CITY OF FREDERICKSBURG

MINUTES OF CITY COUNCIL REGULAR MEETING
AUGUST 17, 2020

The City of Fredericksburg City Council met in a regular session on Monday, August 17, 2020, at 6:00 p.m. This meeting was held remotely via Zoom Teleconferencing, and in-person attendance was not available. Members of the public attended the meeting remotely by web or telephone via Zoom Teleconferencing. These actions are being taken to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting and in accordance with Section 418.016 of the Texas Government Code.

Members Present on the Teleconferencing:
Mayor Gary Neffendorf
Councilmember Charlie Kiehne
Councilmember Tom Musselman
Councilmember Polly Rickert
Councilmember Bobby Watson

Members Absent:
None

City Staff Present:
Kent Myers, City Manager
Clinton Bailey, Assistant City Manager/Director of Public Works and Utilities
Daniel Jones, City Attorney
Lynn Bizzell, Fire Chief
Steve Wetz, Police Chief
Brian Jordan, Development Services Director
Russell Immel, Information Technology Director
Andrea Schmidt, Parks Department Director
Lea Feuge, Public Information Officer
Kelli Olfers, Gillespie County Health Department Director
Laura Hollenbeak, Finance Director
Kris Kneese, Assistant Director of Public Works and Utilities
Garrett Bonn, Assistant Engineer
Jennifer Krupa, Special Events Coordinator
Shelley Goodwin, City Secretary

1. CALL TO ORDER
Mayor Neffendorf called the regular meeting of the Fredericksburg City Council to order at 6:00 p.m. on Monday, August 17, 2020, via Zoom Teleconference. Mayor Neffendorf announced a quorum of the City Council present.

2. UPDATE ON CORONAVIRUS (COVID-19) PANDEMIC
Lynn Bizzell, Fire Chief, reported as of 8-17-2020 at 4 p.m.:

World	United States
20,439,814 Positive Cases	5,176,018 Positive Cases

Texas Positive Cases	Texas Total Deaths	Texas Active Cases	Texas Recovered Cases	Texas Testing	Texas Counties
542,950	10,034	127,099	405,817	4,476,167	251 out of 254

Region 8 Total Cases	Region 8 Deaths	Region 8 Active Cases	Region 8 Counties	Region 8 Pending investigation cases	Region 8 Probable cases
64,856	970	10,530	28 out of 28	1,118	8,927

Surrounding Counties	Total Cases	Deaths	Active Cases	Recovered Cases
Gillespie County	188	6	34	148
Kerr County	416	6	98	312
Kendall County	180	4	40	136
Mason County	60		21	39
Llano County	92	1	12	79
Burnet County	586	11	82	483
Blanco County	130	5	25	86

He also reviewed the community testing.

- August 26, 2020, testing will occur at the HEB Basketball Court, from 8 a.m.to 4 p.m. No sign up is necessary.

- **Hospital Data**

Date	# Patients

8-10-2020	7,304
8-11-2020	7,216
8-12-2020	7,028
8-13-2020	6,879
8-14-2020	6,632
8-15-2020	6,481
8-16-2020	6,266
8-17-2020	6,200

- **Daily Confirmed COVID-19 Cases**

Date	# Cases
8-10-2020	4,455
8-11-2020	8,913
8-12-2020	6,200
8-13-2020	6,755
8-14-2020	7,018
8-15-2020	8,245
8-16-2020	6,204
8-17-2020	2,713

3. EMPLOYEE RECOGNITIONS

Kent Myers, City Manager, stated he received the following recognitions:

- Police Officers Harry Dawes and Jonathan Prado received recognition for helping bring a resident home that has Alzheimer's.
- Police Officers Shane Purvis, Preston Schmidt, and Victor Martinez received recognition for going above and beyond with assisting a couple with their RV.
- Police Officer Hugo Alvarez received recognition for his politeness and professionalism during a traffic stop.
- Police Officer Pablo Martinez received recognition for his professionalism during a traffic stop.
- Garrett Zenner, Street Department, received recognition for his courtesy and politeness while driving the street sweeper.
- Jeff Rich, Water Superintendent, received recognition for his assistance with a water bill.

PUBLIC COMMENTS

Mayor Neffendorf reviewed the different ways the public could provide comments. He stated the City received two citizens who signed up for verbal comments and six written citizen comments. The Staff will get back with the citizens who provided written comments.

Timothy Riley encouraged everyone to continue to speak at City Council meetings. He also encouraged everyone to assist with the Census Bureau by submitting your information, and if someone knocks on your door, open it, and answer the questions.

Todd Eidson spoke on behave of the Chamber of Commerce in support of Agenda Item 8.E. Oaks of Windcrest Phase 5.

4. 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 CITY COUNCIL.

A. Consider approval of the following Minutes:

- **i. July 22, 2020, City Council Workshop**
- **ii. July 28, 2020, City Council Workshop**
- **iii. August 3, 2020, City Council and County Commissioners Court's Joint Workshop**
- **iv. August 3, 2020, City Council Regular Meeting**

B. Consider approval of a Fee Waiver Request for the 2020 Census to utilize City-owned facilities to conduct official 2020 Census training and activities through December 31, 2020.

The City Council pulled Agenda Item 5.B. off the Consent Agenda to be considered separately.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Kiehne, to approve the City Council Minutes for July 22, 2020, City Council Workshop, July 28, 2020, City Council Workshop, August 3, 2020, City Council and County Commissioners Court's Joint Workshop, and August 3, 2020, City Council Regular Meeting. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

5. B. Consider approval of a Fee Waiver Request for the 2020 Census to utilize City-owned facilities to conduct official 2020 Census training and activities through December 31, 2020.

Kent Myers, City Manager, stated the President has moved the completion date for the 2020 Census, to the end of September due to COVID-19. He stated the local Census is about 60% completed.

Lea Feuge, Public Information Officer, stated she has been coordinating the local effort with the Census. She reviewed all the promotions she has done to encourage residents to complete their Census. She reviewed the State and local response rates. She stated the Census wants to find a local facility to assist residents in completing their forms.

Councilmember Musselman reviewed the importance and the effects the Census has on funding.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Kiehne, to approve the Fee Waiver Request for the 2020 Census to utilize City-owned facilities to conduct official 2020 Census training and activities through December 31, 2020.
On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

6. ORDINANCE AND RESOLUTION

A. Hold Public Hearing to receive comments for or against a Conditional Use Permit for an Indoor Market including several uses in addition to the C-1.5 District, including, a club or lodge, cocktail lounge, food sales, general retail sales, liquor sales, mobile food establishments and a microbrewery/distillery located at 206 N. Milam (Z-2011).

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Watson, to go into the Public Hearing at 6:30 p.m. The City Council voted five (5) for, and none (0) opposed.

Brian Jordan, Development Services Director, reviewed the project and the variance request. He stated the Planning and Zoning Commission voted 7 for and 1 against the request. They also approved with a stipulation to set a limit of 33% for the uses at any given time, to alcohol-related businesses, and the operation hours be limited to 10 p.m. He also noted he received 3 protest letters. He also noted the requestor called today and asked to postpone the meeting to meet with some of the residents.

James Griffin stated he supports postponing the consideration of this project so that a meeting can be held.

Veronica Truan stated she owns the property across the street from the Super S and asked who the application was and the person representing the applicant.

Mayor Neffendorf asked if anyone wished to speak. No one did.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Rickert, to go recess the Public Hearing and back into the regular session at 6:43 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

B. Hold Public Hearing to receive comments for or against a Conditional Use Permit for Short Term Rentals on the First Floor at 411 E. Main (Z-2007)

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Rickert, to go into the Public Hearing at 6:44 p.m. The City Council voted five (5) for, and none (0) opposed.

Brian Jordan, Director of Development Services, stated he received an application from Todd Christian and the Fancy Goat to add four Bed & Breakfast (Short Term Rentals) unit on the first floor. He reviewed the proposed project. The Planning and Zoning Commission voted unanimously to approve the proposed short-term rentals on the first floor at 411 E. Main Street. He also noted that he did not receive any letters in support or opposed to the project.

Mayor Neffendorf asked if anyone wished to speak. No one did.

Motion: A motion was made by Councilmember Rickert, seconded by Councilmember Musselman, to go out of the Public Hearing and back into the regular session at 6:48 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

C. Hold Public Hearing to receive comments for or against the following changes at 110 N. Bowie Street, 603 W. Austin Street, and 605 W. Austin Street:

i. Change in the Land Use Plan from Low Density Residential to Medium Density Residential; and

ii. Change in Zoning from R-1, Single Family Residential to R-2 Mixed Residential (Z-2012)

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Watson, to go into the Public Hearing at 6:52 p.m. The City Council voted five (5) for, and none (0) opposed.

Brian Jordan, Director of Development Services, stated he received an application for a change in Land Use Plan and change in zoning to R-2 Mixed Residential. He also reviewed the history of the project and surrounding land use. He noted the Planning and Zoning Commission voted to deny this request.

Harold Coates stated he has a concern with the traffic in this area that this change will create.

Mayor Neffendorf asked if anyone wished to speak. No one did.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Watson, to go out of the Public Hearing and back into the regular session at 6:58 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

7. ORDINANCE AND RESOLUTION

A. Consider the approval of Ordinance 2020-17 amending Article 24.000-Recreational Fees, of Appendix A-Fee Schedule, of the Code of Ordinances to establish a tiered pricing structure for occupancy of the RV Park Campsites at Lady Bird Johnson Municipal Park; to provide authority for the Director of Parks and Recreation to designate certain dates as requiring a two (2) night minimum occupancy for said RV Park; and providing for an effective date (1st of two readings; City Council may waive second reading).

Andrea Schmidt, Park Department Director, stated the RV Park rates have not gone up in four years due to ongoing construction that has now been completed. She believed rates should be raised to be competitive with the current market. She reviewed the proposed rates.

Motion: A motion was made by Councilmember Rickert, seconded by Councilmember Watson, to approve Ordinance 2020-17 amending Article 24.000-Recreational Fees, of Appendix A-Fee Schedule, of the Code of Ordinances to establish a tiered pricing structure for occupancy of the RV Park Campsites at Lady Bird Johnson Municipal Park; to provide authority for the Director of Parks and Recreation to designate certain dates as requiring a two (2) night minimum occupancy for said RV Park; and providing for an effective date and waive the second reading. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

B. Consider the approval of Resolution 2020-14R, supporting the passage of legislation during the 87th Regular Session of the Texas Legislature (2021), to allow for the expenditure of Municipal Hotel Occupancy Tax Revenue by the City for construction of improvements in Municipal Parks.

Kent Myers, City Manager, stated State law provides nine specific uses for HOT revenues, including funding for tourist promotion, arts promotion, historic preservation, and tourists' signage. Our City parks such as Markplatz, Cross Mountain Park, and Lady Bird Johnson Park are used extensively by visitors, but the State does not allow HOT revenues to be used to support improvements to these parks. He noted the City of Fredericksburg had identified the need for over $16 million in park improvements in our Capital Improvement Plan (CIP), including over $9 million needed in the next five years. We currently do not have a funding source for these improvements, and some of these improvements, such as the new restrooms at Marktplatz and new trails, directly benefit tourists. City Staff recommends City Council approve the attached Resolution supporting changes to State Law so that HOT revenues would be allowed to be used for improvements to park systems.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Musselman, to approve Resolution 2020-14R, supporting the passage of legislation during the 87th Regular Session of the Texas Legislature (2021), to allow for the expenditure of Municipal Hotel Occupancy Tax Revenue by the City for construction of improvements in Municipal Parks. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

8. OTHER ACTION ITEMS AND UPDATES

A. Consider the approval of a Conditional Use Permit for an Indoor Market including several uses in addition to the C-1.5 District, including, a club or lodge, cocktail lounge, food sales, general retail sales, liquor sales, mobile food establishments and a microbrewery/distillery located at 206 N. Milam (Z-2011).

This item will be considered at the September 8, 2020, City Council Regular Meeting.

B. Consider the approval of a Conditional Use Permit for Short Term Rentals on the First Floor at 411 E. Main (Z-2007).

The City Council discussed the curb cuts, ambulance and Fire Truck access, and the Planning and Zoning Commission.

Motion: A motion was made by Councilmember Kiehne, seconded by Councilmember Musselman, to approve the Conditional Use Permit for Short Term Rentals on the First Floor at 411 E. Main (Z-2007). The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

C. Consider the approval of the following changes at 110 N. Bowie Street, 603 W. Austin Street, and 605 W. Austin Street:

i. Change in the Land Use Plan from Low Density Residential to Medium Density Residential; and

ii. Change in Zoning from R-1, Single Family Residential to R-2 Mixed Residential (Z-2012)

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Kiehne, to approve the Planning and Zoning Commission recommendation of deny for the request of Z-2021. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion to denied carried unanimously.

D. Consider the approval of Joint Election Agreement with Gillespie County for polling places for the November 3, 2020, General Election.

Shelley Goodwin, City Secretary, reviewed the Joint Election Agreement and the requirement for the City Council and Gillespie County to enter into an agreement.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Musselman, to approve the Joint Election Agreement with Gillespie County for polling places for the November 3, 2020, General Election. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

E. Consider the approval of cost sharing in infrastructure for Vineyard Oaks a development of affordable housing apartment complex between Sunrise Street and Friendship Lane.

Kent Myers, City Manager, stated the McDonald Companies are proposing a new 110-unit apartment complex on Friendship Lane. This project will be funded using 4% housing tax credits from the State. He noted by using these credits, the developer is required to maintain affordable rents for all apartment units. He also reviewed the rental rates for the different sizes of units. The McDonald Company has informed the City that in order to provide this affordable housing, they have also requested that the City participate in the project by funding a water line extension (about $15,500) and the extension of curb and gutter along Eagle Street (about $6,000).

Tim Lehmberg, Gillespie County Economic Development CEO, reviewed the current housing market in Fredericksburg.

The City Council discussed the water line extension funding request, agreement, street extension, proposed agreement, and the 4% grant funding.

Motion: A motion was made by Councilmember Musselman, to approve the Reserve at Vineyard Oaks Cost Share Agreement with McDonald Companies and share the utility (water line extension), but not the street extension. Motion failed due to no second.

Motion: A motion was made by Councilmember Watson, seconded by Mayor Neffendorf, to approve the cost sharing in infrastructure for Vineyard Oaks a development of affordable housing apartment complex between Sunrise Street and Friendship Lane contingent upon the award of the 4% bond. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	nay
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried 4 to 1.

F. Consider the approval of the Professional Services Agreement with Kimley Horn for the development of a Rough Proportionality Assessment for the Oaks of Windcrest Phase 5 subdivision development.

This Agenda Item will be taken up after Executive Session.

8. CITY MANAGER'S REPORT

A. Budget Update

Kent Myers, City Manager, reported there will be a Special Meeting on August 24, 2020, via Zoom at 6 p.m. This meeting is to review and discuss the proposed FY 2021 Budget and hold a public hearing. The City Council will also review and discuss the proposed 2020 Tax Rate and approve the proposed 2020 Tax Rate. He also noted the FY2021 proposed Budget has been filed with the City Secretary and residents wanting to view the Budget can do so on the City website or in person at City Hall on the lobby's 2nd floor.

B. Reopening of City Hall and City Hall Annex

Kent Myers, City Manager, reported three City employees had tested positive for COVID-19, and all three have rebounded. City Hall and City Annex are now open with restrictions regarding following CDC Guidelines and Governor's Orders.

C. September Public Meetings

Kent Myers, City Manager, reported he needs directions on how the City Council would like to hold their meetings. The City Council agreed by consensus to hold the September 8, 2020 Regular Meeting via Zoom and then revisit this topic at the September 8, 2020, Regular Meeting.

D. COVID-19 Task Force

Clinton Bailey, Assistant City Manager/Director of Public Works and Utilities, stated the stakeholder's updates were regarding the new normal for businesses and agreed to meet twice a month.

Councilmember Musselman stated there was some discussion regarding the uncertainty of the start of school and Labor Day. He also noted he met with Dr. Lindley and Judge Stroeher regarding the Local Health Authority.

E. Temporary Changes to City Business Regulations During COVID-19

Kent Myers, City Manager, reported on all the ways the City helped customers who struggled during COVID-19 shutdowns. He also noted many businesses are struggling and have approached the City regarding allowing outdoor dining and food trucks.

Daniel Jones, City Attorney, reviewed the process that could be used to relax some of the Business Regulations within the City temporarily.

The City Council discussed food trucks, TABC regulations, effects on the Historic District. They also asked for Staff to look at how other Cities are handling this issue and bring this item back at the September 8, 2020, City Council Regular Meeting.

9. ITEMS FOR FUTURE AGENDA

Kent Myers, City Manager, reviewed the Future Agenda Items.

10. COUNCIL COMMENTS

Mayor Neffendorf thanked the CVB and Chamber of Commerce for their recent mask campaign.

11. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Section 551.071 (Consultation with Attorney):

A. Receive legal advice regarding Texas Local Government Code Section 212.904, rough proportionality, and apportionment of City infrastructure costs for development in the City (551.071)

Motion: A motion was made by Mayor Neffendorf, seconded by Councilmember Rickert, to go out of Regular Session into Executive Session at 8:08 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

Motion: A motion was made by Councilmember Rickert, seconded by Councilmember Watson, to go out of Executive Session into Regular Session at 8:41 p.m. The City Council voted four (4) for, and none (0) opposed. The motion carried unanimously.

12. BUSINESS ITEM

8. F. Consider the approval of the Professional Services Agreement with Kimley Horn for the development of a Rough Proportionality Assessment for the Oaks of Windcrest Phase 5 subdivision development.

Motion: A motion was made by Councilmember Rickert, seconded by Councilmember Musselman, to approve the Professional Services Agreement with Kimley Horn for the development of a Rough Proportionality Assessment for the Oaks of Windcrest Phase 5 subdivision development. On roll call vote:

Councilmember Musselman	aye
Mayor Neffendorf	aye
Councilmember Kiehne	aye
Councilmember Rickert	aye
Councilmember Watson	aye

The motion carried unanimously.

13. ADJOURN

Motion: A motion was made by Councilmember Kiehne, seconded by Councilmember Musselman, to adjourn the Monday, August 17, 2020, City Council Regular Meeting at 8:42 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Gary Neffendorf
Mayor

ATTEST

Shelley Goodwin, TRMC
City Secretary