STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
JUNE 6, 2016
6:00 PM

On this the 6th day of June, 2016, 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
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT: BOBBY WATSON - COUNCIL MEMBER

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

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

MINUTES OF APRIL 2016 MEETINGS – It was moved by Council Member Neffendorf, seconded by Council Member Kiehne, to approve the minutes of the May 2016 meetings as presented. All voted in favor and the motion carried.

RESOLUTION APPROVING PARKS MASTER PLAN – It was moved by Council Member Pearson, seconded by Council Member Kiehne, to adopt the Resolution Approving the Parks Master Plan as presented and corrected. All voted in favor and the motion carried.

RESOLUTION

A RESOLUTION APPROVING THE CITY OF FREDERICKSBURG PARKS, RECREATION AND OPEN SPACE MASTER PLAN AS THE CITY OF FREDERICKSBURG, TEXAS, PRIMARY TOOL TO GUIDE THE DELIVERY OF PARK AND RECREATION SERVICES THROUGH THE YEAR 2026; TO BECOME EFFECTIVE UPON ITS PASSAGE AND APPROVAL.

WHEREAS, the City of Fredericksburg is committed to the presence of a quality parks and recreation system for its citizens; and

WHEREAS, it is recognized and accepted that parks, open space and recreation define the character of a community, provide the basis for popular local leisure activities, can create a scenic atmosphere that stimulates tourism and economic development, provide other benefits to a community such as health and wellness, reduction in crime, increase property values and stronger family values; and WHEREAS, the orderly development of parks and facilities to address citizen needs demands a guidance system for the ongoing process of service delivery, management and development; and

WHEREAS, the City of Fredericksburg has developed such a guidance system based on citizen input, an analysis of current conditions and consideration of local and national standards; and

WHEREAS, the City of Fredericksburg administrative staff has reviewed the Parks, Recreation and Open Space Master Plan and has recommended that the City Council adopt some.

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

1. That the City Council approved the Parks, Recreation and Open Space Master Plan attached hereto.
2. That this Master Plan shall constitute the primary tool to guide the delivery of park and recreation services in Fredericksburg through the year 2026, however, it shall not be so rigidly followed that it fails to accomplish the twin goals of providing parks and recreation services to the City while preserving harmony with adjoining landowners and other members of the community.
3. That this Master Plan shall be reviewed by the City Council with the Parks and Recreation Department staff on an annual basis for recommendations on changes resulting from population, land use patterns, needs and attitudes of citizens and availability of park land and other resources.
4. That this Master Plan has accomplished certain goals and objectives, and through community input and a public hearing the priority list has been amended to reflect current recreational needs in the City of Fredericksburg.
5. That this resolution shall be in full force and effect from and after its passage and approval and it is accordingly so resolved.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THE 6th DAY OF JUNE, 2016.

/S/ Linda Langerhans, Mayor

ATTEST:
/S/ Shelley Britton, City Secretary

REJECT BID FOR RV PARK UTILITIES PROJECT – Following a brief presentation by Asst D.P.W.U Kris Kneese, it was moved by Council Member Pearson, seconded by Council Member Neffendorf, to reject all bids for the Park Utilities Project and to allow city crews (Water and Parks) to replace the aging infrastructure over the next 3-5 years in small segments. The vote was as follows: AYE: Langerhans, Pearson, Neffendorf, and Kiehne; NAY: None. Motion carried.

ATMOS RATE INCREASE – Following the discussion, it was moved by Council Member Pearson, seconded by Council Member Neffendorf, to adopt the Resolution to approve Option 4 of the Atmos Rate Increase as recommended. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, and Kiehne; NAY: None. Motion carried.

RESOLUTION

A RESOLUTION BY THE CITY OF FREDERICKSBURG, TEXAS ("CITY"), APPROVING A CHANGE IN THE RATES OF ATMOS ENERGY CORPORATION, MID-TEX DIVISION ("ATMOS") AS A RESULT OF A SETTLEMENT BETWEEN ATMOS AND THE ATMOS TEXAS MUNICIPALITIES ("ATM") UNDER THE RATE REVIEW MECHANISM; FINDING THE RATES SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; FINDING THAT THE MEETING COMPLIED WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THE RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Fredericksburg, Texas ("City") is a regulatory authority under the Gas Utility Regulatory Act "GURA") and under § 103.001 of GURA has exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division ("Atmos") rates, operations, and service of a gas utility within the municipality; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities ("ATM"); and

WHEREAS, pursuant to the Rate Review Mechanism ("RRM") for 2016 filed with the City on or around March 1, 2016 for a proposed system-wide increase of $35.4 million; and

WHEREAS, experts representing ATM have been analyzing data furnished by Atmos and interviewing Atmos' management regarding the RRM; and

WHEREAS, the Steering Committee of ATM and its counsel recommend approval of the attached tariffs, set forth as Attachment A, along with the proof of revenues set forth as Attachment B, which results in an increase in Atmos' revenue of $29.9 million, and Attachment C, setting forth the beginning balance for purposes of determining pension and other post-employment benefits to be recovered in the next RRM filing.

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

Section 1. The findings set forth in this Resolution are hereby in all things approved.

Section 2. The amended tariffs in Attachment A are hereby adopted to become effective on June 1, 2016.

Section 3. To the extent any Resolution previously adopted by the City Council is inconsistent with this Resolution, it is hereby superseded.

Section 4. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. If any one or more sections or clauses of this Resolution is judged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 6. This Resolution shall become effective from and after its passage.

Section 7. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Christopher Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701..

PASSED AND APPROVED this 6th day of June, 2016.

/s/ Linda Langerhans, Mayor

ATTEST:
/s/ Shelley Britton City Secretary

REQUEST FROM MARKET SQUARE REDEVELOPMENT COMMISSION TO PLACE A SMALL CONCRETE SLAB ON THE SQUARE FOR THE OKTOBERFEST "KIDS AREA" – Parks Director Andrea Warren presented the request from the Oktoberfest "Kids Area" Ccommittee to place a small concrete slab on the square for the Oktoberfest "Kids Area", as recommended by the Market Square Redevelopment Commission. It was moved by Council Member Kiehne, seconded by Council Member Pearson, to approve the request provided that (1) a color hardener finish be used to better blend in, and (2) the city have the right to remove the slab if it becomes a hazard. All voted in favor and the motion carried.

APPOINT SCREENING COMMITTEE FOR RFP'S FOR HOTEL/CONFERENCE CENTER – It was moved by Council Member Pearson, seconded by Council Member Neffendorf, to approve the committee as presented including: Brad Hardin - EDC Board, Tim Lehmberg - EDC Executive Director, Ross Burtwell - CVB Board, Ernie Loeffler - CVB President/CEO, Kent Myers - City Manager, Tom Hazinski (Ex Officio Member) - HVS Consulting, with the addition of Council Member Watson, and to require a meeting between the committee and council prior to the committee making recommendation to City Council. The vote was as follows: AYE: Langerhans, Pearson, Kiehne, and Neffendorf; NAY: None. Motion carried.

REPORT ON STATUS OF THE GOLF COURSE – Alan Wooley presented the Report on the Status of the Golf Course; no action was taken.

CITY MANAGER'S REPORT - City Manager's Report included (1) City Council Retreat, (2) Code Enforcement Activities, (3) City Employee Recognitions.

PUBLIC COMMENTS – Mo Saiide commented on the screening committee for RFP's for Hotel/Conference Center and Golf Course Status figures, Tom Musselman commented on County/City shared expenses, and on the budget process.

COUNCIL COMMENTS – No comments.

PASSED AND APPROVED this the 1st day of August, 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
JUNE 20, 2016
4:00 PM

On this the 20th day of June, 2016, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall to canvass election results:

LINDA LANGERHANS - MAYOR
GARY NEFFENDORF – COUNCIL MEMBER
BOBBY WATSON – COUNCIL MEMBER
CHARLIE KIEHNE – COUNCIL MEMBER

ABSENT: GRAHAM PEARSON – COUNCIL MEMBER

ALSO PRESENT: KENT MYERS – CITY MANAGER
CLINTON BAILEY – D.P.W.U
BRIAN JORDAN – DIR OF DEVELOPMENT SERVICES

MEETING WITH HOTEL/CONFERENCE CENTER SCREENING COMMITTEE – Council held a meeting with the Hotel/Conference Center Screening Committee; no action was taken.

PASSED AND APPROVED this the 1st day of August, 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
JUNE 20, 2016
6:00 PM

On this the 20th day of June, 2016, 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
CHARLIE KIEHNE - COUNCIL MEMBER

ABSENT: GRAHAM PEARSON - COUNCIL MEMBER

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

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

MINUTES OF MAY 2016 MEETINGS – It was moved by Council Member Watson , seconded by Council Member Neffendorf, to approve the minutes of the May 2016 meetings as presented. All voted in favor and the motion carried.

PUBLIC HEARING Z-1605 BY KEVEN SPRAGGINS OF VEI ENGINEERING ON BEHALF OF ST. JUSTE MANAGEMENT CORPORATION FOR A CONDITIONAL USE PERMIT TO ALLOW A DRIVE THRU FACILITY ASSOCIATED WITH A FAST FOOD RESTAURANT ON A 1.88 ACRE TRACT OF LAND LOCATED AT THE INTERSECTION OF S HIGHWAY 16 AND S MILAM ST – It was moved by Council Member Watson, seconded by Council Member Neffendorf, to recess the regular session and open the Public Hearing on Z- 1605 for a Conditional Use Permit to allow a drive thru facility associated with a Fast Food Restaurant on a 1.88 acre tract of land located at the intersection of S Highway 16 and S Milam St. All voted in favor and the motion carried.

With no comments from the public, it was moved by Council Member Neffendorf, seconded by Council Member Watson, to adjourn the public hearing and reconvene the regular session. All voted in favor and the motion carried.

RECOMMENDATION RE: Z-1605 – Based on the recommendation of the Planning & Zoning Commission and staff, it was moved by Council Member Watson, seconded by Council Member Neffendorf, to approve Z-1605 as presented. All voted in favor and the motion carried.

AMENDMENT TO FINANCIAL MANAGEMENT POLICIES – It was moved by Council Member Neffendorf, seconded by Council Member Watson, to approve the change to Section II *Budget and Long Range Financial Planning*, Part 1 *Amended Budget* stating that Budget Amendments will be approved by Ordinance. The vote was as follows: AYE: Langerhans, Kiehne, Watson, and Neffendorf; NAY: None. Motion carried.

CHANGES TO RULES OR PROCEDURE AND CODE OF ETHICS – This item will be considered at the next regular meeting; no action taken.

EMPLOYEE SALARY SURVEY – It was suggested by Council Member Neffendorf to include the Employee Salary Survey in the budget, implemented October 1, and to attempt to do it all in year one. No action was taken.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Employee Succession Planning Training, (2) Downtown Parking, (3) Revisions to Noise Ordinance, and (4) City Employee Recognitions.

PUBLIC COMMENTS – Russ Rose commented on the employee salary increases.

COUNCIL COMMENTS – Bobby Watson reported on the Airport Board.

EXECUTIVE SESSION - It was moved by Council Member Kiehne, seconded by Council Member Watson, to recess the regular session and go into Executive Session at 8:50 PM. All voted in favor and the motion carried. At 8:52 PM, it was moved by Council Member Watson, seconded by Council Member Neffendorf, to adjourn the Executive Session and reconvene the regular session. All voted in favor and the motion carried.

Following Executive Session:

HAHN WELL LITIGATION – No action was taken.

UPDATE ON BILL HAMM PROPERTY ADJACENT TO OAK CREST PARK – No action taken.

APPOINTMENTS TO PLANNING & ZONING COMMISSION – It was moved by Bobby Watson, seconded by Charlie Kiehne, to appoint Jim Warren and Jim Jarreau to the Planning & Zoning Commission. All voted in favor and the motion carried,

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 8:52 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 1st day of August, 2016.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR