CITY OF FREDERICKSBURG

MINUTES OF CITY COUNCIL REGULAR MEETING
OCTOBER 15, 2018

Members Present:
Mayor Linda Langerhans
Council Member Charlie Kiehne
Council Member Jerry Luckenbach
Council Member Tom Musselman
Council Member Gary Neffendorf

Members Absent:
None

City Staff Present:
Kent Myers, City Manager
Clinton Bailey, Assistant City Manager/Director Public Works and Utilities
Daniel Jones, City Attorney
Brian Jordan, Development Services Director
Laura Hollenbeak, Director of Finance
Tammie Loth, Director of Human Resources
Russell Immel, Information Technology Director
Steve Wetz, Police Chief
Andrea Schmidt, Parks & Recreation Director
Lea Feuge, Public Information Officer
Kris Kneese, Assistant Director of Public Works and Utilities
Garrett Bonn, Assistant City Engineer
Evan Williamson, Engineering Tech
Shelley Goodwin, City Secretary

1. Pledge of Allegiance
Mayor Langerhans led the Pledge of Allegiance.

2. Call to Order
With all members of the City Council members present, Mayor Langerhans called the regular meeting of the Fredericksburg City Council to order at 6:00 p.m. on Monday, October 15, 2018, in the Law Enforcement Center, 1601 East Main Street, Fredericksburg, Texas 78624.

3. Employee Recognitions
Kent Myers, City Manager, stated he did not have any recognitions to present.

4. Public Comments
No one signed up to speak.

5. **Public Hearing**
   A. **To receive public comments for or against a change in zoning from R-1, Single Family Residential to C-1 Neighborhood Commercial, and change the Land Use Plan from Low Density Residential to Commercial on property located at 604, 608 and 610 N. Milam Street (Z-1813).**

Mayor Langerhans announced that this Agenda Item and Item 8. E. have been pulled.

6. **Consent**
   A. **Minutes**
      i. **8-29-18 City Council Special Meeting**
      ii. **9-4-18 City Council Regular Meeting**
      iii. **9-5-18 City Council Special Meeting**
      iv. **9-17-18 City Council Regular Meeting**
      v. **9-18-18 City Council Special Meeting**
      vi. **10-1-18 City Council Regular Meeting**

Mayor Langerhans stated the corrections to the Minutes were provided to the Council at the dais.

Motion: A motion was made by Council Member Musselman seconded by Council Member Luckenbach, for the approval of 8-29-18 City Council Special Meeting, 9-4-18 City Council Regular Meeting, 9-5-18 City Council Special Meeting, 9-17-18 City Council Regular Meeting, 9-18-18 City Council Special Meeting, and 10-1-18 City Council Regular Meeting with corrections. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

7. **Ordinances**
   A. **Consider approval of an Ordinance 28-021 adopting a change in the Comprehensive Plan specifically in the Land Use Map and Comprehensive Plan as to part of Outlot No. 28 and Ordinance 28-022 amending the Zoning Ordinance of the City and changing the Zoning District as to part of Outlot No. 28 changing said property from R-2 Mixed Residential to C-1, Neighborhood Commercial on approximately 10 acres on Friendship Lane (public hearing conducted on September 17, 2018).**

Brian Jordan, Development Services Director, stated this Ordinance is a follow up to the public hearing. He also stated the City Council previously voted to change the Land Use Plan from Medium Density Residential to Commercial and the zoning from R-2 Mixed Residential to C-1 Neighborhood Commercial.

Motion: A motion was made by Council Member Luckenbach seconded by Council Member Neffendorf, for the approval of Ordinance 28-021 adopting a change in the Comprehensive Plan specifically in the Land Use Map and Comprehensive Plan as to part of Outlot No. 28. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Motion: A motion was made by Council Member Luckenbach seconded by Council Member Musselman, for the approval of Ordinance 28-022 amending the Zoning Ordinance of the City and changing the Zoning District as to part of Outlot No. 28 changing said property from R-2 Mixed Residential to C-1, Neighborhood Commercial on approximately 10 acres on Friendship Lane. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

B. Consider approval of an Ordinance 28-023 amending Article X. of Chapter 5 - Building and Building Regulations, of the Code of Ordinances, establishing a waiver of Impact Fees for affordable housing.

Kent Myers, City Manager, stated that recently the City Council discussed several ways to support the development of affordable housing. He stated because of that discussion the City Attorney prepared this Ordinance.

Motion: A motion was made by Council Member Musselman seconded by Council Member Luckenbach, for the approval of Ordinance 28-023 amending Article X. of Chapter 5 - Building and Building Regulations, of the Code of Ordinances, establishing a waiver of Impact Fees for affordable housing. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

8. <u>Resolutions-Action Items</u>

A. Consideration and approval of a Resolution 2018-01R relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various City improvements from the proceeds of Tax-Exempt Obligations to be issued by the City for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

Kent Myers, City Manager, stated at the October 1st City Council meeting a proposal was presented regarding the Engineering Services for the Utility Bond Project. He stated the intent is to pay the proposed services from the proceeds of the bonds, but our Bond Counsel advised us that a Resolution expressing that intent would need to be adopted first.

Motion: A motion was made by Council Member Neffendorf seconded by Council Member Musselman, for the approval of Resolution 2018-01R relating to establishing the City's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various City improvements from the proceeds of Tax-Exempt Obligations to be issued by the City for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

B. Consider approval of awarding the Professional Services Agreement to Freese and Nichols, Inc. in connection with a Water Bond Project.

Kris Kneese, Assistant Director of Public Works and Utilities, reviewed the project and the history of the projects that Freese and Nichols, Inc. has already preformed for the City.

The City Council discussed the possibilities of service interruptions, scope of the professional service agreement, and the necessity of the work.

Motion: A motion was made by Council Member Kiehne seconded by Council Member Musselman, to award the Professional Services Agreement to Freese and Nichols, Inc. in connection with a Water Bond Project. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

C. Consider the approval of Resolution 2018-02R authorizing the execution of a Multiple Use Agreement (MUA) with TxDOT, related to construction of sidewalks over TxDOT right-of-way within the City limits.

Garrett Bonn, Asst. City Engineer, stated in April 2016 the City entered into a Municipal Maintenance Agreement with TxDOT which details the responsibilities regarding maintenance and operation of State Highways within the City. As part of the agreement the City assumes responsibility for the sidewalks within State right-of-way and ensuring all new construction of sidewalks, ramps, and other accessibility related items shall comply with current ADA standards. He reviewed the new approval process TxDOT has implemented. The Emigrant project at the SW corner of E. Main St. and S. Washington will be the first project to go through the new process.

Motion: A motion was made by Council Member Luckenbach seconded by Council Member Musselman, for approval of Resolution 2018-02R authorizing the execution of a Multiple Use Agreement (MUA) with TxDOT, related to construction of sidewalks over TxDOT right-of-way within the City limits. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

D. Consider approval of Resolution 2018-03R approving the acquisition and financing of equipment using financing provided by Broadway National Bank.

Laura Hollenbeck, Director of Finance, reviewed the equipment that the 2019 City Budget funded for lease purchase, which totaled to $1,013,781.59. She stated the low bid for the financing was from Broadway National Bank with an interest rate of 2.74%. She recommended the City Council approve Resolution 2018-03R.

Motion: A motion was made by Council Member Luckenbach seconded by Council Member Kiehne, for approval of Resolution 2018-03R approving the acquisition and financing of equipment using financing provided by Broadway National Bank. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

E. Receive Commission's recommendation and consider zoning change (Z-1813).

Mayor Langerhans announced this Agenda Item was pulled.

F. Consider awarding a contract for Professional Auditing Services for the FY2018 City Audit to ABIP. P.C.

Laura Hollenbeck, Director of Finance, stated the City Council awarded the Professional Auditing Services to Klein, Kraus and Company, but due to unforeseen circumstances they have declined the offer. She stated after reviewing the proposals staff recommends awarding the contract for professional auditing services to ABIP, P.C.

The City Council discussed the length of the contract.

Kent Myers, City Manager, stated staff contacted a couple of local companies regarding auditing services; one company declined the offer and the other company never returned their call.

Motion: A motion was made by Council Member Musselman seconded by Council Member Neffendorf, awarding a contract for Professional Auditing Services for the FY2018 City Audit to ABIP. P.C. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

G. Consider appointing the Impact Fee Advisory Committee, as part of the water and wastewater impact fee update.

Kris Kneese, Assistant Director of Public Works and Utilities, stated as part of the process to update the Water and Wastewater Impact Fee the City Council must appoint an Impact Fee Advisory Committee. The staff recommends appointing the Planning and Zoning Commission and Kenneth Carr to the advisory committee as the ETJ resident.

Motion: A motion was made by Council Member Kiehne seconded by Council Member Luckenbach, to appoint the Planning and Zoning Commission as the Impact Fee Advisory Committee including Kenneth Carr as the ETJ resident. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

H. Approve a Nonexclusive Installation and Service Agreement, Easement and Bulk Service Addendum with Time Warner Cable Enterprises, LLC. for cable service at the Lady Bird Johnson (LBJ) RV Park.

Andrea Schmidt, Park and Recreation Director, stated the LBJ RV Park offers cable to visitors that stay in the park. She stated it was time to renegotiate the contract due to their name change and adding of additional lots. Currently the bill is $15.02 per site and the renegotiated amount would be $12.00 per site; $4.163 savings per year.

Motion: A motion was made by Council Member Luckenbach seconded by Council Member Musselman, to approve the Nonexclusive Installation and Service Agreement, Easement and Bulk Service Addendum with Time Warner Cable Enterprises, LLC. for cable service at the Lady Bird Johnson (LBJ) RV Park. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

I. Approval of 2019 Legislative priorities.

Kent Myers, City Manager, reviewed the 8 proposed 2019 Legislative Priorities which were compiled from City Council discussions.

The City Council discussed the proposed priorities. Council Member Musselman thanked City staff for including the support to reform Statewide Funding for Public Education and inquired about regulating Small Cell Network Nodes in the City's right-of-way.

Daniel Jones, City Attorney, stated the 2017 Legislative Session passed legislation allowing nodes in the right-of-way and limiting City's authority. The City adopted an Ordinance to regulate the design and to keep out of certain areas. He also stated currently the FEC regulates the Small Cell Network Nodes and the City feels they should have regulating authority.

Motion: A motion was made by Council Member Musselman seconded by Council Member Neffendorf, to approve the 2019 Legislation Priorities. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

9. <u>Individual Items For Consideration And Possible Action</u>

A. Presentation and discussion on Bulk Trash Pickup

Garret Bonn, Assistant City Engineer, reviewed the voucher program, which allows residents to bring one 2,000-pound load to the City's Sanitary Landfill for free per year. He stated over the past year only 300 residents have utilized this program. There has been a recent increase in calls from residents regarding a curbside bulk waste program. He also stated in response to the calls, staff has researched the cost and believe to start the program the estimated cost would be $99,100 and the impact this would have on the Street and Sanitation Departments.

The City Council discussed the voucher program, estimated cost and the impact on the Street and Sanitation Departments. They provided directions to educate the residents on the voucher program at this time and not implement the bulk trash pickup program.

B. Presentation by Sean Thompson, Texas Municipal Retirement System (TMRS) and discussion on retirement benefits offered to City employees.

Sean Thompson, Regional Manager with Texas Municipal Retirement System, provided a presentation on the impact of the different retirement matches and the service credits. He stated the current retirement the City offers is a 5% pretax employee deduction and the City has a 2-1 ratio match. He reviewed the benefits of raising the 2-1 ration match and the employee deduction. He also reviewed the calculations process for service credit.

The City Council discussed the current funded ratio of 90.7% and buying down the City's liability. They also discussed finding out how the employees feel about a retirement deduction; 5%, 6% or 7%.

The City Council agreed by consensus to survey the employees regarding their retirement benefits.

C. Request from Rosemary Estenson to discuss

- **i. Protected development areas.**
- **ii. Bars on Main Street.**
- **iii. Ordinance to protect our neighborhoods.**
- **iv. No Max Mansions.**
- **v. No more Mobile Homes**

Rosemary Estenson stated she has been a resident for more than 28 years and has grown concern with the following:

- Number of bars on Main Street; she recommends limiting the number allowed.
- Lot lines and wants to see setbacks from lot lines.
- Affordable housing; the affordability base needs to be lower than $250,000.
- Temporary vendors; remove the loop holes and tighten the Ordinance.
- Mobile homes.

10. <u>City Manager's Report</u>

A. Storm Water Fees/Vegetation Management Program

Kent Myers, City Manager, reported the Storm Water Fees/Vegetation Management Program was included in the FY2019 Budget. He stated the City will hold an Open House by the end of October and public hearing at the City Council Regular Meeting scheduled for December 3, 2018. He stated there will be another update on the program in November.

B. Utility Bond Financing

Kent Myers, City Manager, updated the City Council on the Utility Bond schedule. He stated the interest rates are favorable for a closing by the end of November.

C. Texas Municipal League (TML) Conference.

Kent Myers, City Manager, stated several staff members and one City Council Member attended TML Conference in Fort Worth. He stated he attended the Resolution Committee meeting; he and staff attended sessions and visited the Exhibit Hall where they met with several vendors. He also stated Daniel, Clinton and he attended a STR program by the City of Austin.

11. Council Comments.

Council Member Luckenbach updated the City Council on the Airport. He stated sales are up which has an impact on the City.

Council Member Musselman thanked City staff for all their hard work on the Agenda Packets. He stated the City of Fredericksburg has a great City staff that is always willing to help and keep everyone informed.

12. Adjourn

Motion: A motion was made by Council Member Kiehne, seconded by Council Member Musselman, to adjourn the Monday, October 15, 2018 City Council Regular Meeting at 7:40 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Linda Langerhans

Linda Langerhans
Mayor

ATTEST

Shelley Goodwin

Shelley Goodwin, TRMC
City Secretary