200 comm	$31
Electrial Permit Commercial		**$200 up to 2,500 sq ft then $200 per additional 2500 sq ft max $1,000**			
Electrical Inspection	0				$53
<u>Contractor</u>					
New Registration	$ 400	$400.00	500		$111
Annual Renewal	$ 200	$200.00	100		$84
<u>Signs</u>					
Sign Permit-1	$30 min Plus $2 Per Sq Ft	**$100.00**	$25 per Permit additional $5.00 per $1,000		$31 min 2.25 per sq ft
Sign Permit Repair	$10 Minimum or $1 Per Sq Ft				
Sign Permit Muti Tenent	$30 min Plus $2 Per Sq Ft				
Temp Sign/Banner	$35 for 20 days				
Comm Banner (Profit)	$150 for 2 weeks		$60.00 + $25.00 admin fee		$21
Comm Banner (Non-Profit)	$150 for 2 weeks				
<u>Watering</u>					
Water Variance	$100 for 30 days	**$100.00**			
Early Pour	$ 10	**$50.00**			

ORDINANCE NO. 2024-28

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING ARTICLE 5.000, "CONSTRUCTIONS PERMITS AND FEES," OF APPENDIX A, "FEE SCHEDULE," OF THE FREDERICKSBURG MUNICIPAL CODE, BY REVISING FEES RELATED TO BUILDING PERMITS, SIGN PERMITS, ELECTRICAL, MECHANICAL, AND PLUMBING PERMITS; BY AMENDING ARTICLE 5.500, "[APPLICATION FEES]," BY ADDING AN APPLICATION FEE FOR CERTAIN APPEALS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Fredericksburg, Texas (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City Council finds that the fees established herein are proportional to the administrative costs of development and planning application, review, and appeal processes; and

WHEREAS, the City Council has determined that the fees as outlined herein are in the best interest of the health, safety, and general welfare of the citizens of the City and the public; and

WHEREAS, the City Council held a public meeting on the adoption of the building permit fees adopted herein on September 3, 2024.

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

Section 1. The findings above are found to be true and correct and are incorporated herein.

Section 2. Section 5.100, "Fees for Building Permits" of Article 5.000, "Constructions Permits and Fees" of Appendix A, "Fee Schedule," of the Fredericksburg Municipal Code is hereby amended to read as follows:

No building shall be in any manner constructed, altered, repaired, remodeled, or moved within the city limits unless a building permit is obtained. The following fees shall be paid for building permits prior to the issuance thereof:

(a) Residential building new construction: $0.35 per square foot.

(b) Residential building addition and/or remodel: $0.45 per square foot.

(c) Residential demolition of buildings or structures: $150.00.

(d) Residential building plan review fee: $50.00.

(e) Residential building Certificate of Occupancy: $25.00.

(f) Commercial building new construction: $0.50 per square foot for the first 5,000 square feet, plus $0.25 per square foot over 5,000 square feet.

(g) Commercial building remodel: $0.25 per square foot.

(h) Commercial building plan review fee: 50% of permit fee for in house permit review. Third party plan review fee to be determined by the third-party reviewer.

(i) Commercial demolition of buildings or structures: $100.00.

(j) Commercial building Certificate of Occupancy: $50.00

(k) Moving buildings or structures: $75.00.

(l) Fence construction: $50.00.

(m) Technology fee: $6.00.

(n) Early pour: $50.00.

(o) Tree removal: $100.00

(p) Landscape plan review $100 per quarter-acre up to $1,000 maximum.

(q) Reinspection: $75.00.

(r) Work Started Without a Permit: Double the Building Permit Fee

(s) Swimming pools and hot tubs: the permit fees set forth in the table below shall apply:

Effective Drought Response Stage for the City of Fredericskburg at the time of permit application, per Sec. 47-47 of this code of Ordinances.	Permit Fee
Drought Response Stages 1,2 or 3	$300.00
Drought Response Stage 4	$400.00

Drought Response Stage 5	No permits issued

Section 3. Section 5.150, “Fees for Sign Permits,” of Article 5.000, “Constructions Permits and Fees,” of Appendix A, "Fee Schedule," of the Fredericksburg Municipal Code, is hereby amended to read as follows:

“**Sec. 5.150. – Fees for Sign Permits.**

(a) New Signs or repair to existing: $100.

(b) Temporary Signs:

1 Banners or Temporary Signs: $35.00

2 Over Street or other Banners to be erected by the City

A Civic Use (non-profit): $150.00

B Other (for profit): $300.00

Section 4. Section 5.200, “Electrical Permit Fees,” of Article 5.000, “Constructions Permits and Fees,” of Appendix A, Fee Schedule, of the Fredericksburg Municipal Code is hereby amended to read as follows:

“**Sec. 5.200 – Electrical, Mechanical, and Plumbing Permit Fees.**

Each permit application shall be remitted to the Building Official with the appropriate fee, identified herein, which fees shall be inclusive of normal inspection fees.

(a) Residential Electrical Permit: $100.00 up to 2,500 sq ft plus $100.00 for each additional 2,500 sq ft

(b) Commercial Electrical Permit: $200.00 up to 2,500 sq ft plus $200.00 for each additional 2,500 sq ft

(c) Residential Mechanical Permit: $100.00 up to 2,500 sq ft plus $100.00 for each additional 2,500 sq ft

(d) Commercial Mechanical Permit: $200.00 up to 2,500 sq ft plus $200.00 for each additional 2,500 sq ft

(e) Residential Plumbing: $100.00 up to 2,500 sq ft plus $100.00 for each additional

2,500 sq ft

(f) Commercial Plumbing: $200.00 up to 2,500 sq ft plus $200.00 for each additional 2,500 sq ft

(g) Irrigation: $100.00

(h) Reinspection: $75.00"

Section 5. Section 5.502, "Development Application Fees," of Article 5.500, "Application Fees," of Appendix A, "Fee Schedule," of the Fredericksburg Municipal Code is hereby amended by adding a new subsection (l) to read as follows:

"Sec. 5.502. Fees for Development Application Fees.

(l) Short-Term Rental Permit Denial Appeal to City Council: $300.00"

Section 6. Cumulative. This Ordinance shall be cumulative of all provisions of ordinances of the Fredericksburg Municipal Code as amended, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event the conflicting provisions of such ordinances and such Code are hereby repealed.

Section 7. Severability or Invalidity. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

Section 8. Effective Date. This Ordinance shall be in full force and effective upon the publication of the caption and on and after October 1, 2024, as provided by the Fredericksburg City Charter and the laws of the State of Texas.

PASSED AND APPROVED on this the 17th day of September, 2024.

____

Jeryl Hoover, Mayor

ATTEST:

Leticia Vacek, City Secretary, TRMC, CMC, MMC

APPROVED AS TO FORM:

Mick McKamie, City Attorney

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM: Garret Bonn, Assistant City Manager
MEETING DATE: September 17, 2024

CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consideration and Possible Action Relating to Three (3) Existing Lease Agreements at the New City Hall Campus (East Campus). (Garret Bonn, Asst. City Manager)

PRESENTATION:

SUMMARY:
Consideration and possible action relating to three existing lease agreements for the former Hill Country University Center campus.

BACKGROUND: At the time of the City's purchase of the University Center Facility, the Hill Country University Center Foundation had three active leases relating to improvements on the property:

1. Building Lease with Texas Tech University
2. Building Lease (Office Space) with FlavoryTX
3. Teaching Vineyard Lease

Throughout the negotiations for the City's purchase of the facility, we have been working with the current tenants to allow for their smooth transition out of the facility. Texas Tech University and FlavoryTX have indicated that they only need to occupy the space until October 31, 2024 so the City Attorney's office has drafted the attached Assumption of Building Lease and Rents which basically just amends the parties noted in the original lease agreement. The term has also been revised to expire on October 31, 2024, however, the parties may mutually agree to extend the term for one (1) month renewals.

The third lease relates to the Teaching Vineyard which is located on approximately 3.05 acres of land adjacent to the former University Center Facility. Texas Tech University College of Agriculture intends to continue to utilize the vineyard as part of its vineyard higher education program and has requested an initial term of 2 years. The City does not have any plans to utilize the vineyard at this time and would like to ensure Texas Tech is able to maintain its vineyard higher education program.

FUNDING SOURCE: General and Enterprise Funds

FINANCIAL IMPACT:
TTU Building Lease - $5,000/month
FlavoryTX Office Lease - $650/Month

TTU Teaching Vineyard Lease - $10/Year + Utilities

STAFF RECOMMENDATION:

City staff recommends approval of each of the three (3) assumption of lease agreements, each of which will require a separate motion.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:

Governance

ATTACHMENTS:

1. Assumption of Lease Agreement - Building - TTU - City of FBG
2. Assumption of Lease Agreement - FlavoryTX - City of FBG
3. Assumption of Lease Agreement- Vineyard - TTU- City of FBG

APPROVAL/REVIEW:

Clinton Bailey, City Manager — Date: September 11, 2024

Garret Bonn, Assistant City Manager — Date: September 11, 2024

William McKamie, City Attorney — Date: September 11, 2024

Leticia Vacek, City Secretary — Date: September 12, 2024

Clinton Bailey, City Manager — Date: September 13, 2024

ASSUMPTION OF BUILDING LEASE AND RENTS

This Assumption of Building Lease and Rents (the "**Assumption**") is entered into as of the _____ day of ____________, 2024 (the "**Effective Date**"), by and between the City of Fredericksburg, Texas, a Texas home-rule municipality (the "Landlord" or "City") and Texas Tech University, a Texas public institution of higher education (the "Tenant") (hereinafter the Landlord and Tenant are from time to time referred to individually as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, the Tenant entered into a Building Lease Agreement on August 26, 2019 (ITU internal reference C14782) (the "Agreement") with Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), a Texas non-profit corporation, which is attached to this Assumption as **Exhibit A**; and

WHEREAS, Tenant amended the Agreement with Hill Country University Center Foundation on November 7, 2023 (the "Amendment") to authorize renewal by written agreement of the parties, which also attached to this Assumption as **Exhibit A**; and

WHEREAS, the Landlord ("City") owns the real property, improvements, and all public buildings located at 2818 E. Highway 290, in the City of Fredericksburg, Gillespie County, Texas (the "Property" or the "Premises"); and

WHEREAS, the Parties desire to amend the Agreement and the Amendment as the Hill Country University Center Foundation no longer has an interest in the Property, and to provide, among other things, an assumption and continuation of the Agreement with the City as the "Landlord" as herein set forth in this Assumption; and

WHEREAS, the Parties are entering into this Assumption in the exercise of their governmental functions in the interest of the health, safety, and welfare of the residents of the City of Fredericksburg, the State of Texas, and the general public; and

WHEREAS, defined terms shall have the meaning as assigned to such terms in the Lease, unless otherwise specifically defined in this Assumption; and

NOW, THEREFORE, for and in consideration of the mutual terms, provisions, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Assumption of Lease and Rents.** For all purposes under the Agreement and the Amendment, the City shall be and is hereby referred to as the "Landlord" and all references in the Agreement and the Amendment to Hill Country University Center Foundation shall be changed to the City, as the new Landlord and the City shall assume the rights, duties, and obligations under the Agreement and the Amendment, and monthly rental payments as provided in the Agreement shall be made to the City. Except that, the City shall not be liable under the Agreement or Amendment and retains its

governmental immunity from suit and liability to the greatest extent allowed by Texas law.

2. The parties agree to amend the Agreement and the Amendment by deleting and replacing the dedicated room list provided on Attachment 4 (as adopted by the Amendment) with the following dedicated room list:
   a. Room 142 –Video Conf. Room
   b. Room 146 – Science Lab
   c. Room 147 – Bio Prep Room
   d. Room 145 – Chem Prep Room
   e. Room 44 – Chem Storage
   f. Room 43 – Office

3. The parties agree that the "Term" of the Agreement as modified by the Amendment shall expire on Oct. 31, 2024; however, the parties may mutually agree in writing to extend the Term for one (1) month renewals.

4. **Governing Law and Venue.** This Assumption shall be construed under and governed in accordance with the laws of the State of Texas, without regard for conflict of laws principles. This Assumption is performable and venue for any action hereunder shall exclusively be in the state district court physically located in Gillespie County, Texas.

5. **Availability of Funds.** The parties agree that the performance of their obligations under this Assumption shall at all times be subject to the availability of currently available revenues and appropriated funds for that purpose. Should funds not be appropriated to perform that Party's obligations for any reason whatsoever, the failure to appropriate said funds shall operate as an automatic termination of this Assumption, and City and Tenant shall be relieved of any further obligation to the other.

6. **Prior Building Lease Superseded.** Except as amended by this Assumption and only to the extent allowed by law, all other terms and conditions of the Agreement and the Amendment shall remain in full force and effect.

7. **Governmental and Sovereign Immunities.**

SOVEREIGN IMMUNITY. THIS ASSUMPTION IS EXPRESSLY MADE SUBJECT TO TENANT'S SOVEREIGN IMMUNITIES. THE PARTIES EXPRESSLY AGREE THAT, OTHER THAN AS SET FORTH HEREIN, NO PROVISION OF THIS ASSUMPTION IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY, OR A WAIVER OF ANY TORT LIMITATION, AND ANY DEFENSES THAT THE TENANT HAS BY OPERATION OF LAW OR OTHERWISE. NOTHING IN THIS ASSUMPTION IS INTENDED TO BENEFIT ANY THIRD-PARTY BENEFICIARY.

GOVERNMENTAL IMMUNITY. THIS ASSUMPTION IS EXPRESSLY MADE SUBJECT TO LANDLORD'S GOVERNMENTAL IMMUNITY AND THE PARTIES AGREE THAT LANDLORD IS ACTING PURSUANT TO ITS GOVERNMENTAL FUNCTIONS AND NOTHING CONTAINED IN THIS ASSUMPTION SHALL BE CONSTRUED AS CONSTITUTING A WAIVER OF LANDLORD'S GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY, WHICH IS EXPRESSLY RESERVED TO THE EXTENT ALLOWED

BY LAW. FURTHER, WITHOUT WAIVING ANY IMMUNITIES, THE PARTIES AGREE THAT THIS ASSUMPTION IS MADE SUBJECT TO ALL APPLICABLE PROVISIONS OF THE TEXAS CIVIL PRACTICE AND REMEDIES CODE ("CPRC"), INCLUDING BUT NOT LIMITED TO ALL DEFENSES, LIMITATIONS, AND EXCEPTIONS TO THE LIMITED WAIVER OF IMMUNITY FROM LIABILITY PROVIDED IN CPRC CH. 101 AND CH. 75.

8. Notices. Any notices, consents or other communications required or permitted to be given pursuant to this Assumption must be in writing and shall be sent to the address set forth below (or such other address as the party might hereafter designate for itself by notice to the other parties as required hereby). Any such notice or communication shall be sufficient if sent by registered or certified mail, return receipt requested, postage pre-paid; by hand delivery; by overnight courier service; or by facsimile, with an original by regular mail. Any such notice or communication shall be effective on (a) the date of receipt if delivered personally; (b) three (3) days after deposit in an official depository under the regular care and custody of the United States Postal Service, if transmitted by registered or certified mail, return receipt requested; (c) the first business day after the date of deposit, if transmitted by overnight courier service; or (d) the date of transmission with confirmed answer back, if transmitted by facsimile, whichever shall first occur.

If to Tenant: ______________________________
____
____
____

If to Landlord: Attn: Clinton Bailey
City Manager
126 West Main Street
Fredericksburg, TX 78624

IN WITNESS WHEREOF, the parties hereto have caused this Assumption to be executed by their duly authorized officers and to be effective as of the day, month, and year first above written.

TENANT**:**
TEXAS TECH UNIVERSITY, A TEXAS PUBLIC INSTITUTION OF HIGHER EDUCATION

BY: ______________________
Name and Title

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared ________________________________ ______________________________ of Texas Tech University, a Texas public institution of higher education, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ___________ 2024.

____
Notary Public, State of Texas

LANDLORD**:**

CITY OF FREDERICKSBURG, TEXAS

BY: ______________________
Clinton Bailey, City Manager

ATTEST:

____
Leticia Vacek, City Secretary

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared Clinton Bailey, City Manager of the CITY OF FREDERICKSBURG, TEXAS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ___________ 2024.

____
Notary Public, State of Texas

EXHIBIT "A"
THE BUILDING LEASE (DATED AUG. 26, 2019)
AND RENEWAL AND AMENDMENT OF BUILDING LEASE (DATED NOV. 7, 2023)

BUILDING LEASE
BETWEEN
TEXAS HILL COUNTRY HIGHER EDUCATION DEVELOPMENT FOUNDATION
d/b/a HILL COUNTRY UNIVERSITY CENTER FOUNDATION
AND
TEXAS TECH UNIVERSITY

THIS FOUNDATION BUILDING LEASE (this "Lease") is made by and between Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), a Texas non-profit corporation ("Landlord"), and TEXAS TECH UNIVERSITY, a Texas institution of higher education ("Tenant"). Landlord and Tenant may also be referred to throughout individually as a "Party" and collectively as "Parties."

Landlord and Tenant desire to enter into this Lease for "Designated," and "Shared" areas (the "Premises" areas as further defined on attached *Policy for Operations of the Hill Country University Center, Attachment 4. Hill Country University Center Designated and Shared Space*), in the building situated in Fredericksburg, Texas (the "Building"), the address of which is 2818 East US Highway 290, Fredericksburg, Texas 78624.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties do agree as follows:

1. **Definitions.** All capitalized terms have the meanings defined in this lease.

2. **Term.** The term of the Lease shall begin on the last signature date and will expire on August 31, 2020, unless renewed per Section 2(a).

   (a) Renewal. The Parties may renew this Lease for up to three (3) subsequent one (1) year terms if they agree in writing on or before sixty (60) days prior to the last day of the then current term.

   (b) Termination. Either Party may terminate this Lease by giving the other Party six (6) months prior written notice. Unless the Premises is destroyed per Section 11, Tenant will not be required by Landlord to vacate the Premises earlier than the ten (10) days following the end of the academic year in which a Party gives notice to terminate.

3. **Rent.** Tenant shall pay to Landlord as rent for use of the Premises:

   (a) $60,000 per year, to be paid in monthly increments of $5,000; and
   (b) Monthly rent will be paid on or before the first day of the month.

Any reference to payment or reimbursement of additional, future, or undefined fees in the Lease is agreed to only if pre-approved by Tenant in writing prior to invoicing.

4. **Permitted Premises Use.** Landlord grants to Tenant the right to use the Premises to deliver academic and continuing education programs in accordance with regulations applicable to Tenant and Tenant's appropriate accrediting bodies ("Approved

Purposes").

(a) Landlord grants the right to Tenant to use Designated areas for Approved Purposes. Landlord may not transfer such areas to another tenant by assignment, sublease or otherwise; however, Designated classroom space may be used by Landlord or another tenant if scheduled in accordance with the procedures contained in the Policy for Operation of the Hill Country University Center, provided that such use is approved by both Tenant and Landlord and to the extent this policy does not conflict with the terms of this Lease or any federal, state, or local laws.

(b) Landlord grants a joint right to Tenant to use Shared areas for Approved Purposes. Such Shared areas are those that may be jointly used by Tenant, who must cooperate with other tenants of the Building to use those areas of the Premises (see Policy for Operation of the Hill Country University Center).

(c) In effort to grow the Tenant viticulture and enology programs, Landlord also specifically grants Tenant access to the Biology Laboratory (defined as Room 146 Science Laboratory in Policy for Operations of the Hill Country University Center, Attachment 4. Hill Country University Center Designated and Shared Space). Tenant agrees to use that space as scheduled in accordance with procedures contained in the Policy for Operation of the Hill Country University Center to the extent this policy does not conflict with the terms of this Lease or any federal, state, or local laws.

5. **Condition of Premises**. Landlord will maintain Premises in reasonably good order and condition. Landlord will, at its sole expense, install and maintain all measures to comply with all accessibility legal requirements, with the exception of the storage area above the reception desk. "Accessibility legal requirements" means all federal, state and local laws, regulations, rules, and orders related to accessibility for persons with disabilities, including but not limited to, Title III of the Americans with Disabilities Act, 42 U.S.C. Sec. 12181 et seq.

6. **Maintenance**. Landlord will provide Building maintenance and repair, cleaning, grounds maintenance, and utilities (water, sewer, trash, disposal and electricity). Tenant will have no responsibility for those costs.

7. **Insurance**. Landlord will maintain all required insurance policies, including but not limited to casualty, property, fire and general liability insurance to cover liabilities in connection with owning the Building. Tenant will be an additional insured on all policies. All policies will include a full waiver of subrogation favoring the Tenant for the types of coverage provided by Landlord's applicable policy regardless of limit or deductible.

8. **Indemnification**. Landlord will defend, indemnify and hold Tenant and Tenant's representatives harmless from and against any and all losses arising in any way from (i) the sole active negligence or willful misconduct of Landlord; or (ii) any breach or default in the performance of any obligation on Landlord's part to be performed under the Lease. Landlord will defend any such action or proceeding brought against Tenant or its representatives at Landlord's expense with counsel reasonably satisfactory to Tenant. Neither termination of this Lease nor completion of the acts to be performed under this Lease will release Landlord from its obligations to defend or indemnify Tenant as required under this Lease so long as any event

upon which any such loss is predicated will have occurred prior to the effective date of any such termination or completion.

9. **Security.** Landlord will provide reasonable and necessary safety and security mechanisms on the Premises. Tenant may install additional safety and security systems as desired, without limitation. Landlord agrees to cooperate with Tenant to make the Premises a safe place and to share known information that could impact the safety and security of the other party's staff and/or students (for example, the Parties would share information about an individual known to have acted suspiciously or who has threatened the safety of another individual or him or herself).

10. **Tenant Personal Property.** Tenant owns all personal property, information technology equipment, computers, teaching aids, furniture and removable fixtures it places on the Premises. Neither Landlord nor other tenants may have access to any Tenant property without permission of Tenant's resident Director. Landlord may not obtain a lien against any Tenant property, as Tenant is a Texas state institution of higher education.

11. **Destruction.** If fire, tornado or other casualty not due to the gross negligence or intentional tort of Tenant destroys any part of the Premises, and the destruction is to the extent that rebuilding or repairs can reasonably be completed within ninety (90) calendar days, this Lease will not terminate except as follows:

(a) If the Premises are partially destroyed more than three (3) months from the end of the then current Lease term, the Landlord must, at its sole cost and risk, proceed immediately to rebuild or repair the damaged part of the Premises to substantially the condition in which it existed before the damage, regardless of insurance proceeds. The rent payable during the period in which the damaged Premises are unusable will be adjusted equitably. If Landlord fails to complete the rebuilding or repairs within ninety (90) calendar days after the date of Tenant's notification to Landlord of the occurrence of the damage, Tenant may terminate the lease immediately and vacate the Premises.

(b) If the Premises are completely destroyed at any time during the term of the Lease, the Lease will terminate and the rent will be abated during the unexpired term of the Lease, effective the date of termination. Tenant may vacate the Premises immediately.

12. **Assignment and Subletting by Tenant.** Tenant does not have the right to assign or sublease this Lease, any interest Tenant has in it, or any of Tenant's rights or privileges pertinent to the Lease or the Premises.

13. **Assignment by Landlord.** Landlord may not assign or transfer any of Landlord's rights, interest or obligations under this Lease without giving Tenant prior written notice. Tenant may terminate the Lease immediately, if Landlord assigns any interest, obligation or right under this Lease.

14. **Policies.** Tenant will abide by policies and procedures of Landlord, codified in the most recent version of the *Policy for Operation of the Hill Country University Center* to the extent it does not conflict with the terms of this Lease or any federal, state, or local laws.

15. **Notices.** All notices required under this lease may be given by the following:

(a) By first class mail, addressed to the proper party, at the following addresses:

Landlord: Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), 2818 East US Highway 290, Fredericksburg, Texas 78624.

Tenant: Texas Tech University, c/o Contracting, P.O. Box 41092, Lubbock, Texas 79409.

(b) By e-mail, to the proper party, at the following addresses:

Landlord: mary.little@hcucenter.org
Tenant: contracting@ttu.edu

(c) Any notice under this Lease must be written and delivered to the party to be notified (1) by hand delivery, (2) by United States mail, or (3) by email. Notice will be effective upon physical delivery of the notice by messenger service; or, four (4) business days after the date of mailing by certified mail, return receipt requested; or upon acknowledgement of notice by the email recipient, either by return receipt or reply email. If no email receipt or reply has been received by the sender within one (1) business day from emailing the notice, the notice is deemed incomplete and sender must send notice by messenger or certified mail.

16. **Texas Law to Apply.** This Lease and all obligations of the Parties created by this Lease are to be construed and enforced under Texas law. Venue will be in accordance with the Texas Civil Practice of Remedies Code and any amendments thereto.

17. **Legal Construction.** If any one or more of the provisions in this Lease are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the Lease, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

18. **Force Majeure.** Neither Landlord nor Tenant is required to perform any term or covenant of this lease so long as performance is delayed or prevented by *force majeure*, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant, by exercising due diligence and paying money, cannot prevent or overcome in whole or part.

19. **Whole Agreement.** This Lease, including any attachments, sets forth the entire agreement between the Parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements.

20. **Binding Effect.** Except as modified by amendment, the terms and provisions of this Lease shall remain in full force and effect, and shall be binding upon the Parties hereto, their successors and permitted assigns. This Lease shall become effective only after the full

execution and delivery hereof by Landlord and Tenant.

21. **Dispute Resolution.** To the extent it applies under Texas law, the Parties will utilize the Dispute Resolution process provided for in the Texas Government Code 2260 for all disputes arising from this Lease. Neither the execution of this Lease by Tenant nor any other conduct, action, or inaction of any representative of Tenant relating to this Lease constitutes or is intended to constitute a waiver of Tenant's or the state's sovereign immunity to suit; and Tenant has not waived its right to seek redress in the courts.

IN WITNESS WHEREOF, the Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD

Texas Hill Country Higher Education Development Foundation
(d/b/a Hill Country University Center Foundation)

By: **Signature:** David Campbell (Aug 26, 2019)

Email: davidc@hemachining.com

Name: Dave Campbell

Title: Chairman

Date: Aug 26, 2019

TENANT

TEXAS TECH UNIVERSITY, a Texas institution of higher education

By: **Signature:** Jennifer Adling (Aug 26, 2019)

Email: jennifer.adling@ttu.edu

Name: Jennifer Adling

Title: Chief Procurement Officer

Date: Aug 26, 2019

Policy for Operation of the Hill Country University Center

I. **Background:** The Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), hereafter 'Foundation', supports through a variety of methods the growth of higher-education opportunities for citizens of the Hill Country region of Texas. In conjunction with multiple partners and working closely with the City of Fredericksburg, the Foundation built a 25,000 sq. ft. education facility (the 'Center') on land leased by the city. An academic partnership of multiple institutions of higher learning has developed in accordance with regulations published by the Texas Higher Education Coordinating Board, and the center hosts undergraduate and graduate programs.

The Foundation intends to operate the current Center facility in conjunction with participating institutions; raise funds for and construct additional facilities when required; raise funds for and operate a scholarship program; work closely with collaborating institutions of higher education to expand the number and diversity of academic programs offered through the Center and market/promote those offerings; and provide support to student enrichment programs.

This policy defines the working relationships between the Foundation and collaborating institutions of higher learning and establishes procedures for funding of services; building use; scheduling of classrooms, conference rooms and laboratories; access, security and key control; and emergency response.

II. **As Owner of the Hill Country University Center, the Foundation will:**

A. Operate the facility as a shared-use higher education support center for the benefit of all participating academic institutions;
B. Provide classroom/office/advising space to participating academic institutions to the extent feasible;
C. Provide for operation of the Center, including facility maintenance and repair, cleaning, grounds maintenance, insurance, and utilities (water, sewer, trash disposal, and electricity, but not telephone and data service).
   1. The Foundation will bill partner institutions for a pro-rated share of these expenses in accordance with individual agreements negotiated prior to the beginning of each State fiscal year;
   2. Partnering academic institutions that maintain offices or dedicated classrooms in the facility are responsible for costs associated with their internal staffing, equipment and supplies, telecommunications support (voice and data); additional office or classroom furnishings and academic program delivery;
D. Partner with academic providers to market programs delivered through the Center;
E. Provide, when funding is available, a scholarship program which benefits students of academic partners;
F. Provide, when funding is available and in conjunction with academic partners, student support programs designed to provide a "campus life" atmosphere at HCUC;

G. Provide, when funding is available, support to special events designed to promote Center academic programs and student recruiting; and
H. Provide a venue for delivery of professional development, community education and life-long learning programs.

III. **Collaborating Institutions will:**

A. Provide funding to support operations of the Center in accordance with current individual agreements with the Foundation;
B. Deliver academic programs in accordance with applicable regulations of the Texas Higher Education Coordinating Board and appropriate accrediting bodies;
C. Collaborate with the Center and other participating institutions to maximize the use of dedicated classrooms, computers, laboratory equipment, wireless network services and interactive video conferencing classrooms (in accordance with current institution regulations);
D. Participate in scheduling and governance of the Center by appointing representatives to a Building Use Council and an Academic Council; and
E. Abide by Foundation policies and procedures for facility use;

IV. **Governance**

A. Policy and procedures for operation of the University Center will be set by the Board of Directors of HCUCF.
   1. The Foundation board designates an executive director to manage day-to-day operation of the University Center facility and Foundation programs. The Executive Director reports to the Board of Directors through its Chairman.
   2. The Board of Directors shall establish working relationships with the administration of academic partners participating in the operations of the University Center. To facilitate two-way communication, the Board will offer an ex-officio position on the Board to each academic partner.
B. The Foundation will establish and regularly convene a Building Use Council consisting of the Executive Director and one representative of each partner academic institution currently offering at least one higher education academic program through the Center. The Building Use Council will assist the Executive Director in coordinating facility operations for all participating institutions, including:

   1. Scheduling of rooms based upon the following hierarchy of priorities:
      a. 1st Priority – for-credit academic programs and faculty scholarly activities, such as research;
      b. 2nd Priority – institutionally-sponsored non-credit programming (professional development, community education or life-long learning);
      c. 3rd priority – other appropriate community activities as determined by the Foundation;
      d. The Foundation will have first right to schedule/rent the multipurpose HEB Activity Center, when not required for use under priority 1;
   2. Providing partner input to the annual budgeting cycle, including the setting of facility use fees (note: all usage fees will be detailed in separate agreements between the Foundation and individual academic partners);

3. Assisting in development and enforcement of building use policies; emergency procedures and safety policies;
4. Recommending to the Executive Director improvements to the facility, furniture and equipment (including equipment to be installed/operated by a partner institution);
5. Developing a joint marketing program for the University Center and partner programs;
6. Evaluating the need for the presence of outside vendors within the University Center; and
7. Assisting in resolving conflicts between the Foundation and participating institutions;

V. Academic Operations

A. In accordance with its mission of expanding higher-education opportunities in the Hill Country region, the Foundation will seek and welcome new academic partners desiring to offer unduplicated academic programs through the University Center and support existing partners in expanding program offerings;

B. The Foundation will establish and regularly convene an Academic Council to coordinate academic operations in the Center;

1. Foundation membership on the Academic Council will consist of the Executive Director and one director appointed by the board;
2. Each academic institution offering at least one degreed program through the University Center facility will be allowed to appoint one academically-qualified representative to the Academic Council, with preference to a person not associated with management of the local site;
3. The Foundation will establish procedures to be used by the Academic Council to review and recommend proposals to offer new degree programs; monitor the effectiveness of existing academic programs and student support operations; and determine the ability of the University Center to support new programs, or expansion of existing programs, given the constraints of funding for operations, classroom utilization and the availability of classroom, equipment and laboratory space;
   a. Any significant expansion of operations by an existing academic partner must be vetted through the Academic Council and approved by the Board of the Foundation prior to implementation.
   b. Programs proposed by existing or potential university partners must be unduplicated and delivered with regularity at the University Center. The Board of Directors may approve the delivery of individual courses during trial periods, but, in general, priority will be given to program proposals.
4. University and community college participation in the University Center will be governed by current policy and regulations of the Texas Higher Education Coordinating Board and appropriate accrediting agencies, but compliance with regulations of the Coordinating Board and accrediting agencies is the responsibility of each participating academic partner;
5. The Academic Council will meet at least once per year, or as required to review proposals and make recommendations to the Board of Directors.
6. Decisions of the Council will be made by majority vote.

C. The Academic Council will:
   1. Continually assess the need for new academic programs and recommend new or existing partners to meet the identified needs;
   2. Monitor existing programs and student support operations for effectiveness and viability, recommending improvements and innovation where appropriate;
   3. Periodically review the educational support infrastructure, making recommendations for expansion and/or improvements where needed;
   4. Review proposals for the addition of new academic programs from existing partners or outside institutions, providing recommendations to the Board of Directors for approval or disapproval (per criteria detailed in Section B. above);
   5. Review proposals from existing partners for significant modification of an existing program (modified to the extent that a substantive change proposal is required by any coordinating or accrediting body).

VI. General Rules for Facility Use

A. The building will be used primarily for its intended purpose of academic instruction, training, community education and related student affairs. However, use by community organizations, local governmental agencies and private businesses may be authorized provided that space is available and there is no conflict of interest. The Executive Director will schedule all bookings by outside organizations. The following security measures will be observed all users of the facility:
   1. Normal hours of operation are 8:00 a.m. to 10:00 p.m., Monday through Thursday; 8:00 a.m. to 6:00 p.m. Friday and Saturday; and closed on Sunday. There will be no overnight parking in the University Center parking lots unless required by official business, and vehicles must be removed by 10:30 p.m.
   2. Visitors will check in with the reception desk.
   3. Key control will be the responsibility of the Executive Director and directors of tenant organizations.
   4. All staff and faculty are responsible for securing Center doors at the close of business. The last person to leave each day must check all entrances to the facility. The Executive Director will provide emergency contact information to the Chief of Police for after-hours notification.

B. Tenant organizations shall be responsible for briefing their students, faculty and guests on rules for facility use. No facility use will be authorized unless supervised by a permanent staff member or faculty member who is familiar with the facility and rules for usage.

C. No smoking is allowed within the building and only in designated areas around the building exterior.

D. Staff and faculty are expected to present a professional image to students and visitors at all times, while enjoying a comfortable and informal atmosphere. Therefore, business casual is the standard for dress in the University Center. Academic partners are responsible for informing students of acceptable standards of dress. Clothing which reveals too much cleavage, chest, stomach or underwear is not appropriate.

E. Notices or signs will be displayed primarily on bulletin boards. They may be displayed temporarily on doors, walls or windows if laminated and affixed in a manner which will not damage the surface. No notices will be attached to painted surfaces with tape. Posting of notices from outside agencies is permissible if approved by the Executive Director. Such notices must be pertinent to the operations of the University Center, its students, faculty or staff, and must be affixed to a bulletin board.

F. Rules and procedures for use of equipment in the computer lab, science laboratory, HEB activity center and interactive video conference rooms will be prominently displayed in the rooms. No one will be allowed to operate audio-visual or computer equipment without a check-out. If classrooms or meeting rooms are re-arranged, the users will return the rooms to their original configuration upon completion. In no case will computer or microphone cables be disconnected in order to rearrange a classroom.

G. Lighting and HVAC central controls will not be changed without permission of the Executive Director. The temperature settings for individual rooms may be adjusted up or down two degrees at the room control panel. Room temperature set-points will be reviewed each year and consistently maintained for all rooms.

H. Maintenance Requests. Requests for routine maintenance or cleaning will be documented on a HCUC Maintenance Request form which can be found at the reception desk (green binder). Center staff will check the maintenance binder daily and address routine issues within 72 hours. In the event of a facility issue requiring urgent action, the Executive Director or Facility Manager should be contacted immediately by cell phone (numbers may be found in the green binder at the reception desk). In the event of an emergency, comply with the HCUC Emergency Action plan and contact appropriate first-responders through the 9-1-1 operator.

I. Chapel/Meditation Center. This facility will be open for use by the general public for as many hours per day and days per week as feasible. Brochures with information on the facility will be available at the front desk.

VII. Facility Scheduling

A. The scheduling of rooms for academic and related purposes shall be coordinated by the Executive Director with the advice of the Building Use Council, in accordance with priorities set in Section B.

B. The schedule for all room use will be displayed on the Master Calendar, which will be maintained by Executive Director. This calendar will be available to all users of the building. Scheduling procedures are detailed in Attachments 1 and 2.

VIII. Laboratory Procedures

A. Each tenant organization will be responsible for using the science lab in accordance with the policies and procedures established by their parent organization. Laboratory manuals, signage and equipment instructions must be prominently displayed and maintained/used in accordance with current procedures.

B. Access control of lab facilities during the use of hazardous materials will be the responsibility of the using organization. Likewise, the assigned faculty will ensure that all required safety equipment is used by students, faculty and visitors.

C. Safety equipment will be used as intended. Malfunctions will be reported to the Executive Director as soon as possible.

IX. **Emergency Planning**

A. The Executive Director is designated as Building Emergency Manager (BEM) and will be guided in his responsibilities by the Hill Country University Center Emergency Action Plan.

B. Staff and faculty of all tenant organizations will familiarize themselves with the Emergency Action Plan and comply with its requirements.

ATTACHMENTS

1 – Scheduling Procedures for Academic Facilities

2 – Rental of the HEB Community Events Center

3 - Format for Academic Program Proposals

4 – Hill Country University Center Designated and Shared Spaces

Approved this date:

2/1/18

Date

Raymond Hawkins, Chair HCUCF

Attachment 1: Scheduling Procedures for University Center Facilities

All facility schedules will be created following these procedures. Once scheduled, room assignments will be displayed on the master calendar, which will be available to all users.

Scheduling of Designated Rooms

Certain classrooms are assigned primarily to TTU or CTC (see below). The assigned institution will have automatic scheduling authority over its assigned classrooms, without need to seek prior permission or approval. CTC, TTU or the Executive Director may use classrooms of another institution if available and such use is approved by the institution having primary scheduling authority for the space. If rooms of another institution are used, they will be returned to their original configuration before the next use of the classroom or meeting space.

The following classrooms are assigned as indicated.

123 - TTU
125 - TTU
127 - TTU
137 - CTC
138 - CTC
142 – CTC

Scheduling of Joint Use or Shared Spaces

Rooms or spaces designated as joint or shared use will be scheduled on a case-by-case basis, coordinated by the Executive Director. These spaces are:

124 - Computer Lab Joint Use
146 – Science Lab Joint Use
105 – Conference Room/Faculty Preparation Joint Use
133 HEB – Joint Use
134 HEB – Joint Use
Chapel – Shared Use
Patios and Courtyards – Shared Use
Foyer and Hallways – Shared Use

To avoid conflicts, all use of joint and shared spaces will be scheduled through the Executive Director (using the process described below). If there is no conflict with existing schedules, the request will be approved, with information copy to all University Center tenants. If necessary, the Executive Director will convene the Building Use Committee to resolve scheduling conflicts (see below). As with Designated spaces, Joint or Shared use spaces will be returned to their standard configuration before the next scheduled use.

Note: **<u>All</u>** scheduling of outside groups will be coordinated through the Executive Director.

Scheduling Requests (joint or shared space):

a) To request a room, first check the master calendar for an opening and then email your request to the Executive Director at ed@hcucenter.org.
b) Give the name or number of the room requested, the class or event title, the date(s)/time(s) it will meet, and the instructor or staff member responsible.
    a. If it is a reoccurring event like a weekly class, please provide all class dates (at the time of scheduling) for the entire semester.
c) The ED will determine if the space is available, add it to the calendar and send a confirmation message to all concerned. Unless this message is received, do not assume that the space will be available.

Conflict Resolution:

The Building Use Council will meet to resolve scheduling conflicts using these general rules:

a) If a conflict occurs, the earlier booking will be given precedence, in most cases.
b) If a room cannot be used for a scheduled event because of some unforeseen reason (repairs, class size, etc.) the class will be moved to the best available room.
c) If two classes need the same room because of equipment requirements, the room will go to whoever scheduled it first.

Emergency Scheduling and Special Events

In exceptional circumstances, a priority event may bump a class out of HEB 133 and 134. In that event, the class will be rescheduled or relocated to another suitable room.

Attachment 2: Rental of the HEB Community Events Center

1. The HEB Community Events Center was created to provide a meeting and activity space for use by the community at large, in addition to its role as a large classroom. To the extent possible, use of the room by community groups will be accommodated in accordance with the priorities set forth in the Policy for Operation of the Hill Country University Center, section IV.B.1.

2. The HEB Community Events Center can be rented in its entirety or one-half the room may be reserved (the room can be divided with a movable partition). A rental charge will be assessed in order to cover the costs of set-up and clean-up, as well as employee time associated with the activity.

3. In general terms, the room can accommodate:

    a. Classroom setup:
        i. 100 people at student tables, with another 30 in seats without tables (entire room)
        ii. 60 people at student tables (one-half room).
    b. Theater style (seats, but no tables) – 160 people
    c. Banquet style – 160 people (note: HCUC does not have banquet rounds. Tables and chairs for banquet seating must be rented and delivered at the expense of the organization renting the room.
    d. Reception style – the full room is rated for occupancy by 344 people. If cocktail tables are required, that is the responsibility of the renting organization.

4. The HEB Community Events Center is equipped with a complete set of audio-visual equipment. Use of the equipment will be subject to an audio-visual charge.

5. Rental rates for University Center Facilities are available from the Executive Director (ed@hcucenter.org).

6. Confirmation of any rental of facilities will be given by the Executive Director only, after coordination with academic partners.

7. Refer to www.hcucenter.org/rental.html for more details and pictures of Hill Country University Center facilities.

Attachment 3: Format for Academic Program Proposals

Programs submitted for consideration by the Hill Country University Center Academic Council must in the format of a proposal including (at a minimum) the following elements:

1) Title
2) Program description
    a. Describe program and broad concept for delivery
    b. Describe any potential duplication with other HCUC programs or offerings of regional institutions
    c. List program approvals obtained and any required notifications
3) Expected enrollment for first three years and basis for projections
4) Institutional capacity to deliver the program
    a. Faculty resources and utilization
    b. Advising and recruiting
5) Resources required
    a. Requirement for face-to-face classrooms for first year
    b. Requirement for interactive television classrooms for first year
    c. Any special facility requirements
    d. Special equipment, software or other requirements
6) Assessment support required
7) Other (as desired)
8) Institution contact
    a. Name/title
    b. Phone/fax/email
9) Institution approvals/signatures
    a. Chief academic officer
    b. Other (as required).

Attachment 4: Hill Country University Center Designated and Shared Space

Shared Spaces	Sq. Ft.
Room 108 Student Lounge	691
Room 107 Storage (lounge overflow)	696
Room 105 Conference Room	286
Room 105 Closet SDF	25
Room 101 Reception	132
Room 109 Mail/Copy	97
Room 110 Supplies and Storage	224
Room 111 Kitchen and Break	88
Room 128 HCUC Office	174
Room 133 Classroom and Storage	1643
Room 134 Classroom and Storage	1468
Room 135 Catering Kitchen	169
Room 144 Lab Chemical Storage Room	137
Room 146 Science Laboratory	1475
Total Shared	7305

TTU Designated	Sq. Ft.
Room 116 Office	183
Room 117 Office	183
Room 118 Office	183
Room 119 Office	206
Room 121 Office	192
Room 122 OLLI Office	140
Room 123 IVC Classroom	730
Room 124 Computer Lab	730
Room 125 IVC Classroom	921
Room 127 IVC Classroom	730
Room 129 MDF and Server Room	279
Room 148 Lab Storage	94
Room 149 Oenology Research	511
Room 150 Viticulture and Oenology Office	139
Total Designated	5221

CTC Designated	Sq. Ft.
Room 102 Office	246
Room 103 Supplies and Storage	86
Room 104 Office	239
Room 137 IVC Classroom	741
Room 138 Classroom	793
Room 142 Classroom	741
Room 145 Lab Prep and Office	511
Room 147 Lab Storage	94
Total Designated	3451

Total Sq. Footage	15,977

Hill Country University Center #C14782

Final Audit Report 2019-08-26

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Signed document emailed to Jennifer Adling (jennifer.adling@ttu.edu), Dani Mascorro (danielle.mascorro@ttu.edu) and David Campbell (davidc@hemachining.com)
2019-08-26 - 8:43:14 PM GMT

RENEWAL AND AMENDMENT OF BUILDING LEASE

Effective the date of last signature (the "Amendment Effective Date"), this Renewal and Amendment of the Building Lease Agreement effective August 26, 2019 (TTU internal reference C14782) (the "Agreement"), is hereby entered into between Texas Tech University, a Texas public institution of higher education, ("Tenant") and Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), a Texas non-profit corporation ("Landlord"). Landlord and Tenant may also be referred to throughout individually as a "Party" and collectively as "Parties."

I. The Parties agree that Section 2(a) of the Agreement shall be deleted and replaced with the following:

Renewal. The Parties may renew this Lease for a one (1) year term if agreed upon in writing by both Parties.

II. Given the uncertainty of the Tenant's need for space in year two, the Landlord will need to enter a period of discernment regarding the best utilization of the space at Hill Country University Center. The Landlord will not be able to commit to a second year until there is a better understanding of what the Tenant plans for year two and thereafter.

III. The Parties agree that Attachment 4: Hill County University Center Designated and Shared Space of the Agreement shall be deleted and replaced with Attachment 4 (Revised) attached hereto.

IV. **All other terms and conditions of the Agreement shall remain unchanged and continue in full force and effect.**

IN WITNESS WHEREOF, the Landlord and Tenant have duly executed this Amendment to be effective as of the day and year of last signature.

Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation)

Mary Little

Signature

Name: Mary Little

Title: Executive Director

Date: November 7, 2023

Texas Tech University

Jennifer Adling (Nov 7, 2023 11:41 CST)

Signature

Name: Jennifer Adling

Title: Assistant Vice President & Chief Procurement Officer

Date: Nov 7, 2023

Attachment 4 (Revised): Hill County University Center Designated and Shared Space

Dedicated TTU Offices, Labs, Storage Areas, and Classroom

Office #121	OLLI (Alice Boyd)	558
Office #117	PSS (Maureen Qualia)	490
Office #102	TTU (Anne Arnecke)	716
Office #150	PSS (extra office)	377
Room #145	Chemistry Prep Room	1,297
Room #146	Science Lab	3,861
Room #149	Biology Prep Room	1,368
Room #144	Chemical Storage	137
Room #148	PSS Storage	94
Classroom #125	All TTU Programs	2,338
	Total Square Footage	11,236

ASSUMPTION OF MEMORANDUM OF AGREEMENT AND RENTS

This Assumption of Memorandum of Agreement and Rents (the "**Assumption**") is entered into as of the _____ day of ____________, 2024 (the "**Effective Date**"), by and between the City of Fredericksburg, Texas, a Texas home-rule municipality (the "Landlord" or "City") and FlavoryTX, a Texas non-profit corporation (the "Tenant") (hereinafter the Landlord and Tenant are from time to time referred to individually as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, the Tenant entered into a Memorandum of Agreement, effective on March 1st, 2024 (the "Agreement") with Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), a Texas non-profit corporation, which is attached to this Assumption as **Exhibit A**; and

WHEREAS, the Landlord ("City") owns the real property, improvements, and all public buildings located at 2818 E. Highway 290, in the City of Fredericksburg, Gillespie County, Texas (the "Property" or the "Premises"); and

WHEREAS, the Parties desire to amend the Agreement as the Hill Country University Center Foundation no longer has an interest in the Property, and to provide, among other things, an assumption and continuation of the Agreement with the City as the "Landlord" as herein set forth in this Assumption; and

WHEREAS, the Landlord is entering into this Assumption in the exercise of its governmental functions in the interest of the health, safety, and welfare of the residents of the City of Fredericksburg, the State of Texas, and the general public; and

WHEREAS, defined terms shall have the meaning as assigned to such terms in the Agreement, if any, unless otherwise specifically defined in this Assumption; and

NOW, THEREFORE, for and in consideration of the mutual terms, provisions, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Assumption of Lease and Rents.** For all purposes under the Agreement, the City shall be and is hereby referred to as the "Landlord" and all references in the Agreement to Hill Country University Center Foundation shall be changed to the City, as the new Landlord and the City shall assume the rights, duties, and obligations under the Agreement, and monthly rental payments as currently provided in the Agreement shall be made to the City. Except that, the City shall not be liable under the Agreement and retains its governmental immunity from suit and liability to the greatest extent allowed by Texas law.

2. The Parties agree that Tenant shall continue to use Room 116, with access to common areas and WIFI as provided in the Agreement.

3. The Parties agree that the "Term" of the Agreement shall expire on Oct. 31, 2024; however, the parties may mutually agree in writing to extend the Term for one (1) month renewals.

4. **Governing Law and Venue.** This Assumption shall be construed under and governed in accordance with the laws of the State of Texas, without regard for conflict of laws principles. This Assumption is performable and venue for any action hereunder shall exclusively be in the state district court physically located in Gillespie County, Texas.

5. **Availability of Funds.** The Parties agree that the performance of the City's obligations under this Assumption shall at all times be subject to the availability of currently available revenues and appropriated funds for that purpose. Should funds not be appropriated to perform the City's obligations for any reason whatsoever, the failure to appropriate said funds shall operate as an automatic termination of this Assumption, and City and Tenant shall be relieved of any further obligation to the other.

6. **Prior Agreement Superseded.** Except as amended by this Assumption and only to the extent allowed by law, all other terms and conditions of the Agreement shall remain in full force and effect.

7. **GOVERNMENTAL IMMUNITY**. THIS ASSUMPTION IS EXPRESSLY MADE SUBJECT TO LANDLORD'S GOVERNMENTAL IMMUNITY AND THE PARTIES AGREE THAT LANDLORD IS ACTING PURSUANT TO ITS GOVERNMENTAL FUNCTIONS AND NOTHING CONTAINED IN THIS ASSUMPTION SHALL BE CONSTRUED AS CONSTITUTING A WAIVER OF LANDLORD'S GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY, WHICH IS EXPRESSLY RESERVED TO THE EXTENT ALLOWED BY LAW. FURTHER, WITHOUT WAIVING ANY IMMUNITIES, THE PARTIES AGREE THAT THIS ASSUMPTION IS MADE SUBJECT TO ALL APPLICABLE PROVISIONS OF THE TEXAS CIVIL PRACTICE AND REMEDIES CODE ("CPRC"), INCLUDING BUT NOT LIMITED TO ALL DEFENSES, LIMITATIONS, AND EXCEPTIONS TO THE LIMITED WAIVER OF IMMUNITY FROM LIABILITY PROVIDED IN CPRC CH. 101 AND CH. 75.

8. **Notices.** Any notices, consents or other communications required or permitted to be given pursuant to this Assumption must be in writing and shall be sent to the address set forth below (or such other address as the party might hereafter designate for itself by notice to the other parties as required hereby). Any such notice or communication shall be sufficient if sent by registered or certified mail, return receipt requested, postage pre-paid; by hand delivery; by overnight courier service; or by facsimile, with an original by regular mail. Any such notice or communication shall be effective on (a) the date of receipt if delivered personally; (b) three (3) days after deposit in an official depository under the regular care and custody of the United States Postal Service, if transmitted by registered or certified mail, return receipt requested; (c) the first business day after the date of deposit, if transmitted by overnight courier service; or (d) the date of transmission with confirmed answer back, if transmitted by facsimile, whichever shall first occur.

If to Tenant: ____________________________
____
____
____

If to Landlord: Attn: Clinton Bailey
City Manager
126 West Main Street
Fredericksburg, TX 78624

IN WITNESS WHEREOF, the parties hereto have caused this Assumption to be executed by their duly authorized officers and to be effective as of the day, month, and year first above written.

TENANT**:**

FLAVORYTX, A TEXAS NON-PROFIT CORPORATION

BY: ______________________
___________, Chairman

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared ________________________________ ______________________________ of FlavorlyTX, a Texas non-profit corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ___________ 2024.

____
Notary Public, State of Texas

LANDLORD**:**

CITY OF FREDERICKSBURG, TEXAS

BY: ______________________
Clinton Bailey, City Manager

ATTEST:

____
Leticia Vacek, City Secretary

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared Clinton Bailey, City Manager of the CITY OF FREDERICKSBURG, TEXAS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ____________ 2024.

____
Notary Public, State of Texas

<u>EXHIBIT "A"</u>

MEMORANDUM OF AGREEMENT
(DATED EFFECTIVE MARCH 1, 2024)

Hill Country University Center

MEMORANDUM OF AGREEMENT

Between

Hill Country University Center Foundation

and

FlavoryTX

This is an agreement between the Hill Country University Center Foundation and FlavoryTX regarding the rental of an office at the Hill Country University Center.

Effective March 1, 2024, FlavoryTX will rent an office also known as Room 116 at the Hill Country University Center. The rental fee will be $650 a month. This rental will be on a month-to-month basis.

In addition to Room 116, FlavoryTX will have access to all meeting areas including classrooms and common areas. Hill Country University Center's WIFI will be available for FlavoryTX's usage as part of the rental fee. Storage in one of the closets in the HEB Room will also be available.

Duly Agreed Upon February 1, 2024

Mary Little

Mary Little, Executive Director
Hill Country University Center Foundation

Ernie Loeffler

Ernie Loeffler, Chairman
FlavoryTX

Hill Country University Center · 2818 E US Hwy 290 · Fredericksburg, TX 78624 · www.hcucenter.org

ASSUMPTION OF GROUND LEASE AND RENTS (VINEYARD)

This Assumption of Ground Lease and Rents (the "**Assumption**") is entered into as of the _____ day of ____________, 2024 (the "**Effective Date**"), by and between the City of Fredericksburg, Texas, a Texas home-rule municipality (the "Landlord" or "City") and Texas Tech University College of Agriculture, a Texas public institution of higher education (the "Tenant") (hereinafter the Landlord and Tenant are from time to time referred to individually as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, the Landlord entered into a Ground Lease on August 6, 2012 (the "Agreement") with Texas Hill Country Higher Education Development Foundation (d/b/a Hill Country University Center Foundation), a Texas non-profit corporation, which is attached to this Assumption as **Exhibit A**; and

WHEREAS, the Landlord ("City") owns the real property, improvements, and all public buildings located at 2818 E. Highway 290, in the City of Fredericksburg, Gillespie County, Texas (the "Property" or the "Premises"); and

WHEREAS, the Parties desire to amend the Agreement as the Hill Country University Center Foundation no longer has an interest in the Property, and to provide, among other things, an assumption and continuation of the Agreement with Texas Tech University College of Agriculture, a Texas public institution of higher education, as the "Tenant" as herein set forth in this Assumption; and

WHEREAS, the Agreement provides for Tenant's use and improvement of 3.05 acres of land, more or less, which is more generally shown in the southeast corner of the Property on the attached **Exhibit B**, for vineyard and associated agricultural uses related to the vineyard higher education program (the "Vineyard"); and

WHEREAS, the Parties are entering into this Assumption in the exercise of their governmental functions in the interest of the health, safety, and welfare of the residents of the City of Fredericksburg, the State of Texas, and the general public; and

WHEREAS, defined terms shall have the meaning as assigned to such terms in the Agreement, unless otherwise specifically defined in this Assumption; and

NOW, THEREFORE, for and in consideration of the mutual terms, provisions, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Assumption of Lease and Rents.** For all purposes under the Agreement, the City shall be and is hereby referred to as the "Landlord" and all references in the Agreement to Hill Country University Center Foundation shall be changed to the "Texas Tech University College of Agriculture, a Texas public institution of higher education", as the new Tenant and the new Tenant shall assume the

Tenant's rights, duties, and obligations under the Agreement, and annual rental payments of $10.00 as provided in the Agreement shall be made to the City. Except that, notwithstanding any other provision in the Agreement, the Parties shall retain their governmental immunity from suit and liability to the greatest extent allowed by Texas law.

2. The parties agree that the new "Initial Term" of the Agreement shall expire in two (2) years from the Effective Date of this Assumption; however, upon the expiration of the Initial Term the parties may mutually agree in writing to extend the Term of the Agreement for additional one (1) year renewal periods.

3. **Governing Law and Venue.** This Assumption shall be construed under and governed in accordance with the laws of the State of Texas, without regard for conflict of laws principles. This Assumption is performable and venue for any action hereunder shall exclusively be in the state district court physically located in Gillespie County, Texas.

4. **Availability of Funds.** The parties agree that the performance of their obligations under this Assumption shall at all times be subject to the availability of currently available revenues and appropriated funds for that purpose. Should funds not be appropriated to perform that Party's obligations for any reason whatsoever, the failure to appropriate said funds shall operate as an automatic termination of this Assumption, and City and Tenant shall be relieved of any further obligation to the other.

5. **Prior Ground Lease Superseded.** Except as amended by this Assumption and only to the extent allowed by law, all other terms and conditions of the Agreement shall remain in full force and effect.

6. **Governmental and Sovereign Immunities.**

SOVEREIGN IMMUNITY. THIS ASSUMPTION IS EXPRESSLY MADE SUBJECT TO TENANT'S SOVEREIGN IMMUNITIES. THE PARTIES EXPRESSLY AGREE THAT, OTHER THAN AS SET FORTH HEREIN, NO PROVISION OF THIS ASSUMPTION IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY, OR A WAIVER OF ANY TORT LIMITATION, AND ANY DEFENSES THAT THE TENANT HAS BY OPERATION OF LAW OR OTHERWISE. NOTHING IN THIS ASSUMPTION IS INTENDED TO BENEFIT ANY THIRD-PARTY BENEFICIARY.

GOVERNMENTAL IMMUNITY. THIS ASSUMPTION IS EXPRESSLY MADE SUBJECT TO LANDLORD'S GOVERNMENTAL IMMUNITY AND THE PARTIES AGREE THAT LANDLORD IS ACTING PURSUANT TO ITS GOVERNMENTAL FUNCTIONS AND NOTHING CONTAINED IN THIS ASSUMPTION SHALL BE CONSTRUED AS CONSTITUTING A WAIVER OF LANDLORD'S GOVERNMENTAL IMMUNITY FROM SUIT OR LIABILITY, WHICH IS EXPRESSLY RESERVED TO THE EXTENT ALLOWED BY LAW. FURTHER, WITHOUT WAIVING ANY IMMUNITIES, THE PARTIES AGREE THAT THIS ASSUMPTION IS MADE SUBJECT TO ALL APPLICABLE PROVISIONS OF THE TEXAS CIVIL PRACTICE AND REMEDIES CODE ("CPRC"), INCLUDING BUT NOT LIMITED TO ALL DEFENSES, LIMITATIONS, AND EXCEPTIONS TO THE LIMITED WAIVER OF IMMUNITY FROM LIABILITY PROVIDED IN CPRC CH. 101 AND CH. 75.

7. **Notices.** Any notices, consents or other communications required or permitted to be given pursuant to this Assumption must be in writing and shall be sent to the address set forth below (or such other address as the party might hereafter designate for itself by notice to the other parties as required hereby). Any such notice or communication shall be sufficient if sent by registered or certified mail, return receipt requested, postage pre-paid; by hand delivery; by overnight courier service; or by facsimile, with an original by regular mail. Any such notice or communication shall be effective on (a) the date of receipt if delivered personally; (b) three (3) days after deposit in an official depository under the regular care and custody of the United States Postal Service, if transmitted by registered or certified mail, return receipt requested; (c) the first business day after the date of deposit, if transmitted by overnight courier service; or (d) the date of transmission with confirmed answer back, if transmitted by facsimile, whichever shall first occur.

If to Tenant: ________________________
____
____
____

If to Landlord: Attn: Clinton Bailey
City Manager
126 West Main Street
Fredericksburg, TX 78624

IN WITNESS WHEREOF, the parties hereto have caused this Assumption to be executed by their duly authorized officers and to be effective as of the day, month, and year first above written.

TENANT**:**

TEXAS TECH UNIVERSITY COLLEGE OF AGRICULTURE, A TEXAS PUBLIC INSTITUTION OF HIGHER EDUCATION

BY: ______________________
Maureen Qualia, Wine Program director

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared ________________________________ ______________________________ of Texas Tech University College of Agriculture, a Texas public institution of higher education, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ____________ 2024.

____
Notary Public, State of Texas

LANDLORD**:**

CITY OF FREDERICKSBURG, TEXAS

BY: ______________________
Clinton Bailey, City Manager

ATTEST:

____
Leticia Vacek, City Secretary

STATE OF TEXAS §
COUNTY OF GILLESPIE §

BEFORE ME, a Notary Public, on this day personally appeared Clinton Bailey, City Manager of the CITY OF FREDERICKSBURG, TEXAS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes of consideration therein expressed.

GIVEN under my hand and seal of office this: _____ day of ____________ 2024.

____
Notary Public, State of Texas

<u>EXHIBIT "A"</u>
THE GROUND LEASE (DATED AUG. 6, 2012)

GROUND LEASE

THIS GROUND LEASE (this "Lease") is entered into effective as of August 6, 2012 (the "Effective Date") by City of Fredericksburg, a municipal corporation, ("Landlord") and Texas Hill Country Higher Education Development Foundation ("Tenant").

RECITALS

(a) Landlord and Tenant have entered into that certain Ground Lease ("Original Lease") dated January 1, 2008 with regard to that certain tract of land containing 68.09 acres of land more or less, as therein described, on which Tenant has developed the first phase of a University Campus, (the Campus), which includes the tract of land containing 17.8 acres of land more or less (the "First Phase").

(b) Said lease provides that as additional construction plans are in place for future phases of the planned Campus, that Landlord would agree to include additional acreage as leased Premises under said lease.

(c) The Tenant are partnering to provide an expanded higher educational program in viticulture and oenology at the Campus.

(d) As a part of such program, Tenant desire to add a teaching vineyard which will require the use of an additional 3.05 acres of land, more or less, which is more particularly described on Exhibit "A" attached hereto and made a part hereof (Vineyard"). It is understood that a portion of said property is currently leased to Tenant as part of the First Phase property.

(e) Landlord, in order to support said program has agreed that it will lease said additional 3.05 acres, provided however, it will not agree to lease such property for the same term as the original lease and, accordingly have entered into this Ground Lease.

AGREEMENTS

NOW, THEREFORE, for and in consideration of the agreements set forth herein, Landlord and Tenant hereby agree as follows:

ARTICLE 1
<u>PREMISES, USE, DEVELOPMENT LAND EASEMENTS</u>

1.01 **<u>Premises.</u>** Landlord hereby does lease, let and demise unto Tenant, and Tenant hereby does lease and rent from Landlord, upon and subject to the provisions of this Lease, the Vineyard being the 3.05 acres of land, more or less, which is more particularly described on Exhibit "A" attached hereto and made a part hereof, the same to be subject to all of the terms and conditions of the Original Lease except as modified by the terms hereof.

1.02 **Use.** The use of the Vineyard shall be for only public college purposes and shall contain a teaching vineyard, to aid in the offering of, degree programs to be accredited by the State of Texas. Such use shall include all of the uses associated with, and incidental to the same benefitting the people and economy of Fredericksburg. Various accredited institutions within the State of Texas may participate in the administration of the Vineyard. The Vineyard shall be administered as the participating colleges, universities, directors and administrators see fit.

1.03 Development. The installation of the Vineyard shall be complete and classes conducted within 2 years of the date hereof. In the event the same is not accomplished within such time, and thereafter, if such use ceases, this lease will automatically terminate. Seasonal and agricultural requirements shall not be cause for termination.

1.04 **Easements/ Utilities.** The Tenant will construct, at its cost, all necessary infrastructure to supply the Vineyard property with water, sewer, electrical or other service deemed necessary by Tenant. Tenant shall obtain approval from Landlord's utility department for the placement of all utilities. As a special covenant hereof, Tenant shall utilize water, sewer, waste collection and electric utilities and services provided by Landlord for the entire term of this lease or any extension thereof. The rates thereof will be the rates established by Landlord for its commercial or educational customers citywide.

ARTICLE 2
TERM

2.01 **Term.** (a) The term of this Lease (the "Term") shall commence on the Effective Date, and shall end on the last day of the calendar month which is December 31, 2022 Extensions of the term shall be as mutually agreeable between the parties. Any occupancy beyond the term shall be considered as a holdover, and such occupancy shall continue under the same terms and conditions hereof until terminated by either party upon thirty (30) days written notice.

ARTICLE 3
RENT

3.01 **Base Rent.** Commencing on the Effective Date, Tenant shall pay to Landlord initial rent ("Base Rent") of $10.00 in advance for the entire initial term of this lease.

3.02 **Additional Rent.** All amounts required to be paid by Tenant under the terms of this Lease other than Base Rent are herein from time to time collectively referred to as "Additional Rent". Base Rent and Additional Rent are herein collectively referred to as "Rent".

ARTICLE 4
IMPOSITIONS, UTILITIES

4.01 **Impositions Defined.** The term "Impositions " shall mean all taxes (ad valorem and otherwise), assessments, use and occupancy taxes, water and sewer charges, rates and rents, charges for public utilities, excises, levies, license and permit fees, and other charges by any public authority, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which shall or may during the Term be assessed, levied, charged, confirmed or imposed by any public authority upon or accrued or become a lien on (i) the Vineyard or any part thereof; (ii) the rent and income received by or for the account of Tenant from any person or entity or for any use or occupancy of the Vineyard; (iii) such franchises, licenses, and permits as may be pertinent to the use of the Vineyard; or (iv) any documents to which the Tenant is a party creating or transferring an interest in the Vineyard all of which impositions shall be the responsibility of the Tenant. If at any time during the Term the present method of taxation shall be so changed that the whole or any part of the taxes, assessments, levies, impositions or charges now levied, assessed or imposed on real estate and improvements thereon shall be discontinued and in whole or partial substitution therefor, taxes of the type described in the immediately preceding sentence or taxes, assessments, levies, impositions, or charges shall be levied, assessed, and/or imposed wholly or partially as a capital levy or otherwise on the rents received from said real estate or the rents reserved herein or any part thereof, then such substitute taxes, assessments, levies, impositions, or charges, to the extent so levied, assessed, or imposed, shall be deemed to be included within the term Impositions.

4.02 **Tenant's Obligation.** During the Term, Tenant will pay as and when the same shall become due all Impositions directly to the governmental authority or other person entitled to receive payment thereof and provide Landlord with reasonable evidence that such Impositions have been paid in a timely manner. Where any Imposition that Tenant is obligated to pay may be paid pursuant to applicable law in installments, Tenant may pay such Imposition in installments as and when such installments become due. Tenant shall, if so requested, deliver to Landlord evidence of due payment of all Impositions Tenant is obligated to pay hereunder, upon request by Landlord.

4.03 **Tax Contest.** Tenant may, at its sole cost and expense, contest the validity or amount of any Imposition for which it is responsible, in which event the payment thereof may be deferred to the extent permitted by applicable law during the pendency of such contest, if diligently prosecuted. Provided, however, Tenant shall not permit the same to become delinquent or allow any Imposition to remain unpaid for such length of time as would permit the Vineyard, or any part thereof, to be sold or seized by any governmental authority for the nonpayment of the same. If at any time, in the judgment of Landlord reasonably exercised, it shall become necessary to do so, Landlord may, after written notice to Tenant, under protest if so requested by Tenant, direct the application of the amounts so deposited or so much thereof as may be required to prevent a sale or seizure of the Vineyard or foreclosure of any lien created thereon by such item. The amount of the same shall be promptly paid on demand by Tenant to Landlord and, if not so paid, such amount shall be a debt of Tenant to Landlord, together with interest thereon at the max rate allowed by laws from the date advanced until paid. Tenant shall promptly furnish Landlord with copies of all proceedings and documents with regard to the contest of any Imposition, and Landlord shall have the right, at its expense, to participate therein.

4.04 **Utilities.** Tenant shall pay all charges for gas, electricity, light, heat, air conditioning, power, telephone, cable, internet service and other communication services, and all other utilities and similar services rendered or supplied to the Vineyard, and all water, rents, sewer service charges, or other similar charges levied or charged against, or in connection with, the Vineyard.

4.05 **Other Costs.** Except as expressly provided in this Lease, Landlord shall not be required to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with this Lease or the financing, ownership, construction, maintenance, operation, or repair of the Vineyard. Landlord shall not be required to incur any expense in connection with the property without its prior consent.

ARTICLE 5
IMPROVEMENTS

5.01 **Condition of Development Land.** Tenant acknowledges that it is leasing the Vineyard in its current condition, "AS IS, WHERE IS, WITH ALL FAULTS", and that Landlord is making no representations as to the land or the suitability for Tenant's purposes, Tenant having made its own investigations with regard thereto. Tenant is responsible for all studies, remediation or compliance with any law, rule or order applicable to the land or its construction.

5.02 **Improvements.** Tenant may not construct permanent buildings on the Vineyard without the prior written approval of Landlord. Agricultural sheds and the like may be erected provided that the same are constructed and kept neat in appearance at all times. Tenant may remove the Improvements constructed by it, provided that the Vineyard property is restored to essentially its current condition.

5.03 **Alterations.**

(a) At any time and from time to time during the Term, Tenant may perform such alteration, renovation, repair, refurbishment, and other work with regard to the Vineyard or its improvements as Tenant may elect, provided that the same is done in accordance with the construction standards then in effect within the City limits of the City of Fredericksburg, and in accordance with the provisions of the Original Lease.

(b) Tenant shall have no right, authority, or power to bind Landlord or any interest of Landlord in the Vineyard or any improvements located on it for any claim for labor or for material or for any other charge or expense incurred in performing any alteration, renovation, repair, restoration, refurbishment, or other work with regard thereto, nor to render Landlord's interest in the Vineyard liable for any lien or right of lien for any labor, materials, or other charge or expense incurred in connection therewith. Tenant shall not be the agent of Landlord with respect to, or general contractor for, any such alterations, renovations, repairs, restorations, refurbishments or other work. If any liens or claims for labor or materials supplied or claimed to have been supplied to the Vineyard shall be filed, Tenant either (i) shall promptly pay and release or bond such liens to Landlord's reasonable satisfaction or otherwise obtain the release or discharge thereof, or (ii) may contest the validity thereof, provided that Tenant provides to Landlord reasonable assurance that any such lien may not be foreclosed or otherwise enforced prior to the conclusion of such contest or Tenant otherwise provides to Landlord a bond or reasonable assurance for payment thereof. Landlord shall have the right, but not the obligation, to pay, release or obtain a bond to protect against such liens and claims following not less than fifteen (15) days prior written notice to Tenant, and Tenant shall reimburse Landlord on demand for any such amounts paid together with interest thereon at the interest rate described in Section 15 from the date of such payment until paid.

(c) Landlord shall not be liable to Tenant, any subtenant or any other person for any loss, claim or demand asserted on account of Landlord's exercise of its approval rights under this lease. Such approvals shall not be construed as representing that any alterations, repairs, or refurbishments will be done in a workmanlike manner, nor shall such approvals relieve Tenant of its obligations under this lease agreement.

5.04 **Ownership of Improvements.** During the Term all Improvements shall be solely the property of Tenant, but upon expiration or termination of the Term, or any extended Term, such Improvements shall be the property of Landlord, free and clear of all claims of Tenant. All personal property of Tenant that remains on the Vineyard after the expiration or termination of the Term shall be deemed abandoned and, at Landlord's election, may be retained by Landlord as Landlord's property, disposed of by Landlord, without accountability, in such manner as Landlord deems fit (including having such property stored at the risk and expense of Tenant if Landlord has notified Tenant in writing that Landlord requires such items to be removed and Tenant fails to remove such items), or required by Landlord's written notice to Tenant to be removed by Tenant. No later than the expiration or termination of the Term, Tenant shall have the right to remove any or all personal property located on the Vineyard, provided that resulting damage or injuries to the Vineyard and Improvements are remedied at the expense of the Tenant.

5.05 **Waiver of Landlord's Lien.** Landlord waives any and all liens it may assert on Tenant's personal property, including any statutory, constitutional or contractual liens; provided, however, that nothing contained herein shall apply to any judgment lien obtained against any property of Tenant or to any contractual lien expressly granted by Tenant in a document separate from this Lease.

ARTICLE 6
USE, MAINTENANCE, AND REPAIRS

6.01 **Use/ Sublease.**

(a) Tenant shall have no right to sublease the Vineyard without the prior written consent of Landlord, and then only for the uses set forth above, and for no other uses.

(b) Tenant shall not use or occupy the Vineyard, permit the Vineyard to be used or occupied, nor do or permit anything to be done in or on the Vineyard in a manner which would (i) in any way make void or voidable any insurance then in force with respect thereto, (ii) make it impossible to obtain the insurance required to be furnished by Tenant hereunder, (iii) constitute a public or private nuisance, or (iv) violate any Applicable Law.

6.02 **Maintenance and Repairs.** (a) Tenant shall take good care of the Vineyard, and shall maintain and keep the Vineyard and the sidewalks curbs, and the entire grounds around the Vineyard in good order, repair, and condition.

(b) Landlord shall have no obligation to maintain the Vineyard or repair any improvements.

ARTICLE 7
INSURANCE AND INDEMNITY

7.01 **Property Insurance.** Tenant will, at its cost and expense, keep and maintain in force the policies of insurance as required by the Original Lease.

7.02 **Liability Insurance.** Tenant will, at its cost and expense, keep and maintain in force commercial general liability insurance, including contractual liability specifically applying to the provisions of this Lease and completed operations liability as required in the Original Lease. The Vineyard property shall be added to such policies immediately upon execution of this lease.

7.04 **Tenant's Indemnity.** Subject to Section 7.05, Tenant shall defend, indemnify and hold harmless Landlord and its affiliates, members, officers, directors, managers and agents (the "Indemnified Parties") from and against, and Tenant shall be responsible for, any and all liabilities (including strict liability), actions, demands, penalties, fines, losses, costs and expenses (including reasonable attorneys' and experts' fees and expenses), suits, and costs of any settlement or judgment, whether arising in equity, at common law, or by statute, or under the law of contracts, torts (including negligence and strict liability without regard to fault) or property, of every kind and character (including claims for personal injury, bodily injury, emotional distress, real and personal property damage and economic loss) (all of which are hereinafter collectively called "Claims"), which may now or in the future be brought or instituted or asserted on account of or growing out of or arising from (i) any failure on the part of Tenant and its affiliates, partners, officers, managers or agents, subtenants or licensees (the "Tenant Parties") to comply with the provisions of this

Lease, or to comply with the provisions of applicable law applicable to the Vineyard, or (ii) any and all injuries or damages, including death, to persons or properties relating to the condition, use or occupancy of the Vineyard, including the alteration, repair or maintenance of any improvements, **NOTWITHSTANDING THE NEGLIGENCE OR STRICT LIABILITY (WITHOUT REGARD TO FAULT) OF ANY OF THE INDEMNIFIED PARTIES** except, in the case of each Indemnified Party, to the extent that the Claims are proven to have resulted from the gross negligence or willful misconduct of such Indemnified Party. Maintenance of the insurance referred to in this Article shall not affect Tenant's obligations under this Section. Without relieving Tenant of its obligations under this Section, the Indemnified Parties, at their election and expense, may defend or participate in the defense of any Claims with attorneys and representatives of their own choosing. Tenant shall be relieved of its obligation of indemnity to the extent, and only to the extent, of the amount actually recovered from one or more insurance carriers and either paid to Landlord or paid for Landlord's benefit in reduction of any Claims.

7.05 **Subrogation.** Landlord hereby waives (on behalf of itself and any person holding through right of subrogation) any and all rights of recovery, claim, action or cause of action against Tenant, its affiliates, partners, officers, employees, managers and agents (each a "Tenant Release Party") for any loss or damage that may occur to the Improvements and to Landlord's interest in any other property located on the Vineyard, whether real, personal or mixed, regardless of cause or origin, **INCLUDING THE NEGLIGENCE OR OTHER MISCONDUCT OF ANY TENANT RELEASE PARTY** to the extent such loss is covered (or is required under this Lease to be covered) in whole or in part by insurance. Tenant hereby waives (on behalf of itself and any person holding through right of subrogation) any and all rights of recovery, claim, action or cause of action against Landlord, its affiliates, members, directors, officers, employees, managers and agents (each a "Landlord Release Party") for any loss or damage that may occur to the Improvements and to all property of Tenant or its subtenants located on the Vineyard, whether real, personal or mixed, regardless of cause or origin, **INCLUDING THE NEGLIGENCE OR OTHER MISCONDUCT OF ANY LANDLORD RELEASE PARTY** to the extent such loss is covered (or is required under this Lease to be covered) in whole or in part by insurance. Nothing contained in this Section is intended or shall be construed to create any liability that would not otherwise exist in the absence of this Section.

ARTICLE 8
CASUALTY LOSS

8.01 **Tenant's Obligation to Restore.** Tenant shall not be obligated to restore any agricultural crops or storage sheds located on the Vineyard. Any other destroyed improvements shall be subject to the terms of the Original Lease,

ARTICLE 9
CONDEMNATION

9.01 **Total Taking, Partial /Temporary Taking or Voluntary Dedication** Should the Vineyard be the subject of eminent domain, condemnation, or other similar proceedings the terms of the Original Lease will govern.

9.02. Tenant shall have no right to voluntarily dedicate any portion of the Vineyard to public use without Landlord's prior written consent.

ARTICLE 10
ASSIGNMENT, TRANSFERS AND SUBLETTING

10.01 **Restrictions on Tenant's Right to Assign**.

(a) Tenant shall not sell, assign, sublease, or otherwise transfer (each being herein referred to as a "Transfer"), whether voluntarily, involuntarily or by operation of law, its Leasehold Estate, or any portion thereof, without Landlord's prior written consent. Tenant may mortgage, pledge or otherwise encumber its Leasehold Estate (each being herein referred to as a "Encumbrance" or to "Encumber") in the manner provided for in the Original Lease.

(b) The provisions of this Section shall also apply to a foreclosure by a mortgagee or a conveyance to a mortgagee (or its affiliate) in lieu of foreclosure, and to a subsequent transfer by the mortgagee or its affiliate if it is the purchaser at such foreclosure sale or sale in lieu of foreclosure. Landlord will not unreasonably withhold its consent to a transferee which will be operating a general institution of higher learning fulfilling the purpose of this lease.

10.02 **Landlord's Right of First Refusal.** The terms of the Original Lease shall govern.

10.03 **Assignment by Landlord.** Landlord may transfer or encumber all or any part of Landlord's interest herein. In the event of any Transfer of title to the Vineyard, the transferor shall automatically be released from all of the obligations of the Landlord under this Lease accruing from and after the date of such Transfer. The covenants and obligations of Landlord contained in this Lease shall be binding on Landlord, its successors and assigns, only during and in respect to their respective successive periods of ownership.

ARTICLE 11
TENANT'S FINANCING

11.01 **Tenant's Right to Encumber** shall be governed by the terms of the Original Lease .

ARTICLE 12
WARRANTY OF PEACEFUL POSSESSION

Landlord covenants that Tenant, on paying the Rent and performing and observing the covenants and agreements provided to be performed by Tenant under this Lease, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Vineyard during the Term, and may exercise all of its rights hereunder, subject only to the provisions of this Lease and applicable law. Landlord agrees to warrant and forever defend Tenant's right to such occupancy, use, and enjoyment and the title to the Vineyard against the claims of any and all persons whomsoever lawfully claim the same, or any part thereof, by, through or under Landlord, but not otherwise, subject only to provisions of this Lease and applicable law.

ARTICLE 13
EVENT OF DEFAULT AND REMEDIES

13.01 **Event of Default.** All eventsof and provisions of Event of Default and Remedies in the Original Lease shall control.

13.02 **Remedies.** If an Event of Default occurs, then Landlord may exercise the remedies set forth in the Original Lease. Tenant expressly covenants and agrees that a default in the terms of the Original Lease or any part thereof, or in any of the terms or covenants of this lease, is a default in this lease and in the Original Lease and Landlord is entitled to, at Landlord's option, Landlord may elect to act under the default provisions of either of the leases without waiving the other, or may act under both.

ARTICLE 14
MISCELLANEOUS

14.01 **Notices.** Any notice provided for or permitted to be given hereunder must be in writing and may be given by (i) depositing same in the United States Mail, postage prepaid, registered or certified, with return receipt requested, addressed as set forth in this Section, or (ii) delivering the same to the party to be notified in person or through a reliable courier service. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee, as evidenced by the executed postal receipt or other receipt for delivery. For purposes of notice the addresses of the parties hereto shall, until changed, be as follows:

Landlord:

City of Fredericksburg
Attn: City Manager
124 W. Main Street
Fredericksburg, Texas 78624

With a copy to:

Pat McGowan, City Attorney
P.O. Box 836
Fredericksburg, Texas 78624

Tenant:

Bob Hickerson
Executive Director
Hill Country University Center Foundation
2818 E. Highway 290
Fredericksburg, Texas 78624

With a copy to:

____
____
____

The parties hereto shall have the right from time to time to change their respective addresses for purposes of notice hereunder to any other location within the United States by giving ten (10) days advance notice to such effect in accordance with the provisions of this Section.

14.02 **Performance of Other Party's Obligations.** If either Party fails to perform or observe any of its covenants, agreements, or obligations hereunder for a period of forty-five (45) days after notice of such failure is given by the other Party, then the other Party shall have the right, but not the obligation, at its sole election (but not as its exclusive remedy), to perform or observe the covenants, agreements, or obligations which are asserted to have not been performed or observed at the expense of the failing Party and to recover from the failing Party all costs and expenses incurred in connection with attempting to do so, together with interest thereon at the maximum prime rate of interest as quoted by the Wall Street Journal, Southwest Edition in the " Money Rates" column (If such publication ceases to be available a comparable index will be chosen by the party which is to receive the interest) from the date expended until repaid. Notwithstanding the foregoing, if either Party determines, in its reasonable good faith judgment that an emergency, involving imminent danger of injury or death to persons or damage to property, exists due to the other Party's failure to observe or perform its covenants, agreements, and obligations hereunder, then such Party may immediately perform or observe the covenants, agreements and obligations which give rise to such emergency at the expense of the failing Party and recover from the failing Party all costs and expenses incurred in connection with attempting to do so, together with interest thereon at the interest rate stated above from the date expended until repaid. Any performance by a Party pursuant to this Section shall not constitute a waiver of the other Party's failure to perform or observe.

14.03 **Modification and Non-Waiver.** No variations, modifications, or changes herein or hereof shall be binding upon any Party hereto unless set forth in a writing executed by it or by a duly authorized officer or agent. No waiver by either Party of any breach or default of any term, condition, or provision hereof, shall be deemed a waiver of any other or subsequent breaches or defaults of any kind, character, or description under any circumstance. No waiver of any breach or default of any term, condition, or provision hereof shall be implied from any action of any Party, and any such waiver, to be effective, shall be set out in a written instrument signed by the waiving Party.

14.04 **Governing Law.** This Lease shall be construed and enforced in accordance with the laws of the state of Texas, and venue shall be in Gillespie County, Texas.

14.05 **Estoppel Certificate.** Landlord and Tenant shall execute and deliver to each other, promptly upon any request therefor by the other Party, or by any Permitted mortgagee, a certificate addressed as indicated by the requesting Party and stating:

(a) whether or not this Lease is in full force and effect;

(b) whether or not this Lease has been modified or amended in any respect, and submitting copies of such modifications or amendments;

(c) whether or not there are any existing defaults hereunder known to the Party executing the certificate, and specifying the nature thereof;

(d) whether or not any particular Article, Section, or provision of this Lease has been complied with to the knowledge of the Party executing the certificate; and

(e) such other matters as may be reasonably requested.

14.06 **Severability.** If any provision of this Lease or the application thereof to any person or entity or circumstance shall, at any time or to any extent, be invalid or unenforceable, and the basis of the bargain between the parties hereto is not destroyed or rendered ineffective thereby, the remainder of this Lease, or the application of such provision to persons or entities or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

14.07 **Attorney Fees.** If litigation is instituted by either Party to enforce, or to seek damages for the breach of, any provision hereof, the prevailing Party therein shall be promptly reimbursed by the other Party for all attorneys' fees reasonably incurred by the prevailing Party in connection with such litigation.

14.08 **Surrender of Vineyard; Holding Over.** Upon termination or expiration of this Lease, Tenant shall peaceably quit, deliver up, and surrender the Vineyard in good order, repair, and condition. Upon such termination or expiration Landlord may, without further notice, enter upon, reenter, possess, and repossess itself of the Vineyard by force, summary proceedings, ejectment, or otherwise, and may dispossess and remove Tenant from the Vineyard and may have, hold, and enjoy the Vineyard and all rental and other income therefrom, free of any claim by Tenant with respect thereto. If Tenant does not surrender possession of the Vineyard at the end of the Term, such action shall not extend the Term, Tenant shall be a tenant at sufferance. Landlord shall not be deemed to have accepted a surrender of the Vineyard by Tenant, or to have extended the Term, other than by execution of a written agreement specifically so stating.

14.09 **Relation of Parties.** It is the intention of Landlord and Tenant to hereby create the relationship of landlord and tenant, and no other relationship whatsoever is hereby created. Nothing in this Lease shall be construed to make Landlord and Tenant partners or joint venturers or to render either Party hereto liable for any obligation of the other.

14.10 **Force Majeure.** As used herein "Force Majeure" shall mean the occurrence of any event (other than failure to obtain financing for, failure to refinance, or cessation of disbursements under existing financing for, the purchase, repair, or ownership of the Vineyard or Improvements or lawsuits between parties comprising Tenant) which prevents or delays the performance by Landlord or Tenant of any obligation imposed upon it hereunder and the prevention or cessation of which event is beyond the reasonable control of the obligated Party. If Tenant shall be delayed, hindered, or prevented from performance of any of its obligations by reason of Force Majeure (and Tenant shall not otherwise be in default hereunder) the time for performance of such obligation shall be extended for the period of such delay, provided that the following requirements are complied with by Tenant: (i) Tenant shall give prompt written notice of such occurrence to Landlord, and (ii) Tenant shall diligently attempt to remove, resolve, or otherwise eliminate such event, keep Landlord advised with respect thereto, and shall commence performance of its obligations hereunder immediately upon such removal, resolution, or elimination. The term of this lease may not be extended by Force Majeure.

14.11 **Recordation.** Landlord and Tenant will, at the request of either Party, promptly execute an instrument in recordable form constituting a memorandum of this Lease, which shall be filed for record in the Office of the County Clerk of Gillespie County, Texas, solely to give record notice of the existence of this Lease. No such memorandum shall in any way vary, modify or supersede this Lease. Except in connection with actual litigation between the Parties, this Lease shall not be filed for record.

14.12 **Successors and Assigns.** This Lease shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Whenever a reference is made herein to either Party, such reference shall include the party's permitted successors and assigns.

14.13 **Inspection.** Landlord shall have the right, upon giving reasonable prior notice, to enter upon the Vineyard at all reasonable times to inspect same.

14.14 **Landlord's Joinder.** Landlord agrees to join with Tenant in the execution of such applications for permits and licenses from any governmental authority as may be reasonably necessary or appropriate to effectuate the intents and purposes of this Lease, provided that no such application shall constitute an encumbrance of or with respect to the Vineyard, and Landlord shall not incur or become liable for any expenses or obligation as a result thereof.

14.15 **No Third Parties Benefitted.** Except as herein specifically and expressly otherwise provided with regard to notices, opportunities to cure defaults, right to execute a new lease, and rights governing public properties, the terms and provisions of this Lease are for the sole benefit of Landlord and Tenant, and no third party whatsoever is intended to benefit herefrom.

14.16 **Survival.** Any terms and provisions of this Lease pertaining to rights, duties, or liabilities extending beyond the expiration or termination of this Lease, including indemnification obligations relating to events or conditions that occur or exist prior to such expiration or termination, shall survive the expiration or termination of this Lease.

14.17 **Use of Landlord's Name.** Tenant shall not use Landlord's name in any advertising or promotional material relating to the Vineyard without Landlord's prior written consent, but Tenant may make reference to this Lease and to Landlord in legally operative documents, as Tenant shall deem reasonably necessary. Tenant shall not change the name of the Improvements without Landlord's prior written approval.

14.18 **Interest.** If any amount required to be paid by one Party to the other Party pursuant to this Lease is not paid when due, such amount shall bear interest at the interest rate described from the date due until the date paid in full.

14.19 **Waiver of Tenant Rights and Benefits Under Section 93.004, Texas Property Code, Relating to Assessment of Charges.** Landlord and Tenant are knowledgeable and experienced in commercial leasing transactions and agree that the provisions of this Lease for determining all charges and amounts payable by Tenant, are commercially reasonable and valid even though such methods may not state a precise mathematical formula for determining such charges. **ACCORDINGLY, TENANT VOLUNTARILY AND KNOWINGLY WAIVES ALL RIGHTS AND BENEFITS OF A TENANT UNDER SECTION 93.004, TEXAS PROPERTY CODE, AS SUCH SECTION NOW EXISTS.**

14.20 **Limit on Damages.** EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, NOTWITHSTANDING ANYTHING IN THIS LEASE OR UNDER LAW OR EQUITY TO THE CONTRARY, EXCEPT FOR INTEREST CHARGEABLE HEREUNDER NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT,

CONSEQUENTIAL. SPECIAL OR PUNITIVE DAMAGES OR FOR ANY LOST REVENUES OR PROFITS ARISING OUT OF THIS LEASE OR RELATING TO THE Vineyard, INCLUDING THE NEGLIGENCE OF THE PARTY AGAINST WHOM THE CLAIM WOULD BE MADE.

14.21 This lease is executed as a companion lease to the Original Lease, and the terms of the same and the Sublease are incorporated herein for all purposes, except as otherwise specifically set out herein.

EXECUTED IN DUPLICATE ORIGINALS and effective as of the date and year first above written.

LANDLORD: The City of Fredericksburg

By:____________________________
Name: Kent Myers
Title: City Manager, City of Fredericksburg

TENANT:
By:____________________________
Name: Brad Hardin
Title: Chairman

<u>EXHIBIT "B"</u>
GENERAL DEPICTION OF THE VINEYARD

Page **6** of **6**

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: September 17, 2024
CATEGORY: OTHER ACTION ITEMS AND UPDATES

CAPTION: Consideration and Possible Action for the Award of Construction of Water and Sewer Utilities Along W. Live Oak. (Kris Kneese, Public Works/Utilities Director)

PRESENTATION:

SUMMARY:

Consider receiving bids and awarding the construction contract for the West Live Oak Road Water and Sanitary Sewer Extension Project.

BACKGROUND:

In 2020, the City Council annexated an area along West Live Oak Road. As part of the annexation, water and sanitary sewer utilities are to be constructed to serve the annexated properties.

City Engineering Staff developed construction bid documents for the West Live Oak Water and Sanitary Sewer Extension Project. The bid documents were publicly advertised for three (3) weeks starting on July 31, 2024. On August 22, 2024, six (6) bids were received and publicly read aloud. The bid summary is shown below.

Sovrex, LLC submitted the low bid equal to $1,190,090.00. City Staff has not worked with Sovrex, LLC and requested project references for current and past projects. City Staff spoke with the provided references to discuss project type, work experience, contractor's ability to complete the project(s) on schedule and within budget, and whether the reference would work with the contractor on future projects. Based on the reference checks, City Staff does not recommend awarding the West Live Oak Road Water and Sanitary Sewer Project to Sovrex, LLC.

City Staff recommends awarding the project to JM Pipeline, LLC which submitted the second low bid equal to $1,253,645.00, a difference of $63,555.00 when compared to the low bid. The city currently has two active utility construction projects with the city and has worked with them on other past projects. The city has had good experiences with JM Pipeline on these current and completed projects.

FUNDING SOURCE: Water Department

FINANCIAL IMPACT:
$1,253,645.00

STAFF RECOMMENDATION:
City Staff recommends awarding the West Live Oak Road Water and Sanitary Sewer Extension Project to JM Pipeline, LLC in the amount equal to $1,253,645.00.

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Neighborhood Quality
Workforce
Tourism
City Center
Mobility
Small Town Sensitive Growth
Governance

ATTACHMENTS:
1. Bid Results_CivCast_082224

APPROVAL/REVIEW:

Leticia Vacek, City Secretary — Date: September 12, 2024

William McKamie, City Attorney — Date: September 12, 2024

Leticia Vacek, City Secretary — Date: September 12, 2024

Clinton Bailey, City Manager — Date: September 13, 2024

AS-READ BID SUMMARY
City of Fredericksburg - W Live Oak Rd Utility Extension Project
8/22/2024 10:00:00 AM

Contractor	Bid Bond	Total Bid Amount ($)
Sovrex, LLC	✓	$ 1,190,090.00
Ella Contracting	✓	$ 2,586,488.41
JM Pipeline	✓	$ 1,253,645.00
M & C Fonseca	✓	$ 1,425,659.00
QroMex	✓	$ 1,884,930.00
Darnell Construction	✓	$ 4,163,905.00

* Bids shown are as-read and the submitted bids are under review.

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Secretary
TO: Mayor & City Council Members
FROM:
MEETING DATE: September 17, 2024

CATEGORY: ITEMS FOR FUTURE AGENDA

CAPTION: Review Future Agenda Items List

PRESENTATION:

SUMMARY:

BACKGROUND:

FUNDING SOURCE:

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

COMPREHENSIVE PLAN GUIDING PRINCIPLE:
Neighborhood Quality
Workforce
Tourism
City Center
Mobility
Small Town Sensitive Growth
Governance

ATTACHMENTS:
1. Future Agenda Items Listlv (4)

APPROVAL/REVIEW:

Leticia Vacek

Date: September 12, 2024

Leticia Vacek, City Secretary

William McKamie, City Attorney

Date: September 12, 2024

Leticia Vacek, City Secretary

Date: September 13, 2024

Clinton Bailey, City Manager

Date: September 13, 2024

City Council Future Agenda Items/Meetings

October 1, 2024*

2024	Quarterly Legal Matters Update	For Review	Mick McKamie	City Attorney

*Propose to move the Legal Matters Update to October 15, 2024, and cancel the October 1, 2024 Regular Meeting. This also allows IT more time to set up and test AV Equipment at the City Hall/East Campus.

Future Agenda Items

2024	Approval/Award of Annual Financial Audit Firm (10-15)	Action	Krista Wareham	Finance Director
2024	Quarterly Legal Matters Update	For Review	Mick McKamie	City Attorney

Upcoming Meetings/Events

September 17, 2024 – Chamber of Commerce Ribbon Cutting for Fingerprint Services - 1pm @ 306 E. Austin St.
September 24, 2024 – Citizens U Session – 6:30pm @ Convention & Visitors Bureau
October 1, 2024 – City Council Regular Meeting - 9am @ City Hall/East Campus 2818 E US290

CITY COUNCIL AGENDA MEMO

DEPARTMENT: City Manager
TO: Mayor & City Council Members
FROM:
MEETING DATE: September 17, 2024 **CATEGORY:** EXECUTIVE SESSION

CAPTION: Consider and discuss Real Estate in the vicinity of US 290E and Industrial Loop. (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: September 11, 2024

Date: September 11, 2024

Garret Bonn, Assistant City Manager

Date: September 11, 2024

William McKamie, City Attorney

Date: September 13, 2024

Clinton Bailey, City Manager