

CITY OF FREDERICKSBURG CITY COUNCIL MEETING

MONDAY, NOVEMBER 17, 2014 ~ 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

PLEDGE OF ALLEGIANCE.

Page Ref

1. **MINUTES** - Consider approval of minutes of October 2014 City Council meetings. 1-8
2. **PUBLIC HEARING**
 - A. Public Hearing (Z-1411) by Jill Holland Yellow Door Studio for a Conditional Use Permit to allow an Arts and Crafts use in the C-1 Neighborhood Commercial Zoning District on property located at 810 N Llano. 9-16
 - B. Public Hearing (Z-1410) by the City of Fredericksburg to Consider an Amendment to Section 6.110 and Section 6.120 of the Zoning Ordinance Pertaining to Continuation of a Nonconforming Use and Structure. 17-22
3. **ORDINANCES - RESOLUTIONS - ACTION ITEMS**
 - A. Receive recommendation and Consider Z-1411
 - B. Receive recommendation and Consider Z-1410
 - C. Consider Final Report from Ray Associates, Inc. On Developing Pay-for-Performance Program 23-42
 - D. Consider Proposal for Golf Course Fees Ordinance (First Reading) 43-49
 - E. Consider Master Plan for Old Fair Park Area 50-61
 - F. Consider Awarding Bid for Windcrest Tank 62-66
 - G. Consider Amendments to Financial Management Policy Statements 67-72
4. **CITY MANAGER'S REPORT**
 - A. Ordinance Waiving Fees for Affordable Housing Projects
 - B. City Manager/Department Head Annual Retreat
 - C. Holiday Events
 - D. City Employee Recognition
5. **ITEMS FOR FUTURE AGENDA**
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).
9. A. Executive Session - Real Estate - Discuss Park Land Purchases
10. **ADJOURN**

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
OCTOBER 6, 2014
6:00 PM

On this the 6th day of October, 2014, 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
LAURA HOLLENBEAK - INTERIM FINANCE DIRECTOR
BRIAN JORDAN - DIR. OF DEVELOPMENT SERVICES
CLINTON BAILEY - D.P.W.U.
STEVE WETZ - CHIEF OF POLICE
RUSSELL IMMEL - IT

The meeting was called to order at 6:00 PM.

EXECUTIVE SESSION – At 6:00 PM, Council Member Watson made a motion to recess the regular session and go into Executive Session. Council Member Luckenbach seconded, and the motion carried. At 6:42 PM, Council Member Luckenbach made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Watson seconded, the motion carried.

Following Executive Session, the following action was taken:

CHARTER AMENDMENT LAWSUIT – Following the Executive Session, no action was taken.

ORDINANCE FOR EMERGENCY SERVICES COST RECOVERY – John Culpepper briefed council on the proposed ordinance for Emergency Services Cost Recovery. It was moved by Council Member Pearson, seconded by Council Member Luckenbach, to approve the first reading and to refer the ordinance back to staff for adjustments. All voted in favor and the motion carried.

ORDINANCE FOR NEW FEES FOR BANNERS – It was moved by Council Member Pearson, seconded by Council Member Luckenbach, to forgo the second reading and adopt the Ordinance for New Fees for Banners as presented. All voted in favor and the motion carried.

ORDINANCE NO. 24-021

AN ORDINANCE AMENDING APPENDIX A FEE SCHEDULE ARTICLE 5.100 FEES FOR BUILDING PERMITS OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG TO SET OUT FEES FOR THE ERECTION OF BANNERS BY THE CITY, ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDITY. (Recorded in Ordinance Book)

RESOLUTION FOR LEASE PURCHASE FINANCING – It was moved by Council Member Watson, seconded by Council Member Luckenbach, to adopt the Resolution Authorizing the Personal Property Lease Agreement with Chase Bank for \$595,130.00 for equipment. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Watson, and Luckenbach. Motion carried.

DECLARATION OF OFFICIAL INTENT RESOLUTION

Lessee City of Fredericksburg

**Principal Amount Expected To Be \$595,130.00
Financed:**

WHEREAS, the above Lessee is a political subdivision of the State in which Lessee is located (the "State") and is duly organized and existing pursuant to the constitution and laws of the State.

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines that the execution of one or more lease-purchase agreements ("Equipment Leases") in the principal amount not exceeding the amount stated above ("Principal Amount") for the purpose of acquiring the property generally described below ("Property") and to be described more specifically in the Equipment Leases is appropriate and necessary to the functions and operations of the Lessee.

**Brief Description of Property: Series 700 MHz radios for Police, Fire, and EMS
Departments**

**Fire Marshal Vehicle
Oil Distributor Truck for the Street Department
Backhoe for the Water Department**

WHEREAS, the Lessee may pay certain capital expenditures in connection with the Property prior to its receipt of proceeds of the Equipment Leases ("Lease Purchase Proceeds") for such expenditures and such expenditures are not expected to exceed the Principal Amount.

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds.

NOW, THEREFORE, Be It Resolved by the Governing Body of the Lessee:

SECTION 1. Either one of the City Manager **OR** the Director of Finance (each an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

SECTION 2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the Lessee.

SECTION 3. The aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by the Lessee as set forth therein.

SECTION 4. The Lessee's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Equipment Lease and the Lessee's obligations under the Equipment Leases shall not constitute a general obligations of the Lessee or indebtedness under the Constitution or laws of the State.

SECTION 5. The Governing Body of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The Governing Body of Lessee hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section of the Resolution is adopted by the Governing Body of Lessee for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of the Resolution does not bind the Lessee to make any expenditure, incur any indebtedness, or proceed with the purchase of the Property.

SECTION 6. As to each Equipment Lease, Lessee hereby designates each Equipment Lease as a "qualified tax-exempt obligation" for the purposes of and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended ("Code") and

Lessee reasonably anticipates that the total amount of Section 265 Tax-Exempt Obligations to be issued during the current calendar year by Lessee, or by an entity controlled by Lessee or by another entity the proceeds of which are loaned to or allocated to Lessee for purposes of Section 265(b) of the Code will not exceed \$10,000,000. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code.

SECTION 7. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on this 6th of October, 2014.

The undersigned Secretary/Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the Governing Body of the Lessee, that the foregoing resolutions were duly adopted by said Governing Body of the Lessee at a meeting of said Governing Body and that such resolutions have not been amended or altered and are in full force and effect on the date stated below.

/s/ Shelley Britton

Signature of Secretary/Clerk of Lessee

RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES FOR TEX POOL ACCOUNTS – It was moved by Council Member Watson, seconded by Council Member Neffendorf, to adopt the Resolution Amending Authorized Representatives for Tax Pool Accounts. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Watson, and Luckenbach. Motion carried.

**RESOLUTION AMENDING
AUTHORIZED REPRESENTATIVES**

WHEREAS, the City of Fredericksburg ("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ TexPool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue

letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool/TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

- 1. Name: Laura Hollenbeak, Interim Director of Finance
- 2. Name: Heather Koch, Assistant Accountant
- 3. Name: Shelley Britton, City Secretary

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

- 1. Name: Laura Hollenbeak

- D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at this regular meeting held on the 6th day of October, 2014.

Signed: /s/ Linda Langerhans, Mayor

Attest: /s/ Shelley Britton, City Secretary

CITY MANAGER'S REPORT – City Manager Kent Myers reported on the (1) recent Oktoberfest event, (2) City/County Dispatch Center, (3) Employee Recognitions: Alan Wooley for the City golf tournament, D. Seeling and R. Rabke for promotion to Patrol Sergeant, and all city departments that helped with Oktoberfest.

PUBLIC COMMENT – Russ Rose commented on utility rates for the average citizen; Larry Wertz commented on the need for sidewalks

COUNCIL COMMENT - No comments.

With no further business, Council Member Pearson made a motion to adjourn the meeting at 7:55 PM. Council Member Watson seconded the motion. All voted in favor and the motion carried.

PASSED AND APPROVED this the 17th day of November, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

* * * * *

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
OCTOBER 20, 2014
7:00 PM

On this the 20th day of October, 2014, 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
GARY NEFFENDORF - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
SHELLEY BRITTON - CITY SECRETARY
LAURA HOLLENBEAK - INTERIM FINANCE DIRECTOR
PAT MCGOWAN - CITY ATTORNEY
STEVE WETZ - CHIEF OF POLICE
CLINTON BAILEY - D.P.W.U.
KRIS KNEESE - ASST. CITY ENGINEER
RUSSELL IMMEL - INFORMATION TECHNOLOGY MGR.

The meeting was called to order at 7:00 PM following the Pledge of Allegiance.

MINUTES - It was moved by Council Member Luckenbach, seconded by Council Member Watson, to approve the minutes of the September 2014 City Council meetings as presented. All voted in favor and the motion carried.

ORDINANCE FOR EMERGENCY SERVICES COST RECOVERY - It was moved by Council Member Pearson, seconded by Council member Luckenbach, to approve the second reading of the Ordinance for Emergency Services Cost Recovery, to be reviewed in March 2015. The vote was as follows: AYE: Luckenbach, Neffendorf, Luckenbach, Pearson, and Watson. Motion carried.

ORDINANCE NO. 24-022

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG SPECIFICALLY TO ADD CHAPTER 11 EMERGENCY MANAGEMENT AND SERVICES, ARTICLE V EMERGENCY SERVICES COST

RECOVERY SECTIONS 11-102 THROUGH 11-104 AND AMENDING APPENDIX A FEE SCHEDULE TO ADD ARTICLE 27 ADOPTING FEES; PROVIDING FOR ENFORCEMENT, SEVERABILITY; REPEALER; AND AN EFFECTIVE DATE. (Recorded in Ordinance Book)

UPDATE ON SKATE PARK - Susan Kimbrell from Morning Rotary was on hand to update council on the proposed skate park to be funded and built by the Morning Rotary Club.

REQUEST FOR CITY FUNDING FOR WI-FI SERVICES ON MARKTPLATZ - It was moved by Council Member Watson, seconded by Council Member Pearson, to approve \$5000 in funds toward the funding of Wi-Fi services on Marktplatz. The vote was as follows: AYE: Luckenbach, Neffendorf, Luckenbach, Pearson, and Watson. Motion carried.

UPDATE ON WATER BOND PROJECTS - DPWU Clinton Bailey briefed Council on the Water Bond Projects and Kris Kneese briefed council on Waste Water Bond Projects.

CITY MANAGER'S REPORT - City Manager Kent Myers reported on (1) City Council Meeting Time (changing to 6:00 PM), (2) Legislative Luncheon sometime in November, (3) City Council Retreat, Oct 23, (4) Chamber of Commerce Banquet at St. Mary's, and (5) Employee Recognitions: Clinton Bailey for taking over for the City Manager in his absence for three days.

FUTURE AGENDA ITEMS - (1) Update on Golf Course Operations, (2) 2015 Golf Fees (3) Financial Management Policies.

PUBLIC COMMENT - None

COUNCIL COMMENT - Council Members reported on various committee meetings attended.

EXECUTIVE SESSION - At 8:20 PM, Council Member Pearson made a motion to recess the regular session and go into Executive Session. Council Member Neffendorf seconded, and the motion carried. At 9:22 PM, Council Member Luckenbach made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Watson seconded, the motion carried.

Following Executive Session, the following action was taken:

EXECUTIVE SESSION - UPDATE FROM SCHNEIDER ENGINEERING ON LOAD RELEASE PROGRAM - No action was taken.

With no further business, Council Member Watson made a motion to adjourn the meeting at 9:23 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 17th day of November, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

* * * * *

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

SPECIAL CITY COUNCIL MEETING
OCTOBER 23, 2014
8:30 AM

On this the 23rd day of October, 2014, the City Council of the CITY OF FREDERICKSBURG convened in special session at the Cardinal Room, Lady Bird Johnson Golf Course, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
PAT McGOWAN - CITY ATTORNEY
LAURA HOLLENBEAK - INTERIM DIR. OF FINANCE
STEVE WETZ - CHIEF OF POLICE
JULI BAHLINGER - COMMUNICATIONS MANAGER
BRIAN JORDAN - DIR. OF DEVELOPMENT SERVICES
JOHN CULPEPPER - DIR. OF EMERGENCY SERVICES

CITY COUNCIL RETREAT – Council held a quarterly retreat to discuss a variety of issues, including: (1) Fire Department Response Times, (2) Ft. Martin Scott, (3) Affordable Housing, (4) Options for Future Purchase of Additional Park Land, Friendship Lane Area, and (5) Options for Management and Operations of Golf Course. No action was taken.

With no further discussion, Council Member Neffendorf made a motion to adjourn the meeting at 2:30 PM. Council Member Pearson seconded the motion. Motion carried.

PASSED AND APPROVED this the 17th day of November, 2014

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

* * * * *



CITY COUNCIL MEMO

DATE: November 12, 2014

TO: Mayor and City Council

FROM: Brian Jordan, AICP

SUBJECT: Conditional Use Permit to allow Arts and Crafts Studio in C-1 Neighborhood Commercial Zoning District at 810 N. Llano Street (Z-1411).

Summary:

The applicant is proposing to utilize the building located at 810 N. Llano for a community arts education center offering art classes to all levels of artists from beginner to advanced, children to adults. See the attached description. A few minor changes are proposed to the site including a new driveway that will better serve the property and a sidewalk. Adequate parking is provided to the rear of the site.

Recommendation:

The Planning and Zoning Commission voted unanimously to recommend approval of the Conditional Use Permit with conditions as noted in the attached staff brief. Staff concurs with the Commission's recommendation of approval. We have received one letter in support of the request.

⑨

The City of Fredericksburg

Background / Analysis:

See attached Zoning Brief for request Z-1411



The City of Fredericksburg

CONDITIONAL USE PERMIT BRIEF

Request Z-1411

Owner/Applicant: Jill Holland

Location: 810 N. Llano Street

Existing Zoning: C-1, Neighborhood Commercial

Request: Conditional Use Permit to allow Arts and Crafts Studio in a C-1 Neighborhood Commercial Zoning district.

Site Plan Overview:

- The subject property consists of a single lot containing two separate buildings. Ms. Holland is purchasing the property from Ms. Croy, who owns the property immediately to the north as well.
- The applicant is intending to use the northernmost building for an arts education center (see description on the application).
- The site area is approximately 0.499 acres or approximately 21,736 square feet.
- The plan shows parking spaces for 19 vehicles, including 1 handicap space located in front of the building.
- The site has access from N. Llano Street. Currently, there are two small driveways on N. Llano St. Modifications to the existing drive configuration on N. Llano street are proposed to consolidate the drives into a single two-way drive.
- Building coverage is estimated to be approximately 15% (50% maximum allowed in the C-1 District)
- Impervious coverage is estimated to be approximately 71% (70% maximum allowed in the C-1 District).
- The site is bordered by residential to the west, a yoga center and beauty shop to the north, and neighborhood commercial uses to the east and south.
- Adjacent zoning is C-1, Neighborhood Commercial to the north, east and south, and R-1 to the west.

Review and Evaluation Criteria:

A. CONFORMANCE WITH APPLICABLE REGULATIONS:

- The site is presently non-compliant regarding driveway widths and impervious coverage. Other regulations, including parking, building coverage and setbacks are compliant.

B. COMPATIBILITY WITH EXISTING OR PERMITTED USES IN ABUTTING SITES:

- Given the nature of the proposed art education studio with limited space, traffic and hours of operation, we would expect it to be compatible with existing and permitted uses in the vicinity.

C. POTENTIALLY UNFAVORABLE EFFECTS OR IMPACTS ON OTHER EXISTING OR PERMITTED USES ON ABUTTING PROPERTY:

- We do not expect the proposed use to have a negative affect on adjacent properties.

- D. MODIFICATIONS TO THE SITE PLAN WHICH WOULD RESULT IN INCREASED COMPATIBILITY AND WOULD MITIGATE POTENTIALLY UNFAVORABLE IMPACTS:**
- Converting the two driveways into a single two-way drive will have a positive impact on the circulation on the property.
- E. SAFETY AND CONVENIENCE OF VEHICULAR AND PEDESTRIAN CIRCULATION IN THE VICINITY:**
- See Item D above. In addition, a sidewalk is proposed on N. Llano Street.
- F. PROTECTION OF PERSONS AND PROPERTY FROM EROSION, FLOOD OR WATER DAMAGE, FIRE, NOISE, GLARE:**
- NA.
- G. LOCATION OF LIGHTING AND TYPE OF SIGNS; THE RELATION OF SIGNS TO TRAFFIC CONTROL AND ADVERSE EFFECTS OF SIGNS ON ADJACENT PROPERTIES:**
- No information has been provided concerning lighting. Any proposed signage shall meet the requirements of the sign ordinance.
- H. ADEQUACY AND CONVENIENCE OF OFF STREET PARKING AND LOADING FACILITIES:**
- Number of parking spaces provided exceeds the number required by the code.
- I. DETERMINATION THAT THE PROPOSED USE IS IN ACCORDANCE WITH THE OBJECTIVES OF THESE ZONING REGULATIONS AND PURPOSES OF THE ZONE IN WHICH THE SITE IS LOCATED:**
- As described in the C-1, Neighborhood District, this zone is intended to provide for the establishment of restricted commercial facilities, to serve the conveniences and needs of the immediate neighborhood and must be compatible with the residential character and environment of the neighborhood. We would expect this use to continue to be compatible with the neighborhood.
- J. DETERMINATION THAT THE PROPOSED USE WILL COMPLY WITH EACH OF THE APPLICABLE PROVISIONS OF THE ZONING ORDINANCE:**
- Affirmative.
- K. DETERMINATION THAT THE PROPOSED USE AND SITE DEVELOPMENT, TOGETHER WITH ANY MODIFICATIONS APPLICABLE, THERETO, WILL BE COMPATIBLE WITH EXISTING OR PERMITTED USES IN THE VICINITY:**
- The proposed use would seem consistent with the C-1 regulations.

L. DETERMINATION THAT ANY CONDITIONS APPLICABLE TO APPROVAL ARE THE MINIMUM NECESSARY TO MINIMIZE POTENTIALLY UNFAVORABLE IMPACTS ON NEARBY USES AND TO ENSURE COMPATIBILITY OF THE PROPOSED USE WITH EXISTING OR PERMITTED USES IN THE SAME DISTRICT AND THE SURROUNDING AREA:

- We do not anticipate any unfavorable impacts on nearby properties from the proposed use.

M. DETERMINATION THAT THE PROPOSED USE TOGETHER WITH THE CONDITIONS APPLICABLE THERETO, WILL NOT BE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, OR WELFARE OR MATERIALLY INJURIOUS TO PROPERTIES OR IMPROVEMENTS IN THE VICINITY:

- Affirmative

OPPOSITION/SUPPORT OF REQUEST: To date, we have received one letter in support and none in opposition to this request.

PLANNING AND ZONING COMMISSION RECOMMENDATION: The Commission voted unanimously to recommend approval of this request.

STAFF RECOMMENDATION: While there are certain conditions on site which are non-compliant, the nature of the proposed use, with limited traffic and hours of operation, compatibility with the surrounding neighborhood, we do not believe the proposed use will be more intensive than previous permitted uses. Therefore, staff recommends concurs with the Commission's recommendation of approval.

The Yellow Door Studio is a community arts education center offering art classes to all levels of artists from beginner to advanced, children to adults. See below for a description of our class offering details:

Our most consistent and best attended classes are the Art & Vino classes. These average 4-6 a month and average 14 people per class. We can take up to 23 people in a class but usually don't. These are typically in the evenings usually from 6:00-8:00, all adults.

We hope to add kids after school art classes, no more than 6 kids at a time on Tuesday's and Thursdays. Kids would be dropped off at 4:00 and picked up at 5:30. Times and days may change.

We will offer kids summer art camps. We take 10 kids per camp. Camps are held for a week at a time, Monday-Friday from 9:00-3:00. Kids would be dropped off and picked up. We did 3 camps last summer and would shoot for 6 this summer.

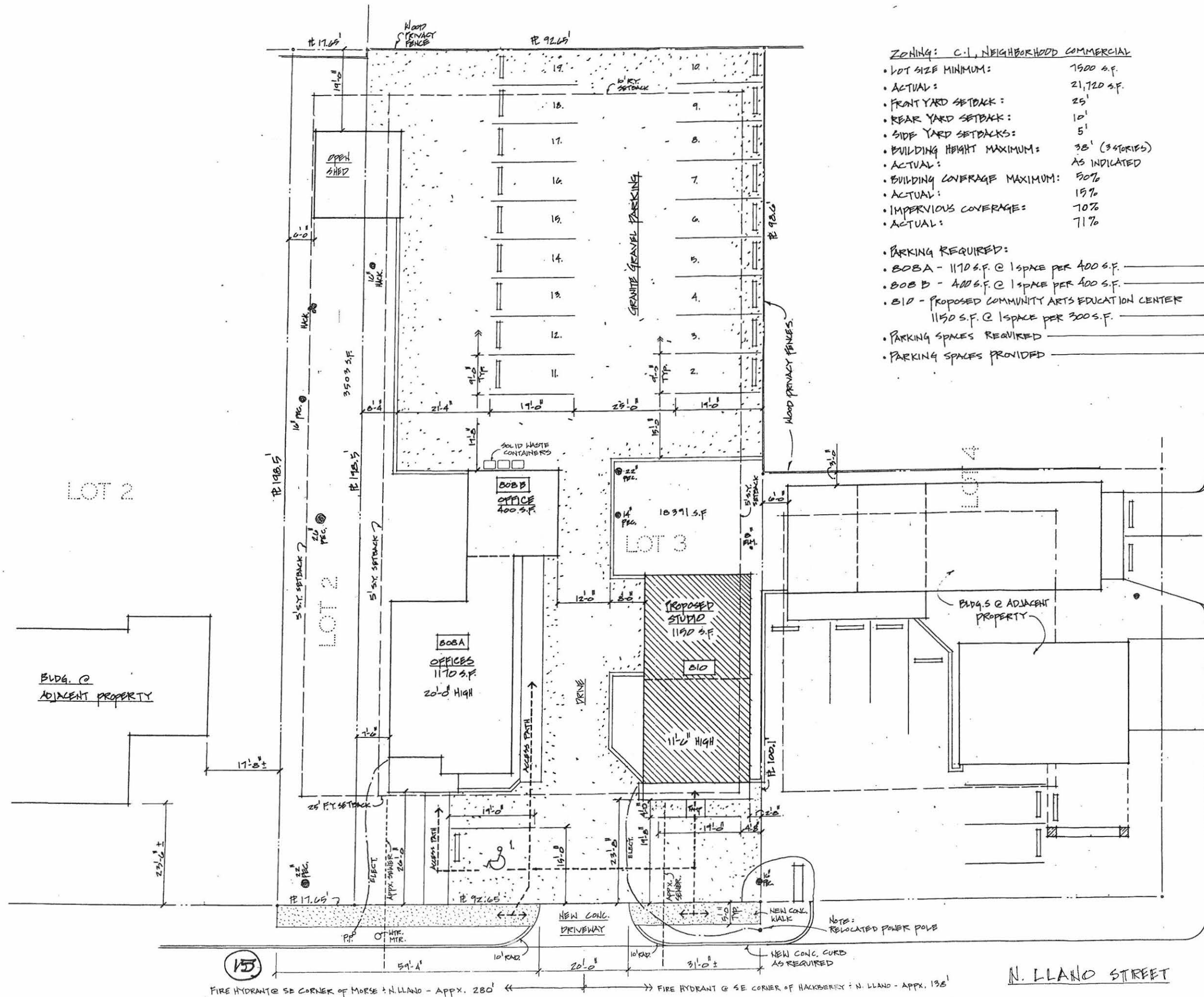
We also hope to add professional artists workshops. These would be held during the regular work day, probably 9:00-4:00 and would be 5-15 adults.

There may be some other offerings that join the roster as the business grows but we would never have more than 23 students in the building at one time.

Please let me know if you need anything else.

Thanks,
Jill
456-0422





ZONING: C-1, NEIGHBORHOOD COMMERCIAL

- LOT SIZE MINIMUM: 1500 S.F.
 - ACTUAL: 21,720 S.F.
 - FRONT YARD SETBACK: 25'
 - REAR YARD SETBACK: 10'
 - SIDE YARD SETBACKS: 5'
 - BUILDING HEIGHT MAXIMUM: 35' (3 STORIES)
 - ACTUAL: AS INDICATED
 - BUILDING COVERAGE MAXIMUM: 50%
 - ACTUAL: 15%
 - IMPERVIOUS COVERAGE: 70%
 - ACTUAL: 71%
-
- PARKING REQUIRED:
 - BOBA - 1170 S.F. @ 1 SPACE PER 400 S.F. 3
 - BOBB - 400 S.F. @ 1 SPACE PER 400 S.F. 1
 - BIO - PROPOSED COMMUNITY ARTS EDUCATION CENTER 1150 S.F. @ 1 SPACE PER 300 S.F. 4
 - PARKING SPACES REQUIRED 8
 - PARKING SPACES PROVIDED 19

2-14-11
RECEIVED
OCT 27 2014

Reviewed 10/26/14
BRC 10/30/14
Pr 2 11/5/14
City Council 11/17/14

1"=10'-0"

SITE PLAN

PART OF LOT 2 AND ALL OF LOT 3 IN BLOCK D OF THE BURGDOFF ADDITION
808-810 NORTH LLANO STREET
FREDERICKSBURG, TEXAS

HACKBERRY STREET

N. LLANO STREET

REVISED 10.24.14

1 of 1

SITE PLAN: APPLICATION FOR CONDITIONAL USE PERMIT: PERSONAL IMPROVEMENT SERVICES
FOR JILL HOLLAND - YELLOW DOOR STUDIO

PERSONAL IMPROVEMENT SERVICES

10-1-14

W. CASS PHILLIPS
PLANNING & DESIGN
1000 WALL ST. FREDERICKSBURG, TX 77864
cphillips@wcpd.com
737.527.0188 737.527.0188





CITY COUNCIL MEMO

DATE: November 12, 2014

TO: City Council.

FROM: Brian Jordan, AICP

SUBJECT: Z-1410 Consider amending Section 6.110 and 6.120 of the Zoning Ordinance pertaining to Continuation of a Nonconforming Use and Structure.

Summary:

Recently, we considered two zoning cases for property at the corner of Franklin Street and S. Creek Street, for a change in zoning from R-2 Mixed Residential to C-2 Commercial. The initial case resulted in a change to C-1 Neighborhood Commercial and the latter case resulted in a denial. However, in the discussion with the City Council in the latest hearing, it was suggested that the City consider amending the nonconforming provisions of the Zoning Ordinance to allow a certain percentage of enlargement, expansion, extension or change, without the necessity of requiring a Conditional Use Permit. Currently, a non-conforming use in a commercial zone is required to obtain a Conditional Use Permit for any changes.

The Planning and Zoning Commission discussed this item at their meeting in October. In summary, there were a couple of members who favored allowing a percentage change without requiring a Conditional Use Permit, but the majority felt that the procedures in place were adequate to allow an owner to apply for a Conditional Use Permit for a change or enlargement. Those in favor felt that a long standing business with little or no opposition should be given some relief. Those not in favor felt

that allowing a change or modification would establish a precedent and undermine the current procedures in place.

Recommendation:

The Planning and Zoning Commission conducted a public hearing on the matter at their November Meeting. They voted 7-1 in favor of keeping the current standards in place and not changing Section 6.110 and 6.120 of the Zoning Ordinance. Staff concurs with Commission.

We have received two letters in support of a change to the ordinance. These letters are from Carroll Bryla and the Central Hill Country Board of Realtors. These letters are attached.

Background / Analysis:

The concept behind a nonconforming use is that the property will eventually transition to a conforming use and, allowing it to expand is only prolonging this from taking place. We were only able to find one zoning action to allow the expansion of a non-conforming use in the past several years, and no denials.

• Sec. 6.110. - Continuance of a Nonconforming Use.

Residential Districts

Enlargement. A non-conforming use shall not be enlarged, expanded, extended or changed.

Conversions. A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the same district; a "more restricted classification" means: use in a district having more restricted use (i.e., C-2 vs. C-1); and provided that:

The new use is similar to or less intensive than that of the old use in terms of noise generated, outdoor storage, customer activity and impact on other conforming uses in the area, and that the new use comply with the parking requirements of this ordinance as applicable to newly established uses.

Termination.

If a non-conforming use or any portion thereof is voluntarily discontinued for a period of 90 days, any future use of such land or portion thereof shall be in conformity with the regulations of the district in which such land or portion thereof is located.

Non-conforming use is terminated upon a change in use other than as provided herein.

Non-conforming use is terminated upon destruction of a structure occupied by a non-conforming use unless it is permitted to be rebuilt as provided herein.

Other Districts

Enlargement. A non-conforming use may be enlarged within the boundary of the lot in which the non-conforming use has legally operated upon approval of a Conditional use Permit (section 5.400). Such enlargement of extension shall be in compliance with all city ordinances, codes, or policies. Existing non-conforming single family residential uses may be enlarged without the necessity of obtaining a Conditional Use Permit.

Conversions. A non-conforming use may be continued as the same classification, or may be changed to a use of a more restricted classification upon approval of a conditional use permit. If it is changed to a use in a more restricted classification or to a conforming use, it cannot be changed back to its original non-conforming use. For purpose of this paragraph, the phrase "same classification" means: uses permitted in the same district; a "more restricted classification" means: use in a district having more restricted use (i.e., C-2 vs. C-1); and provided that:

The new use is similar to or less intensive than that of the old use in terms of noise generated, outdoor storage, customer activity and impact on other conforming uses in the area.

The new use complies with the parking requirements of this ordinance as applicable to newly established uses.

Termination. A nonconforming use is terminated under the following conditions:

Upon a change in use other than as provided herein.

Upon discontinuance, being defined as non-operative or non use for a period of at least 365 successive days. Discontinuance may be, but is not required to be, evidenced by termination of utility service, the failure to maintain regular hours of operation, the utilization of the premises for other purposes, abandonment or by any other reasonable means.

Upon destruction of a structure occupied by a nonconforming use except if it is permitted to be rebuilt as provided herein.

Replacement. If a structure occupied by a nonconforming use is destroyed by fire, the elements or other cause, it may not be rebuilt except to conform to the provisions of this Ordinance. In the case of partial destruction of a nonconforming use not exceeding 75 percent of its tax roll assessed value, reconstruction will be permitted but the size or function of the nonconforming use shall not be expanded.

(Ord. No. 23-007, 5-20-2013)

• **Sec. 6.120. - Continuance of Nonconforming Structures.**

Subject to all limitations herein set forth, any nonconforming structure may be occupied and operated and maintained in a state of good repair, but no nonconforming structure shall be enlarged or extended.

A nonconforming structure in which only permitted uses are operated may be enlarged or extended if the enlargement or extension can be made in compliance with all the provisions of this chapter established for structures in the district in which the nonconforming structure is located. Such enlargement shall also be subject to all other applicable city ordinances.

Termination of nonconforming structures:

Damage to structures. The right to operate and maintain any nonconforming structure shall terminate and shall cease to exist whenever the nonconforming structure is damaged in any manner and from any cause whatsoever and the cost of repairing such damage exceeds 75 percent of the tax roll assessed value of such structure on the date of such damage.

Obsolescence of structure. The right to operate and maintain any nonconforming structure shall terminate and shall cease to exist whenever the nonconforming structure becomes obsolete or substandard under an applicable ordinance of the municipality and the cost of placing such structure in lawful compliance with the applicable ordinance exceeds 75 percent of the tax roll assessed value of such structure on the date that the proper official of the municipality determines that such structure is obsolete or substandard.

Determination of replacement cost. In determining the replacement cost of any nonconforming structure there shall not be included therein the cost of land or any factors other than the nonconforming structure itself.

(Ord. No. 23-007, 5-20-2013)

Central Hill Country Board of Realtors



SERVING GILLESPIE, MASON,
BLANCO & KIMBLE COUNTIES OF
THE TEXAS HILL COUNTRY

Fredericksburg, Mason, Junction,
Blanco & Johnson City

Nov 5th 2014
Mr. Brian Jordan
City of Fredericksburg

Dear Brian :

In regards to the matter before the City of Fredericksburg and the planning and zoning commission concerning Daniel Fritz and the veterinary clinic. The Central Hill Country Board of Realtors are very interested in this case and how it may relate to future Real Estate matters throughout the City of Fredericksburg. As strong proponents of property rights in general the Board felt obliged to show support for the matter currently being considered as to expanding the non conforming use definitions and have adopted the following position:

“ The Central Hill Country Board of Realtors(R) supports the property owners' rights and therefore, recommends to the City of Fredericksburg, Planning and Zoning Commission and City Council that they consider an amendment to Section:6110 and Section 6.120 of the Zoning Ordinance pertaining to the continuation of a nonconforming use and structure, allowing for expansion.”

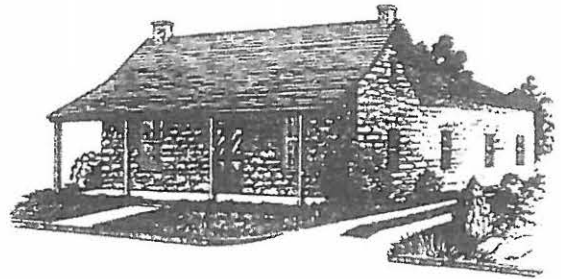
Respectfully

Mike Starks Director.

THE LAW OFFICES OF
BRYLA & SCHOESSOW, P.C.
105 W. SAN ANTONIO STREET
FREDERICKSBURG, TEXAS 78624
830-997-4377 OR 997-2145
FAX 830-997-2172

CARROLL J. BRYLA
CRISTOL N. SCHOESSOW
CARL E. SCHOESSOW
CHRIS C. SCHOESSOW *
GAYLE D. SCHOESSOW
JENNIFER D. BRYLA

*BOARD CERTIFIED - ESTATE PLANNING AND PROBATE LAW
TEXAS BOARD OF LEGAL SPECIALIZATION



November 5, 2014

Mr. Brian Jordan
City of Fredericksburg
126 West Main Street
Fredericksburg, Texas 78624

Re: Planning and Zoning Commission Public Hearing Item No. 7

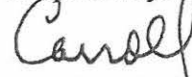
Dear Brian:

I regret I will not be able to appear at the meeting this evening. I have conflicts which prevents my attendance. I appreciate all the time you have spent on this issue as well as the civic service that the members of the Planning and Zoning Commission provide by serving on the commission. I do not want my absence to suggest that I am indifferent or to reflect negatively upon the outcome of the decision to be made by the Planning and Zoning Commission.

As you are aware, the use of the Daniel Fritz property for a veterinary clinic existed for a period of approximately twenty (20) years prior to the date that the property was annexed into the City of Fredericksburg. Although the continuation of a nonconforming use and structure grants limited relief to Dr. Fritz and any subsequent owner of the property, it is nevertheless a derogation of property rights. I appreciate that when we live in a city, the general welfare of the community must be given priority over individual rights, however, when individual rights can coexist with protection of the public's general welfare, those rights should not be diminished. Expansion of the nonconforming use should not adversely affect the public's general welfare in this situation, or any similarly situated parcel on which there is a nonconforming use.

I request the Planning and Zoning Commission act favorably in consideration of the expansion of the continuation of a nonconforming use and structure for the benefit of the Fritz property and like properties in the City of Fredericksburg where a nonconforming use exists.

Respectfully,


Carroll J. Bryla

CJB/emh



CITY COUNCIL MEMO

DATE: November 12, 2014

TO: Mayor and City Council

FROM: Wynell Herbort, Human Resources Manager

SUBJECT: Merit Pay Proposal

Summary:

Included in your agenda packet is the Letter of Engagement between Ray Associates, Inc. and the City of Fredericksburg which explains and outlines the process of developing Pay-for-Performance based salary increases for employees. This process is based upon the Council's decision to include a 1.5% merit increase as part of the 2014-2015 budget.

Recommendation:

Staff recommends the City Council adopt the Merit Pay Plan as outlined by Katherine Ray in tonight's power point presentation.

Background / Analysis:

Katherine Ray of Ray Associates, Inc. met with all Department Heads in a lengthy meeting in October to make decisions regarding establishing criteria to be used in determining raises based on our annual Employee Appraisal process. Following the facilitated meeting, Ms. Ray drafted a Supervisor's

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The City of Fredericksburg

Performance Evaluation Handbook and an Employee's Performance Handbook for implementing the pay-for-performance system which will function not only to document the process for making pay-for-performance decisions, but also to document the process for conducting performance reviews.



The City of Fredericksburg

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Report to Council Performance-Based Pay System for The City of Fredericksburg, Texas



November 17, 2014



Ray Associates' Experience

- Distinguished management consulting leader since 1977.
- Specialize in work for public entities.
- Noted for custom products and for personal attention.
- Active involvement of the principals in the firm.
- History of success: More than 80% of our engagements are with repeat clients.
- Approach is practical and directed toward implementation.
- Recognize the City's challenge to provide competitive compensation while working within a budget that respects the taxpayers.





Process Followed

- Met by telephone with City Manager and Human Resources Manager.
- Met with all department heads and City Manager in decision-making workshop:
 - ✓ Reviewed experience with performance evaluation since last year
 - ✓ Made one modification to existing forms (added one more ranking category: "Needs Improvement")
 - ✓ Added one more evaluation form: Employee Self-Evaluation
 - ✓ Consensus on rating instruments, rating categories, schedule, performance pay increments, eligibility for performance pay, process, and responsibilities.



Process Followed (Continued)

- Worked with Human Resources Manager to revise current forms.
- Created new Employee Self-Evaluation form.
- Prepared Supervisor's Handbook on Performance Evaluation:
 - ✓ Explains the objectives and benefits of a performance evaluation system
 - ✓ Describes performance evaluation process from beginning to end, regardless of whether performance pay is involved
 - ✓ Contains the forms and the schedule
 - ✓ Assigns responsibility for each step in the process
 - ✓ Contains pay-for-performance increase table
 - ✓ Assigns responsibilities and timing for decisions on performance-based increases
 - ✓ Contains appendices with helpful tips for supervisors and the Performance Evaluation Forms



Process Followed (Continued)

- Prepared Employee's Handbook on Performance Evaluation:
 - ✓ Handbook itself identical to Supervisor's Handbook on Performance Evaluation
 - ✓ Only appendix is the one containing the Performance Evaluation Forms

(24)



Recommendations

Pay-for-Performance Increase Requirements/Percentages

<u>% Increase</u>	<u>Requirement to Qualify for Increase</u>
0%	Employees whose Overall Rating is Below Expectations or Needs Improvement . Also, an employee is not eligible for an increase if (1) s/he is on a Performance Improvement Plan at the time of the evaluation; or (2) s/he is currently involved in a disciplinary action; or (3) s/he has received a formal written letter of reprimand within the rating period.
1%	The lowest performance-based increase allowable for employees whose Overall Rating is Meets Expectations .
1.25% - 2.5%	Allowable percentage increases, in 0.25% increments, for employees whose Overall Rating is either Meets Expectations or Exceeds Expectations , without prior approval of the City Manager.
2.5% +	Potential percentage increases, in 0.25% increments, for employees whose Overall Rating is Exceeds Expectations , possible only with the advance approval of the City Manager.



Recommendations (Continued)

- Overall percentage of payroll authorized by City Council in budget process.
- That percentage allocated to each department for distribution.
 - ✓ Increases based on performance ratings
 - ✓ Cannot exceed overall percentage of department budget
 - ✓ Must be coordinated with City Manager (because Department Head increases based on their performance ratings).
- Initial meeting with employees in October each year (only discussing employee's job performance).
- Second meeting with employees individually in late Nov. – early Dec. re increases.



Thank You!



Questions?

Report to Council Performance-Based Pay System for The City of Fredericksburg, Texas



November 17, 2014



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2



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Recommendations (Continued)

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Thank You!



Questions?

Letter of Engagement Between Ray Associates, Inc. and the City of Fredericksburg Developing Pay-for-Performance Process and Procedures

This is an agreement between Ray Associates, Inc. and the City of Fredericksburg for development of a process and written procedures to implement a pay-for-performance system for the city.

Understanding of the Project

From telephone discussions with the City Manager and the Human Resources Manager, Ray Associates understands that the City of Fredericksburg implemented a Performance Evaluation System approximately a year ago. Performance reviews prepared and discussed with employees this fall will be the first to be tied to performance-based increases.

For the past several years, the City of Fredericksburg has given cost-of-living-adjustments (COLAs) annually, but has not provided for merit, or performance-based, increases for the last two years. The city is now ready to begin making pay-for-performance decisions based on the performance reviews that will be prepared in Fiscal Year 2014-2015, with performance-based increases likely being effective after January 1, 2015.

The city has trained its supervisors and managers in conducting legally defensible performance reviews by bringing in SGR to conduct such training, and has committed to come back to the City Council with a recommended system for administering the performance-based pay plan after November 1, 2014. The City Manager wants to ensure that the system that is implemented is objective and defensible.

Ray Associates has been provided copies of the performance evaluation instruments adopted by the City of Fredericksburg and has reviewed them. The city uses a separate instrument for rank and file employees than for supervisors, which is a valid approach. The forms contain both job description-based information and goals agreed to by the supervisor and employee at the beginning of the review period, which covers one year of performance. Both review forms also contain general statements about critical areas of performance, as well as the job description-based

information and the goals sections. The general statements cover performance issues that are applicable to employee and supervisory jobs in city government.

Scope of Work

1. Initial Meeting with Department Heads, City Manager, and Human Resources Manager

Ray Associates proposes initially to develop a list of questions for the city's department heads to decide in a meeting with the City Manager and Human Resources Manager that is facilitated by Katherine Ray of Ray Associates. The types of questions to be resolved include the following:

- 1) How should ratings affect pay?
 - Tied directly?
 - Tied indirectly?
 - If tied indirectly, how much time should we have between the assessment discussion with the employee and the performance-based pay recommendations?
 - What documentation will we require if the merit increase recommendation does not match the most recent performance assessment?
- 2) Should we allocate specific merit increase funds to each Department Head?
 - Based on a percentage of the department's payroll?
 - If so, what do we do about one- or two-person departments?
 - Should we limit the number or the percentage of employees within a department who can receive performance-based increases? If so, how?
- 3) Should Department Heads have the authority to decide, within the merit increase budget allocated to their department, who gets what increases?
- 4) Do we want a Leadership Team Review Committee to review merit increase recommendations?
- 5) Do we want to place a greater emphasis on development or on evaluation through this process?
- 6) Should we require that employees prepare a self-assessment using a different, more abbreviated instrument?
- 7) How should we differentiate pay between good, solid performers and top performers?



CITY COUNCIL MEMO

DATE: Nov. 11, 2014

TO: Mayor and Council

FROM: Alan Wooley, PGA Director of Golf

SUBJECT: Fee ordinance for Lady Bird Johnson Golf Course

Summary:

The attached ordinance outlines the options for season ticket pricing including the change of the anniversary date from Jan. 1 to April 1.

Recommendation:

Staff believes that offering options and changing the anniversary date will result in removing purchasing barriers for the consumer. Also the added benefits of discounts for usage will stimulate activity, additional rounds and provides a better value proposition. Staff recommends adoption of the proposed ordinance.

Background / Analysis:

The change in wording from member to season ticket holder reflects the true item being purchased. Season ticket holders are pre-paying for a reduced green fee and do not receive preferred tee times or special privileges.

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The City of Fredericksburg

The options allow the consumer to better tailor the plan to fit their individual usage habits. The reduction in the initial outlay for some options should make for an easier buying decision. The option to make one payment for some consumers with unlimited golf should create more rounds.



The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

ORDINANCE NO. _____

AN ORDINANCE AMENDING APPENDIX A FEE SCHEDULE ARTICLE 24 RECREATIONAL FEES, SPECIFICALLY SECTION 24.100 GOLF FEES, AMENDING RATES, ESTABLISHING SEASON TICKET PACKAGES AND DYNAMIC PRICING , ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDITY

WHEREAS, The City Council of the City of Fredericksburg has determined that in order to maintain the fiscal viability of the City's parks and recreational operations and to provide pricing options for the same to encourage use of its facilities, that the fees for the use of the City's Lady Bird Johnson Municipal Golf Course should be set as the same are set forth below; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT THE FOLLOWING ORDINANCE BE AND IS HEREBY ENACTED AND THAT APPENDIX A FEE SCHEDULE **ARTICLE 24, RECREATIONAL FEES** OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG BE AMENDED, AND SPECIFICALLY THAT **ARTICLE 24.100 GOLF COURSE FEES** BE AMENDED AS FOLLOWS:

ARTICLE 24.000. RECREATIONAL FEES

Weekday rates will apply on Mondays through Thursdays, and Weekend rates will apply on Fridays through Sundays. The following rates are maximum rates which are subject to the provisions of subsection (o) below.

Section 24.100. Fees for use of Lady Bird Johnson Municipal Golf Course

(a) GUESTS RATES FOR RESIDENTS OF GILLESPIE COUNTY

Weekday 18 Holes – Green Fee-\$27.00/Cart fee-\$13.00 = \$40.00

Weekend 18 Holes – Green Fee-\$33.00/Cart fee -\$13.00 = \$46.00

Weekday 9 Holes – Green Fee-\$19.50/Cart fee-\$6.50 = \$26.00

Weekend 9 Holes – Green Fee-\$22.50/Cart fee-\$6.50 = \$29.00

Twilight Rate – Green Fee-\$18.00/Cart fee-\$13.00 = \$31.00 – Monday thru Thursday

Twilight Rate – Green Fee-\$22.00/Cart fee-\$13.00 = \$35.00 – Friday thru Sunday

(Twilight Times Standard – Standard Time 3:00pm/Daylight Savings 5:00pm)

(b) GUEST RATES FOR NON RESIDENTS OF GILLESPIE COUNTY

Weekday 18 Holes – Green Fee-\$42.00/Cart fee -\$13.00 = \$55.00
Weekend 18 Holes – Green Fee \$48.00/Cart fee-\$13.00 = \$61.00
Weekday 9 Holes – Green Fee-\$23.00/Cart fee -\$6.50 = \$29.50
Weekend 9 Holes – Green Fee-\$26.00/Cart fee -\$6.50 = \$32.50
Twilight Rate – Green Fee-\$28.00/Cart fee -\$13.00 = \$41.00 – Monday thru Thursday
Twilight Rate – Green Fee-\$33.00/Cart fee -\$13.00 = \$46.00 – Friday thru Sunday
(Twilight Times Standard – Standard Time 3:00pm/Daylight Savings 5:00pm)

**(c) SENIOR RATES FOR THE DAYS OF MONDAY THROUGH THURSDAY
FOR PERSONS 65 AND OVER**

For residents of Gillespie County – Green Fee-\$22.00/Cart fee - \$13.00 = \$35.00
For non-residents of Gillespie County – Green Fee-\$37.00/Cart fee -\$13.00 = \$50.00

(d) MEMBERS RATES (RATES EFFECTIVE JANUARY 1, 2014 through
December 31, 2014)

Weekday 18 Holes – Green Fee-\$6.00/Cart fee-\$13.00 = \$19.00
Weekend 18 Holes – Green Fee-\$9.00/Cart fee -\$13.00 = \$22.00
Weekday 9 Holes – Green Fee-\$3.50/Cart fee -\$6.50 = \$10.00
Weekend 9 Holes – Green Fee-\$5.00/Cart fee -\$6.50 = \$11.50
Twilight Fee – Green Fee-\$4.00/Cart fee -\$13.00 = \$17.00
(Twilight Times Standard – Standard Time 3:00pm/Daylight Savings 5:00pm)

**(e) JUNIOR RATE FOR RESIDENTS OF GILLESPIE COUNTY WHO ARE 18
YEARS OF AGE AND UNDER**

Weekday 18 holes – Green Fee-\$12.50/Cart fee -\$13.00 = \$25.50
Weekend 18 holes – Green Fee-\$21.25/Cart fee-\$13.00 = \$34.25
Weekday 9 Holes – Green Fee-\$8.50/Cart fee -\$6.50 = \$15.00
Weekend 9 Holes – Green Fee-\$12.50/Cart fee -\$6.50 = \$19.00

**(f) JUNIOR RATE FOR NON RESIDENTS OF GILLESPIE COUNTY WHO ARE
18 YEARS OF AGE AND UNDER**

Weekday 18 holes – Green Fee-\$21.00/Cart fee -\$13.00 = \$34.00
Weekend 18 holes – Green Fee-\$24.00/Cart fee-\$13.00 = \$37.00
Weekday 9 Holes – Green Fee-\$11.50/Cart fee-\$6.50 = \$18.00
Weekend 9 Holes– Green Fee-\$13.00/Cart fee-\$6.50 = \$19.50

(g) **JUNIOR MEMBERS RATE** (RATES EFFECTIVE JANUARY 1, 2014)

Weekday 18 holes – Green Fee-\$6.00/Cart fee -\$13.00 = \$19.00

Weekend 18 holes – Green Fee-\$9.00/Cart fee-\$13.00 = \$22.00

Weekday 9 Holes – Green Fee-\$4.00/Cart fee -\$6.50 = \$10.50

Weekend 9 Holes – Green Fee-\$5.00/Cart fee -\$6.50 = \$11.50

(h) **FOR MEMBERS OF THE FREDERICKSBURG HIGH SCHOOL GOLF TEAM DURING THE REGULAR SCHOOL YEAR** no charge

(i) **REPLAY RATE-APPLIES AFTER 18 HOLES OF PLAY** (RATES EFFECTIVE JANUARY 1, 2014)

Residents of Gillespie County & Non-Residents – Green Fee-\$15.00/Cart fee -\$13.00 = \$28.00

Members – Green Fee-\$4.00/Cart fee -\$13.00 = \$17.00

(j) **SEASON TICKET PRICING** (RATES EFFECTIVE JANUARY 1, 2015)

The following Season Ticket Package rates are effective from January 1, 2015 through March 31, 2016. Thereafter, Season Ticket Packages shall be effective from April 1 to March 31 of each calendar year. Purchasers of Season Ticket Packages may choose among the following options for each package year. Season Ticket Packages shall be prorated beginning on July 1 of each year. Once purchased, the Season Ticket may not be refunded, traded in or exchanged for another less expensive package. Season Tickets may be transferred.

- | | |
|-----------------------------------|--------------------------|
| (1) \$300.00 one-time payment | (\$500.00 for couples) |
| \$12.00 weekday green fee | |
| \$17.00 weekend green fee | |
| (2) \$300.00 one-time payment | (\$500.00 for couples) |
| \$100.00 monthly | (\$180.00 for couples) |
| No green fees/unlimited golf | |
| (3) \$1700.00 one-time yearly fee | (\$2,600.00 for couples) |
| No green fees/unlimited golf | |

- (4) three month ticket
\$100.00 one-time payment (\$175.00 for couples)
\$12.00 weekday green fee
\$17.00 weekend green fee
This three month ticket may be extended up to two months beyond the initial three for \$50.00 per month for singles and \$75.00 per month for couples
- (5) three month ticket
\$100.00 one-time payment (\$175.00 for couples)
\$125.00 monthly
No green fees/unlimited golf
This three month ticket may be extended for up to two months beyond the initial three for an additional \$50.00 per month for singles and \$75.00 per month for couples
- (6) \$1600 cart pass for unlimited cart rental for pared ridership when possible.

All Season Ticket Package holders shall be additionally entitled to a 20% discount on all regular priced wearing apparel purchased from the Lady Bird Pro Shop, a 20% discount on all regular priced menu items in the Red Bird Grill, a 50% discount on the rental of the Cardinal Room. Any guest accompanying a Season Ticket holder will be entitled to pay Guest Rates for Residents of Gillespie County ((a) above).

(o) **TOURNAMENTS, GROUP RATES AND DYNAMIC PRICING**

The Director of Golf for the Lady Bird Johnson Municipal Golf Course shall have the authority to deviate from the rates set forth above in setting rates for tournaments or for special group rates. Additionally, the Director of Golf may temporarily decrease the rates described in subsections (a), (b), (c), (e), (f), (g) and (i) to provide for specials at such times as he or she determines would encourage additional play.

The rates set out above will be effective November 17, 2014 except as set forth above.

-----End of Code Text-----

Severability / Invalidity.

If any provision of this ordinance or the application hereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without defeating the purpose or objective of the provisions, and to this end, the provisions of this ordinance are declared to be severable.

Repealer

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Penalties

Penalties provided for in the Code Ordinances of the city of Fredericksburg shall apply to violations hereof.

PASSED AND APPROVED this the 17th day of November, 2014.

Linda Langerhans, Mayor
City of Fredericksburg

ATTEST:

Shelley Britton, City Secretary

APPROVED AS TO FORM:

Pat McGowan, City Attorney



CITY COUNCIL MEMO

DATE: November 12, 2014

TO: City Council

FROM: Brian Jordan, AICP

SUBJECT: Consider an Agreement for Professional Services to develop alternative conceptual master plans for the Old Fair Park area.

Summary:

The purpose of this project is to illustrate 3 development alternative concept plans for the Old Fair Park area. Many properties adjacent to and in close proximity of Old Fair Park are experiencing new development, redevelopment opportunities or have plans for expansions/new amenities. As the study area experiences development pressure, Old Fair Park's use is in need of examination. The concept plans will illustrate development alternatives for Old Fair Park in order to assist the City in determining its highest and best land uses.

The study area is roughly defined as S. Adams Street on the west, Live Oak and Walch Streets on the south, Granite Street on the east and Creek Street on the north.

Recommendation:

Staff recommends that the Council authorize staff to enter into a contract with Freese and Nichols, Inc. to provide professional services to prepare alternative conceptual plans for the Old Fair Park area. The cost of these services will be right at \$10,000. Funding will be provided by current budget year personnel savings and current year equipment savings.



The City of Fredericksburg

Background / Analysis:

Following a meeting with staff and area stakeholders, the consultant will prepare 3 concept plans, each depicting a different development alternative. Each concept plan will be provided as an individual map. The map exhibits will include a brief summary describing the pros and cons for the alternative, photo examples, land uses, and building square footage projections.

The three alternatives will involve the following:

- A. Existing Old Fair Park amenities/conditions with the addition of a new skate park, shared parking and relocation of existing soccer field.
- B. A reduction of Old Fair Park's active recreation program (sports fields) while preserving a smaller passive recreation park surrounded by new commercial infill development.
- C. A complete redevelopment of the Old Fair Park site with a mix of new infill housing, retail and commercial uses in a mixed-use style development.



The City of Fredericksburg

AGREEMENT FOR PROFESSIONAL SERVICES

STATE OF TEXAS §

COUNTY OF TARRANT §

This AGREEMENT is entered into by City of Fredericksburg, Texas, hereinafter called "OWNER" and Freese and Nichols, Inc., hereinafter called "FNI." In consideration of the AGREEMENTS herein, the parties agree as follows:

- I. **EMPLOYMENT OF FNI:** In accordance with the terms of this AGREEMENT: OWNER agrees to employ FNI; FNI agrees to perform professional services in connection with the Project; OWNER agrees to pay to FNI compensation. The Project is described as follows: Fredericksburg Old Fair Park Development Alternative Concepts
- II. **SCOPE OF SERVICES:** FNI shall render professional services in connection with Project as set forth in Attachment SC - Scope of Services and Responsibilities of OWNER which is attached to and made a part of this AGREEMENT.
- III. **COMPENSATION:** OWNER agrees to pay FNI for all professional services rendered under this AGREEMENT in accordance with Attachment CO - Compensation which is attached hereto and made a part of this AGREEMENT. FNI shall perform professional services as outlined in the "Scope of Services" for a lump sum fee of \$9,760. Details concerning the fee are included in Attachment CO.

If FNI's services are delayed or suspended by OWNER, or if FNI's services are extended for more than 60 days through no fault of FNI, FNI shall be entitled to equitable adjustment of rates and amounts of compensation to reflect reasonable costs incurred by FNI in connection with such delay or suspension and reactivation and the fact that the time for performance under this AGREEMENT has been revised.
- IV. **TERMS AND CONDITIONS OF AGREEMENT:** The Terms and Conditions of Agreement as set forth as Attachment TC shall govern the relationship between the OWNER and FNI.

Nothing under this AGREEMENT shall be construed to give any rights or benefits in this AGREEMENT to anyone other than OWNER and FNI, and all duties and responsibilities undertaken pursuant to this AGREEMENT will be for the sole and exclusive benefit of OWNER and FNI and not for the benefit of any other party.

This AGREEMENT constitutes the entire AGREEMENT between OWNER and FNI and supersedes all prior written or oral understandings.

This contract is executed in two counterparts.

IN TESTIMONY HEREOF, they have executed this AGREEMENT, the _____ day of _____, 2014.

ATTEST:

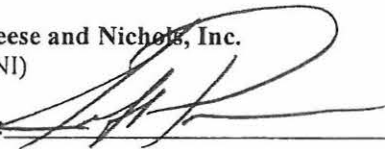
City of Fredericksburg, Texas
(OWNER)

By: _____

Print or Type Name and Title

ATTEST:

Freese and Nichols, Inc.
(FNI)

By:  _____

Jeff Payne, P.E., Vice President

Type Name and Title

SCOPE OF SERVICES AND RESPONSIBILITIES OF OWNER

ARTICLE I

BASIC SERVICES: FNI shall render the following professional services in connection with the development of the Project:

Purpose

The purpose of this project is to illustrate three development alternative concept plans for Old Fair Park in Fredericksburg, Texas. Many properties adjacent to and in close proximity of Old Fair Park are experiencing new development, redevelopment opportunities or have plans for expansions/new amenities. As the study area experiences development pressure, Old Fair Park's use is in need of examination. The concept plans will illustrate development alternatives for Old Fair Park in order to assist the City in determining its highest and best land uses. The site plan deliverables will be conceptual in nature and intended for planning purposes only. Land use and building programming for the three alternatives will be based on FNI's evaluation of the area and will rely on OWNER directive.

Study Area

The study area is roughly defined as S. Adam Street to the west, E. Live Oak Street and E. Walch Avenue to the south, Granite Avenue to the east and E. Creek Street to the north. The three development alternative concepts will be illustrated over the Old Fair Park site, which is approximately ten acres.

Scope of WorkTask 1: Base Map

A base map will be produced compiling the best available aerial and GIS data. The Base Map will identify the study area boundary in addition to key businesses and natural features. In addition, existing site plans for proposed development will be overlaid on the base map.

The OWNER will be responsible for providing the existing site plans for proposed development within the study area. These files are presumed to be image or PDF files.

Task 2: Trip One

During the course of the project, FNI will conduct up to two (2) trips to Fredericksburg, Texas. Meetings during each trip are expected to be conducted on the same day.

During Trip One, FNI will participate in a kick-off meeting and site tour with the OWNER. The purpose of the kick-off meeting will be to review the project scope, schedule, communication, expectations, deliverables, and OWNER and FNI tasks. Immediately following the kick-off meeting, FNI and the OWNER will participate in a site tour for the study area. Following, FNI and OWNER will discuss land use programming for the three Old Fair Park alternatives including building and use types. Also during trip one, FNI will participate in stakeholder meetings. The OWNER will be responsible for identifying stakeholders, scheduling meetings and providing meeting locations. The purpose of the stakeholder meetings are to conduct brief interviews with local groups, business or property owners.

Task 3: Draft Development Alternative Concepts and Conference Call

Based on information provided and discovered during the previous tasks, three rough concept sketches will be provided for OWNER review. The purpose of this task is to approve each proposed alternative before proceeding with additional tasks and details. The concept sketches will likely show hand drawn line work for building forms, land uses, parking locations and general circulation. A conference call will be conducted to discuss the concept sketches before proceeding to Task 4.

Task 4: Development Alternative Concepts

Upon OWNER feedback and completion of Task 3, FNI will prepare three (3) concept plans, each depicting a different development alternative described below. Each concept plan will be provided as an individual map exhibit. Each map exhibit will include an aerial base with a proposed site plan overlaid on the Old Fair Park site illustrating proposed building footprints, parking, street trees and sidewalks. The map exhibits will include a brief summary describing the pros and cons for the alternative, photos examples, land uses, and building square footage projections. Map exhibits will be produced from a variety of software including GIS, AutoCAD, and Photoshop. Based on OWNER information, the three alternatives will likely involve the following.

Alternative A

Existing Old Fair Park amenities / conditions with the addition of a new skate park, new shared parking lot and relocation of the soccer field.

Alternative B

A reduction of Old Fair Park's active recreation program (sports fields) while preserving a smaller passive recreation park surrounded by new commercial infill development.

Alternative C

A complete redevelopment of the Old Fair Park site with mix of new infill housing, retail and commercial uses in a mixed-use style development.

Task 5: Trip Two

During Trip Two, FNI will participate in a meeting to discuss the three Development Plan Concepts. It is anticipated the meeting may include a staff meeting, stakeholder meeting or workshop, including City Council.

Task 6: Final Deliverables

FNI will provide electric PDF versions and one (1) printed copy for the following.

- Base map exhibit
- Alternative A map exhibit
- Alternative B map exhibit
- Alternative C map exhibit

ARTICLE II

ADDITIONAL SERVICES: Additional Services to be performed by FNI, if authorized by OWNER, which are not included in the above described basic services, are described as follows:

Additional services will be billed on an hourly rate.

- A. Market assessment, detailed traffic studies, development services, engineering services, architectural services, engineering studies, surveying, or construction documents.
- B. This project is not intended for construction purposes.
- C. Additional concept plan alternatives
- D. Additional graphic communication including site plans, perspective sketches or other graphic communications not provided in the scope of work
- E. Additional meetings
- F. Additional travel expenses not included in the scope of services
- G. Preparation of zoning documents, zoning ordinances, overlay districts, comprehensive plan and subdivision ordinances
- H. Preparation of documents for City submittals including planned development, site plan or zoning documents
- I. Engineering services or architectural services
- J. Surveying services
- K. Additional draft plan revisions not included in the scope of services
- L. Additional printed copies not included in the project deliverables.
- M. Cost estimating
- N. GIS mapping services or assistance with these services.
- O. Making property, boundary and right-of-way surveys, preparation of easement and deed descriptions, including title search and examination of deed records.
- P. Providing services to investigate existing conditions or facilities, or to make measured drawings thereof, or to verify the accuracy of drawings or other information furnished by OWNER.
- Q. Making revisions to drawings, specifications or other documents when such revisions are 1) not consistent with approvals or instructions previously given by OWNER or 2) due to other causes not solely within the control of FNI.
- R. Providing consultation concerning the replacement of any Work damaged by fire or other cause during the construction, and providing services as may be required in connection with the replacement of such Work.
- S. Investigations involving consideration of operation, maintenance and overhead expenses, and the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals,

evaluations, assessment schedules, and material audits or inventories required for certification of force account construction performed by OWNER.

- T. Preparing applications and supporting documents for government grants, loans, or planning advances and providing data for detailed applications.
- U. Preparing data and reports for assistance to OWNER in preparation for hearings before regulatory agencies, courts, arbitration panels or any mediator, giving testimony, personally or by deposition, and preparations therefore before any regulatory agency, court, arbitration panel or mediator.
- V. Assisting OWNER in preparing for, or appearing at litigation, mediation, arbitration, dispute review boards, or other legal and/or administrative proceedings in the defense or prosecution of claims disputes with Contractor(s).
- W. Assisting OWNER in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this AGREEMENT. Such services, if any, shall be furnished by FNI on a fee basis negotiated by the respective parties outside of and in addition to this AGREEMENT.
- X. Visits to the site in excess of the number of trips included in Article I for periodic site visits, coordination meetings, or contract completion activities.
- Y. Providing basic or additional services on an accelerated time schedule. The scope of this service include cost for overtime wages of employees and consultants, inefficiencies in work sequence and plotting or reproduction costs directly attributable to an accelerated time schedule directed by the OWNER.
- Z. Providing services to review or evaluate construction contractor(s) claim(s), provided said claims are supported by causes not within the control of FNI.
- AA. Preparing statements for invoicing or other documentation for billing other than for the standard invoice for services attached to this professional services agreement.

ARTICLE III

TIME OF COMPLETION: FNI is authorized to commence work on the Project upon execution of this AGREEMENT and agrees to complete the services in accordance with the following schedule: FNI Estimates the project will be complete approximately sixty (60) days after the execution of this contract.

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in OWNER or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this AGREEMENT and in Attachment CO.

ARTICLE IV

RESPONSIBILITIES OF OWNER: OWNER shall perform the following in a timely manner so as not to delay the services of FNI:

- A. Designate in writing a person to act as OWNER's representative with respect to the services to be rendered under this AGREEMENT. Such person shall have contract authority to transmit instructions, receive information, interpret and define OWNER's policies and decisions with respect to FNI's services for the Project.
- B. Assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports, site plans and any other data relative to design or construction of the Project.
- C. Arrange for access to and make all provisions for FNI to enter upon public and private property as required for FNI to perform services under this AGREEMENT.
- D. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by FNI, obtain advice of an attorney, insurance counselor and other consultants as OWNER deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of FNI.
- E. Give prompt written notice to FNI whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of FNI's services, or any defect or nonconformance of the work of any Contractor.
- F. Furnish, or direct FNI to provide, Additional Services as stipulated in Attachment SC, Article II of this AGREEMENT or other services as required.
- G. Bear all costs incident to compliance with the requirements of this Article IV.

ARTICLE V

DESIGNATED REPRESENTATIVES: FNI and OWNER designate the following representatives:

Owner's Designated Representative

Brian Jordan, AICP
Director of Development Services
City of Fredericksburg
126 Main Street
(830) 997-7521
bjordan@fbgtx.org

Owner's Accounting Representative

Name: _____
Address: _____
Phone: _____
Email: _____

FNI's Designated Representative

Cody Richardson
4055 International Plaza, Suite 200
Fort Worth, Texas 76109
(817) 735-7598
csr@freese.com

FNI's Accounting Representative

Sharon James
4055 International Plaza, Suite 200
Fort Worth, Texas 76109
(817) 735-7298
sdj@freese.com

COMPENSATION

Lump Sum: Compensation to FNI shall be the lump sum of Nine Thousand Seven Hundred Sixty Dollars (\$9,760). If FNI sees the Scope of Services changing so that additional services are needed, including but not limited to those services described as Additional Services in Attachment SC, FNI will notify OWNER for OWNER'S approval before proceeding. Additional Services shall be computed based on the Schedule of Charges.

Schedule of Charges:

<u>Position</u>	<u>Min</u>	<u>Max</u>
Professional - 1	64	102
Professional - 2	86	139
Professional - 3	96	155
Professional - 4	115	182
Professional - 5	163	218
Professional - 6	153	400
Construction Manager - 1	76	91
Construction Manager - 2	90	141
Construction Manager - 3	125	145
Construction Manager - 4	154	195
CAD Technician/Designer - 1	56	89
CAD Technician/Designer - 2	80	140
CAD Technician/Designer - 3	107	150
Corporate Project Support - 1	35	97
Corporate Project Support - 2	61	152
Corporate Project Support - 3	68	300
Intern/ Coop	29	58

Rates for In-House ServicesTechnology Charge

\$8.50 per hour

Travel

Standard IRS Rates

Bulk Printing and Reproduction

Black and White	\$0.10 per copy
Color	\$0.25 per copy
Plot - Bond	\$2.50 per plot
Plot - Color	\$5.75 per plot
Plot - Other	\$5.00 per plot
Binding	\$0.25 per binding

OTHER DIRECT EXPENSES:

Other direct expenses are reimbursed at actual cost times a multiplier of 1.15. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from the FNI office and other miscellaneous expenses directly related to the work, including costs of laboratory analysis, test, and other work required to be done by independent persons other than staff members. For Resident Representative services performed by non-FNI employees and CAD services performed in-house by non-FNI employees where FNI provides workspace and equipment to perform such services, these services will be billed at cost times a multiplier of 2.0. This markup approximates the cost to FNI if an FNI employee was performing the same or similar services.

These ranges and rates will be adjusted annually in February.

320-22014

CO -1

FNI JK
OWNER _____



TERMS AND CONDITIONS OF AGREEMENT

1. **DEFINITIONS:** The term Owner as used herein refers to the City of Fredericksburg, Texas. The term FNI as used herein refers to Freese and Nichols, Inc., its employees and agents; also its subcontractors and their employees and agents. As used herein. Services refers to the professional services performed by Freese and Nichols pursuant to the AGREEMENT.
2. **CHANGES:** Owner, without invalidating the AGREEMENT, may order changes within the general scope of the WORK required by the AGREEMENT by altering, adding to and/or deducting from the WORK to be performed. If any change under this clause causes an increase or decrease in FNI's cost of, or the time required for, the performance of any part of the Services under the AGREEMENT, an equitable adjustment will be made by mutual agreement and the AGREEMENT modified in writing accordingly.
3. **TERMINATION:** The obligation to provide services under this AGREEMENT may be terminated by either party upon ten days' written notice. In the event of termination, FNI will be paid for all services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.
4. **CONSEQUENTIAL DAMAGES:** In no event shall FNI or its subcontractors be liable in contract, tort, strict liability, warranty, or otherwise for any special, indirect, incidental or consequential damages, such as loss of product, loss of use of the equipment or system, loss of anticipated profits or revenue, non-operation or increased expense of operation or other equipment or systems.
5. **INFORMATION FURNISHED BY OWNER:** Owner will assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. FNI shall have no liability for defects or negligence in the Services attributable to FNI's reliance upon or use of data, design criteria, drawings, specifications or other information furnished by Owner and Owner agrees to indemnify and hold FNI harmless from any and all claims and judgments, and all losses, costs and expenses arising therefrom. FNI shall disclose to Owner, prior to use thereof, defects or omissions in the data, design criteria, drawings, specifications or other information furnished by Owner to FNI that FNI may reasonably discover in its review and inspection thereof.
6. **INSURANCE:** FNI shall provide to Owner certificates of insurance which shall contain the following minimum coverage (All limits in thousands):

Commercial General Liability General Aggregate \$2,000	Workers' Compensation Each Accident \$500
Automobile Liability (Any Auto) CSL \$1,000	Professional Liability \$3,000 Annual Aggregate
7. **SUBCONTRACTS:** If, for any reason, at any time during the progress of providing Services, Owner determines that any subcontractor for FNI is incompetent or undesirable, Owner will notify FNI accordingly and FNI shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the AGREEMENT shall create any contractual relation between any subcontractor and Owner.
8. **OWNERSHIP OF DOCUMENTS:** All drawings, reports data and other project information developed in the execution of the Services provided under this AGREEMENT shall be the property of the Owner upon payment of FNI's fees for services. FNI may retain copies for record purposes. Owner agrees such documents are not intended or represented to be suitable for reuse by Owner or others. Any reuse by Owner or by those who obtained said documents from Owner without written verification or adaptation by FNI will be at Owner's sole risk and without liability or legal exposure to FNI, or to FNI's independent associates or consultants, and Owner shall indemnify and hold harmless FNI and FNI's independent associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle FNI to further reasonable compensation. FNI may reuse all drawings, report data and other project information in the execution of the Services provided under this AGREEMENT in FNI's other activities. Any reuse by FNI will be at FNI's sole risk and without liability or legal exposure to Owner, and FNI shall indemnify and hold harmless Owner from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom.

9. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that FNI has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing the Services required by this AGREEMENT, FNI does not take possession or control of the subject site, but acts as an invitee in performing the services, and is not therefore responsible for the existence of any pollutant present on or migrating from the site. Further, FNI shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal activities.
10. **OPINION OF PROBABLE COSTS:** FNI will furnish an opinion of probable project development cost based on present day cost, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs prepared by FNI hereunder will be made on the basis of FNI's experience and qualifications and represent FNI's judgment as an experienced and qualified design professional. It is recognized, however, that FNI does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices.
11. **CONSTRUCTION REPRESENTATION:** If required by the AGREEMENT, FNI will furnish Construction Representation according to the defined scope for these services. FNI will observe the progress and the quality of work to determine in general if the work is proceeding in accordance with the Contract Documents. In performing these services, FNI will endeavor to protect Owner against defects and deficiencies in the work of Contractors; FNI will report any observed deficiencies to Owner, however, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor. FNI shall not be responsible for the acts or omissions of any person (except his own employees or agent) at the Project site or otherwise performing any of the work of the Project. If Owner designates a person to serve in the capacity of Resident Project Representative who is not a FNI's employee or FNI's agent, the duties, responsibilities and limitations of authority of such Resident Project Representative(s) will be set forth in writing and made a part of this AGREEMENT before the Construction Phase of the Project begins.
12. **PAYMENT:** Progress payments may be requested by FNI based on the amount of services completed. Payment for the services of FNI shall be due and payable upon submission of a statement for services to OWNER and in acceptance of the services as satisfactory by the OWNER. Statements for services shall not be submitted more frequently than monthly. Any applicable new taxes imposed upon services, expenses, and charges by any governmental body after the execution of this AGREEMENT will be added to FNI's compensation.
- If OWNER fails to make any payment due FNI for services and expenses within thirty (30) days after receipt of FNI's statement for services therefore, the amounts due FNI will be increased at the rate of one percent (1%) per month from said thirtieth (30th) day, and, in addition, FNI may, after giving seven (7) days' written notice to OWNER, suspend services under this AGREEMENT until FNI has been paid in full, all amounts due for services, expenses and charges.
13. **ARBITRATION:** No arbitration arising out of, or relating to, this AGREEMENT involving one party to this AGREEMENT may include the other party to this AGREEMENT without their approval.
14. **SUCCESSORS AND ASSIGNMENTS:** OWNER and FNI each are hereby bound and the partners, successors, executors, administrators and legal representatives of OWNER and FNI are hereby bound to the other party to this AGREEMENT and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this AGREEMENT.
- Neither OWNER nor FNI shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this AGREEMENT without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this AGREEMENT. Nothing contained in this paragraph shall prevent FNI from employing such independent associates and consultants as FNI may deem appropriate to assist in the performance of services hereunder.
15. **PURCHASE ORDERS:** If a Purchase Order is used to authorize FNI's Services, only the terms, conditions/instructions typed on the face of the Purchase Order shall apply to this AGREEMENT. Should there be any conflict between the Purchase Order and the terms of this AGREEMENT, then this AGREEMENT shall prevail and shall be determinative of the conflict.



CITY COUNCIL MEMO

DATE: November 17, 2014

TO: Mayor and City Council

FROM: Kris Kneese, P.E. Assistant City Engineer

SUBJECT: Windcrest Ground Storage Tank Rehabilitation Project – Recommendation of Award of Contract

Summary:

The Windcrest Ground Storage Tank Rehabilitation Project, one of the 2013 Water Bond Projects, bid opening was on October 29, 2014. Listed below in the letter from Freese and Nichols is the bid tabulation for the project bids.

Recommendation:

City Engineering Staff recommends awarding the Windcrest Ground Storage Tank Rehabilitation Project to N.G. Painting, L.P. in the amount of \$653,415.00, which is below the Engineers estimate of \$809,000.00.

Background / Analysis:

The rehabilitation of the Windcrest Ground Storage Tank was identified as one of the 2013 Utility Revenue Bond Projects. The rehabilitation project includes interior and exterior coatings, repair of the

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The City of Fredericksburg

steel roof, site remediation, and new piping appurtenances. Freese and Nichols started the design of Windcrest Ground Storage Tank in March 2014. The project advertised to bid on October 8, 2014 with a bid opening on October 29, 2014. Five Contractors submitted bids with a low bid of \$649,415.00 and a high bid of \$1,068,250.00. Below is a bid tabulation of the five contractors.

Bidders:	Total Bid Amount
1) N.G. Painting, L.P.	\$649,415.00
2) Classic Protective Coatings, Inc.	\$734,310.00
3) TMI Coatings, Inc.	\$775,605.00
4) Horizon Brother Painting Corp.	\$790,260.00
5) Blastco Texas Inc.	\$1,068,250.00

N.G. Painting was the apparent low bidder with a total base bid of \$649,415.00. Freese and Nichols recommends accepting Alternative Bid Item A1 to provide exterior coating system EN-02 for an additional amount of \$4,000.00, which brings the total construction contract for the Windcrest Ground Storage Tank Rehabilitation project to the amount of \$653,415.00.

Project construction will start December 2014 with the project scheduled for completion on June 2015.



The City of Fredericksburg



**FREESE
AND
NICHOLS**

Innovative approaches
Practical results
Outstanding service

4040 Broadway, Suite 600 • San Antonio, Texas 78209 • 210-298-3800 • fax 210-298-3801

www.freese.com

November 6, 2014

Clinton Bailey, P.E.
City Engineer
City of Fredericksburg
126 W. Main St.
Fredericksburg, TX 78624

Subject: Windcrest Ground Storage Tank Rehabilitation Project
Recommendation of Award of Contract

Dear Mr. Bailey:

Listed below is the summary of bids for the Windcrest Ground Storage Tank Rehabilitation Project. A total of five bids were received on October 29, 2014, as summarized below:

<u>Bidders</u>	<u>Total Bid Amount</u>
1) N.G. Painting, L.P.	\$ 649,415.00
2) Classic Protective Coatings, Inc.	\$ 734,310.00
3) TMI Coatings, Inc.	\$ 775,605.00
4) Horizon Brothers Painting Corp.	\$ 790,260.00
5) Blastco Texas Inc.	\$ 1,068,250.00

A copy of the bid tabulation is attached for your use.

N.G. Painting was the apparent low bidder with a total base bid amount of \$649,415.00. FNI recommends accepting Alternate Bid Item A1 to provide exterior coating system EN-02 for an additional amount of \$4,000.00.

Based on the review of the bids, Freese and Nichols' past experience working with N.G. Painting, and the references checked, the Contractor appears to be capable of performing the work on this project. As a result, Freese and Nichols recommends that the City of Fredericksburg award the construction contract for this project to N.G. Painting, L.P. in the amount of \$653,415.00.

Please call me at (210) 298-3814 if you have any questions.

Sincerely,

Freese and Nichols, Inc.

Charles A. Kucherka, P.E.
Project Manager

Attachment: Windcrest GST Rehabilitation Project Bid Tabulation



**FRESE
NICHOLS**

Innovative approaches
Practical results
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4040 Broadway, Suite 600 • San Antonio, Texas 78209 • 210-298-3800 • fax 210-298-3801

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Client: City of Fredericksburg Project: Windcrest Ground Storage Tank Rehabilitation Project Bid Date: October 29, 2014 FNI Project No.: FRB14225				N.G. Painting, L.P. 1225 Bandera Hwy, Ste. A2 Kerrville, TX 78028		Classic Protective Coatings, Inc. N7670 State Hwy 25 Menomonie, WI 54751		TMI Coatings, Inc. 3291 Terminal Drive St. Paul, MN 55121		Horizon Bros. Painting Corp. 1053 Kendra Lane Howell, MI 48843		Blastco Texas Inc. 5514 Easthampton Drive Houston, TX 77039	
#	Description	Quantity	Unit	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
BASE BID ITEMS													
1	Tank Rehabilitation – Furnish all materials, labor, equipment and superintendence for the rehabilitation of a 1.0 million-gallon ground storage tank, yard piping (temporary and permanent), trench safety, site improvements and all appurtenant work not specifically identified by other bid items, in accordance with the contract plans and specifications complete in place.	1	LS	\$110,000.00	\$110,000.00	\$124,700.00	\$124,700.00	\$178,100.00	\$178,100.00	\$89,000.00	\$89,000.00	\$275,000.00	\$275,000.00
2	Furnish and install tank interior surface preparation (SSPC SP10), and interior coating system IW-01 and caulking system IC-01, and all appurtenant work, complete as specified and shown on the plans.	1	LS	\$160,000.00	\$160,000.00	\$135,000.00	\$135,000.00	\$200,000.00	\$200,000.00	\$229,300.00	\$229,300.00	\$225,000.00	\$225,000.00
3	Furnish and install tank exterior surface preparation (SSPC SP6), and exterior coating system EN-01 and all appurtenant work, complete as specified and shown on the plans.	1	LS	\$180,000.00	\$180,000.00	\$268,900.00	\$268,900.00	\$211,300.00	\$211,300.00	\$279,900.00	\$279,900.00	\$150,000.00	\$150,000.00
4	Furnish and provide dehumidification during tank interior surface preparation, coating application and coating curing, complete as specified and as indicated on the plans.	1	LS	\$30,000.00	\$30,000.00	\$40,000.00	\$40,000.00	\$13,100.00	\$13,100.00	\$27,800.00	\$27,800.00	\$15,000.00	\$15,000.00
5	Furnish and install all Electrical Equipment, SCADA, Instrumentation, and all appurtenant work, complete as specified and indicated on the plans.	1	LS	\$30,000.00	\$30,000.00	\$25,000.00	\$25,000.00	\$4,800.00	\$4,800.00	\$49,000.00	\$49,000.00	\$50,000.00	\$50,000.00
6	Environmental excavation and disposal of soils in accordance with all Federal, State, and Local regulations, and import and placement of topsoil complete as specified and shown on the plans.	273	SY	\$165.00	\$45,045.00	\$100.00	\$27,300.00	\$75.00	\$20,475.00	\$120.00	\$32,760.00	\$300.00	\$81,900.00
7	Furnish and install 12,720 gallon fiberglass ground storage tank, including concrete foundation, valves, temporary piping, controls, removal of temporary piping as indicated and all other appurtenant work, complete as specified and shown on the plans.	1	LS	\$60,000.00	\$60,000.00	\$65,000.00	\$65,000.00	\$28,200.00	\$28,200.00	\$25,000.00	\$25,000.00	\$153,000.00	\$153,000.00
8	Install ground storage tank foundation repair as indicated on Plan Sheet T-5, Detail 4 "Foundation Repair Detail", including all appurtenant work, complete as specified and shown on the plans.	120	LF	\$100.00	\$12,000.00	\$25.00	\$3,000.00	\$25.00	\$3,000.00	\$75.00	\$9,000.00	\$350.00	\$42,000.00
9	For development, design, and implementation of a trench safety system as required by the Occupational Safety and Health Administration and the assumption of responsibility for said system, including all required trench safety for construction of site utilities and improvements including appurtenant structures complete as specified and indicated in the plans. (*Contractor shall insert quantity of trench safety required for the project. Contractor shall only be paid for trench safety installed.)	*20 LF min	LF	\$100.00	\$2,000.00	\$50.00	\$1,000.00	\$35.00	\$5,600.00	\$200.00	\$5,000.00	\$200.00	\$4,000.00
TOTAL BASE BID ITEMS 1 - 9					\$629,045.00		\$689,900.00		\$664,575.00		\$746,760.00		\$995,900.00

				N.G. Painting, L.P.		Classic Protective Coatings, Inc.		TMI Coatings, Inc.		Horizon Bros. Painting Corp.		Blastco Texas Inc.	
SUPPLEMENTARY BID ITEMS													
S-1	Furnish all materials, labor, equipment and appurtenances for "interior grinding", complete in place.	50	MH	\$50.00	\$2,500.00	\$100.00	\$5,000.00	\$100.00	\$5,000.00	\$90.00	\$4,500.00	\$75.00	\$3,750.00
S-2	Furnish all material, labor, equipment and appurtenances for "seam welding", complete in place.	50	LF	\$40.00	\$2,000.00	\$50.00	\$2,500.00	\$70.00	\$3,500.00	\$20.00	\$1,000.00	\$55.00	\$2,750.00
S-3	Furnish all material labor, equipment and appurtenances for "pit welding", complete in place.	50	IN ²	\$20.00	\$1,000.00	\$10.00	\$500.00	\$40.00	\$2,000.00	\$25.00	\$1,250.00	\$50.00	\$2,500.00
S-4	Furnish all material, labor, equipment and appurtenances for "pit filling", complete in place.	10	GAL	\$100.00	\$1,000.00	\$600.00	\$6,000.00	\$260.00	\$2,600.00	\$1,000.00	\$10,000.00	\$750.00	\$7,500.00
S-5	Furnish all material, labor, equipment and appurtenances for "additional work".	20	MH	\$60.00	\$1,200.00	\$100.00	\$2,000.00	\$170.00	\$3,400.00	\$90.00	\$1,800.00	\$75.00	\$1,500.00
S-6	Furnish all material, labor, equipment and appurtenances for supplemental "tank floor plate replacement", complete as specified and shown on the drawings.	229	SF	\$30.00	\$6,870.00	\$90.00	\$20,610.00	\$270.00	\$61,830.00	\$50.00	\$11,450.00	\$150.00	\$34,350.00
S-7	Furnish tonnage of miscellaneous steel replacement. Installed, complete in place.	0.5	TON	\$2,000.00	\$1,000.00	\$2,000.00	\$1,000.00	\$16,400.00	\$8,200.00	\$3,000.00	\$1,500.00	\$20,000.00	\$10,000.00
S-8	Furnish all material, labor, equipment and appurtenances for removing and replacing existing interior roof rafters, complete in place.	4	EA	\$1,200.00	\$4,800.00	\$1,700.00	\$6,800.00	\$6,125.00	\$24,500.00	\$3,000.00	\$12,000.00	\$2,500.00	\$10,000.00
TOTAL SUPPLEMENTARY BID ITEMS S1 - S8					\$20,370.00		\$44,410.00		\$111,030.00		\$43,500.00		\$72,350.00
TOTAL BID (TOTAL BASE BID + TOTAL SUPPLEMENTARY BID ITEMS)					\$649,415.00		\$734,310.00		\$775,605.00		\$790,260.00*		\$1,068,250.00
ALTERNATE BID ITEMS													
A1	(Add/Deduct) Provide Exterior Tank Coating System EN-02 in lieu of EN-01 as specified in section 09 95 00, "Coatings for Water Storage Tanks," including all appurtenant work, complete as specified and indicated on the plans.	1	LS	\$4,000.00	\$4,000.00	\$13,699.00	\$13,699.00	\$22,500.00	\$22,500.00	\$65,000.00	\$65,000.00	\$30,000.00	\$30,000.00
A2	(Add/Deduct) Provide Exterior Tank Coating System EN-03 in lieu of EN-01 as specified in section 09 95 00, "Coatings for Water Storage Tanks," including all appurtenant work, complete as specified and indicated on the plans.	1	LS	\$14,000.00	\$14,000.00	\$27,578.00	\$27,578.00	\$48,600.00	\$48,600.00	\$50,000.00	\$50,000.00	\$65,000.00	\$65,000.00
A3	(Add/Deduct) Provide Interior Tank Coating System IW-02 in lieu of IW-01 as specified in section 09 95 00, "Coatings for Water Storage Tanks," including all appurtenant work, complete as specified and indicated on the plans.	1	LS	\$25,000.00	\$25,000.00	\$132,274.00	\$132,274.00	\$91,000.00	\$91,000.00	\$128,000.00	\$128,000.00	\$60,000.00	\$60,000.00

*Denotes calculation error by Contractor



CITY COUNCIL MEMO

DATE: 11/10/2014

TO: Mayor and City Council

FROM: Laura Hollenbeak, Director of Finance

SUBJECT: Suggested Amendments to the Comprehensive Financial Management Policy Statements

Summary:

Included with your agenda packet are the suggested amendments to the Comprehensive Financial Management Policy Statements.

Recommendation:

Staff recommends the City Council adopt the suggested amendments to the Comprehensive Financial Management Policy Statements.

Background / Analysis:

In addition to suggested changes presented at the November 3, 2014 Council Meeting, staff met with Council Member Gary Neffendorf and recommends adding additional requirements to:

IV. Expenditures, D. Budget, Budgeted Capital Items.

(67)

The City of Fredericksburg

IV. EXPENDITURES

The City will identify services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

A. Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

B. Periodic Program/Services Reviews

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

C. Purchasing

All City purchases of goods and services shall be made in accordance with state and federal laws.

The following shows a summary of approval requirements for purchases.

Dollar Limits:	Procurements:	Requirements:
Under \$5,000	Under the small purchase limit	No competitive bids and City credit cards may be used.
\$5,000 up to \$50,000	Within informal bid limit	A minimum of three informal competitive bids required unless exempted.
\$10,000 and above	Within City Manager's approval	In addition to the requirements above, the City Manager must approve the purchase.
\$50,000 and above	In excess of the informal bid limit	Formal solicitations, which includes public notices, required unless exempted. Council approval required.

D. Budget

The City Manager, in coordination with each department head is responsible for insuring that total expenses in each fund do not exceed the adopted annual budget.

Budgeted Capital Items

If the bid received for a capital item varies from the budgeted amount by \$10,000 or more, any savings cannot be reallocated to new capital items without Council approval. In addition, the City Manager will report to Council any expenditure that varies by more than \$10,000.

E. *Contracts and Change Orders*

Contracts and related change orders must follow the City Purchasing Policies and State Law. In accordance with State Law, change orders are limited to 25% of the total contract amount. Change orders greater than \$50,000 require the same Council approvals as the original contracts.

V. RESERVES

The City will maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position during emergencies or economic fluctuations. In addition, the City may accumulate Fund Balances for a specific purpose and for unexpected financial opportunities.

A. *General Fund Unrestricted Fund Balance*

- The City shall maintain the General Fund unrestricted fund balance to no less than 3 months of regular General Fund operating expenditures.
- Excess fund balance levels may be used to fund emergencies, nonrecurring expenditures or major capital purchases that cannot be accommodated through the current year's budgeted revenues with Council approval.
- Funds accumulated for a specific purpose should be identified as such in the City's Financial Statements.
- Methods used to replenish fund balances that fall below required levels include an increase in property tax revenues and a decrease in budgeted expenses as economic conditions allow. The City should seek to replenish fund balance levels within 1 to 2 years of use.

B. *Tourism Fund*

- A minimum of 30 days of operating expenditures will be reserved within the fund balance. These funds are designated to be used to offset any potential revenue shortfall that occurs during the fiscal year and should be replenished in the following fiscal year's budget.

C. *Utility Enterprise Funds/Unreserved Working Capital*

- The City shall maintain a working capital sufficient to provide for reserves for emergencies and revenue shortfalls. A cash equivalent operating reserve will be established and maintained at 3 months of the current year's budget appropriation for recurring operating expenses. *The Power Purchases and Transmission Provider Fees are not included in this contingency reserve.*

The cash operating reserve is derived by dividing the total cash equivalents balance by recurring operating expenses.

- Excess fund balance levels may be used to fund emergencies, nonrecurring expenditures or major capital purchases that cannot be accommodated through the current year's budgeted revenues with Council approval. Should such use reduce balances below the level established as the objective for that fund,

restoration recommendations will accompany the request/decision to utilize said balances.

- Funds accumulated for a specific purpose should be identified as such in the City's Financial Statements.
- Methods used to replenish fund balances that fall below required levels include an increase in rates and a decrease in budgeted expenses as economic conditions allow. The City should seek to replenish fund balance levels within 1 to 2 years of use.

The City shall not use proceeds or reserves from an Enterprise fund except for expenditures within the purpose of the fund, unless those expenditures have been approved for other purposes as part of the adopted budget.

Any other Enterprise fund transfers, advances, or formal loans outside of the normal budget process, will require a public hearing and an amendment to the previously adopted budget.

A transfer is defined as movement of funds with no obligation or repayment. An advance on the other hand has an obligation to be repaid, but with no specific terms. A formal loan would carry an obligation to be repaid with specific terms.

D. *Other Enterprise Funds/Unreserved Working Capital*

- Excess fund balance levels may be used to fund emergencies, nonrecurring expenditures or major capital purchases that cannot be accommodated through the current year's budgeted revenues with Council approval.
- Funds accumulated for a specific purpose should be identified as such.
- Methods used to replenish deficit fund balances will be discussed and approved by the City Council.

The City shall not use proceeds or reserves from an Enterprise fund except for expenditures within the purpose of the fund, unless those expenditures have been approved for other purposes as part of the adopted budget.

Any other Enterprise fund transfers, advances, or formal loans outside of the normal budget process, will require a public hearing and an amendment to the previously adopted budget.

A transfer is defined as movement of funds with no obligation or repayment. An advance on the other hand has an obligation to be repaid, but with no specific

terms. A formal loan would carry an obligation to be repaid with specific terms.

E. *Solid Waste Fund*

The City's objective is to create restricted reserves of \$1,000,000 to fund future cell development. Annual loan repayments from the Golf Fund to the Solid Waste Fund will be restricted reserves designated for Landfill Closure expenditures. In addition, a cash equivalent operating reserve will be established and maintained at 3 months of the current year's budget appropriation for recurring operating expenses.

F. *EMS – Emergency Medical Services*

The City does not require an EMS fund balance reserve since the EMS Fund is supported by the General Fund.

G. *Debt Service Fund Unreserved Fund Balance*

The City shall maintain the Debt Service fund balance reserve as required by bond ordinances or covenants.

H. *Internal Service Fund/Health Insurance Fund*

The City shall maintain the Health Insurance fund balance to no less than 3 months of regular operating expenditures. Methods used to replenish fund balances that fall below required levels include an increase in health insurance premiums. The City should seek to replenish fund balance levels within 1 to 2 years of use.

For reporting purposes GASB #54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements will improve financial reporting by providing fund balance categories that will be more easily understood.

1. Nonspendable - identifying amounts (such as inventory)
2. Restricted - includes amounts that can only be used for a specific purpose stipulated by the constitution, external resource providers, or through enabling legislation
3. Committed - includes amounts that can only be used for a specific purpose determined by the City Council
4. Assigned - includes amounts that can be used for a specific purpose but do not meet the criteria to be classified as "restricted" or "committed"
5. Unassigned - includes all spendable amounts not contained in other classifications