

City of Fredericksburg

CITY COUNCIL WORK SESSION AGENDA THURSDAY, JANUARY 16, 2020 ~ 8:30 A.M. LADY BIRD GOLF COURSE – CARDINAL ROOM – 341 GOLFERS LOOP FREDERICKSBURG, TEXAS 78624

Linda Langerhans, Mayor
Tom Musselman, Councilmember
Bobby Watson, Councilmember

Charlie Kiehne, Councilmember
Gary Neffendorf, Councilmember
Kent Myers, City Manager

The City of Fredericksburg City Council will meet in a work session on Thursday, January 16, 2020, at 8:30 a.m. in the Lady Bird Golf Course – Cardinal Room – 341 Golfers Loop, Fredericksburg, Texas. This is an open meeting, open to the public, subject to the Open Meetings Law of the State of Texas, and as required by law, notice is hereby posted on January 13, 2020, before 8:30 a.m., providing time, place, date and agenda thereof. The meeting facility is wheelchair accessible and accessible parking spaces are provided. Requests for accommodations or interpretative services must be made to the City Secretary 48 hours prior to this meeting.

(Please turn off all pagers and phones, except emergency on-call personnel.)

1. Call Meeting to Order

2. Public Comments

The City Council welcomes citizen participation and comments at all City Council Meetings. The City Council offers citizens the opportunity to address them by signing up to speak prior to the meeting and to limit comments to 3-minutes.

NOTE: The Texas Open Meetings Act permits a member of the public or a member of the governmental body to raise a subject that has not been included in the notice for the meeting. However, any discussion of the subject must be limited to a proposal to place the subject on the agenda for a future meeting and any response to a question posed to the City Council is limited to either a statement of specific information or recitation of existing policy. TEX. GOV'T CODE § 551.042.

**3. Consider Report and Discussion on Police Department Staffing
(Agenda Packet Pages 7-26)**

**4. Consider Report and Discussion on Financial Performance of Golf Course
(Agenda Packet Page 27)**

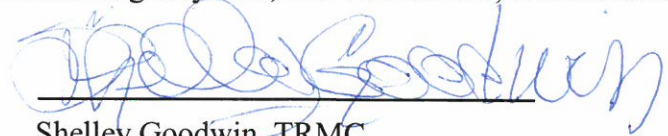
**5. Consider Report and Discussion on Public Improvement Districts (PIDs)
(Agenda Packet Pages 29-43)**

**6. Consider Report and Discussion on City Financial Challenges
(Agenda Packet Pages 45-55)**

7. Consider Report and Discussion on Public Comments at City Council Meetings
(Agenda Packet Pages 57-63)
8. Consider Report and Discussion on Future Plans for City Hall, Police Station and Fire Station
(Agenda Packet Pages 65)

9. Adjourn

This is to certify that I, Shelley Goodwin, posted this Agenda at 10:40 a.m. on January 10, 2020 on the entrance door and bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.



Shelley Goodwin, TRMC
City Secretary

City Council Work Session

January 16, 8:30 A.M.

Cardinal Room-Lady Bird Johnson Golf Course

	<u>Estimated Time</u>
1. Call Meeting to Order	8:30 a.m.
2. Consider Report and Discussion on Police Department Staffing	8:30-9:00 a.m.
3. Consider Report and Discussion on Financial Performance of Golf Course	9:00- 9:30 a.m.
4. Consider Report and Discussion on Public Improvement Districts (PIDs)	9:30-10:00 a.m.
5. Consider Report and Discussion on City Financial Challenges	10:00-11:00 a.m.
6. Consider Report and Discussion on Public Comments at City Council Meetings	11:00-11:30 a.m.
7. Consider Report and Discussion on Future Plans for City Hall, Police Station and Fire Station	11:30-12:00 a.m.
8. Adjournment	Noon



Date: January 9, 2020

To: Mayor and City Council

From: Kent Myers, City Manager

Subject: City Council Work Session

The next City Council Work Session is scheduled for this Thursday, January 16 at 8:30 a.m. at the Cardinal Room at Lady Bird Johnson Golf Course. We will gather starting at about 8:00 a.m. for breakfast prior to the meeting. We will try to adjourn the meeting by noon, but this may be a challenge due to the number of different topics scheduled for discussion.

The first item on the agenda is a presentation and discussion on staffing issues in the Police Department. As you know, we have experienced a lot of turnover in the Police Department over the past year. The attached presentation includes factors contributing to this turnover. We are proposing a new Career Plan for the Police Department which will be presented at the Work Session. If the City Council is interested in implementing this type of Plan, we will prepare cost estimates for discussion during the budget meetings this summer. In the meantime, we are making progress in recruiting some excellent new Police Officers.

The next item on the agenda is a report and discussion on the financial status of the Golf Course. Attached is a summary report on the finances for the Golf Course covering the period since Touchstone was hired about two years ago. Doug Harker and Chris Mead from Touchstone will attend the meeting next week to discuss this information and respond to any questions.

The third item on the agenda is a report and discussion on public improvement districts (PIDs). This is a tool used by developers around the State to finance infrastructure costs in new residential subdivisions so that the costs of housing can be more affordable. The consultant for the Friendship Oaks Subdivision, Richard Rosenberg, will attend the meeting to make the attached presentation and respond to any questions.

The City of Fredericksburg

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

The next item on the agenda will be a presentation and discussion on some of the financial challenges that will be facing the City as we begin to develop the Budget later this summer. I will make this presentation which is attached and respond to any questions.

Recently there have been some concerns expressed about the current policy for allowing public comments at City Council meetings. So, the next agenda item will discuss this policy and determine if the Council would like to make any changes. The policy is included in the City Council Rules of Procedure which is attached. Also attached is a copy of recent information from TML on public comments at Council meetings.

The final item is a discussion on future plans for City Hall, Police Station and Fire Station. This has been a topic of discussion for the past several years. During the last discussion about 18 months ago, it was decided that this item would be tabled to allow the City to present to the voters the proposal for the Sports Park. Now that this proposal has been decided by the voters, the Mayor suggested that we revisit this item. This discussion will focus on the preferred location of these facilities and financing options. Attached is a preliminary cost estimate for these buildings based upon the discussion about two years ago.

Please let me know if you have any questions prior to the Work Session.

Fredericksburg Police Department

Officer Retention, Career, and Development Plan

Identifying Our Employee Retention Issues

Vacancy issue

- How many do we have ?
- Where have they gone?
- Why do they leave?
- Where do we find replacements?
- What are our recruiting issues and cost to the city?
- What are the long term effects?
- How do we better are chances for retention?

How Many Vacancy's Do We Have?

The Fredericksburg Police Department is budgeted for 33 employees. Of the 33 employees there are 22 assigned to patrol duties, 6 to the Criminal Investigation Division, 2 to FISC, and 2 to Special Services.

In December 2019 we had 17 active patrol officers, 2 School Officers, 3 active Investigators, and 1 Officer in Special Services.

As of today, we have 4 openings and 1 pending lateral out of the Department.

2019 has been the highest year for turnover we have seen, what will next year bring.

Employee Turnover

As of December 2019, we have seen 22 Officers leave the Department in the last 10 years: 3 retirements, 1 to the military, 9 to private industry, 6 to other law enforcement jobs, and 2 were released.

In those same 10 years, we have hired 23 employees, including 2 current academy recruits, and 3 new officers in Field Training . We have only retained 2 officers for more than 5 years that we have hired in the last 10 years.

Where Do Officers Go?

Other law enforcement organizations:

- Kerr County Sheriffs Department
- Kerrville Police Department
- Kendall County Sheriffs Department
- Boerne Police Department
- Gillespie County Sheriffs Department

Other job opportunities in the private sector

Why Do They Leave?

- Better pay and benefits
- Opportunities outside law enforcement
- More department opportunities
- No Ties to the community
- Inability to cope with stress
- Retirement

Where Do We Find Replacements

Replacement Police Officers are difficult to find even when police academies have the cadets. As of now there are several police academies in San Antonio, Austin, and San Angelo. These academies run approximately 6 months and each academy may have multiple classes in a year.

In the last 10 years, we hired 11 local individuals with ties to the community. Of those 11, we have retained 2 for more than 5 years.

Another source for replacement officers is being able to recruit already certified officers from other agencies.

What Are Our Recruiting Issues

Recruiting qualified individuals – 5 out of 41 made it through our testing in the last 6 months

- Of the 36, only 1 was certified and working as a police officer
- High cost of housing - average cost of housing for 2019 is \$380,000
- Pay and benefits equal to or better than other agencies
- Individuals willing to work nights, weekends and holidays
- Education and Licensing requirements
- Professionalism, Character and Communication Skills

Training and Replacements Cost

Replacement cost for non-certified hire:

• Academy cost	\$3,200
• Duty gear	\$4,775
• 6 months salary in the academy	\$17,625
• 4 months salary while in FTO training	\$15,000

Savings by retaining Officers \$40,600

* Based off of 2019 budget

Long Term Effects

The inability to retain mid-level employees from the 5 to 10 year range is wide ranging and can be seen many years in the future.

Some but not all include:

- **Lack of experience** – Of the 21 patrol officer positions, 10 have more than 5 years experience (including Sergeants).
- **Change in policing culture** – how we deal with individuals and our community policing goals.
- **Increased citizen complaints and use of force.**
- **Quality of service / Reactive vs Proactive**
- **Inability to promote experienced leaders from within the department.**
- **High cost to train new employees.**

Helping to Retain Employees

Changes we have implemented:

- Educational and Certificate Incentives
- Night Differential Pay
- On-call Stipends
- Relaxing Uniform Standards
- Gym Memberships

Options we need to explore:

- Officer Pay and Benefits / Career Plan
- Field Training Officer Stipend
- Bilingual Officer Stipend
- Instructor Stipend
- Officer Development Plan
- Relocation Reimbursement
- In County Housing Stipend

Employee Career Plan

Currently the City has no implementation plan that deals with moving an employee thru our salary structure. The current pay scale is setup with 3 levels of pay to include the starting pay, a 15 year salary, and a 30 year salary.

The salary range on some city employees does not reflect these bench marks, and currently our only procedure to migrate someone through the scale is our merit and cola increases.

Department	Comparative salary and benefits						longevity
	Starting Salary	5 Year	10 year	20 year	Sgt. Starting retirement	Benefits	
Boerne PD	\$49,209 As high as \$51,700	\$55,676	\$62,992	\$74,620	\$73,000 7% 2-1	Employee Insurance 100% plus dental and vision. Dependent Insurance 40%	0-5 years \$4 a month 5-15 years \$5 a month 15-20 years \$7 a month 25 and up \$8 \$4 a month
Kerrville PD	\$50,000	\$54,080	\$60,833		\$64,673 7% 2-1	Employee Insurance 100%	
Kendall SO	\$48,368		\$65,009	\$60,804	7% 1.6 - 1	Employee Insurance 100%	
Fredericksburg PD	\$47,763	\$51,750	\$54,000	\$63,460	\$60,960 6% 2-1	Employee Insurance 100%	\$4 a month
Gillespie SO	\$44,449	\$51,584		\$59,259	7.25% 2-1	Employee Insurance 100%. Pays \$100 a month for retired employee.	
Suggested salary rates to be competitive with other departments in the area	\$50,500	\$56,500	\$62,500	\$75,000	\$70,000 7% 2-1	Offer earlier retirement insurance option. Option that allows coverage after retirement.	0-4 years \$4 a month 5 years and up \$7 a month

Probationary Police Officer Proposed Minimum Requirements

- Probationary Police Officer Pay \$50,500 / \$24.27
- Increase 2.5% @ 6months \$51,763 / \$24.88
- Officer with previous experience may start at 1 year below existing Fredericksburg salary level for the same years of service until their probation year is completed.
- Basic Peace Officer Proficiency Certificate
- See Attached Career Plan

Police Officer I Proposed Minimum Requirements (Year 2-5)

- Police Officer I Pay \$53,057 / \$25.50
- Intermediate Peace Officer Proficiency Certificate Requirements
- See Attached Career Plan

Police Officer II Proposed Minimum Requirements (Year 6-10)

- Police Officer II pay \$57,350 / \$27.57
- Advanced Peace Officer Proficiency Certificate
- See Attached Career Plan

Senior Officer Minimum Requirements (Year 11+)

- Senior Officer Pay \$63,530 / \$30.54
- Master Peace Officer Proficiency Certificate
- See Attached Career Plan

Police Officer Development Plan

- Identification of Interests
 - Identifying officers strengths
 - What they want to learn that will benefit the Department and City
- Goal Setting
 - Mandatory Training and Education
 - Career Path Development (i.e. Leadership, Instructor, Interdiction, Traffic, etc.)
- Periodic Review
 - Goal Achievement
 - Changes of interest
 - New goals

Summary & Questions

Lady Bird Johnson Municipal Golf Course - Analysis of Financial Results

	Calendar 2017			Touchstone		Touchstone Fiscal 2020		
	Calendar 2017			Calendar		3 Months		
	9 Months	3 Months	Total	2018	2019	Actual	Budget	Total
Green Fees	405,151	102,066	507,217	404,173	470,167	108,166	338,548	446,714
Tournament Green Fees				83,391	87,756	11,584	97,125	108,709
Member Dues				65,229	105,838	12,085	112,515	124,600
Cart Revenue	164,556	42,749	207,305	96,707	111,642	32,195	90,651	122,846
Range Revenue	22,589	4,421	27,010	32,099	38,816	7,157	31,706	38,863
Other Golf Revenue	10,806	2,967	13,773	9,586	10,808	1,595	8,100	9,695
Merchandise Sales	98,514	39,778	138,292	108,100	134,776	31,224	100,742	131,966
Food & NAB Sales			-	108,990	118,489	22,707	127,542	150,249
Alcohol Sales			-	70,755	91,965	19,246	96,818	116,064
Other F&B Revenue	600		600	4,041	5,738	1,472	8,968	10,440
Lease Income - Restaurant	5,496	450	5,946	-	-	-	-	-
Total Income	707,712	192,431	900,143	983,071	1,175,995	247,431	1,012,715	1,260,146
Cost of Goods Sold	77,083	14,238	91,321	155,191	190,703	40,088	155,821	195,909
Gross Profit	630,629	178,193	808,822	827,880	985,292	207,343	856,894	1,064,237
Total Payroll	568,045	151,051	719,096	660,202	686,947	142,906	534,712	677,618
Other Expenses (*)	559,802	201,904	761,706	465,047	451,245	102,129	381,183	483,312
Total Expenses	1,127,847	352,955	1,480,802	1,125,249	1,138,192	245,035	915,895	1,160,930
Net Operating Income	(497,218)	(174,762)	(671,980)	(297,369)	(152,900)	(37,692)	(59,001)	(96,693)
Expenses Prior to Touchstone			74,545					
Maintenance Equipment Lease	68,878	35,567	104,445	50,231	26,704	5,286	27,052	27,052
Net Income			(850,970)	(347,600)	(179,604)	(42,978)	(86,053)	(123,745)
(*) Excludes P&I, Attorney Wages								
Memo: Total GF, Tourn, Memb			507,217	552,793	663,761			680,023
Memo: Above Plus Cart			714,522	649,500	775,403			802,869

Public Improvement Districts (PIDs) An Introduction

About Us

- Financing public improvements
- Reducing public infrastructure costs
- Mitigating Risk
- Enhancing project profitability
- Quantifying fiscal and economic impact
- Related entities: Urban Design, Construction Management, Business Advisory, Capital Placement
- 28 Year Track Record
 - Established 2,500 special taxing districts
 - Facilitated \$16 billion in bond financing
- National footprint:
 - 60 employees
 - 9 Offices
 - 6 States (CA, CO, FL, NC, NV, TX)



PID Basics

Definition

- An economic development **tool** created by State of Texas to **finance** the construction of **public improvements**
- Not a separate political subdivision, just a line on a map

Purpose

- **Facilitates** attracting **private investment** to finance **public improvements** by replacing funding traditionally provided by public entities.
- **All costs responsibility of district**
- **No cost or risk to the City, or residents living outside of the PID**

Funding Method

- **PID bonds** – provide up front and/or reimbursement financing capability; secured by a lien on the benefitted land
- **Pay-As-You-Go** – provides an on-going revenue source for recurring reimbursement and/or operation and maintenance needs

Authorized and Eligible Improvements

- Streets and sidewalks;
- Public safety and security services;
- Water, wastewater, health and sanitation, and drainage facilities
- Acquisition of rights of way;
- Art;
- Creation of pedestrian malls;
- Erection of fountains;
- Landscaping and other aesthetics;
- Library facilities;
- Mass transit;
- Park, recreation and cultural facilities;
- Parking facilities;
- Acquisition, renovation and/or construction of affordable housing; and, Formation expenses.



Bond Issuance

Initial Bond Issue Example:

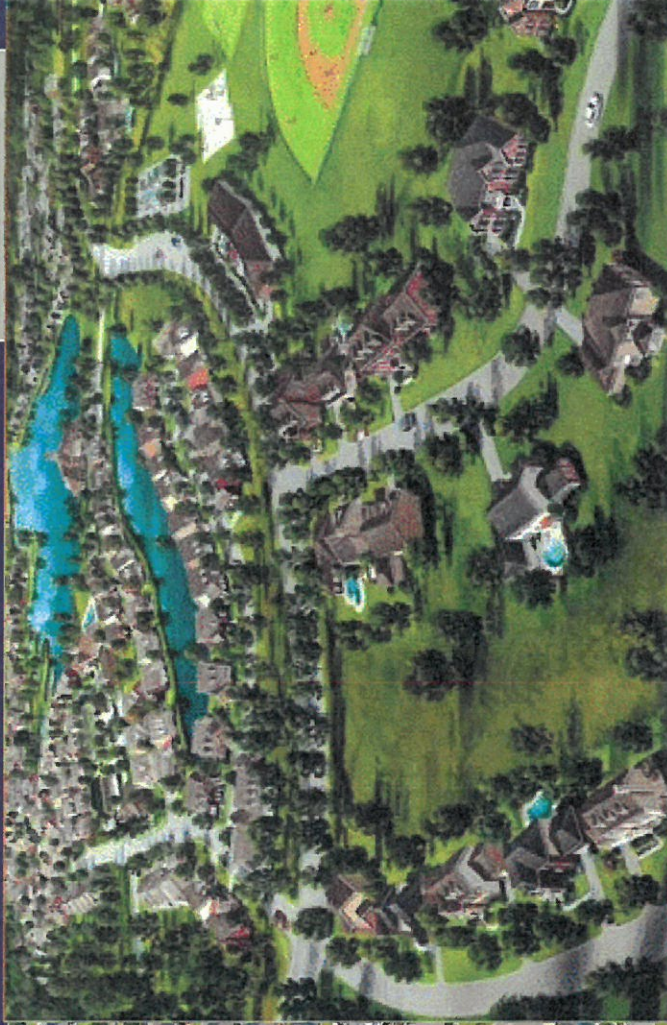
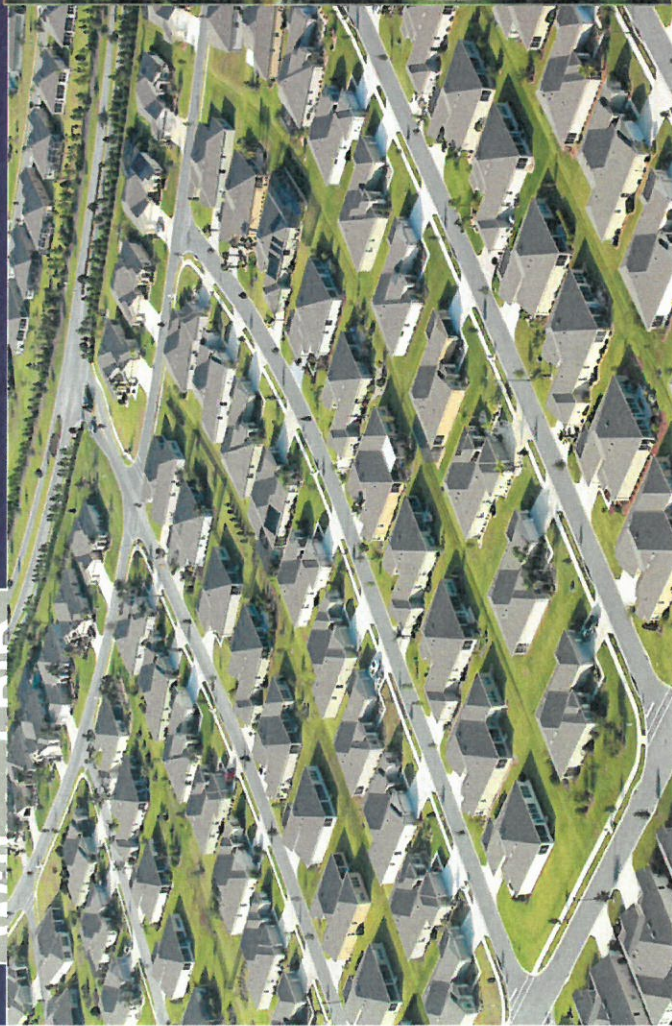
- Land as collateral (assessment lien)
- Land appraised value as vacant entitled plus cost of improvements to be constructed unless contracts in place
- Value-to-Lien at least 3:1 (market standard)

PID Bond Sizing Example	
Line Item	Amount
Property Value at Bond Issuance:	
400 Unfinished SF lots @ \$30,000 per lot	\$ 12,000,000
Public Improvements @ \$15,000 per lot	\$ 6,000,000
Appraised Value before Bond Issuance	\$ 18,000,000
Required Value to Lien Ratio	3.00
Projected PID Gross Bond Amount/Assessment	\$ 6,000,000

Pay As You Go

- No bonds issued and no capitalized interest
- Cash stream for reimbursement of capital costs
- Cash flows may be monetized through private transactions
- Often used for operations & maintenance PIDs

Benefits to the Jurisdiction



PID Benefits

- Development “pays for itself”
- Accelerates the timing of development
- PID debt is non-recourse to jurisdiction
- Ability to reimburse cost of administration
- No costs to the jurisdiction
- Jurisdiction controls ultimate authority over the bonds
- Jurisdiction retains 100% of sales and property tax revenue
- No impact on jurisdiction’s bonding capacity

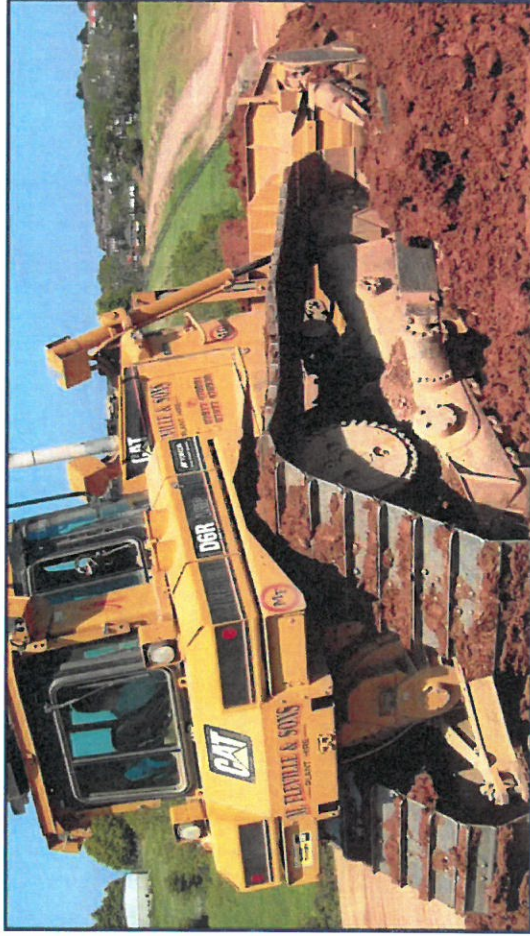
Benefits to the Homeowner

- Cost certainty through fixed nature of assessments – even if property values increase
- Finite life of obligations due to fixed term of PID
- Ultimate flexibility as assessment can be prepaid without penalty at any time
- No impact on “my property” by actions of others
- Enhanced amenities for a higher quality community



Benefits to the Developer

- Funding “up front” when needed ■ No TCEQ financing oversight
- Broader range of qualified costs ■ Non-recourse debt structure than other financing structures
- Long-term fixed rate financing lowers total cost of capital



Proper PID Disclosure Ensures Success

- Texas law requires minimal disclosure of PIDs to property owners
- Project success is enhanced by “above and beyond” PID disclosure
- Utilize the PID disclosure process as a marketing benefit
- Recommended PID Disclosure Requirements:
 - ☐ Buyers acknowledge PID at contract execution, not just closing
 - ☐ Provide FAQs and other easy to understand explanations to all prospective buyers
 - ☐ Require that mortgage escrows include PID annual installments
 - ☐ Provide visible PID signage at all project entrances and within sales centers/model homes
 - ☐ Require that all MLS listings include presence of PID
 - ☐ Include PID information in all property tax estimates provided to buyers
 - ☐ Provide for PID Administrator to review ongoing PID disclosure process

Select Counties/Cities Completed PID Financings

More Than \$1.0 Billion Texas Special Assessment Bonds Issued Since 2011

(* - DPFPG served as Developer Consultant)

Dallas/Fort Worth

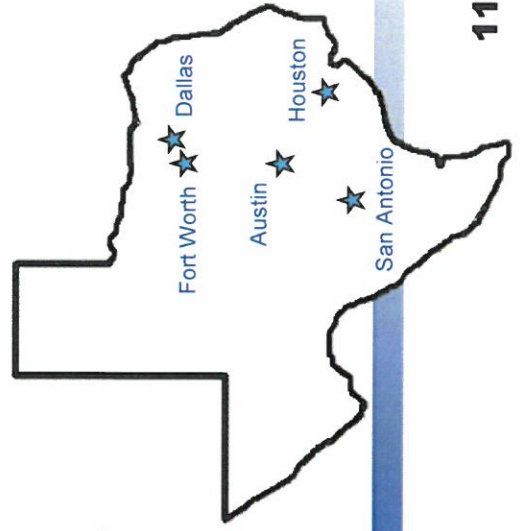
Celina*
Rowlett*
Waxahachie*
McClendon-Chisolm
Aubrey
Farmers Branch
Trophy Club
Hackberry
Lewisville
Irving
Lavon
Westlake
Oak Point
Little Elm
The Colony
Fate
The Colony
Fort Worth*
Argyle*
Ponder
Princeton*
Royse City*
Arlington
Hickory Creek
Mesquite
Ferris
Justin
Heath
Flower Mound
Anna
Haslet

Austin/San Antonio

Hays County*
Austin*
Leander*
Lago Vista*
Liberty Hill*
Comal County*
Hutto*
Marble Falls*
San Marcos*
Kyle

Houston

Galveston*
Shenandoah*



Select Counties/Cities Planning PID Financing

(* DPFPG serving as Developer Consultant)

Dallas / Fort Worth

Denton*
Forney*
Sachse*
Midlothian*
Gunter*
Ennis*

Austin/San Antonio

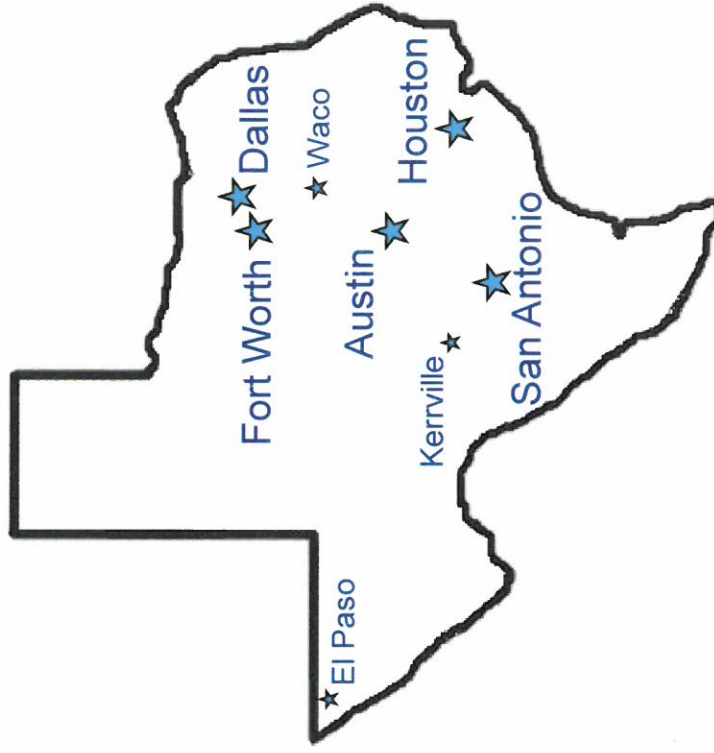
Dripping Springs*
Travis County*
Bastrop*
Manor*
Georgetown*
Uhland*
Pflugerville*
New Braunfels*
Elgin*
Caldwell County*
New Braunfels*
Bexar County*
Uhland*
Lytle*
Medina County*

Other

Kerrville*
El Paso*
Waco*

Houston

Baytown*
West Columbia*
Dickinson*
Stafford*



Select Developers Utilizing PID Financing

(* DPFPG serving as Developer Consultant)

Dallas / Fort Worth

Bayside Land Partners*
 Berkshire Hathaway
 Bright Realty
 Cambridge
 Centurion American*
 Crescent*
 DR Horton*
 Hat Creek Development*
 Hillwood Communities*
 Hines*
 John Houston Homes*
 Lennar
 RED Development*
 Republic Property*
 Sterling One
 Stratford Land*
 Walton Development*
 RA Development*
 Cooper Custom Homes*
 D2 Development*
 PMB Capital*
 Bloomfield Homes
 Warner Group*
 Tommy Ford Construction*

Austin/San Antonio

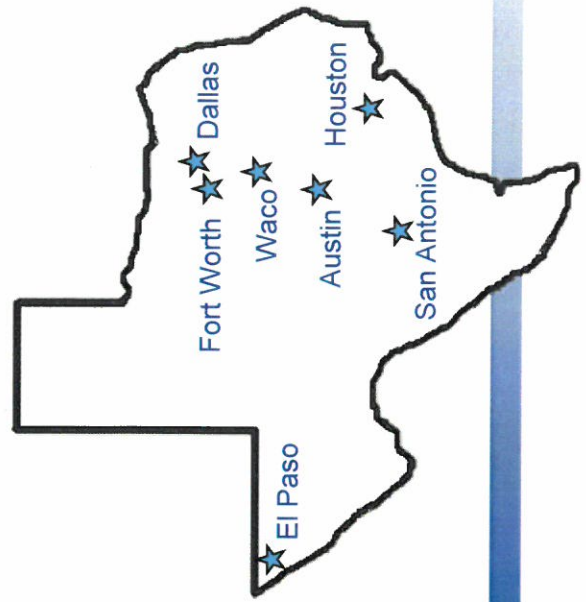
Argent Management*
 Century Communities*
 Dwyer Realty*
 Highpointe Communities*
 Hines*
 La Cima Partners*
 McDonald Development*
 Randolph Todd*
 Sentinel*
 Southstar Communities*
 Stratford Land*
 Taurus*
 Titan Capital*
 Walton Development*
 Cadence Development*
 Harvard Investments*
 Meritage Homes*
 William Lyon Homes*
 MA Partners*
 Negba Group*
 Reger Holdings*
 Pulte Group*
 Lennar*
 Kerby Ventures*
 Cordova Ventures*
 Dominion Advisors*
 Forestar*
 HK Real Estate Development*

Houston

Sam Moon*
 Stonehenge Development*
 KM Realty*
 Street Level Investments*

El Paso/Waco

Hunt Communities*
 Ratliff RM Management*



PFM Comparison

	Public Improvement Districts (PIDs)	Municipal Utility Districts (MUDs)	Tax Incremental Reinvestment Zones (TIRZ)	Water Control and Improvement Districts (WCIDs)
Cost Recovery Method	Advance of Construction and/or Reimbursement	Reimbursement Only	Reimbursement Only	Reimbursement Only
Jurisdiction	City, ETJ, or County	City, ETJ, or County	City or County	City, ETJ, or County
Cost Certainty to Property Owners	Yes	No	No	No
Prepayment Option	Yes	No	No	No
Impact of Higher Property Value	None	Increased Payment Obligations	Increased Proceeds	Increased Payment Obligations
Impact of Defaulting Owner	None	Increased Payment Obligations	None	Increased Payment Obligations
Source of repayment	Assessments	Taxes	Property & Sales Tax Increment	Taxes
Life of Entity	Finite	Ongoing	Finite	Ongoing
Eligible Improvements	Water, Sewer, Drainage, Streets, Right of Ways, Parks, Landscaping, Sidewalks, Mass Transit, Libraries, Public Recreation Facilities, Street Lights, Off Street Parking, Pedestrian Malls, Affordable Housing, Formation Expenses	Water, Sewer, Drainage, Right of Ways, Arterial Roads (only if granted Road District powers), Recreational Facilities, Formation Expenses	Sewer, Street Lights, Streets, Utilities, Water, Flood and Drainage, Parking, Park, s Pedestrian Malls, Educational Facilities, Financing, Property Assembly, Professional Services, Administrative, Organizational, Operating Costs	Water, Sewer, Drainage, Right of Ways, Formation Expenses

Question & Answer



Rick Rosenberg
Managing Principal ◇ DPFG

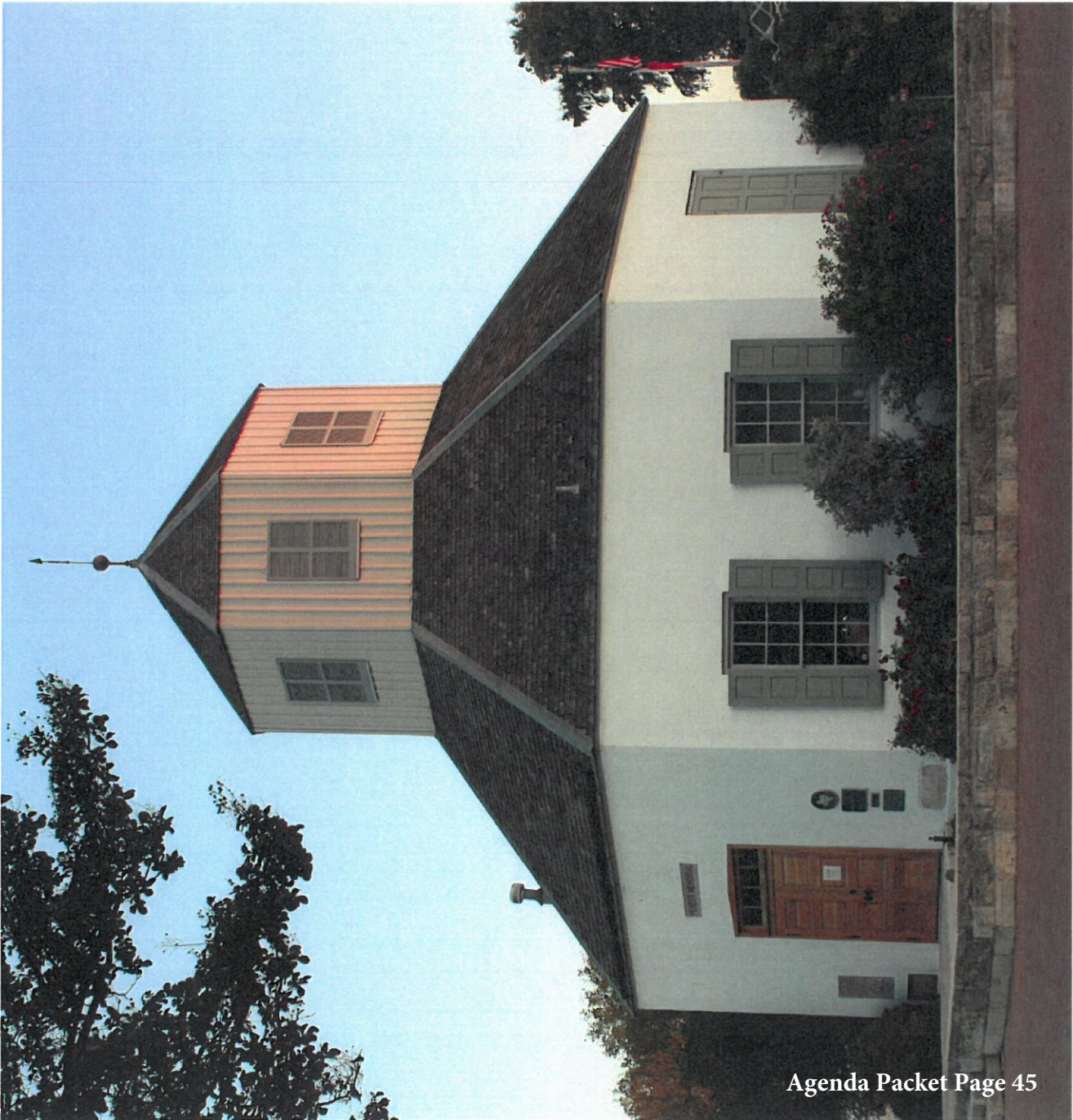
8140 North Mopac Expressway
Building 4, Suite 270
Austin, TX 78746

rick.rosenberg@dpfg.com
512.567.8598 (cell)
512.732.0296 (direct)



*City of
Fredericksburg
Financial
Challenges
Facing the City
In 2020*

*January 16,
2020*



Purpose of Presentation

- Identify Financial Challenges Prior to Annual Budget Process-What Caused the Current Challenges?
- Begin to Identify and Discuss Possible Options for Addressing Challenges-What are Some Ideas and Recommended Solutions?
- Seek Input and Reaction from Council, City Staff and Local Citizens on Options-What Should We Consider as We Move Forward?



Overview of Financial Challenges

- Some Major City Revenues are Not Increasing or Showing Relatively Small Increases
- Certain Major City Expenses are Increasing
- Citizen and Visitor Demand for City Services is Increasing
- Primary Focus is on General Fund-Impacted by Other Funds
- Adequate Fund Balance-Needs to be Maintained



Financial Challenges-Legislative Actions

- Property Tax Caps-Limits Future Tax Revenues
- Utility Franchise Fees-Reduction in Revenues
- Annexation-Limits Ability to Add to Tax Base



Revenues-General Fund

- Total General Fund Revenues-Only 6.5% Increase Over Last Two Years
- Sales Taxes-Only 5.4% Increase Over Last Two Years With No New Major Sources
- Property Taxes-Rate is Low Compared to Other Cities-Only About 27% of GF Revenues
- Camping Fees and Other User Fees Decreasing or Stagnant



Increased Expenses-General Fund

- Salary and Benefit Costs
- New Positions
- Supplies and Materials
- Legal Costs
- Capital Improvements
- Computer Software



Preliminary Ideas and Suggestions

- Increase Funding from FISD for SROs
- Freeze Vehicle Leasing Program
- Pursue Additional Grants
- Increase Efforts to Obtain Donations
- Park Fees for Non-Residents
- Charges to Hill Country Memorial for EMS Transfers



Preliminary Ideas and Suggestions

- Increase in Payments in Lieu of Taxes Fees
- Reduce Social/Protocol Costs
- Franchise Fee for Wine Tour Operators
- New Parking Fees in Downtown Area
- Review All Current User Fees for Possible Increase
- Improve Monitoring and Control of Overtime Costs



Preliminary Ideas and Suggestions

- Increase in Animal Shelter Contributions From Gillespie County
- Reduce Paper Costs by Going Paperless
- Increase RV Park Fees
- Consider Bulk Purchasing Program with Other Local Governments
- Establish New Fund for Capital Purchases
- Eliminate Costs for Storage Rentals



Citizen and Visitor Demand Increasing

- Fire/EMS Calls
- Code Enforcement Concerns
- Building Permitting and Inspection
- Special Events
- Increased Number of STRs
- Increased Service Area



*For Additional Information Contact
Kent Myers, City Manager
(830) 997-7521
kmyers@fbgtx.org*





City of Fredericksburg

City Council Rules of Procedure

June, 2019

Section 1 – Rules

These Rules shall govern the procedures followed by the City of Fredericksburg City Council for the conduct of Council meetings and other Council activities pursuant to state law and the City Charter.

Section 2 – Open Public Meetings Act

The Council shall comply with the provisions of the Open Public Meetings Act in the conduct of all meetings to which said Act is applicable.

Section 3 – Executive Sessions

The Council may discuss topics in executive session, which topics are specified in state law or relate to potential or pending litigation and are subject to attorney-client privilege. The City Attorney shall inform the Council whenever any proposed discussion in executive session is not legally allowed.

No member of the City Council, employee of the City or any other person present during executive session of the City Council shall disclose to any person the content or substance of any discussion which took place during said executive session, except during discussion of this issue in open meeting immediately following the executive session.

Section 4 – Work Sessions

Special meetings designated as work sessions shall be advertised and conducted in the same manner as regular meetings. Work sessions are for the purpose of in-depth review and discussion of specified issues. Council actions shall not be taken at designated work sessions.

Section 5 – Quorum

At all meetings of the Council a majority of the Council members shall constitute a quorum for the transaction of business.

Section 6 – Attendance

Attendance via telephone conference call or video conference call – To participate in a meeting, all members of the Council shall be present, except that a meeting held by telephone conference call or video conference may be held if:

1. an emergency or public necessity exists within the meaning of Section 551.045 of the Government Code, and
2. the convening at one location of a quorum of the government body is difficult or impossible, and
3. the other requirements of Section 551.125 are met

Additionally, a member may attend a meeting via videoconference if a quorum of the government body is physically present at one location of the meeting, the proper communication equipment is available, and the other requirements of Section 551.127 of the Government Code are met.

Section 7 – Chair of the Council

The Mayor shall be the Chair of the Council and shall preside at all Council meetings. A Mayor Pro-Tem shall be selected annually at the first regular meeting of a new Council. In the absence of Mayor, the Mayor Pro-Tem shall preside. If neither the Mayor nor the Mayor Pro-Tem is present at a meeting, the presiding officer for that meeting shall be selected by a majority of the vote of those Council Members present, providing there is a quorum.

The Chair of the Council may vote on all matters coming before the Council and may offer seconds to motions.

The Chair of the Council shall state all questions coming before the Council, provide opportunity for discussion from the Council Member, and announce the decisions of the Council on all subjects. Procedural decisions shall be made by the Chair of the Council, who may request advice on such matters from the City Attorney.

Section 8 – Agenda

The City Manager shall prepare the agenda of business for all Council meetings. Topics may be added to the agenda:

1. When deemed appropriate by the City Manager
2. At the direction of the Mayor
3. As directed by at least two City Council Members

Every agenda action item must be supported by a written staff report informing the Council and staff of the issue, background and/or analysis, and recommendation and/or conclusion, unless the item is self-explanatory or unless the City Manager has waived this requirement. All written materials for the agenda shall be delivered to the City Secretary by twelve o'clock noon of the Thursday preceding the Council meeting. Except for announcements, late items that the City Manager does not receive by the stated deadlines shall not be considered by the Council except upon specific authorization of the City Manager.

Agendas will be made available to the public at least 72 hours prior to regular Council Meetings, work sessions or retreats, in the following ways:

1. A copy is placed on the City website at www.fbgtx.org and posted on social media.
2. Copies are placed on the front counter at City Hall in the Utility Cashier services area
3. A copy is posted on the front door at City Hall

Section 9 – Order of Business

The Mayor may determine the order of business for a particular City Council meeting. The agenda should be arranged to best serve the needs and/or convenience of the Council and the public. When possible, agenda items will be discussed in a certain order that accommodates guest and City staff. The items of business for regular Council meetings may include the following:

1. Call to Order
2. Pledge of Allegiance
3. Ceremonial Matters/Proclamations/Employee Recognition
4. Public Comment: The Mayor will invite citizens to address the Council. All persons wishing to be heard are asked to give their names and addresses and topic. To allow the Council to complete its legislative agenda, comments should be limited to no more than 3 minutes per person. At the discretion of the Mayor, or upon vote of the Council, this time period may be lengthened or shortened. Following any public comment, the Mayor or any member of the City Council may direct staff to research the issue or concern raised by the public and report back to the Council. In addition, this concern can be added to the next Council agenda as specified in Section 8. The Council shall not deliberate or discuss issues raised in Public Comment if it was not listed on the agenda. Written comments may be submitted into the record of a Council meeting by presenting the written document to the City Secretary prior to the meeting, and by making copies

of the same available to those in attendance, and a copy of the document will be provided to each Council Member, but the document will not be read aloud; or a document may be distributed to the City Council, with a copy to the City Secretary, by a speaker, while the speaker is addressing the Council.

5. Consent Agenda
6. Public Hearings
7. Ordinances and Resolutions
8. Other Considerations
9. City Manager's Report
10. Council Comments
11. Executive Session
12. Adjournment

Section 10 – Voting

Each Council Member shall vote on all questions put to the Council unless a conflict of interest or appearance of fairness problem requires a Council Member to excuse him/herself, and the same shall be noted in the minutes.

Section 11 – Reconsideration of Previous Vote

The City Council may at times want to reconsider a vote previously taken at their current meeting. In order to proceed with reconsideration, a motion should be made for reconsideration and such motion should be voted on and passed by a majority of the Council before the agenda item can be discussed or reconsidered.

Section 12 – Decorum

Purposes

The purposes of the Rules of Decorum are as follows:

- To ensure that meetings of the City Council are conducted in a way that allows the business of the City to be effectively conducted.
- To ensure that members of the public who attend meetings of the City Council can be heard in a fair, impartial and respectful manner.
- To ensure that meetings of the City Council are conducted in a way that is open to all viewpoints.
- To ensure that the rules governing decorum at meetings of the City Council are understood by persons attending the meetings.

Rules for Speakers

- Members of the public may address the City Council at the following times during a meeting:
 - During the Citizen Comment Period.
 - During a public hearing on an agenda item.
 - At other times with the permission of the Mayor.
- Speakers should make their comments at the podium and state their name and address.
- Speakers should limit their comments to 3 minutes.
- Inquiries from speakers about matters not listed on the agenda should either be directed to the staff or placed on a future agenda for Council consideration.

Rules for Members of the Public

Members of the public shall not engage in any of the following in the meeting room during a City Council meeting:

- Shouting, unruly behavior, distracting side conversations or speaking out when another person is talking.
- Personal attacks or profanity.
- Audible use of phones, pagers, radios, computers or other electronic equipment.
- Booing, applauding or other similar behavior that impedes or disrupts the orderly conduct of the meeting.

Rules for Council Members

When a measure is presented for consideration to the Council, the Mayor shall recognize the appropriate individual to present the matter. When two or more members wish to speak, the Mayor shall name the member who is to speak first. No member of the Council shall interrupt another while speaking except to make a point of order or privilege.

No Council Member shall be permitted to indulge in personalities or use language personally offensive.

Section 13 – Questions of Parliamentary Procedure

Questions of parliamentary procedure not covered by these Rules shall be governed by the 11th Edition of Robert's Rules of Order, Newly Revised (2011 Edition)

Section 14 – Notice of Public Hearings

Notice of all public hearings to be conducted by the City Council or any of its advisory boards and commissions shall be given by publishing written notice, as required by law, ordinance or

other statute, or if there is not particular requirement, then at least once in the City's official newspaper prior to the date of the hearing.

Section 15 – Adoption of Ordinances

All City ordinances will require two readings of the City Council prior to adoption. However, in certain cases, the Council may elect to waive the second reading and pass the ordinance following the first reading.

Passed and approved by the City of Fredericksburg City Council July 1, 2013

Amended by the City of Fredericksburg City Council February 3, 2014

Amended by the City of Fredericksburg City Council June 4, 2018

Amended by the City of Fredericksburg City Council June 3, 2019

Amended by the City of Fredericksburg City Council June 17, 2019

House Bill 2840: Public Comment on Agenda Items
Zindia Thomas, TML Assistant General Counsel
July 2019

What is H.B. 2840?

House Bill 2840 by Representative Terry Canales (D – Edinburg) is effective September 1, 2019. The bill amends the Texas Open Meetings Act to provide that “a governmental body shall allow each member of the public who desires to address the body regarding an item on an agenda for an open meeting of the body to address the body regarding the item at the meeting before or during the body’s consideration of the item.” Before the passage of the bill, the public had only the right to observe, rather than speak at, an open meeting of a governmental body.

What right does the public have to speak on a particular agenda item?

The public has the right to speak on each item on the agenda at an open meeting of all governmental bodies as defined by the Open Meetings Act, except for state agencies. Tex. Gov’t Code § 551.007(a).

When does the public have the right to speak on items on the agenda of an open meeting?

The governmental body must allow the public the right to speak on items on the agenda either at the beginning of the meeting or during the meeting when the agenda item is being considered by the governmental body. *Id.* § 551.007(b).

Is a governmental body allowed to adopt reasonable rules on the public’s right to speak?

Yes. A governmental body may adopt reasonable rules concerning the public’s right to speak at an open meeting. *Id.* § 551.007(c). The rules may include how long the person can address the governmental body on a given item. If the person addressing the governmental body needs a translator, the governmental body is required to allow at least twice the normal amount of time for the non-English speaker to address the body. *Id.* § 551.007(d).

May the governmental body still allow the public to ask questions about items not on the agenda?

The governmental body may decide to allow the public to ask questions about items not on the agenda. If the governmental body allows the public to ask questions about items not on the agenda, the governmental body can still apply reasonable rules regarding the number, frequency, and length of presentation, but it cannot discriminate against speakers. The governmental body will not be able to deliberate on any item that is not on the agenda. For such an item, the governmental body may either: (1) make a statement of fact regarding the item; (2) make a statement concerning the policy regarding the item; or (3) propose that the item be placed on a future agenda. *Id.* § 551.042.

May the governmental body prevent the public from criticizing the governmental body or actions of the governmental body?

A governmental body may not prohibit public criticism of the governmental body, including criticism of any act, omission, policy, procedure, program, or service. However, the bill “does not apply to public criticism that is otherwise prohibited by law.” *Id.* § 551.007(e). What public criticism is prohibited by law remains to be seen. Defamation would probably fall under that prohibition. In any case, a city should be able to enforce a decorum policy for public speakers, so long as it doesn’t prohibit criticism.

City of Fredericksburg New City Hall, Police and Fire Building Renovation Anticipated Potential TOTAL Project Budgets Analysis

	City Hall (Approx. 24,000 Sq. Ft. Anticipated)	Police and Fire Department Headquarters Renovation (Approx. 22,500 Sq. Ft. Anticipated)
Anticipated New Construction Cost (Budget of \$300.00/SF) Recent Experience ranges between \$280 - \$310 SF	\$7,200,000.00	
Anticipated Renovation Construction Cost (Budget of \$300.00/SF) Recent Experience ranges between \$280 - \$310 SF		\$6,750,000.00
A&E Fees Typically 10% (Includes Structural Engineering, MEP Engineering)	\$720,000.00	\$675,000.00
FF&E \$18.00/SF Budget (Furniture, Fixtures, & Equipment)	\$432,000.00	\$405,000.00
Additional A&E Services		
Civil Engineering	\$65,000.00	\$20,000.00
Landscape Architect and Irrigation	\$15,000.00	\$5,500.00
(Security, Data/Telecom/and A/V Consultants)	TBD	TBD
FF&E Selection, Specification and Procurement	In FF&E Budget Above	In FF&E Budget Above
Additional City Soft Costs - Listed Below (3.5%)		
Topographic/Tree/Utility Surveying	\$252,000.00	\$236,250.00
Geotechnical Engineering Report		
Aesbestos Survey		
Phase 1 Environmental		
Construction Materials Testing		
Phone/ Data Equipment		
Permitting/Impact/Tap/Plan Review Fees		
Owner's Construction Contingency (5%)	360,000.00	337,500.00
CMAR Fees (4.5% of Construction)	In Construction	In Construction
TOTAL PROJECT COSTS	\$9,044,000.00	\$8,429,250.00