



CITY OF FREDERICKSBURG

MINUTES OF CITY COUNCIL REGULAR MEETING SEPTEMBER 20, 2021

The City of Fredericksburg City Council held their regular session on Monday, September 20, 2021 at 6 p.m. This meeting was held in person at the Law Enforcement Center and live streamed on the Fredericksburg YouTube Channel.

Members Present:

Mayor Charlie Kiehne
Councilmember Jerry Luckenbach
Councilmember Tom Musselman
Councilmember Kathy O'Neill
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
Eric Whiting, Information Technology Director
Andrea Schmidt, Parks and Recreation Director
Jason Lutz, Development Services Director
Laura Hollenbeck, Finance Director
Rebekka Goff, Administrative Assistant/Receptionist
Shelley Goodwin, City Secretary

1. CALL TO ORDER

Mayor Kiehne called the regular meeting of the Fredericksburg City Council to order at 6:00 p.m. on Monday, September 20, 2021.

2. INVOCATION

Rev. Rob Holster, Hill Country Church held the Invocation.

3. PLEDGE OF ALLEGIANCE

Mayor Kiehne led the Pledge of Allegiance.

4. PROCLAMATION

A. Constitution Week

Mayor Kiehne read the Proclamation and proclaimed September 17-23, 2021, as Constitution Week.

Susie Quinn, DAR member, spoke regarding the membership, events and encouraged all eligible to join.

B. Hill Country Night Sky Month

Mayor Kiehne read the Proclamation and proclaimed October as Hill Country Night Sky Month.

5. EMPLOYEE RECOGNITIONS

Kent Myers, City Manager, shared positive comments regarding Jason Lutz, Development Service Director, for his presentation at the STR Work Session.

6. PUBLIC COMMENTS

Jeff Morin, City resident, spoke regarding 9. B. and would like to have an appeals process included in Ordinance.

Walter Moldenhauer, City resident, read a letter regarding the Fort Martin Scott negotiations process.

Tom Marschall, City resident, spoke regarding the Property Tax Rate and the Resolution presented to the City Council several months ago regarding businesses.

Mary Lee Marschall, City resident, spoke regarding the need to lower property taxes.

Jerry McCorkle, the City resident, spoke regarding high taxes. He also spoke regarding revenue, expenditures, and overages.

Debra Holbecker, City resident, spoke regarding the City budget and large expenditures. She also encouraged the City Council to approve the “no new revenue” tax rate.

Angela Pirch, County resident, spoke regarding residents are not participating in budget and tax rate hearings.

Eric Hammerson, City resident, spoke regarding the budget and what happens if the City Council does not approve the budget.

James McDonald, City resident, spoke regarding tax increases, affordable housing, and requested last year’s amended budget be adopted.

Kimberley Lams, City resident, spoke regarding the Property Tax Rate and COVID-19. She also provided a handout regarding vaccinations.

Jett Burns, County resident, spoke regarding the minutes not reflecting for or against an item. He also spoke regarding the Tax Rate.

Heath Bell, City resident, spoke regarding the Tax Rate. He encouraged the City Council to vote against the higher taxes and vote for the “no new revenue rate.”

Jeanette Hormuth, City resident, spoke regarding the Tax Rate. She encouraged the City Council to adopt a rate below the “no new revenue tax” (5%).

Tonya Benson, City resident, read the Bill of Rights. She also spoke regarding the Resolution presented to City Council, which she feels upholds residents’ rights.

Isla Roop, City resident, spoke regarding the injuries she received when she was in jail. She provided pictures of her injuries.

7. 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 City Council Minutes (Shelley Goodwin, City Secretary)

- i. August 16, 2021, Regular Meeting**
- ii. September 7, 2021, Regular Meeting**

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember O'Neill, to approve Consent Agenda items 6. A. i. and ii., with corrections. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

8. PUBLIC HEARING

A. Hold a public hearing to receive citizen comments for or against a request by Jacob Grant to consider a voluntary annexation and requested zoning for "Single-Family Residential – Small Lot" (R-1A) for approximately 6.32 acres of land out of Outlot 97, Outlot 96, an unnumbered Outlot, and Block v of the German Emigration Company Environs Map, located at 651 Post Oak Road (Jason Lutz, Development Services Director).

Motion: A motion was made by Councilmember Luckenbach, seconded by Councilmember Musselman, to go out of the Regular Meeting into the public hearing at 6:48 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

No public comments were made during the public hearing.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Luckenbach, to go out of the public hearing and into the Regular Meeting at 6:49 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

9. ORDINANCES AND RESOLUTIONS

A. Consider the approval of Ordinance 2021-23 annexing approximately 6.320 acres of land out of Outlot 97, Outlot 96, an unnumbered Outlot, and Block V as shown on the map of Fredericksburg and Environs by the German Emigration Company in Gillespie County, Texas, located along Post Oak Road to the north of the intersection of Post Oak Road and West Live Oak Street; extending the corporate limits of the City, so as to include said territory; granting to all inhabitants and future inhabitants of said territory all of the rights and privileges of other citizens of the City; binding the inhabitants and future inhabitants of said territory by any and all acts, ordinances, resolutions and regulations of said City; and amending the Zoning Ordinance of the City to establish the Zoning District of said territory as R-1-A: Single Family Residential-Small Lot. (Jason Lutz, Development Services Director).

Jason Lutz, Development Services Director, stated the property owner has requested voluntary annexation of approximately 6 acres of land to construct a single-family subdivision. He reviewed the location and zoning.

The City Council discussed the lot size and possible reduction of the cost of a lot. They also discussed the locations of the current R-1A subdivisions -The Beginning.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Watson, to approve Ordinance 2021-23 annexing approximately 6.320 acres of land out of Outlot 97, Outlot 96, an unnumbered Outlot, and Block V as shown on the map of Fredericksburg and Environs by the German Emigration Company in Gillespie County, Texas, located along Post Oak Road to the north of the intersection of Post Oak Road and West Live Oak Street; extending the corporate limits of the City, so as to include said territory; granting to all inhabitants and future inhabitants of said territory all of the rights and privileges of other citizens of the City; binding the inhabitants and future inhabitants of said territory by any and all acts, ordinances, resolutions and regulations of said City; and amending the Zoning Ordinance of the City to establish the Zoning District of said territory as R-1-A: Single Family Residential-Small Lot. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

B. Consider the approval of Ordinance 2021-19 amending Chapter 2 - Administration - of the Code of Ordinances, by adopting and adding an Article VII - Administrative Adjudication of Violations - providing for a Civil Administrative hearing process for violations of Ordinances described in Texas Local Government Code Section 54.032 (2nd reading) (Daniel Jones, City Attorney)

Daniel Jones, City Attorney, reviewed the history of the Civil Administrative process for violations of City Ordinances and noted the changes made at the request of the City Council.

Kent Myers, City Manager, reviewed the process for the appeal process.

The City Council discussed the appeal process, the notification process, and the burden of proof.

Motion: A motion was made by Councilmember O'Neill, seconded by Councilmember Luckenbach, to approve Ordinance 2021-19 amending Chapter 2 - Administration - of the Code of Ordinances, by adopting and adding an Article VII - Administrative Adjudication of Violations - providing for a Civil Administrative hearing process for violations of Ordinances described in Texas Local Government Code Section 54.0. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

C. Consider the approval of Ordinance 2021-20 adopting the City Budget for the Fiscal Year beginning October 1, 2021 and ending September 30, 2022, and making appropriations for each department and account (1st of two readings; City Council may waive 2nd reading) (Laura Hollenbeak, Finance Director).

Laura Hollenbeak, Finance Director, reviewed the process used to develop the FY2022 City Budget. She also reviewed the FY2022 Budget Summary and expenditures.

Daniel Jones, City Attorney, reviewed the process for adopting the Budget and Tax Rate. He explained that if the City Council approves a tax rate that raises more funds, they will need to revise the budget.

Kent Myers, City Manager, reviewed the meetings held and the process used to develop the budget. He reviewed the impact fees, American Rescue Fund, and bonds. He also reviewed the City Council's priorities and the recent requests.

The City Council discussed the salary study and the City's effects if they have to use part of the 3-month reserves.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Luckenbach, to approve Ordinance 2021-20 adopting the City Budget for the Fiscal Year beginning October 1, 2021 and ending September 30, 2022, and making appropriations for each department and account; waive 2nd reading. The City Council held a roll call vote:

Councilmember Luckenbach	aye
Councilmember Watson	aye
Councilmember O'Neill	aye
Councilmember Musselman	aye
Mayor Kiehne	aye

Roll Call vote was five (5) for, and none (0) opposed. The motion carried unanimously.

D. Consider the approval of Ordinance 2021-21 setting the Tax Levy for the Taxable Year 2021; and providing an effective date (1st of two readings; City Council may waive 2nd reading) (Laura Hollenbeak, Finance Director).

Laura Hollenbeak, Finance Director, reviewed the process used to develop the 2021 Tax Rate. She also reviewed several different Tax Rate Scenarios.

Kent Myers, City Manager, stated that after reviewing the budget and looking closer at the Sales Tax revenues and the staff feels comfortable recommending the "no new revenue rate." He also noted that your taxes could go up due to your values no matter what rate is set.

The City Council reviewed the process used to develop a tax rate. They also discussed the tax rate projects that will allow them to complete in the FY 2022 Budget. .

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Luckenbach, to adopt a \$0.168029 on a one-hundred dollar (\$100.00) valuation of all taxable property in the City for the purposes of maintenance and operations; and \$0.027794 on a one-hundred dollar (\$100.00) valuation of all taxable property in the City for the payment of principal and interest on the debt of the City, for a, \$0.195823 total tax rate for one-hundred dollar (\$100.00) valuation of all taxable property in the City, waive 2nd reading (Ordinance 2021-21). The City Council held a roll call vote:

Councilmember Watson	aye
Councilmember O'Neill	nay
Councilmember Luckenbach	aye
Councilmember Musselman	aye
Mayor Kiehne	aye

Roll Call vote was four (4) for, and one (1) opposed. The motion carried.

E. Consider the approval of Ordinance 2021-24 amending Article 24.000 of Appendix A -“ Fee Schedule, of the Code of Ordinances, to update and amend the use fees for pool party use of Lady Bird Johnson Park Pool and Town Pool, use of the Recreational Vehicle Sewer System Dump at Lady Bird Johnson Municipal Park, and use of the open-air pavilions at Lady Bird Johnson Municipal Park. (1st of two readings; City Council may waive 2nd reading) (Andrea Schmidt, Parks and Recreation Director).

Katelyn Brazell, Parks & Recreation Superintendent, reviewed the proposed Parks Fees.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember Watson, to approve Ordinance 2021-24 amending Article 24.000 of Appendix A -“ Fee Schedule, of the Code of Ordinances, to update and amend the use fees for pool party use of Lady Bird Johnson Park Pool and Town Pool, use of the Recreational Vehicle Sewer System Dump at Lady Bird Johnson

Municipal Park, and use of the open-air pavilions at Lady Bird Johnson Municipal Park, waive 2nd rating. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

F. Consider the approval of Ordinance 2021-22 amending Article 11.702 - Electric Rates, of Appendix A – Fee Schedule, of the Code of Ordinances, to update and amend the Fees for Electric Service provided by the City (1st of two readings; City Council may waive 2nd reading) (Laura Hollenbeak, Finance Director).

Laura Hollenbeak, Finance Director, stated the last electric rate increase occurred in 2015. She reviewed the need for the increase in the Electric Rate.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Musselman, to approve Ordinance 2021-22 amending Article 11.702 - Electric Rates, of Appendix A – Fee Schedule, of the Code of Ordinances, to update and amend the Fees for Electric Service provided by the City, waive 2nd rating. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

G. Consider the approval of Resolution 2021-10R authorizing the removal of delinquent Personal Property Accounts from the Tax Roll (Kent Myers, City Manager).

Scott Fair, GCAD, reviewed the Tax Code process and a list of delinquent taxpayers.

The City Council reviewed the process used to try and collect back property taxes.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Musselman, to approve Resolution 2021-10R authorizing the removal of delinquent Personal Property Accounts from the Tax Roll. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

10. OTHER ACTION ITEMS AND UPDATES

A. Consider the approval of a Voluntary Annexation Agreement for approximately 10.839 acres of land to construct a single-family subdivision of Stone Ridge Unit 11 (Jason Lutz, Development Services Director).

Jason Lutz, Development Services Director, reviewed the history of the property and the proposed agreement.

Mayor Kiehne announced that he has filed a Conflict Affidavit and will be abstaining from the vote of this agreement.

Motion: A motion was made by Councilmember Musselman, seconded by Councilmember O'Neill, to approve a Voluntary Annexation Agreement for approximately 10.839 acres of land to construct a single-family subdivision of Stone Ridge Unit 11. The City Council voted four (4) for, and none (0) opposed, and one (1) abstained (Mayor Kiehne). The motion carried.

11. CITY MANAGER REPORT

A. STR Regulations

Kent Myers, City Manager, stated the City Council STR Work Session has been set for Monday, October 11, 2021, and will begin at 6 p.m. in the HEB Room at the University Center.

B. COVID Update

Kent Myers, City Manager, provided the following COVID Update:

- 118 active and 2 cases at City Hall
- Five positive cases in Hill Country Memorial Hospital

- Hill Country Memorial Hospital has 298 tested with 54 positive cases
- The City has tested 82 tested and 8 positive cases
- FISD currently has 30 positive cases

C. Housing Coordinator

Kent Myers, City Manager, reported that the original commitment was for the City and the County to give \$25,000 each and the business community to raise the remainder of the funds. He announced that the business community has raised over their amount (\$53,000). He also noted Tim Lehmberg, EDC, is now accepting applications for this position.

D. American Rescue Plan Funds

Kent Myers, City Manager, reported that the City will receive \$2.8 million and has already received \$1.4 million. He noted that the funding would be used for broadband, Municipal Court and generators for the Water Department. At the direction of the City Council, some funding for non-profits organizations has been earmarked. The staff is currently working on an RFP process for local non-profits to use.

12. ITEMS FOR FUTURE AGENDA

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

13. COUNCIL COMMENTS

Councilmember O'Neill spoke regarding the Resolution mentioned during Citizen Comment regarding eliminating the City from creating Orders during this pandemic. She stated she feels the vaccine would also protect the residents and businesses.

Councilmember Musselman spoke regarding Moderna Vaccine Boost is available at Value Med.

Councilmember Luckenbach spoke regarding the following:

Market Square Redevelopment Commission

- Funding for Phase I and II has been reached.
- The Parks Department is trying to get the playground ready for Oktoberfest.
- A private donor pledged an additional \$130,000 to their previous \$250,000 pledge, so the meeting room in Phase II can be named after John Klein.

Commissioner's Court

- A discussion was held regarding holding a special election in May.
- HOT funding approvals
- AED equipment was purchased for Sheriff Officers' vehicles
- The Municipal Judge requested the use of the County Courtroom. The County Commissioners are considering, but there could be a charge.
- October 9, 2021, is Airport Day; the event will take place from 10 a.m.-2 p.m.

Councilmember Watson provided an update from the Airport Commission:

- T Hanger's capacity is at 100%, and several are on the waitlist.
- The Airport is experiencing a record in fuel sales.
- December 21, 2021, Santa will fly into the Airport and be there from 1 p.m.-3 p.m.

Mayor Kiehne reported he attended an event where Ken Cordier spoke about his experience as a 6-year American prisoner of war in North Vietnam.

14. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Section 551.072 (Deliberation Regarding Real Property):

- A. Consider and discuss the purchase, exchange, lease, or value of real property, located in the vicinity of the intersection of S. Adams Street at San Antonio Street, in the City of Fredericksburg, Texas (Section 551.072)**

Motion: A motion was made by Councilmember Luckenbach , seconded by Councilmember Watson, to go out of Regular Meeting into Executive Session at 8:33p.m. The City Council voted five (5) for, and none (0) opposed.

Motion: A motion was made by Councilmember Luckenbach, seconded by Councilmember Watson, to go out of Executive Session into the Regular Meeting at 8:55p.m. The City Council voted five (5) for, and none (0) opposed.

15. 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.

No actions were taken following this Executive Session.

16. ADJOURN

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Luckenbach, to adjourn the Tuesday, September 7, 2021, City Council Regular Meeting at 8:56 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.


Charlie Kiehne
Mayor


Shelley Goodwin, TRMC
City Secretary