

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

**REGULAR CITY COUNCIL MEETING
DECEMBER 7, 2015
6:00 PM**

On this the 7th day of December, 2015, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

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

ABSENT: NONE

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

The meeting was called to order at 6:00 PM., followed by the Pledge of Allegiance.

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

RESOLUTION APPROVING NEW APPRAISAL DISTRICT BUILDING – This item was pulled from the agenda and will be considered at a later date.

RESOLUTION FOR REIMBURSEMENT FOR ANIMAL SHELTER ARCHITECTURAL SERVICES – It was moved by Council Member Neffendorf, seconded by Council Member Watson, to approve the Resolution supporting payment of Animal Shelter Architectural Services from future tax obligations issued by the City for total project costs, not to exceed \$1.5 million. The vote was as follows: AYE: Langerhans, Neffendorf, Watson, and Luckenbach; NAY: Pearson. Motion carried.

RESOLUTION

A RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CONSTRUCTING VARIOUS CITY IMPROVEMENTS FROM THE PROCEEDS OF TAX

**EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR
AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS
INCIDENT AND RELATED THERETO; AND PROVIDING AN
EFFECTIVE DATE**

WHEREAS, the City Council (the *Governing Body*) of the City of Fredericksburg, Texas (the *Issuer*) has entered into or will enter into various contracts pertaining to the expenditure of lawfully available funds of the Issuer to finance the costs associated with (i) constructing, acquiring, purchasing, renovating, equipping, enlarging, and improving various City-owned facilities and the purchase of an animal shelter and personal property, materials, supplies, equipment, machinery, land and rights-of-way for authorized needs and purposes relating to the Aforementioned improvements, (the *Construction Costs*), (ii) the payment of various engineering costs, including design testing, design engineering, and construction inspection related to the Construction Costs (the *Engineering Costs*), (iii) the payment of various architectural costs including preparation of plans and specifications and various other plans and drawings related to the Construction Costs (the *Architectural Costs*), and (iv) the payment of various administrative costs, including the fees of bond counsel, financial advisor, project manager, project consultant other professionals, and bond printer (the *Administrative Costs*) [the Constructions Costs, the Engineering Costs, the Architectural Costs, and the Administrative Costs collectively constitute the costs of the Issuer's projects that are the subject of this Resolution (the *Project*)]; and

WHEREAS, the provisions of Section 1201.042, as amended, Texas Government Code (Section 1201.042) provide that the proceeds from the sale of obligations issued to finance the acquisition, construction, equipping, or furnishing of any project or facilities, such as the Project, may be used to reimburse the Issuer for costs attributable to such project or facilities paid or incurred before the date of issuance of such obligations; and

WHEREAS, the United States Department of Treasury (the *Department*) released Regulation Section 1.150-2 (the *Regulations*) which establishes when the proceeds of obligations are spent and therefore are no longer subject to various federal income tax restrictions contained in the Internal Revenue Code of 1986, as amended (the *Code*); and

WHEREAS, the Issuer intends to reimburse itself, within eighteen months from the later of the date of expenditure or the date the property financed is placed in service (but in no event more than three years after the original expenditures are paid), for the prior lawful capital expenditure of funds from the proceeds of one or more series of tax-exempt obligations (the *Obligations*) that the Issuer currently contemplates issuing in the principal amount of not to exceed \$1,500,000 to finance a portion of the costs of the Project; and

WHEREAS, under the Regulations, to fund such reimbursement with proceeds of the Obligations, the Issuer must declare its expectation ultimately to make such reimbursement before making the expenditures; and

WHEREAS, the Issuer hereby finds and determines that the reimbursement for the prior expenditure of funds of the Issuer is not inconsistent with the Issuer's budgetary and financial circumstances; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the Issuer; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT:

SECTION 1: This Resolution is a declaration of intent to establish the Issuer's reasonable, official intent under section 1.150-2 of the Regulations and Section 1201.042 to reimburse itself from certain of the proceeds of the Obligations for any capital expenditures previously incurred (not more than 60 days prior to the date hereof) or to be incurred with respect to the Project from the Issuer's General Fund or other lawfully available funds of the Issuer.

SECTION 2: The Issuer intends to issue the Obligations and allocate within 30 days after the date of issuance of the Obligations the proceeds therefrom to reimburse the Issuer for prior lawful expenditures with respect to the Project in a manner to comply with the Regulations.

SECTION 3: The reimbursed expenditure will be a type properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles.

SECTION 4: The Issuer intends to otherwise comply, in addition to those matters addressed within this Resolution, with all the requirements contained in the Regulations.

SECTION 5: This Resolution may be relied upon by the appropriate officials at the Office of the Attorney General for the State of Texas and establishes compliance by the Issuer with the requirements of Texas law and the Regulations.

SECTION 6: With respect to the proceeds of the Obligations allocated to reimburse the Issuer for prior expenditures, the Issuer shall not employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of "replacement proceeds", as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

SECTION 7: The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 8: All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such

conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 9: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 10: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstance shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 11: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution would have been enacted without such invalid provision.

SECTION 12: This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED, ADOPTED AND APPROVED on this 7th day of December, 2015.

CITY OF FREDERICKSBURG, TEXAS

/s/ Linda Langerhans, Mayor

ATTEST:

/s/ Shelley Britton, City Secretary

ANIMAL SHELTER ARCHITECTURAL SERVICES AGREEMENT – It was moved by Council Member Pearson, seconded by Council Member Luckenbach, to approve the Animal Shelter Architectural Services Agreement as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Watson, Pearson, and Luckenbach; NAY: None. Motion carried.

REPORT ON PARKS MASTER PLAN – Consultant Dennis Sims was on hand to present the report on the Parks Master Plan Survey. Council agreed to a workshop in the near future.

REPORT ON THE GILLESPIE COUNTY RELIEF ROUTE – Kory Keller, Chairman of the Gillespie County Relief Route, briefed council on the progress being made on the Relief Route.

CONTRACT FOR K-2 WELL IMPROVEMENTS – Following comments from DPWU Clinton Bailey, it was moved by Council Member Pearson, seconded by Council Member Luckenbach, to approve the Contract for K-2 Well Improvements with Pipe Works Constructors LLC in the amount of \$474,798, with the Director of Finance selecting the most advantageous

source of funding. The vote was as follows: AYE: Langerhans, Neffendorf, Watson, Pearson, and Luckenbach; NAY: None. Motion carried.

2016 CITY HOLIDAYS – It was moved by Council Member Watson to approve the 2016 Proposed Holiday Schedule with the addition of Martin Luther King Day, as presented by the City Manager. Motion died for lack of a second. It was then moved by Council Member Luckenbach, seconded by Council Member Pearson, to approve the 2016 Proposed Holiday Schedule with no changes from the 2015 holiday schedule. The vote was as follows: AYE: Langerhans, Neffendorf, Watson, Pearson, and Luckenbach; NAY: None. Motion carried.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Employee Succession Plan, (2) HOT Funding Schedule, and (3) City Employee Recognitions.

PUBLIC COMMENTS – Russ Rose commented on the outstanding quality of the food at the Golf Course Grill, and on the cost of the city's subsidizing of rounds of golf played. Mo Saiide commented on strides being made to clean up the roads around the city and county.

COUNCIL COMMENTS – Council Member Pearson briefed on the various meetings attended.

EXECUTIVE SESSION - It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and go into Executive Session at 7:35 PM. All voted in favor and the motion carried. At 8:45 PM, it was moved by Council Member Luckenbach, seconded by Council Member Pearson, to adjourn the Executive Session and reconvene the regular session. All voted in favor and the motion carried.

The following items were discussed in Executive Session:

GOLF COURSE PERSONNEL – No action was taken.

PROPERTY ACQUISITION – No action taken.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 8:46 PM. Council Member Luckenbach seconded the motion. Motion carried.

PASSED AND APPROVED this the 15th day of February, 2016.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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

**SPECIAL CITY COUNCIL MEETING
DECEMBER 14, 2015
4:00 PM**

On this the 14th day of December, 2015, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
GRAHAM PEARSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: BOBBY WATSON - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ALSO PRESENT: KENT MYERS - CITY MANAGER
CLINTON BAILEY – D.P.W.U.
ALAN SAENGER – ASST D.P.W.U.
PAT McGOWAN – CITY ATTORNEY

RESOLUTION APPROVING NEW APPRAISAL DISTRICT BUILDING – It was moved by Council Member Pearson, seconded by Council Member Neffendorf, to approve the Resolution Approving the New Appraisal District Building. The vote was as follows: AYE: Langerhans, Neffendorf, and Pearson; NAY: None. Motion carried.

RESOLUTION

WHEREAS, Section 6.051 of the Texas Property Tax Code allows the acquisition of the real property by purchase or lease, the conveyance of real property, and the construction or renovation of a building or other improvement by an appraisal district for the purpose of establishing and operating the appraisal office or a branch appraisal office; and

WHEREAS, Section 6.051 requires that the board of directors of an appraisal district must propose the property transaction by resolution which must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of board members; and

WHEREAS, the governing body of the City of Fredericksburg received notification of the resolution adopted by the Board of Directors of the Gillespie County Appraisal District as required by Section 6.051;

NOW THEREFORE BE IT HEREBY RESOLVED that on this date, the City Council of the City of Fredericksburg approved by a majority vote taken in a public meeting the purchase of the following property:

Tract 3AR2, Resubdivision of Tract 3AR, Windcrest Medical Addition, being a 0.83 acre tract of Tract 3AR, Windcrest Medical Addition, Fredericksburg, Texas

BE IT FURTHER RESOLVED that this document be filed with the Chief Appraiser of the Gillespie Central Appraisal District on or before the 30th day after the receipt of notification of the aforementioned resolution.

SIGNED the 14th day of December, 2015

/s/ Linda Langerhans, Mayor

EXECUTIVE SESSION - It was moved by Council Member Pearson, seconded by Council Member Neffendorf, to recess the regular session and go into Executive Session at 4:20 PM. All voted in favor and the motion carried. At 4:51 PM, it was moved by Council Member Pearson, seconded by Council Member Neffendorf, to adjourn the Executive Session and reconvene the regular session. All voted in favor and the motion carried.

The following items were discussed in Executive Session:

HAHN WELL MEDIATION – No action was taken.

LEGAL ASPECTS OF CENTRAL APPRAISAL DISTRICT CONTRACT – No action taken.

With no further business, it was moved by Council Member Pearson, seconded by Council Member Neffendorf, to adjourn the meeting at 4:51 PM.

PASSED AND APPROVED this the 15th day of February, 2016.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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

**REGULAR CITY COUNCIL MEETING
DECEMBER 21, 2015
6:00 PM**

On this the 21st day of December, 2015, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
BOBBY WATSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

GRAHAM PEARSON – COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: NONE

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

The meeting was called to order at 6:00 PM., followed by the Pledge of Allegiance.

PUBLIC HEARING ON Z-1519 BY CARROLL BRYLA ON BEHALF OF BBR MUSTANG LLC FOR A CONDITIONAL USE PERMIT TO ALLOW DAY CARE SERVICES IN THE R-1 SINGLE FAMILY RESIDENTIAL ZONING DISTRICT ON PROPERTY AT 1208 N. MILAM ST – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to recess the regular session and open the public hearing on Z-1519 for a Conditional Use Permit to allow Day Care Services in the R-1 Single Family Residential zoning district on property at 1208 N. Milam St. All voted in favor and the motion carried.

Comments were received by Carroll Bryla regarding the request. With no further comments from the public, it was moved by council Member Watson, seconded by council Member Luckenbach, to adjourn the Public Hearing and reconvene the regular session. All voted in favor and the motion carried.

RECOMMENDATION RE: Z-1519 – It was moved by Council Member Pearson, seconded by Council Member Luckenbach, to approve Z-1519 as presented. The vote was as follows: AYE: Langerhans, Neffendorf, Luckenbach, Watson, and Pearson. Motion carried.

REQUEST FROM NIMITZ FOUNDATION FOR WAIVER OF BUILDING AND DEVELOPMENT FEES – Joe Cavanaugh, Museum Director, presented a request from the Nimitz Foundation on behalf of the Texas Historical Commission for a waiver of \$14,757.82 in water and sewer impact fees as well as direct services and materials provided by the electric department. No action was taken.

PURCHASE OF UTILITY CAMERA EQUIPMENT – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to approve the purchase of utility camera equipment from Kinloch/IBAK Portable Camera System in the amount of \$88,916.03. The vote was as follows: AYE: Langerhans, Neffendorf, Luckenbach, Watson, and Pearson. Motion carried.

PROFESSIONAL SERVICES CONTRACT FOR MASTER DRAINAGE PLAN - It was moved by Council Member Watson, seconded by Council Member Neffendorf, to approve a

Professional Services Contract with Freese and Nichols in the amount of \$149,699.00 to complete the 2015 Drainage Master Plan. The vote was as follows: AYE: Langerhans, Neffendorf, Luckenbach, Watson, and Pearson. Motion carried.

PRESENTATION FROM TPW “STARS IN THE PARKS” – Doug Cochran, Superintendent of Enchanted Rock State Park, presented the City’s emergency responders “Stars in the Parks” recognition for the services they provide at the state parks, specifically Enchanted Rock State Park.

APPOINTMENTS TO EDC BOARD – It was moved by Council Member Luckenbach, seconded by Council Member Watson, to approve the reappointments of Jim Jarreau and Brad Hardin to the EDC Board. All voted in favor and the motion carried.

CITY MANAGER’S REPORT - City Manager’s Report included (1) January Special City Council Meetings, (2) City Employee Recognitions included Brenda Crenwelge, utility clerk, for setting the example of “going the extra mile” with her utility customers.

PUBLIC COMMENTS – No comments.

COUNCIL COMMENTS – No comments.

With no further business, Council Member Watson made a motion to adjourn the meeting at 7:04 PM. Council Member Pearson seconded the motion. Motion carried.

PASSED AND APPROVED this the 15th day of February, 2016.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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