

CITY OF FREDERICKSBURG CITY COUNCIL MEETING

MONDAY, NOVEMBER 2, 2015 ~ 6:00 p.m.

Law Enforcement Center ~ 1601 East Main Street

Linda Langerhans, Mayor
Graham Pearson, Council Member
Jerry Luckenbach, Council Member

Gary Neffendorf, Council Member
Bobby Watson, Council Member
Kent Myers, City Manager

(REQUEST ALL PAGERS AND PHONES BE TURNED OFF, EXCEPT EMERGENCY ON-CALL PERSONNEL)

A G E N D A

CALL TO ORDER.

Page Ref

PLEDGE OF ALLEGIANCE.

1. **MINUTES** - Consider Approval of Minutes of September 2015 City Council meetings 1-10
2. **ORDINANCES - RESOLUTIONS - ACTION ITEMS**
 - A. Consider Ordinance Annexing Approx 18.076 Acres Out Of The William H. Anderson Survey No 197, Abstract No 2, Otherwise Known as Stone Ridge Unit 9. 11-17
3. **INDIVIDUAL ITEMS FOR CONSIDERATION AND POSSIBLE ACTION**
 - A. Consider Lease Agreement for Red Bird Grill 18-26
 - B. Discuss Process for Requesting, Approving and Reporting on Use of HOT Funds 27-40
 - C. Consider Six-Month Review of Municipal Court Judge 41-42
4. **CITY MANAGER'S REPORT**
 - A. Fire Chief Interviews
 - B. Affordable Housing
 - C. Parks Master Plan
 - D. City Employee Recognitions
5. **ITEMS FOR FUTURE AGENDAS**
6. **PUBLIC COMMENTS** This time is for citizens to address the City Council on issues and items of concern not on this agenda. There will be no City Council action at this time.
7. **COUNCIL COMMENTS** - No discussion or action may take place
8. **EXECUTIVE SESSION** - Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development).

A. Executive Session - Consultation with Attorney/Attorney Client Privilege- Charter Amendment

B. Executive Session - Personnel - Six-Month Review of Municipal Court Judge

9. **ADJOURN**

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

SPECIAL CITY COUNCIL MEETING
SEPTEMBER 2, 2015
6:00 PM

On this the 2nd day of September, 2015, the City Council of the CITY OF FREDERICKSBURG convened in special session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: GRAHAM PEARSON - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER

ALSO PRESENT: KENT MYERS - CITY MANAGER
LAURA HOLLENBEAK – DIR OF FINANCE

PUBLIC HEARING ON PROPOSED FY 2016 PROPERTY TAX RATE (2nd OF TWO PUBLIC HEARINGS) – Council Member Luckenbach moved, seconded by Council Member Neffendorf, to recess the regular session and open the Public Hearing on the Proposed FY 2016 Property Tax Rate (2nd of two Public Hearings). All voted in favor and the motion carried.

Following comments from the public, it was moved by Council Member Luckenbach, seconded by Council Member Neffendorf, to adjourn the public hearing and reconvene the regular session at 6:29 pm. All voted in favor and the motion carried.

With no further discussion, Council Member Neffendorf made a motion to adjourn the meeting at 6:32 PM. Council Member Luckenbach seconded the motion. Motion carried.

PASSED AND APPROVED this the 2nd day of November, 2015.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
SEPTEMBER 8, 2015
6:00 PM

On this the 8th day of September, 2015, 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
JERRY LUCKENBACH - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
SHELLEY BRITTON - CITY SECRETARY
PAT McGOWAN - CITY ATTORNEY
CLINTON BAILEY - D.P.W.U.
BRIAN JORDAN -
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 ON THE ANNEXATION OF APPROXIMATELY 18.156 ACRES OF LAND OUT OF WILLIAM H. ANDERSON SURVEY NO. 197, ABSTRACT NO. 2, OTHERWISE KNOWN AS STONE RIDGE UNIT 9 (1st of Two Public Hearings) -

Council Member Luckenbach moved to recess the regular session and open the public hearing on the annexation of approximately 18.156 acres of land out of William H. Anderson Survey No. 197, Abstract No. 2, otherwise known as Stone Ridge Unit 9. With no comments from the public, 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.

ORDINANCE FOR POSTING OF HEALTH INSPECTION SCORES (First Reading) – Kelli Olfers briefed council on the proposed Ordinance for Posting of Health Inspection Scores; no action was taken.

ORDINANCE REGARDING DESIGN GUIDELINES AND STANDARDS FOR ENTRY CORRIDORS (2ND READING) – Brian Jordan briefed Council on the specifics of the Ordinance Regarding Design Guidelines and Standards for Entry Corridors. It was moved by Council Member Luckenbach, seconded by Council Member Watson, to adopt the Ordinance regarding Design Guidelines and Standards for Entry Corridors as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Luckenbach, and Watson. Nay: None. Motion carried.

ORDINANCE NO. 25-016

AN ORDINANCE ADOPTING DESIGN GUIDELINES AND STANDARDS FOR ALL NEW DEVELOPMENT AND REDEVELOPMENT IN THE ENTRY CORRIDORS OF THE CITY OF FREDERICKSBURG AS CHAPTER 5 ARTICLE XIV OF THE CODE OF

ORDINANCES OF THE CITY OF FREDERICKSBURG SETTING FORTH DEFINITIONS, GUIDELINES, APPLICABILITY, PROCESS FOR APPROVAL, FEES, PARTIAL INVALIDITY, REPEALER, PENALTIES AND EFFECTIVE DATE. (Recorded in Ordinance Book)

ORDINANCE APPROVING FY 2015-2016 BUDGET – It was moved by Council Member Neffendorf, seconded by Council Member Pearson, to adopt the Ordinance Approving FY 2015-2016 Budget as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Luckenbach, and Watson. Nay: None. Motion carried.

ORDINANCE NO. 25-014

AN ORDINANCE OF THE CITY OF FREDERICKSBURG, TEXAS, ADOPTING AND APPROVING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016 AND MAKING APPROPRIATIONS FOR EACH DEPARTMENT AND ACCOUNT. (Recorded in Ordinance Book)

ORDINANCE ADOPTING 2015 PROPERTY TAX RATE – Council Member Pearson moved, seconded by Council Member Luckenbach, to adopt the Ordinance Adopting the 2015 Property Tax Rate of \$0.2313. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Luckenbach, and Watson. Nay: None. Motion carried.

ORDINANCE NO. 25-015

AN ORDINANCE LEVYING A TAX RATE

FOR THE CITY OF FREDERICKSBURG FOR THE TAX YEAR 2015

Be it ordered and ordained by the City Council of the City of Fredericksburg that we, the City Council of Fredericksburg, do hereby levy and adopt the tax rate on \$100 valuation for this City for the tax year 2015 as follows:

\$0.1761	for the purpose of maintenance and operations
\$0.0552	for the payment of principal and interest on the debt of the City
\$0.2313	total tax rate

(Recorded in Ordinance Book)

FCVB BUDGET – Ernie Loeffler presented the Annual Budget for the Fredericksburg Convention and Visitors Bureau. It was moved by Council Member Luckenbach, seconded by Council Member Neffendorf, to approve the FCVB Budget as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Luckenbach, and Watson. Nay: None. Motion carried.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Golf Course Grill Closure, (2) Parks Master Plan, (3) Building Improvements, and (3) City Employee Recognitions

PUBLIC COMMENTS – None.

COUNCIL COMMENTS – None.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 7:15 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 2nd day of November, 2015.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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**STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG**

**REGULAR CITY COUNCIL MEETING
SEPTEMBER 21, 2015
4:00 PM**

On this the 21ST day of September, 2015, 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
GRAHAM PEARSON – COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: NONE

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

The meeting was called to order at 4:00 PM

EXECUTIVE SESSION - It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and go into Executive Session at 4:10 PM. All voted in favor and the motion carried. At 4:52 PM, it was moved by Council Member Luckenbach,

seconded by Council Member Pearson, to adjourn the Executive Session and reconvene the regular session. All voted in favor and the motion carried.

The following items were discussed in Executive Session:

DISCUSS AND CONSIDER SPACE NEEDS/DESIGN/TIMING OF VARIOUS CITY OFFICES – No action was taken.

It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session for a supper break; all voted in favor and the motion carried.

The meeting was reconvened at 6:00 PM following the Pledge of Allegiance.

MINUTES – It was moved by Council Member Luckenbach, seconded by Council Member Neffendorf, to approve the minutes of the August 2015 meetings as presented. All voted in favor and the motion carried.

PUBLIC HEARING ON THE ANNEXATION OF APPROXIMATELY 18.156 ACRES OF LAND OUT OF WILLIAM H. ANDERSON SURVEY NO. 197, ABSTRACT NO. 2, OTHERWISE KNOWN AS STONE RIDGE UNIT 9 (2nd of Two Public Hearings) -

Council Member Luckenbach moved to recess the regular session and open the public hearing on the annexation of approximately 18.156 acres of land out of William H. Anderson Survey No. 197, Abstract No. 2, otherwise known as Stone Ridge Unit 9.

With no comments from the public, 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.

PUBLIC HEARING ON Z-1513 BY THE CITY OF FREDERICKSBURG TO CONSIDER AMENDING SECTION 7.825 OF THE ZONING ORDINANCE PERTAINING TO SPECIAL PARKING PROVISIONS TO EXTEND SAID PROVISIONS WEST ON MAIN ST.– It was moved by Council Member Luckenbach, seconded

by Council Member Watson, to recess the regular session and open the public hearing on Z-1513 by the City of Fredericksburg to consider amending Section 7.825 of the Zoning Ordinance pertaining to special parking provisions to extend said provisions west on Main St. All voted in favor and the motion carried.

Brian Jordan presented the request. Ben and Abigail Jones were present to answer questions.

With no comments from the public, 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 RE: Z-1513 – It was moved by Council Member Watson, seconded by Council Member Pearson, to approve Z-1513 to amend Section 7.825 of the Zoning Ordinance pertaining to special parking provisions to extend said provisions west on Main St. The vote was as follows: Aye: Neffendorf, Luckenbach, Watson, and Pearson. NAY: Langerhans. Motion carried.

ORDINANCE 25-017

AN ORDINANCE AMENDING SECTION 7.800 – OFF STREET PARKING PROCEDURES OF THE ZONING ORDINANCE OF THE CITY OF FREDERICKSBURG, SPECIFICALLY SECTION 7.825 SPECIAL PROVISIONS APPLICABLE TO CENTRAL FREDERICKSBURG, PROVIDING FOR SEVERABILITY/PARTIAL INVALIDITY, REPEAL OF INCONSISTENT PROVISIONS AND ESTABLISHING AN EFFECTIVE DATE. (Recorded in Ordinance Book)

PUBLIC HEARING ON Z-1514 BY JON H. STARNES TO CHANGE THE LAND USE PLAN FROM MEDIUM DENSITY RESIDENTIAL TO LOW DENSITY RESIDENTIAL AND CHANGE THE ZONING FROM PUD TO R-1 ON APPROXIMATELY 9.97 ACRES OF LAND KNOWN AS OAKS OF WINDCREST, PHASE 3, LOCATED ON POST OAK ROAD AND WINDCREST DRIVE– It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and open the Public Hearing on Z-1514 by Jon H. Starnes to change the Land Use Plan from Medium Density Residential to Low Density Residential and change the Zoning from PUD to R-1 on approximately 9.97 acres of land known as Oaks of Windcrest, Phase 3, located on Post Oak Road and Windcrest Drive. All voted in favor and the motion carried.

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

RECOMMENDATION RE: Z-1514 – It was moved by Council Member Neffendorf, seconded by Council Member Pearson, to approve Z-1514 Jon H. Starnes to change the Land Use Plan from Medium Density Residential to Low Density Residential and change the Zoning from PUD to R-1 on approximately 9.97 acres of land known as Oaks of Windcrest, Phase 3, located on Post Oak Road and Windcrest Drive. The vote was as follows: Aye: Langerhans, Neffendorf, Luckenbach, Watson, and Pearson. NAY: None. Motion carried.

ORDINANCE NO. 25-018

AN ORDINANCE ADOPTING A CHANGE IN THE COMPREHENSIVE PLAN OF THE CITY OF FREDERICKSBURG; SPECIFICALLY IN THE LAND USE MAP AND COMPREHENSIVE PLAN AS TO 9.97 ACRES OF LAND A PORTION OF THE REMAINDER OF A 68.27 ACRE TRACT OF RECORD IN THE COUNTY CLERK'S INSTRUMENT NO. 20062495 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS, SITUATED IN THE CITY OF FREDERICKSBURG, PROVIDING THAT

THE CHANGE TO LOW DENSITY RESIDENTIAL BECOME A PART OF THE COMPREHENSIVE PLAN AND PROVIDING FOR AN EFFECTIVE DATE. (Recorded in Ordinance Book)

ORDINANCE NO. 25-019

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF FREDERICKSBURG AND CHANGING THE ZONING CLASSIFICATION OF 9.97 ACRES OF LAND A PORTION OF THE REMAINDER OF A 68.37 ACRE TRACT OF RECORD IN THE COUNTY CLERK'S INSTRUMENT NO. 20062495 OF THE OFFICIAL PUBLIC RECORDS OF GILLESPIE COUNTY, TEXAS, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS, FROM PUB-PLANNED UNIT DEVELOPMENT TO R-1 SINGLE FAMILY RESIDENTIAL. (Recorded in Ordinance Book)

PUBLIC HEARING ON Z-1515 BY ANTHONY DiCUFFA TO CHANGE THE LAND USE PLAN FOR LOW DENSITY RESIDENTIAL TO MIXED USE ON A 1.596 ACRE PORTION OF PROPERTY LOCATED AT 1108 N. LLANO AND CHANGE THE ZONING FROM R-1 SINGLE FAMILY RESIDENTIAL TO C-1 NEIGHBORHOOD COMMERCIAL ON SAID PROPERTY–

It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and open the Public Hearing on Z-1515 by Anthony DiCuffa to change the Land Use Plan from Low Density Residential to Mixed Use on a 1.596 acre portion of property located at 1108 N. Llano, and change the Zoning from R-1 Single Family Residential to C-1 Neighborhood commercial on said property. All voted in favor and the motion carried.

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

RECOMMENDATION RE: Z-1515 – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to approve Z-1515 by Anthony Dicuffa to change the Land Use Plan for Low Density Residential to Mixed Use on a 1.596 acre portion of property located at 1108 N. Llano and to change the zoning from R-1 Single Family Residential to C-1 Neighborhood commercial on said property. The vote was as follows: Aye: Langerhans, Neffendorf, Watson, Luckenbach, and Pearson. NAY: None. Motion carried.

ORDINANCE NO. 25-020

AN ORDINANCE ADOPTING A CHANGE IN THE COMPREHENSIVE PLAN OF THE CITY OF FREDERICKSBURG; SPECIFICALLY IN THE LAND USE MAP AND COMPREHENSIVE PLAN AS TO A PORTION OF THAT CERTAIN 2.49 ACRES OF LAND OUT OF OUTLOT 292 AND A PART OF THE DR. LESTER L. KEYSER SUBDIVISION, SITUATED IN THE CITY OF FREDERICKSBURG, PROVIDING THAT THE CHANGE TO MIXED USE BECOME A PART OF THE COMPREHENSIVE PLAN AND PROVIDING FOR AN EFFECTIVE DATE. (Recorded in Ordinance Book)

ORDINANCE NO. 25-021

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF FREDERICKSBURG AND CHANGING THE ZONING CLASSIFICATION OF A PORTION OF THAT CERTAIN 2.48 ACRES OF LAND OUT OF OUTLOT 292 AND A PART OF THE DR. LESTER L. KEYSER SUBDIVISION, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS, FROM R-1 SINGLE FAMILY RESIDENTIAL TO C-1 NEIGHBORHOOD COMMERCIAL. (Recorded in Ordinance Book)

ORDINANCE FOR POSTING OF HEALTH INSPECTION SCORES (2nd Reading) –

Kelli Olfers briefed Council on the proposed Ordinance for Posting of Health Inspection Scores. It was moved by Council Member Watson, seconded by Council Member Luckenbach to adopt an Ordinance requiring retail and institutional food service establishments to post their food managers certification and their most current inspection report. All voted in favor and the motion carried.

ORDINANCE NO. 25-022

AN ORDINANCE AMENDING CHAPTER 8 BUSINESSES ARTICLE V FOOD ESTABLISHMENT REGULATIONS, BY ADDING SECTION 8-117 REGARDING THE POSTING OF PERMITS, INSPECTION REPORTS AND FOOD MANAGERS CERTIFICATES, ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDITY. (Recorded in Ord. Book)

ORDINANCE FOR NEW UTILITY RATES – DPWU Clinton Bailey briefed Council on the proposed Ordinance for New Utility Rates. It was moved by Council Member Watson, seconded by Council Member Neffendorf, to waive the second reading and adopt an Ordinance for New Utility Rates as presented. All voted in favor and the motion carried.

ORDINANCE NO. 25-023

AN ORDINANCE AMENDING APPENDIX A FEE SCHEDULE ARTICLE 11.702 ELECTRIC RATES, ARTICLE 16.00 WATER AND SEWER RATES FEES, SPECIFICALLY, SECTION 16.400 SEWER DEPARTMENT UTILITY RATES ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDITY. (Recorded in Ordinance Book)

ORDINANCE FOR RV RATES – Dir of Parks and Recreation Jimmy Alexander briefed Council on the proposed RV Fees Ordinance. It was moved by Council Member Luckenbach, seconded by Council Member Watson, to waive the second reading and adopt the RV Fees Ordinances as presented. All voted in favor and the motion carried.

ORDINANCE NO. 25-024

AN ORDINANCE AMENDING APPENDIX A FEE SCHEDULE ARTICLE 24 RECREATIONAL FEES, SPECIFICALLY ADDING SECTION 24.400 CAMPING FEES ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDLY. (Recorded in Ordinance Book)

ORDINANCE FOR LEAF/BRUSH COLLECTION - DPWU Clinton Bailey briefed Council on the proposed Ordinance for Leaf/Brush Collection. It was moved by Council Member Watson, seconded by Council Member Luckenbach, to waive the second reading and adopt an Ordinance for Leaf/Brush Collection as presented. The vote was as follows: Aye: Langerhans, Neffendorf, Watson, Luckenbach, and Pearson. NAY: None. Motion carried.

ORDINANCE NO. 25-025

AN ORDINANCE ADDING OR AMENDING CHAPTER 32-SOLID WASTE, ARTICLE 1. IN GENERAL SEC. 32.6.-(c) BULK GARBAGE CONTAINER REQUIREMENT AND SEC. 32-9. – BRUSH CHIPPING, LEAF COLLECTION, DROP-OFF AND SPECIAL YARD-WASTE REMOVAL SERVICES AND APPENDIX A SEC. 14.100 (g) GARBAGE COLLECTION RATES OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG TO ADD REQUIREMENTS FOR BRUSH CHIPPING, LEAF COLLECTION, DROP-OFF AND SPECIAL YARD WASTE REMOVAL SERVICES BY THE CITY OF FREDERICKSBURG.

UPDATE ON BUILDING PROJECT AT 606 E. MAIN ST – Jaret Muraglia updated council on his building project at 606 E. Main St.; no action taken.

FY2015 BUDGET AMENDMENTS – It was moved by council Member Pearson, seconded by Council Member Neffendorf, to approve the FY 2015 Budget Amendments as presented. The vote was as follows: Aye: Langerhans, Neffendorf, Watson, Luckenbach, and Pearson. NAY: None. Motion carried.

CITY MANAGER'S REPORT - City Manager's Report included (1) Golf Course Grill, (2) October City Council Retreat, (3) Joint Meeting with CVB Board – Conference Center, and (4) Employee Recognitions.

PUBLIC COMMENTS – Russ Rose commented on the RV Rates, and Tom Musselman encouraged council to always do second readings of ordinances before adopting them.

COUNCIL COMMENTS – Council Members commented on various board meetings attended.

EXECUTIVE SESSION – The following item was postponed:

- DISCUSS PROPOSED TERMS OF ECONOMIC DEVELOPMENT AGREEMENT FOR UFER STREET HOTEL PROJECT

With no further business, Council Member Luckenbach made a motion to adjourn the meeting at 8:20 PM. Council Member Watson seconded the motion. Motion carried.

PASSED AND APPROVED this the 2nd day of November, 2015.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR



CITY COUNCIL MEMO

DATE: October 26, 2015

TO: Mayor and City Council

FROM: Brian Jordan, AICP

SUBJECT: Adoption of an ordinance annexing approximately 18.076 acres out of the William H. Anderson Survey No. 197, Abstract No. 2, otherwise known as Stone Ridge Unit 9

Summary:

The property is located to the north and west of Stone Ridge Unit 8 and south of Unit 7 (see the attached exhibit). The required public hearings were held on September 8 and 21, 2015. The Institution of Annexation Proceedings occurred in a special meeting on October 14, 2015.

Recommendation:

Approval of the annexation ordinance.

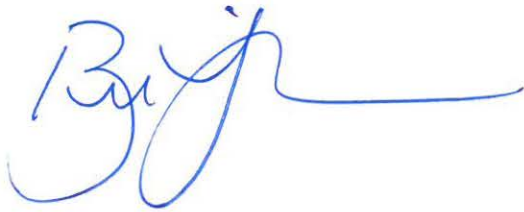
Background / Analysis:

The Preliminary Plat was approved by the Planning and Zoning Commission on September 9, 2015. As part of the platting of this property, the developer will be responsible for the extension of utilities necessary to serve this phase, drainage improvements and street improvements. Unit 9 consists of 34



The City of Fredericksburg

single-family lots, consistent in size as previous phases. The total number of lots included in Units 1-9 will be 344. The property will come into the City as R-1, Single Family Residential Zoning.



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The City of Fredericksburg

ORDINANCE NO. _____

AN ORDINANCE ANNEXING TO THE CITY OF FREDERICKSBURG, TEXAS AN 18.076 ACRE TRACT OUT OF A REMAINING PORTION OF A 258 ACRE TRACT AS DESCRIBED IN VOLUME 63, PAGE 366, DEED RECORDS OF GILLESPIE COUNTY, TEXAS, BEING SITUATED IN THE WILLIAM H. ANDERSON SURVEY NO. 197, ABSTRACT NO. 2, GILLESPIE COUNTY, TEXAS; EXTENDING THE CORPORATE LIMITS OF THE CITY OF FREDERICKSBURG, TEXAS 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 OF FREDERICKSBURG, TEXAS; BINDING THE INHABITANTS AND FUTURE INHABITANTS OF SAID TERRITORY BY ANY AND ALL ACTS, ORDINANCES, RESOLUTIONS AND REGULATIONS OF SAID CITY OF FREDERICKSBURG, TEXAS.

WHEREAS, the CITY OF FREDERICKSBURG did on the 14th day of October, 2015, institute annexation proceedings for the following tract of land situated in Gillespie County, Texas, to-wit:

BEING 18.076 acre tract of land in Gillespie County, Texas, being out of the remaining portion of a 258 acre tract of land, described in Volume 63, Page 366, Deed Records of Gillespie County, Texas, being out of the William H. Anderson Survey No. 197, Abstract No. 2, Gillespie County, Texas, said 18.076 acres of land being more particularly described by metes and bounds on Exhibit "A" attached hereto and made a part hereof,

which land is contiguous and adjacent to the limits of the City of Fredericksburg, Texas; and

WHEREAS, the City Council has heard arguments for and against the annexation of such territory at two (2) public hearings in accordance with Section 43.052 of the Local Government Code of the State of Texas; and

WHEREAS, the City Council of the City of Fredericksburg, Texas, has determined that said property is contiguous and adjacent to the limits of the City of Fredericksburg, Texas; and that the owner thereof has requested annexation by the City of Fredericksburg, that the said area to be annexed meets all requisites of law for annexation, and that such territory should be annexed to the City of Fredericksburg, Texas and the corporate limits of the City of Fredericksburg, Texas should be extended so as to include such territory; and that the City Council of the City of Fredericksburg, Texas, by the provisions of the Local Government Code of the State of Texas, and the Charter of the City of Fredericksburg, has the power to annex such territory;

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

Section 1. That the property adjoining the corporate limits of the City of Fredericksburg, Texas, being described by metes and bounds above, be and the same is hereby annexed to the City of Fredericksburg, Texas; that the corporate limits of the City of Fredericksburg, Texas, be and they are hereby extended so as to include such territory within the limits of the City of Fredericksburg, Texas; and that said territory shall hereafter be included within the territorial limits of the City of Fredericksburg, Texas.

Section 2. That the present and future inhabitants of such territory shall hereafter be entitled to all the rights and privileges of other citizens of the City of Fredericksburg, Texas; and that the inhabitants of such territory shall be bound by any and all the acts, ordinances, resolutions and regulations of the City of Fredericksburg, Texas.

Section 3. That said property is annexed under, and in accordance with, a preexisting annexation agreement and service plan.

PASSED AND APPROVED this the 2nd day of November, 2015.

LINDA LANGERHANS, Mayor
City of Fredericksburg, Texas

ATTEST:

SHELLY BRITTON, City Secretary

APPROVED AS TO FORM:

PAT MCGOWAN, City Attorney



CIVIL ENGINEERING CONSULTANTS
DON DURDEN, INC.

11550 IH 10 West, Suite 395
San Antonio, TX 78230-1037
T: 210-641-9999 F: 210-641-6440

July 24, 2015
Job No. E0523100

**DESCRIPTION OF
STONE RIDGE UNIT-9 SUBDIVISION
(18.076 ACRES)**

Being 18.076 acres out a remaining portion of a 258 acre tract as described in volume 63, page 366, Deed Records of Gillespie County, Texas, also being situated in the William H. Anderson Survey No. 197, Abstract No. 2, Gillespie County, Texas.

COMENCING at the north corner of said remaining portion of a 258 acre tract of land, the point being the southeast corner of Ellerbracht Drive right-of-way and the southwest corner of Lot 246 as found in Stone Ridge Unit-7, Vol. 4, Page 58, Deed Records, Gillespie County, Texas, said point being the **POINT OF BEGINNING** and a north corner of this subdivision;

THENCE South 89°03'51" East, a distance of 199.90 feet to the southwest corner of Lot 248 of said subdivision to a point for a corner of this subdivision;

THENCE South 73°49'59" East, a distance of 510.31 feet to the southwest corner of Lot 253 of said subdivision to a point for a corner of this subdivision;

THENCE South 16°10'01" West, a distance of 200.00 feet to a point on the southwest corner of Stone Saddle Drive as found in Stone Ridge Unit-8, Vol. 5, Page 47, Deed Records, Gillespie County, Texas, for a corner of this subdivision;

THENCE North 73°49'59" East, a distance of 58.14 feet to the northwest corner of Lot 312 of said subdivision to a point for a corner of this subdivision;

THENCE South 11°34'23" West, a distance of 382.24 feet to the northeast corner of Lot 308 of said subdivision to a point for a corner of this subdivision;

THENCE South 88°31'33" West, a distance of 65.00 to the northwest corner of Lot 308 of said subdivision to a point for a corner of this subdivision;

THENCE South 01°28'27" East, a distance of 210.00 feet to the southwest right-of-way corner of Ellerbracht Drive of said subdivision to a point for a corner of this subdivision;

THENCE North 88°31'33" East, a distance of 49.25 feet to the northwest corner of Lot 307 of said subdivision to a point for a corner of this subdivision;

THENCE South 01°28'27" East, a distance of 150.00 feet to a point on the north property line of Lot 306 of said subdivision to a point for a corner of this subdivision;

THENCE South $88^{\circ}31'33''$ West, a distance of 445.30 feet to the northeast corner of Lot 301 of said subdivision to a point for a corner of this subdivision;

THENCE North $64^{\circ}40'14''$ West, a distance of 304.59 feet to the northwest corner of Lot 299 of said subdivision to a point for a corner of this subdivision;

THENCE North $00^{\circ}56'09''$ East, a distance of 1073.60 feet to a point for a corner of this subdivision;

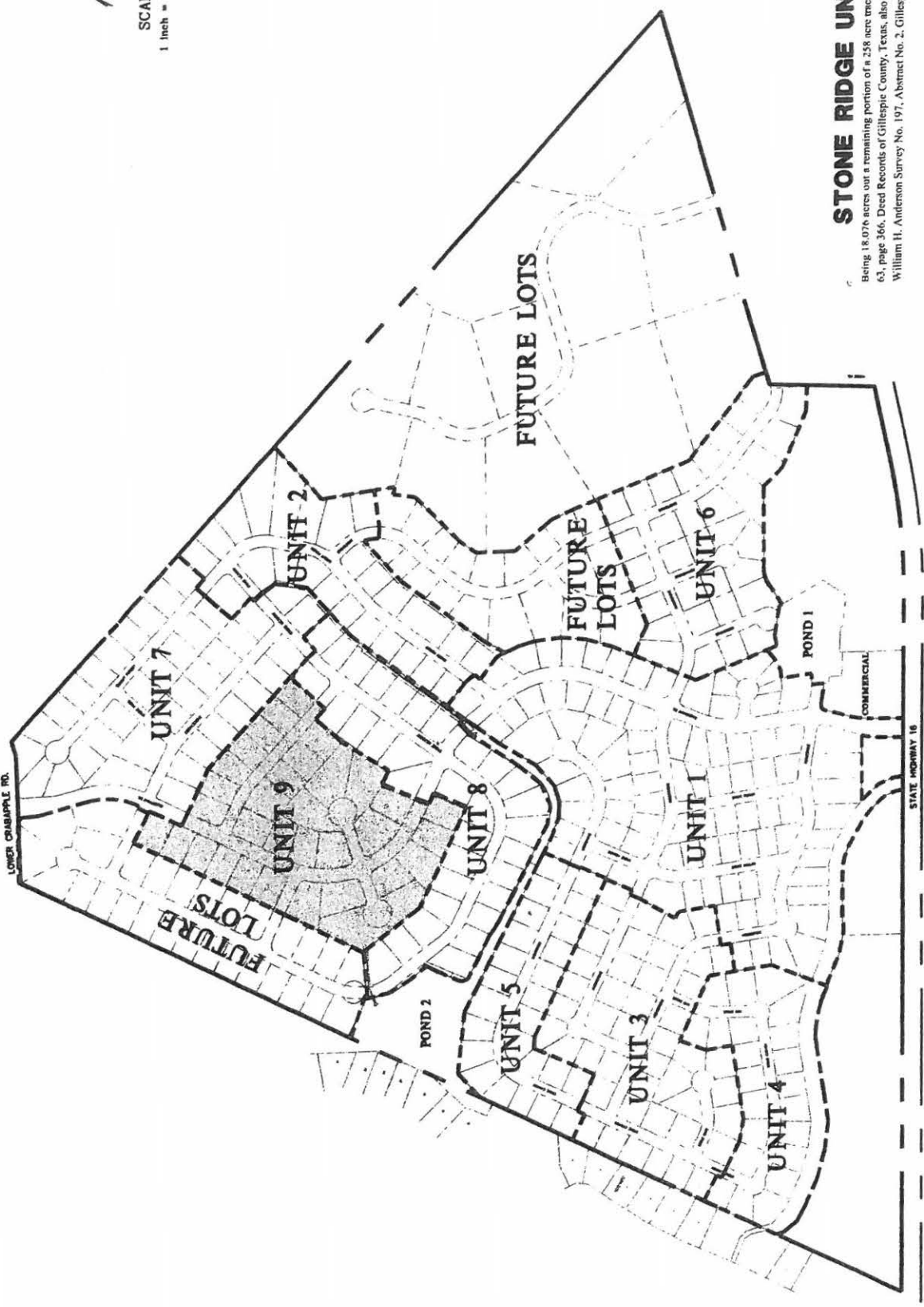
THENCE North $88^{\circ}31'33''$ East, a distance of 139.70 feet to the southwest right-of-way corner of Coralstone Drive of Stone Ridge Unit-7 to a point for a corner of this subdivision;

THENCE along a curve to the right a distance of 16.129 feet, a radius of 10 feet, a delta of $92^{\circ}24'35''$ to a point for a corner of this subdivision;

THENCE South $00^{\circ}56'09''$ West, a distance of 137.18 feet to a point for a corner of this subdivision;

THENCE South $89^{\circ}03'51''$ East, a distance of 60.00 feet to a point for the southwest corner of Lot 246 and the **POINT OF BEGINNING** of said subdivision, containing 18.076 acres of land, more or less.

LOWER CHAMPLAIN RD.



SCALE
1 inch = 400 ft.

STONE RIDGE UNIT 9

Being 18.076 acres out of a remaining portion of a 258 acre tract as described in volume 63, page 366, Deed Records of Gillespie County, Texas, also being situated in the William H. Anderson Survey No. 197, Abstract No. 2, Gillespie County, Texas.

EXH-2



CITY COUNCIL MEMO

DATE: October 27, 2015

TO: Mayor and City Council

FROM: Kent Myers, City Manager

SUBJECT: Lease Agreement-Lady Bird Johnson Golf Course Grill

Summary:

The City solicited proposals for operation of the Grill at Lady Bird Johnson Park. We received one proposal from Bob Neutze, Jr. who currently owns and operates a local restaurant business.

Recommendation:

It is recommended that the Council approve the attached lease agreement with Bob Neutze Jr. for a six-month period beginning November 5.

Background / Analysis:

The City Council recently directed City staff to solicit for proposals for the private operation of our Grill at Lady Bird Johnson Golf Course. We received only one proposal from Bob Neutze Jr. One of the primary reasons we likely did not receive additional proposals is that there is a certain degree of uncertainty on whether or not the Grill can operate as a profitable business. This is due to the location, parking challenges, past history and other factors.

Due to the uncertainty of the future success of the Grill operations, we are proposing a short-term 6-month lease with Mr. Neutze. We are proposing that Mr. Neutze pay \$250 a month to cover some of our utility costs and not make any monthly lease payments to the City. During this period he can assess

(18)

The City of Fredericksburg

whether he can operate the Grill as a profitable business. If he is successful during this period, then we would negotiate a more long-term lease within the next six months that would likely include a monthly lease payment to the City.

The attached lease agreement was prepared by our City Attorney following meetings and negotiations with Mr. Neutze. We have not included any provisions regarding pricing or menu items as we believe that he needs flexibility to try different pricing and menus during this trial period. He plans on attending the meeting in case the Council has any questions regarding his proposed menu or any other operational issue.

Attachments:



Department Approval



City Manager Approval

Lease
Basic Terms

Date: November 1, 2015

Landlord: City of Fredericksburg

Landlord's Address:

126 West Main Street
Fredericksburg, Texas

Tenant:

Robert Neutze, Jr.

Tenant's Address:

226 Gold Schaefer Road
Fredericksburg, Texas 78624

Premises

Being the Lady Bird Johnson Golf Course Grill at Lady Bird Park, Fredericksburg, Texas composed of the kitchen, indoor eating area, the outdoor eating area on the porch immediately adjacent to the indoor eating area, and the Cardinal Room with catering kitchen also located at the Lady Bird Johnson Golf Course Clubhouse.

Fredericksburg, Texas 78624

Term (months): Six (6) months

Commencement Date: November 5, 2015

Termination Date: June 4, 2016

Base Rent (monthly): Two hundred fifty (\$ 250.00) and no/100 Dollars

Permitted and Required Use: Tenant shall operate a grill-type restaurant in the current Grill area. The restaurant shall be open during all hours that the Lady Bird Johnson Golf Course is open for play. Tenant shall have for sale at minimum cold food, snacks, beer and other drink of Tenant's choosing during such times. Tenant may provide hot food of Tenant's choosing during any hours Tenant decides. Tenant shall provide drink cart service (beer, water, soft drinks and any other drinks of Tenant's choosing) to the golf course at all such times Tenant determines. Tenant shall have the exclusive right to cater to any functions in the Cardinal Room, but shall not be obligated to do so. All prices shall be established by Tenant.

Employees: Tenant shall employ as many staff as determined by Tenant, and shall be responsible for all aspects of employee compensation.

Tenant's Insurance: Tenant shall provide Commercial General Liability Insurance in the amount of One Million (\$1,000,000) Dollars for each occurrence and as a general aggregate with a company approved by Landlord. The leased Premises will be a specifically designated location on the policy. Such policy shall be written on an occurrence basis, be endorsed to name Landlord as additional insured, include contractual liability under Coverage A sufficient to respond to a broad-form indemnity, and be primary and noncontributory with Landlord's liability insurance coverage. Such policy shall be provided to Landlord prior to possession of the Premises and shall cover the term of this lease. Proof must also be given by Lessee to the Lessor, that the policy provided for in this article expressly provides that the policy shall not be canceled or altered without ten (10) days' prior written notice to the Lessor. Cancellation of insurance shall be a breach of this lease. In the event of cancellation, Landlord may provide such insurance and the cost of the same shall be added to the amounts payable by Tenant hereunder..

Landlord's Insurance: None. Tenant is advised to insure any of Tenant's personal property desired by Tenant. Landlord shall not be responsible for loss of any of Tenant's property regardless of the reason for loss.

No Rebuilding Obligations: If the Premises are damaged by fire or other elements, or otherwise becomes unusable for the intended purpose, this lease will terminate, and neither Landlord nor Tenant will be further obligated under this lease, and will have no cause of action against the other for loss of business opportunity.

Definitions

"Agent" means agents, contractors, employees, licensees, and, to the extent under the control of the principal, invitees.

"Injury" means (1) harm to or impairment or loss of property or its use, (2) harm to or death of a person, or (3) "personal and advertising injury" as defined in the form of liability insurance Tenant is required to maintain.

"Rent" means Base Rent plus any other amounts of money payable by Tenant to Landlord.

Clauses and Covenants

A. Tenant agrees to -

1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date for the purposes herein described.
2. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for the Permitted Use.
3. Obey (a) all laws relating to Tenant's use, maintenance of the condition, and occupancy of the Premises and Tenant's use of any common areas and (b) any requirements imposed by utility companies serving or insurance companies covering the Premises.
4. Pay monthly, in advance, on the first day of the month, the Base Rent to Landlord at Landlord's Address.

5. Pay a late charge of 5 percent of any Rent not received by Landlord by the tenth day after it is due.

6. Obtain and pay for all utility services used by Tenant and not provided by Landlord.

7. Allow Landlord to enter the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants.

8. Keep the Premises in neat and clean appearance at all times, clean, repair, replace, and maintain all furnishings and equipment, normal wear excepted, and to properly use and operate all electrical, gas, and plumbing fixtures and keep them as clean and sanitary as their condition permits.

9. Submit in writing to Landlord any request for repairs, replacement, and maintenance that are the obligations of Landlord.

10. Vacate the Premises on the last day of the Term.

11. Create and maintain a positive image and atmosphere and a high level of customer service.

12. Purchase all Landlord's existing non-perishable restaurant supplies at Landlord's cost at the commencement of this Lease and thereafter, Tenant shall purchase his own food and service supplies, perishable and non-perishable, and hold the Landlord harmless the costs thereof.

13. Inform any person or entity having functions in the Premises that the City is not responsible for any aspect of the function or for its cancellation.

14. Tenant shall pay all sales and any other applicable tax prior to delinquency and shall provide to Landlord proof of payment for beer sales taxes on or before the tenth (10th) day of each month including for any period following the termination of this lease for beer sales made during the term of this lease.

15. INDEMNIFY, DEFEND, AND HOLD LANDLORD AND ITS RESPECTIVE AGENTS, HARMLESS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY'S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE PREMISES OR AS A RESULT OF CART SALES. **THE INDEMNITY CONTAINED IN THIS PARAGRAPH (a) IS INDEPENDENT OF TENANT'S INSURANCE, (b) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS' COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (c) WILL SURVIVE THE END OF THE TERM, AND (d) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF LANDLORD BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD AND ITS AGENTS.**

B. Tenant agrees not to -

1. Use the Premises for any purpose other than the Permitted Use.

2. Create a nuisance.
3. Permit any waste.
4. Alter the Premises.
5. Allow a lien to be placed on the Premises.
6. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

C. Landlord agrees to -

1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.
2. Obey all laws relating to Landlord's operation of the Premises.
3. Provide electric, water, telephone, wi-fi (for public use which may also be used by Tenant) and gas utility services at its expense. Landlord shall provide garbage dumpster for Tenant's use, at its current location. Tenant shall be responsible for disposing of all garbage and trash into it.
4. Repair, replace, and maintain the (a) roof, (b) foundation, and (c) structural soundness of the exterior walls, excluding windows and doors. Landlord will additionally be responsible for repairing or rebuilding the following leasehold improvements: All partitions, walls, ceiling systems, wiring, light fixtures, floors, finishes, wall coverings, floor coverings, signs, doors, hardware, windows, window coverings, plumbing, heating, ventilating, and air-conditioning equipment, and other improvements originally installed in the Premises by Landlord. All improvements that are not original improvements, Tenant will repair and maintain.

Landlord will provide the equipment and furnishings described in Exhibit "A" attached hereto. Tenant will perform all minor repairs to such equipment, and Landlord will pay by way of reimbursement to Tenant for all repairs and replacements costing over \$300.00 to any one item which is not caused by Tenant's negligence. Tenant will provide any other furnishings or equipment he may desire with Landlord's approval, and will maintain and replace the same at his expense.

D. Landlord agrees not to -

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.
2. Unreasonably withhold consent to a proposed alteration of the Premises or addition of furnishings or equipment.

E. Landlord and Tenant agree to the following:

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at the end of the Term and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.
2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.

3. *Insurance.* Tenant and Landlord will maintain the respective insurance coverages described herein.

4. *Release of Claims/Subrogation.* LANDLORD AND TENANT RELEASE EACH OTHER AND THEIR RESPECTIVE AGENTS, FROM ALL CLAIMS OR LIABILITIES FOR DAMAGE TO THE PREMISES, DAMAGE TO OR LOSS OF PERSONAL PROPERTY WITHIN THE PREMISES, AND LOSS OF BUSINESS OR REVENUES EXCEPT AS MAY BE PROVIDED FOR LANDLORD'S PROPERTY BY TENANT'S INSURANCE. THE PARTY INCURRING THE DAMAGE OR LOSS WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. LANDLORD AND TENANT WILL NOTIFY THE ISSUING PROPERTY INSURANCE COMPANIES OF THE RELEASE SET FORTH IN THIS PARAGRAPH AND WILL HAVE THE PROPERTY INSURANCE POLICIES ENDORSED, IF NECESSARY, TO PREVENT INVALIDATION OF COVERAGE. **THE RELEASE IN THIS PARAGRAPH WILL APPLY EVEN IF THE DAMAGE OR LOSS IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY OR ITS AGENTS BUT WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY OR ITS AGENTS.**

5. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within thirty days after written notice and failing to provide Landlord required services to Tenant within ten days after written notice.

6. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to sue for damages which are agreed will be the sum of \$5,000 as liquidated damages, it being agreed that such sum is a fair amount in consideration of the minimal rental to be paid to Landlord and the short term of this lease, and to terminate this lease.

7. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent, (b) abandoning or vacating a substantial portion of the Premises, and (c) failing to comply within ten days after written notice with any provision of this lease other than the defaults set forth in (a) and (b).

8. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to (a) enter and take possession of the Premises, after which Landlord may relet the Premises, (b) enter the Premises and perform Tenant's obligations, charging Tenant the cost of performing such obligations; or (c) terminate this lease by written notice and sue for damages which are agreed will be the sum of \$5,000 as liquidated damages, it being agreed that such sum is a fair amount in consideration of the minimal rental to be paid to Landlord and the short term of this lease. Landlord may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

9. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by applicable law. Landlord and Tenant have a duty to mitigate damages.

10. *Independent Contractor.* The relationship between Landlord and Tenant shall at all times remain solely that of Landlord and Tenant and shall not be deemed a partnership or joint venture.

11. *Holdover.* If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term.

12. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filing a suit for damages.

13. *Attorney's Fees.* If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and other fees and court and other costs.

14. *Venue.* Exclusive venue is in the county in which the Premises are located.

15. *Entire Agreement.* This lease and its exhibits, is the entire agreement of the parties concerning the lease of the Premises by Landlord to Tenant. There are no representations, warranties, agreements, or promises pertaining to the Premises or the lease of the Premises by Landlord to Tenant, and Tenant is not relying on any statements or representations of any agent of Landlord, that are not in this lease and any exhibits.

16. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.

17. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

18. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

19. *Abandoned Property.* Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

Executed and agreed as of the day set out above.

LANDLORD:
City of Fredericksburg

TENANT:

By: Kent Myers, City Manager

Robert Neutze, Jr.

Exhibit A
Leasehold Inventory and Equipment



CITY COUNCIL MEMO

DATE: October 27, 2015

TO: Mayor and City Council

FROM: Kent Myers, City Manager

SUBJECT: HOT Funding Process

Summary:

Prior to the start of this year's process for accepting and awarding HOT funds, the Council should discuss any changes that you would like to make to this process.

Recommendation:

It is recommended that the Council review the attached HOT funding request and reporting forms and direct staff to make any changes that are needed.

Background / Analysis:

Normally in November the City sends letters to local organizations who have received HOT funding in the past (see attached) setting a deadline for requesting funds in the current year. The attached application form is also included with the letter as well as a copy of the state law stating what types of projects can legally be funded from HOT. If approved by the Council, we then enter into an agreement with the local organization (see attached). The Council should review this information and determine if you would like to follow this same process in awarding funds this year.

You also might want to discuss any criteria or priorities you want to set for evaluating requests for funding so that applicants know in advance the criteria and any Council priorities. For example, you

might want to set a higher priority for new events or a lower priority for events that have been held a certain number of years.

Attachments:

Sample Funding Request Letter

HOT Application Form

State Law-HOT Funding

Sample HOT Agreement


Department Approval


City Manager Approval



November 19, 2013

It's that time of year again!!!

The City Council will hear 2014 Hotel/Motel Tax Funding Requests at their January 20, 2014 meeting. We have revised the *Application for Hotel Occupancy Tax Funds*, along with the *Post Event Report*, and hope you find them easy to use. Both forms must be completed and returned to my office no later than Friday, December 27, 2013 for inclusion on the January 20, 2014 City Council agenda.

These forms are also available online at the City of Fredericksburg website, www.fbgtx.org. (You must complete the form, print it, and submit it to my office; do not try to submit them electronically.) Find the link under "News".

For new applicants, only the original application is necessary. For returning applicants, both forms must be returned for consideration. Failure to complete a *Post Event Report* could result in denial of your application.

Each applicant is responsible for attending the January 20, 2014 City Council meeting, held at the Law Enforcement Center at 1601 E. Main Street at 7 pm. *Please have all quarterly reports for 2013 turned in by that time.*

If you have any questions, please don't hesitate to call me.

Shelley Britton
City Secretary

**CITY OF FREDERICKSBURG
HOTEL OCCUPANCY TAX FUNDS
*APPLICATION***

Applicant/Organization Name:

Contact Person Name/Phone/Email:

Amount Requested:

How will the funds be used to meet one or more of the criteria described in the Texas State Law (enclosed)?

Why should your request be granted?

Sign:

Date:

Directions: Limit response to 2 typed pages, 12 point font, single spaced, stapled.

Submit 10 copies.

NO ATTACHMENTS PLEASE

HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW

State Law: By law of the State of Texas, the City of Fredericksburg collects a Hotel Occupancy Tax (HOT) from hotels, bed & breakfasts, and other lodging facilities. Under state law, revenue from the municipal hotel occupancy tax may be used **only to promote tourism and the convention and hotel industry**, and that use is limited to the following. Tex. Tax Code Ann. § 351.101 (Vernon)

1. **Convention Centers and Visitor Information Centers:** the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing operation and maintenance of convention center facilities or visitor information centers, or both;
2. **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
3. **Advertising, Solicitations and Promotions:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
4. **Promotions of the Arts:** the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.
5. **Historical Restoration and Preservation:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.
6. **Sporting Event Expenses:** expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the city or its vicinity.
7. **Directional Signs:** signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality
8. **Transportation of Tourists:** funding transportation systems for transporting tourists from hotels to and near the city to any of the following destinations:
 1. the commercial center of the city;
 2. a convention center in the city;
 3. other hotels in or near the city; or
 4. tourist attractions in or near the city.

(The law specifically prohibits the use of the local hotel tax to cover the costs for general city transit costs to transport the general public.)

CITY OF FREDERICKSBURG
HOTEL OCCUPANCY TAX FUNDS
POST EVENT FORM

Applicant/Organization Name:

Contact Person Name/Phone/Email:

Amount Received:

Specify how the funds were used to meet the criteria described in the Texas State Law?

Sign:

Date:

Directions: Limit response to 2 typed pages, 12 point font, single spaced, stapled.

Submit 10 copies.

NO ATTACHMENTS PLEASE

HOTEL/MOTEL TAX EXPENDITURE AGREEMENT
(Light the Night Christmas Parade and After Glow)

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

This Agreement made to be effective this the 1st day of May, 2015, by and between the CITY OF FREDERICKSBURG, TEXAS, a municipal corporation of Gillespie County, Texas, sometimes hereinafter called CITY and FREDERICKSBURG CHAMBER OF COMMERCE, INC., sometimes hereinafter called CHAMBER each acting herein by and through its duly authorized officers.

I.

The CITY OF FREDERICKSBURG, TEXAS, by authority of powers granted to it under state statutes has heretofore enacted a local hotel occupancy tax on occupants of hotels within the City of Fredericksburg and its extraterritorial jurisdiction.

II.

As part of its obligation under state statutes (primarily V.A.T.S. Tax Code Section 351.101) to use local hotel occupancy tax funds for attracting and promoting tourism and the convention and hotel industry, the CITY OF FREDERICKSBURG hereby agrees to pay to the CHAMBER FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00) from money actually received by the CITY from the local hotel occupancy tax as collected by the City, in consideration for the CHAMBER advertising and promoting the Light the Night Christmas Parade and Afterglow out of county to encourage tourists and convention delegates to visit the City of Fredericksburg or its vicinity. The receipt of funds by the CHAMBER shall be on or before August 31, 2015.

CHAMBER agrees that any local hotel occupancy tax funds paid to it by the CITY shall be used as follows:

(33)

The sum of FIVE THOUSAND AND NO/100 DOLLARS (\$5,000.00) for funding the following activities for the benefit of Chamber of Commerce Light the Night Christmas Parade and Afterglow:

FIVE THOUSAND AND NO/100 (\$5,000.00) for national, and out of Gillespie County advertising and promotion of the CHAMBER'S Light the Night Christmas Parade and Afterglow to encourage tourists and convention delegates to visit the City of Fredericksburg or its vicinity.

III.

It is expressly understood and agreed by and between the parties that CHAMBER is hired and engaged as an independent contractor and is not an officer, agent or employee of the CITY OF FREDERICKSBURG.

IV.

It is understood and agreed by and between the parties that a fiduciary duty is created in CHAMBER with respect to expenditure of revenue provided in accordance with the approved proposal. State Law requires that :

1. The governing body, in writing, shall approve, in advance, the annual budget of the organization,
2. The organization shall make periodic reports, at least quarterly, listing the expenditures made by the original with the revenue from the hotel/motel tax,
3. The organization must maintain revenue provided from the tax authorized by this chapter in a separate account established for that purpose and may not commingle that revenue with any other money,
4. The City of Fredericksburg further requires that: the organization provided to the

City Manager a financial statement accompanied by copies of receipts listing the expenditures made from the revenue hereby granted within three months following the expenditure, and

5. The Organization shall obtain and supply to the CITY OF FREDERICKSBURG on or before January 31, 2016, an accounting by numbers, samples, registrations or other method acceptable to the City Manager detailing the visitors attracted to the City of Fredericksburg by its activities.

The organization, by acceptance of such revenue, agrees to comply with the above requirements. ANY ORGANIZATION WHICH DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS MAY NOT BE ELIGIBLE FOR FUTURE GRANTS.

CHAMBER shall maintain complete and accurate financial records of each expenditure of local hotel occupancy tax revenue and, upon request of the City Council or City Manager, shall make the records available for inspection and review.

V.

This Agreement shall begin on the execution date hereof and shall continue in force until May 1, 2016. This Agreement may be terminated by the CITY in the event the project herein stated is not completed on or before May 1, 2016. Further, the CHAMBER shall obtain and supply to the CITY OF FREDERICKSBURG on or before January 1, 2016, an accounting by numbers, samples, registrations or other method acceptable to the City Manager detailing the visitors attracted to the City of Fredericksburg by CHAMBER'S Light the Night Christmas Parade and Afterglow.

VI.

Any notice necessary or appropriate relative to this Agreement shall be effective

when deposited in the United States mails, either certified or registered mail, postage prepaid and addressed to the City Manager of the City of Fredericksburg, City Hall, 126 West Main Street, Fredericksburg, Texas 78624 or to the Fredericksburg Chamber of Commerce, Inc., Penny McBride, 302 E. Austin Street, Fredericksburg, Texas 78624.

VII.

No part of this Agreement may be assigned or delegated without the prior written consent of the other party, and any attempted assignment of benefits or rights of delegation of duties or obligations shall be a breach of this Agreement.

VIII.

This Agreement shall be subject to the laws and statutes of the State of Texas.

IX.

It is expressly agreed that by executing this Agreement with CHAMBER the CITY does not bind itself in the future as to any action of the City Council in connection with the alteration or repeal or amendment of the City of Fredericksburg, Texas hotel-motel occupancy tax ordinance adopted on February 13, 1984, and in the event, for any reason, that the funds are not collected by the CITY under the provisions of the hotel-motel occupancy tax ordinance, the CITY shall not be obligated under this Agreement to pay any funds of the CITY to CHAMBER. The City reserves the right to allocate funds as it determines in the event a short fall in hotel-motel tax receipts limits its ability to fund all approved grants for the collection year. It is also understood between the parties to the Agreement that in the event that no funds are available from the City of Fredericksburg, Texas, hotel-motel occupancy tax, this Agreement shall terminate, any provisions contained herein notwithstanding, and that CHAMBER shall have no right or demand upon the CITY for funds payable under this

Agreement if such funds are not available, for any reason.

X.

Each party warrants and represents that it has approved this Agreement by resolution duly adopted at a meeting of its governing body by a majority of those present and voting and that the chief executive officer of each party are duly authorized to enter into this Agreement on behalf of such party.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date and year first above written.

CITY OF FREDERICKSBURG, TEXAS

BY: _____
KENT MYERS
City Manager

ATTEST:

SHELLEY BRITTON
City Secretary

FREDERICKSBURG CHAMBER
OF COMMERCE, INC.

BY: _____
PRINT NAME: _____
OFFICE HELD: _____

C. FINANCIAL STATEMENT:

	LAST FISCAL YEAR	CURRENT FISCAL YR.	PROJECTED FISCAL YR.
EARNED INCOME			
ADMINISTRATIVE CHARGES	_____	_____	_____
SUBSCRIPTIONS, BOX OFFICE RECEIPTS	_____	_____	_____
CONCESSIONS, PARKING, PUBLICATIONS, ADVERTISERS	_____	_____	_____
SPONSOR FEES	_____	_____	_____
INTEREST ON INVESTMENTS	_____	_____	_____
OTHER EARNED INCOME (PLEASE SPECIFY)	_____	_____	_____
UNEARNED INCOME			
FUND-RAISING	_____	_____	_____
INDIVIDUAL SPONSORS, PATRONS, CONTI- BUNIONS, MEMBERSHIPS	_____	_____	_____
BENEFITS	_____	_____	_____
GRANTS	_____	_____	_____
OTHER UNEARNED INCOME (PLEASE SPECIFY)	_____	_____	_____
<u>TOTAL INCOME</u>	=====	=====	=====
EXPENDITURES (THIS EVENT OR REQUEST)			
ALL PAID PERSONNEL	_____	_____	_____
OUTSIDE PROFESSIONAL SERVICES	_____	_____	_____
SPACE RENTAL	_____	_____	_____
TRAVEL & TRANSPORTATION	_____	_____	_____
EQUIPMENT RENTAL	_____	_____	_____
SUPPLIES & MATERIALS	_____	_____	_____
EXHIBITION RENTAL FEE/ROYALTY	_____	_____	_____
PROMOTION & PRINTING	_____	_____	_____
OTHER (PLEASE SPECIFY)	_____	_____	_____
<u>TOTAL EXPENSES</u>	=====	=====	=====

D. PROJECT PROPOSAL

1. DESCRIBE YOUR ORGANIZATION, INCLUDING THE PURPOSE OF EXISTENCE, MISSION, BRIEF HISTORY, AND NUMBER OF MEMBERS:
2. LIST CURRENT BOARD MEMBERS, OFFICERS, AND ADMINISTRATIVE STAFF, AS APPLICABLE:
3. DESCRIPTION OF PROJECT:

NOTE: THE CITY RESERVES THE RIGHT TO REQUEST MORE INFORMATION.

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT I AM AUTHORIZED TO MAKE THIS APPLICATION ON BEHALF OF THE ORGANIZATION HEREIN DESCRIBED FOR THE PURPOSE OF RECEIVING HOTEL OCCUPANCY TAX FUNDS FROM THE CITY OF FREDERICKSBURG.

SIGNATURE

PRINTED NAME



CITY COUNCIL MEMO

DATE: October 27, 2015

TO: Mayor and City Council

FROM: Kent Myers, City Manager

SUBJECT: Municipal Court Judge Compensation

Summary:

The six-month evaluation of the Municipal Court Judge should be conducted in Executive Session followed by consideration of an increase in his compensation.

Recommendation:

It is recommended that the Council evaluate Judge Daniel Jones and decide on his level of compensation.

Background / Analysis:

Daniel Jones was appointed to the position of Municipal Court Judge effective on May 8. At that time, the Council agreed to meet with him within six months to review the position requirements and the level of compensation.

Attachments:


Department Approval


City Manager Approval

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The City of Fredericksburg

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