

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
JUNE 5, 2017
6:00 PM

On this the 5TH day of June, 2017, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
CHARLIE KIEHNE – COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: BOBBY WATSON - COUNCIL MEMBER

ALSO PRESENT: KENT MYERS - CITY MANAGER
SHELLEY BRITTON - CITY SECRETARY
PAT McGOWAN - CITY ATTORNEY
CLINTON BAILEY – A.C.M./D.P.W.U.
BRIAN JORDAN – DIR OF DEVELOPMENT SERVICES
RUSSELL IMMEL – IT MANAGER
LAURA HOLLENBEAK – DIR OF FINANCE

The meeting was called to order at 6:00 PM following the Pledge of Allegiance.

EMPLOYEE RECOGNITIONS – None

MINUTES – It was moved by Council Member Kiehne, seconded by Council Member Luckenbach, to approve the minutes of the April 2017 meetings as presented. All voted in favor and the motion carried.

PUBLIC HEARING FRIEDEN LAKES ANNEXATION, APPROXIMATELY 219 ACRES OF LAND BORDERED BY HERITAGE HILL COUNTRY ON THE EAST AND US HIGHWAY 87 ON THE WEST (1ST OF TWO) - It was moved by Council Member Luckenbach, seconded by Council Member Neffendorf, to recess the regular session and open a public hearing on Frieden Lakes Annexation, approximately 219 acres of land bordered by Heritage Hill Country on the East and US Hwy 87 on the West.

Representatives of the project (Skip Preble, Thor Peterson, and Steve Sletner) gave a short presentation.

Comments concerning the development were received from Clayton Klinksiek, Martha Zieher, Bill Saad, John Berry, Ray Baum, Mark Johnson, Edward Stain, Pat Said, Shirley Dierks, Annette Bennett, Judy Synek and Jim Clayton. Areas of concern voiced included storm runoff, drainage, and use of Mariposa Drive.

It was then moved by Council Member Neffendorf, seconded by Council Member Luckenbach, to recess the public hearing and reconvene the regular session. All voted in favor and the motion carried.

RESOLUTION ON RATE INCREASE OF ATMOS ENERGY UNDER 2017 RRM - It was moved by Council Member Kiehne, seconded by Council Member Luckenbach, to approve the Resolution Approving the Rate Increase of Atmos Energy Under 2017 RRM as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Luckenbach, and Kiehne. NAY: None. Motion carried.

RESOLUTION

A RESOLUTION BY THE CITY OF FREDERICKSBURG, TEXAS (“CITY”), APPROVING A CHANGE IN THE RATES OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION (“ATMOS”) AS A RESULT OF A SETTLEMENT BETWEEN ATMOS AND THE ATMOS TEXAS MUNICIPALITIES (“ATM”) UNDER THE RATE REVIEW MECHANISM; FINDING THE RATES SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; FINDING THAT THE MEETING COMPLIED WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THE RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Fredericksburg, Texas (“City”) is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under § 103.001 of GURA has exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division’s (“Atmos”) rates, operations, and services within the municipality; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities (“ATM”); and

WHEREAS, pursuant to the Rate Review Mechanism (“RRM”) for 2017 filed with the City on or around March 1, 2017 for a proposed system-wide increase of \$57.4 million; and

WHEREAS, experts representing ATM have analyzed data furnished by Atmos and interviewed Atmos’ management regarding the RRM; and

WHEREAS, the Steering Committee of ATM and its counsel recommend approval of the attached tariffs, set forth as Attachment A, along with the proof of revenues set forth as Attachment B, which results in an increase in Atmos' revenue of \$48.0 million, and Attachment C, setting forth the beginning balance for purposes of determining pension and other post-employment benefits to be recovered in the next rate filing.

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

Section 1. The findings set forth in this Resolution are hereby in all things approved.

Section 2. The amended tariffs in Attachment A are hereby adopted to become effective on June 1, 2017.

Section 3. To the extent any Resolution previously adopted by the City Council is inconsistent with this Resolution, it is hereby superseded.

Section 4. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. If any one or more sections or clauses of this Resolution is judged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 6. This Resolution shall become effective from and after its passage.

Section 7. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Christopher Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation,

5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701.

PASSED AND APPROVED this 5TH day of June, 2017.

/s/ Linda Langerhans, Mayor

ATTEST: /s/ Shelley Britton, City Secretary

OAKCREST SPORTS PARK PLANS – Council received a presentation from park consultant Dennis Sims for the extension of Oakcrest Park. After receiving input from Council, Mr. Sims will come back with a more detailed final plan.

SALE OF 10 ACRES ADJACENT TO OAKCREST PARK (HAM PROPERTY) – It was moved by Council Member Kiehne, seconded by Council Member Luckenbach, by approve the sale of 10 acres adjacent to Oakcrest Park to Gillespie County for future expansion of the airport, for a purchase price of \$674,433.37. The vote was as follows: AYE: Langerhans, Neffendorf, Luckenbach, and Kiehne. NAY: None. Motion carried.

2016 FOLB GOLF COURSE ANNUAL REPORT – Council received the 2016 FOLB Golf Course Annual Report from Jerry Fisher; no action was taken.

APPOINT MAYOR PRO-TEM – It was moved by Council Member Neffendorf, seconded by Council Member Luckenbach, to appoint Bobby Watson as Mayor Pro Tem. All voted in favor and the motion carried.

PARADE INSURANCE FOR JULY 4TH PARADE – It was moved by Council Member Kiehne, seconded by Council Member Neffendorf, to approve the addition of the 4th of July Parade to the city's liability insurance coverages as requested. All voted in favor and the motion carried.

BUDGET AMENDMENTS – Council Member Kiehne moved, seconded by Council Member Neffendorf, to approve electric department budget amendments as presented. All voted in favor and the motion carried.

CITY MANAGER'S REPORT - City Manager's Report included (1) Community Visioning Process, (2) New Animal Shelter, and (3) Workforce Housing Update.

PUBLIC COMMENTS – Clayton Klinksiek commented on stop signs.

COUNCIL COMMENTS –The Mayor assigned council liaisons to various boards: Neffendorf/EDC, Watson/CVB, Luckenbach/Airport Board and Relief Route, Kiehne/Gillespie County, and Langerhans/Relief Route and the Chamber.

With no further discussion, Council Member Luckenbach made a motion to adjourn the meeting at 9:00 PM. Council Member Kiehne seconded the motion. Motion carried.

PASSED AND APPROVED this the 17th day of July, 2017.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
JUNE 19, 2017
6:00 PM

On this the 19th day of June, 2017, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
BOBBY WATSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER
CHARLIE KIEHNE - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
CLINTON BAILEY – A.C.M./D.P.W.U.
SHELLEY BRITTON - CITY SECRETARY
PAT McGOWAN - CITY ATTORNEY
BRIAN JORDAN – DIR OF DEVELOPMENT SERVICES
LAURA HOLLENBEAK – DIR OF FINANCE
RUSSELL IMMEL – IT MANAGER
STEVE WETZ – POLICE CHIEF

The meeting was called to order at 6:00 PM., followed by the Pledge of Allegiance.

PUBLIC HEARING FRIEDEN LAKES ANNEXATION, APPROXIMATELY 219 ACRES OF LAND BORDERED BY HERITAGE HILL COUNTRY ON THE EAST AND US HIGHWAY 87 ON THE WEST (2nd OF TWO) - It was moved by Council Member Luckenbach, seconded by Council Member Kiehne, to recess the regular session and open a public hearing on Frieden Lakes Annexation, approximately 219 acres of land bordered by Heritage Hill Country on the East and US Hwy 87 on the West.

Tom Musselman and Gail Glover both spoke regarding the annexation; there were no other comments.

It was then moved by Council Member Luckenbach, seconded by Council Member Kiehne, to recess the public hearing and reconvene the regular session. All voted in favor and the motion carried.

PUBLIC HEARING Z-1703 BY BRT RESOURCES TO (1) CHANGE THE LAND USE PLAN FROM RURAL RESIDENTIAL TO MIXED USE CORRIDOR ALONG THE US HWY 87 FRONTAGE, AND (2) ESTABLISH PUD, PLANNED UNIT DEVELOPMENT ZONING ON SAID PROPERTY (KNOWN AS FRIEDEN DEVELOPMENT) – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and open a public hearing on Z-1703 by BRT Resources to (1) Change the Land Use Plan from Rural Residential to Mixed Use Corridor along the US Hwy 87 Frontage, and (2) Establish PUD, Planned Unit Development Zoning on said property (known as Frieden Development) All voted in favor and the motion carried.

Council received comments from the following: Mark Johnson and Martha Zier (HOA representative).

Following the discussion, it was moved by Council Member Luckenbach, seconded by Council Member Neffendorf, to adjourn the public hearing and reconvene the regular session. All voted in favor and the motion carried.

RECOMMENDATION ON Z-1703 – No action was taken.

PUBLIC HEARING Z-1704 FOR A CONDITIONAL USE PERMIT FOR TURNER HALL, A SOCIAL CLUB, MEETING VENUE AND RECEPTION/DANCE HALL AT 103 W. TRAVIS – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and open a public hearing on Z-1704 for a Conditional Use Permit for Turner Hall, a social club, meeting view, and reception/dance hall at 103 W Travis. All voted in favor and the motion carried.

Council received comments from Nicole Ransleben, President of Social Turn Verein.

Following the discussion, it was moved by Council Member Luckenbach, seconded by Council Member Watson, to adjourn the public hearing and reconvene the regular session. All voted in favor and the motion carried.

RECOMMENDATION ON Z-1704 – It was moved by Council Member Luckenbach, seconded by Council member Neffendorf, to approve the Conditional Use Permit as presented for Turner Hall, a social club, meeting view, and reception/dance hall at 103 W Travis. The vote was as follows: AYE: Langerhans, Neffendorf, Kiehne, Luckenbach, and Watson; NAY: None. Motion carried.

AUTHORIZATION OF RFQ FOR LADY BIRD GOLF COURSE LEASE – ACM/DPWU Clinton Bailey presented information for discussion and authorization of staff to solicit a Request for Qualifications (RFQ) for the lease of the Lady Bird Golf Course to a gold operator. Following a lengthy discussion, it was moved by Council Watson, seconded by Council Member Luckenbach, to solicit for proposals as presented. The vote was as follows: AYE: Langerhans, Kiehne, Luckenbach, and Watson; NAY: Neffendorf. Motion carried.

REQUEST FOR STREET CLOSURE FOR OKTOBERFEST – John Culpepper made the request on behalf of Oktoberfest to close Adams St. between Main and Austin Sts. and the closure of Austin and Crockett and Adams from 5pm on Wednesday Oct 4 through 3:00 pm on Monday October 9 for Oktoberfest 2017. It was moved by Council Member Luckenbach, seconded by Council Member Kiehne, to approve as presented. All voted in favor and the motion carried.

APPOINTMENT TO HISTORIC REVIEW BOARD – It was moved by Council Member Watson, seconded by Council Member Kiehne, to appoint Richard Laughlin to the Historic Review Board as presented. All voted in favor and the motion carried.

CHANGES TO SHORT TERM RENTAL REGULATIONS (BED AND BREAKFAST ORDINANCE) – No action taken.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Budget Update, (2) November Bond Election, (3) Special Legislative Session, and (4) Community Visioning Process.

PUBLIC COMMENTS – No comments.

COUNCIL COMMENTS – Jerry Luckenbach reported on the Airport Board meeting.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 8:15 PM. Council Member Kiehne seconded the motion. Motion carried.

PASSED AND APPROVED this the 17th day of July, 2017.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

SPECIAL CITY COUNCIL MEETING
JUNE 19, 2017
NOON

On this the 19th day of June, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
GARY NEFFENDORF - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
CHARLIE KIEHNE - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
CLINTON BAILEY – ACM/DPWU

WORKSHOP – TRANSPORTATION MASTER PLAN PROJECT UPDATE – Council held a workshop on the Transportation Master Plan Project; no action was taken.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 1:30 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 17th day of July, 2017.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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