

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

**REGULAR CITY COUNCIL MEETING
MARCH 5, 2012
7:00 PM**

On this the 5th day of March, 2012, 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:

TOM MUSSELMAN - MAYOR
TIM DOOLEY - COUNCIL MEMBER
TOMMY SEGNER - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
SCOTT JONES - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: GARY NEFFENDORF - CITY MANAGER
PAT MCGOWAN - CITY ATTORNEY
JIMMY ALEXANDER - DIR. OF PARKS & RECREATION
CRAIG WALLENDORF - D.P.W.U.
BRIAN JORDAN - DIR. DEVELOPMENT SERVICES
PAUL OESTREICH - CHIEF OF POLICE

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

MINUTES OF THE DECEMBER 2011 MEETINGS - It was moved by Council Member Dooley, seconded by Council Member Pearson, to approve the December 2011 minutes. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

ADDING PARK POOL REPAIRS AS AN OPTION ON BOND ELECTION BALLOT - It was moved by Council Member Segner to include a 3rd option to the May ballot to approve park pool repairs and upgrade Lady Bird Johnson park pool without expansion. The motion died for lack of a second.

ORDINANCE CALLING A REGULAR CITY ELECTION MAY 12, 2012 - It was moved by Council Member Dooley, seconded by Council Member Pearson, to adopt an ordinance calling a regular City election on May 12, 2012. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

ORDINANCE NO. 22-003

AN ORDINANCE CALLING A REGULAR CITY ELECTION ON MAY 12, 2012, FOR THE ELECTION OF A MAYOR AND TWO (2) COUNCIL MEMBERS FOR THE CITY OF FREDERICKSBURG, TEXAS; ESTABLISHING PROCEDURES, RULES AND REGULATIONS FOR CONDUCTING SUCH ELECTION; AND PROVIDING FOR NOTICE OF SUCH ELECTION. (Recorded in Ordinance Book).

ORDINANCE CALLING MAY 12, 2012 RECALL ELECTION - It was moved by Council Member Pearson, seconded by Council Member Dooley, to adopt an ordinance calling a May 12, 2012 Recall Election. The vote was as follows: AYE: Musselman, Dooley, Pearson and Jones; NAY: None; ABSTAIN: Segner. Motion carried.

ORDINANCE NO. 22-004

ORDINANCE CALLING FOR A RECALL ELECTION TO BE HELD ON MAY 12, 2012 FOR THE PURPOSE OF CONSIDERATION OF THE REMOVAL OF THOMAS W. SEGNER ALSO KNOWN AS TOMMY SEGNER FROM THE OFFICE OF CITY COUNCIL MEMBER OF THE CITY OF FREDERICKSBURG BY RECALL. (Recorded in Ordinance Book).

ORDINANCE CALLING A MAY 12, 2012 BOND ELECTION - It was moved by Council Member Jones, seconded by Council Member Pearson, to adopt an ordinance calling a May 12, 2012 Bond Election. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

ORDINANCE NO. 22-005

ORDINANCE CALLING BOND ELECTION
THE STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

WHEREAS, the City Council deems it advisable to call the election hereinafter ordered.

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

1. An election shall be held between the hours of 7:00 AM and 7:00 PM on May 12, 2012 in the city at the following designated polling place:

Middle School Cafeteria Building
110 West Travis Street
Fredericksburg TX 78624

The City shall constitute a single election precinct for the election, and the following election officers are hereby appointed to hold said election:

Presiding Judge: Katherine Halamiccek
Alternate Presiding Judge: Bill Pace

2. The Presiding Judge shall appoint not less than two qualified election clerks to serve and assist in conducting the election; providing that if the Presiding Judge actually services as expected, the Alternate Presiding Judge shall be one of such clerks.

3. Early voting shall be conducted by personal appearance and by mail at the City of Fredericksburg, City Hall, 126 West Main, Fredericksburg, Texas 78624 during the period early voting is required of permitted by law, being April 30, 2012 through May 8, 2012, on each day except Saturdays, Sundays, and legal state holidays. The hours designated for early voting by personal appearance during each day that early voting shall be conducted by personal appearance shall be from 8:30 AM to 4:30 PM on each day, except for Tuesday, May 3, 2012 and Tuesday, May 10, during which two days the hours designated for early voting by personal appearance shall be from 8:30 AM to 8:30 PM; and the early voting clerks shall keep the early voting place open during such hours for early voting by personal appearance. The early voting clerk for the election shall be Shelley Britton. The early voting clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is: 126 West Main St., Fredericksburg, Texas 78624.

4. An early ballot board is hereby created to process early voting results, and Katherine Halamicek is hereby appointed the Presiding Judge of the board. The Presiding Judge shall appoint at least two other members of the board.

5. All resident qualified voters of the City shall be entitled to vote at the election.

6. A substantial copy of this Ordinance shall be published on the same day in each of two successive weeks in a newspaper of general circulation published in the city, not earlier than the 30th day or later than the 10th day before the election day, the first publication being not less than 14 days before the date of the election. A substantial copy of this Ordinance shall be posted, not later than the 21st day before election day, at the City Hall on the bulletin board used for posting notices of meetings of the City Council, which is hereby declared to be a public place within the City, and at three public places in the City.

7. At the election the following PROPOSITIONS shall be submitted in accordance with law:

PROPOSITION NO. 2

Shall the City Council of the City of Fredericksburg, Texas, be authorized to issue the bonds of the City, in one or more series or issues, in the aggregate principal amount of \$1,800,000 with the bonds of each such series or issues, respectively, to mature serially within not to exceed forty years from their date, and to be sold at such prices and bear interest at such rates, as shall be determined within the discretion of the City Council, in accordance with law at the time of issuance, for the purpose of providing funds to acquire, purchase, construct, improve, renovate, enlarge or equip property, buildings, structures, facilities or related infrastructure for a swimming pool at Lady bird Johnson Municipal Park; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes on all taxable property in the City in an amount sufficient to pay the annual interest on said bonds and provide a sinking fund to pay the bonds at maturity?

PROPOSITION NO. 3

Shall the City council of the City of Fredericksburg, Texas, be authorized to issue the bonds of the City, in one or more series or issues, in the aggregate principal amount of \$1,400,000 with the bonds of each such series or issues, respectively, to mature serially within not to exceed forty years from their date, and to be sold at such prices and bear interest at such rates, as shall be determined within the discretion of the City Council, in accordance with law at the time of issuance, for the purpose of

providing funds to acquire, purchase, construct, improve, renovate, enlarge or equip property, buildings, structures, facilities or related infrastructure for a swimming pool at the current location on West Travis Street; and shall said City Council be authorized to levy and cause to be assessed and collected annual ad valorem taxes on all taxable property in the City in an amount sufficient to pay the annual interest on said bonds and provide a sinking fund to pay the bonds at maturity?

8. The official ballots for the election shall be prepared in accordance with the Texas Election Code so as to permit the electors to vote "FOR" or "AGAINST" the aforesaid PROPOSITIONS with the ballots to contain such provisions, markings and language as required by law, along with other ballot elections and propositions and with PROPOSITIONS to be expressed substantially as follows:

PROPOSITION NO 2

FOR)	THE ISSUANCE OF BONDS IN AN AMOUNT NOT TO EXCEED \$1,800,000.00 FOR SWIMMING POOL AND RELATED IMPROVEMENTS AT PARK POOL (LADYBIRD JOHNSON MUNICIPAL PARK)
AGAINST)	

PROPOSITION NO 3

FOR)	THE ISSUANCE OF BONDS IN AN AMOUNT NOT TO EXCEED \$1,400,000.00 FOR SWIMMING POOL AND RELATED IMPROVEMENTS AT TOWN POOL (AT ITS CURRENT LOCATION AT WEST TRAVIS STREET)
AGAINST)	

9. In all respects the election shall be conducted in accordance with the Texas Election Code and all applicable federal laws.

ADOPTED March 5, 2012.

/s/ Tom Musselman, Mayor

ATTEST:

/s/ Shelley Britton, City Secretary

SUSPENSION RESOLUTION TO EXTEND THE EFFECTIVE DATE OF PROPOSED ATMOS ENERGY RATES - It was moved by Council Member Dooley, seconded by Council Member Pearson, to adopt the Suspension Resolution to extend the effective date of the proposed Atmos Energy rates. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

RESOLUTION

RESOLUTION BY THE CITY OF FREDERICKSBURG, TEXAS (“CITY”) SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING OF ATMOS ENERGY CORPORATION ON OR ABOUT JANUARY 31, 2012; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING PARTICIPATION IN RELATED RATE PROCEEDINGS; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Atmos Energy Corporation (“Atmos” or “Company”) filed a Statement of Intent with the City on or about January 31, 2012 to change its rate schedules within the corporate limits of this municipality, specifically to increase its system-wide, annual revenue requirement by approximately \$49.0 million which is an increase in base-rate revenue exclusive of cost of gas of approximately 12%; and

WHEREAS, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §103.001 et seq. of GURA has exclusive original jurisdiction over Atmos’ rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating Atmos’ rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

WHEREAS, the City, in matters regarding applications by Atmos to change rates, has in the past joined with other local regulatory authorities to form the Atmos Texas Municipalities (“ATM”), and hereby continues its participation in ATM; and

WHEREAS, Atmos’ rate request consists of a voluminous amount of information including Atmos’ rate-filing package, pre-filed direct testimony, exhibits, schedules, and work papers; and

WHEREAS, Atmos proposed March 6, 2012 as the effective date for its requested increase in rates; and

WHEREAS, it is not possible for the City to complete its review of Atmos' filing by March 6, 2012; and

WHEREAS, the City will need an adequate amount of time to review and evaluate Atmos' rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Atmos' requested rate increase; and

WHEREAS, the City will require the assistance of specialized legal counsel and rate experts to review the merits of Atmos' application to increase rates; and

WHEREAS, to the extent Atmos seeks review at the Railroad Commission of Texas of the City's final decision regarding Atmos' statement of intent to change rates, or should Atmos submit a statement of intent to the Railroad Commission to increase rates in the environs of the City, the decision of the Railroad Commission of Texas could have an impact on the rates paid by the City and its citizens who are customers of Atmos and in order for the City's participation to be meaningful it is important that the City promptly intervene in such proceeding at the Railroad Commission of Texas.

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

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. Atmos' proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond March 6, 2012.

Section 3. The statutory suspension period may be further extended if Atmos does not provide timely, meaningful, and proper public notice of its request to increase rates, or if its rate-filing package is materially deficient.

Section 4. The City shall participate in a coalition of cities known as the Atmos Texas Municipalities or as "ATM" and authorizes intervention in proceedings related to Atmos' Statement of Intent before the Railroad Commission of Texas and related proceedings in courts of law; and

Section 5. The City hereby orders Atmos to pay the City's rate case expenses as provided in the Gas Utility Regulatory Act and that Atmos shall do so on a monthly basis and within 30 days after

submission of the City's invoices for the City's reasonable costs associated with the City's activities related to this rate review or to related proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law.

Section 6. Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera & Boyle, PLLC to act as Special Counsel with regard to rate proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law and to retain such experts as may be reasonably necessary for review of Atmos' rate application subject to approval by the steering committee of the ATM.

Section 7. The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Atmos for reimbursement.

Section 8. A copy of this resolution shall be sent to Atmos Energy Mid-Tex, care of Mr. David Park, Vice President Rates and Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240; and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Ave., Suite 1250, Austin, Texas 78701.

Section 9. 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 10. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this 5th day of March, 2012.

s/ Tom Musselman, Mayor

ATTEST:

/s/ Shelley Britton, City Secretary

ADDING 15% PENALTY TO THE AMOUNT OF DELINQUENT TAX, PENALTY, AND INTEREST FOR THE YEAR 2011 REMAINING DELINQUENT AS OF JULY 1, 2012 PURSUANT TO PROPERTY TAX CODE SECTION 33.07 TO DEFRAY COSTS OF COLLECTION - It was moved by Council Member Dooley, seconded by Council Member Segner, to approve adding 15% penalty to the amount of delinquent tax, penalty, and interest for the year 2011 remaining delinquent as of July 1, 2012 pursuant to Property Tax Code Section 33.07 to defray costs of collection. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

EXTENSION OF EMPLOYMENT CONTRACT WITH BRYLA & SCHOESSOW FOR COLLECTION OF DELINQUENT TAXES OWED THE CITY OF

FREDERICKSBURG FOR ONE YEAR - Council Member Dooley moved, seconded by Council Member Jones, to approve the extension of the Employment Contract with Bryla & Schoessow for collection of delinquent taxes owed the City of Fredericksburg, for one year. The vote was as follows: AYE: Musselman, Dooley, Segner, Pearson and Jones; NAY: None. Motion carried.

FUTURE AGENDA ITEMS - Well levels will be discussed on the 19th.

PUBLIC COMMENT - Comments were received in opposition to the recall issue from Chris Ward, Sonja Rivera, Kurt Register, Rosemary Estenson, Jerry Farley, Cay Meadows, and Virginia Oehler. Dorothy Jessee inquired about water restrictions. Linda Langerhans, Tonya Benson, and John Detmar commented on the pools issue.

COUNCIL COMMENT - Council Member Jones stated that he disagreed with sitting council members judging fellow council members; Council Member Pearson and Council Member Dooley spoke to the seriousness of the IRS allegations of federal employment and unemployment taxes being unpaid; Council Member Segner stated that he did not approve of the newspaper headline "Segner threatens to sue City". Mayor Musselman commented on the pool committee recommendation.

With no further business, Council Member Dooley made a motion to adjourn the meeting at 8:40 PM. Council Member Jones seconded the motion. Motion carried.

PASSED AND APPROVED this the 21st day of May, 2012.

SHELLEY BRITTON, CITY SECRETARY

JERYL HOOVER, MAYOR

* * * * *

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

**REGULAR CITY COUNCIL MEETING
MARCH 19, 2012
7:00 PM**

On this the 19th day of March, 2012, 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:

TOM MUSSELMAN - MAYOR

GRAHAM PEARSON - COUNCIL MEMBER
TIM DOOLEY - COUNCIL MEMBER
TOMMY SEGNER - COUNCIL MEMBER
SCOTT JONES - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: GARY NEFFENDORF - CITY MANAGER
PAUL OESTREICH - CHIEF OF POLICE
PAT MCGOWAN -CITY ATTORNEY
CRAIG WALLENDORF - D.P.W.U.
BRIAN JORDAN - DIR. DEVELOPMENT SERVICES
BRAD KOTT - DIRECTOR OF FINANCE
JIMMY ALEXANDER - DIRECTOR OF PARK & REC

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

PUBLIC HEARING: REQUEST Z-1203 BY THE CITY OF FREDERICKSBURG TO: (A) CONSIDER A CHANGE IN THE LAND USE FROM HIGH DENSITY RESIDENTIAL TO COMMERCIAL ON PROPERTY LOCATED AT 603 S. WASHINGTON, 605 S. WASHINGTON, AND 508 LONGHORN STREET, AND CONSIDER A CHANGE IN ZONING FROM R-3 MULTI FAMILY RESIDENTIAL TO C-2 COMMERCIAL ON SAID PROPERTIES - It was moved by Council Member Dooley, seconded by Council Member Jones, to recess the regular session and open the public hearing on Request Z-1203 by City of Fredericksburg to: (a) consider a change in the Land Use Plan from High Density Residential to Commercial on 603 S. Washington, 605 S. Washington, and 508 Longhorn Street, and (b) consider a change in zoning from R-3 Multi Family Residential to C-2 Commercial, on said property. Motion carried.

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

REQUEST Z-1203 - It was moved by Council Member Dooley, seconded by Council Member Segner, to approve Request Z-1203 for a change in the Land Use Plan from High Density Residential to Commercial on 603 S. Washington, 605 S. Washington, and 508 Longhorn Street , and a change in zoning from R-3 Multi Family Residential to C-2 Commercial Zoning, on said property. The vote was as follows: AYE: Musselman, Dooley, Pearson, Jones, and Segner. NAY: None. Motion carried.

ORDINANCE NO. 22-006

AN ORDINANCE ADOPTING A CHANGE IN THE COMPREHENSIVE PLAN OF THE CITY OF FREDERICKSBURG; SPECIFICALLY IN THE LAND USE MAP AND COMPREHENSIVE PLAN AS TO APPROXIMATELY 0.50 ACRES OF LAND BEING PART OF GERMAN EMIGRATION COMPANY OUTLOT NUMBER 591 & 615, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS, PROVIDING THAT THE CHANGE TO COMMERCIAL BECOME A PART OF THE COMPREHENSIVE PLAN AND PROVIDING FOR AN EFFECTIVE DATE. (Recorded in Ordinance Book)

ORDINANCE NO. 22-007

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF FREDERICKSBURG AND CHANGING THE ZONING CLASSIFICATION OF APPROXIMATELY 0.50 ACRES OF LAND BEING PART OF GERMAN EMIGRATION COMPANY OUTLOT NUMBER 591 & 615, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS FROM R-3, MULTI-FAMILY RESIDENTIAL TO C-2 COMMERCIAL. (Recorded in Ordinance Book)

PUBLIC HEARING: REQUEST Z-1204 BY THE CITY OF FREDERICKSBURG TO: (A) CONSIDER A CHANGE IN THE LAND USE FROM MIXED USE CORRIDOR TO PUBLIC/SEMI-PUBLIC ON PROPERTY LOCATED AT 1906 N. LLANO, 95 FREDERICK ROAD, AND 99 FREDERICK ROAD, AND (B) CONSIDER A CHANGE IN ZONING FROM C-2COMMERCIAL, TO PF PUBLIC FACILITIES ON SAID PROPERTY

- It was moved by Council Member Dooley, seconded by Council Member Segner, to recess the regular session and open the public hearing on Request Z-1204 by the City of Fredericksburg to: (a) consider a change in the Land Use Plan from Mixed Use Corridor to Public/Semi-Public on property located at 1906 N. Llano, 95 Frederick Road, and 99 Frederick Road, and (b) consider a change on zoning from C-2 Commercial, to PF Public Facilities, on said property. Motion carried.

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

REQUEST Z-1204 - It was moved by Council Member Dooley, seconded by Council Member Pearson. to approve Request Z-1204 for change in the Land Use Plan from Mixed Use Corridor to Public/Semi-Public on property located at 1906 N. Llano, 95 Frederick Road, and 99 Frederick Road, and to change the zoning from C-2 Commercial, to PF Public Facilities, on said property on

The vote was as follows: AYE: Musselman, Dooley, Pearson, Jones, and Segner. NAY: None. Motion carried.

ORDINANCE NO. 22-008

AN ORDINANCE ADOPTING A CHANGE IN THE COMPREHENSIVE PLAN OF THE CITY OF FREDERICKSBURG; SPECIFICALLY IN THE LAND USE MAP AND COMPREHENSIVE PLAN AS TO APPROXIMATELY 2.87 ACRES OF LAND BEING ALL OF LOT NUMBER 3B-R AND LOT NUMBER 3C-R OF CARRIAGE HILLS, UNIT NUMBER 7, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS, PROVIDING THAT THE CHANGE TO PUBLIC/SEMI-PUBLIC BECOME A PART OF THE COMPREHENSIVE PLAN AND PROVIDING FOR AN EFFECTIVE DATE. (Recorded in Ordinance Book)

ORDINANCE NO. 22-009

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF FREDERICKSBURG AND CHANGING THE ZONING CLASSIFICATION OF APPROXIMATELY 2.87 ACRES OF LAND BEING ALL OF LOT NUMBER 3B-R AND LOT NUMBER 3C-R OF CARRIAGE HILLS, UNIT NUMBER 7, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS FROM C-2 COMMERCIAL TO PF PUBLIC FACILITIES. (Recorded in Ordinance Book)

REPORT ON SCHEDULE FOR PROPOSED SIDEWALK ORDINANCE AMENDMENTS- Brian Jordan, Director of Development Services, reported on procedure requirements for amending the Subdivision and Zoning Ordinance pertaining to sidewalks. No action taken.

RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES FOR TEXPOOL - It was moved by Council Member Dooley, and seconded by Council Member Pearson, to approve a Resolution presented by Director of Finance Brad Kott, to amend authorized representatives for TexPool. The vote was as follows: AYE: Musselman, Dooley, Pearson, Jones, and Segner. NAY: None. 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 letter 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 all 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 be 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. Brad Kott, Director of Finance
2. Laura Hollenbeak, City Accountant
3. Shelley Britton, City Secretary

List the name of the Authorized Representative listed about that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement: Brad Kott

- D. That this Resolution and it’s authorization shall continue in full force and effect until amended or revoked by Participant, and until TexPool Participant Services received a copy

of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at it's regular meeting held the 19th day of March 2012.

/s/ Tom Musselman, Mayor

ATTEST:

/s/ Shelley Britton, City Secretary

WELL LEVELS, WATER USAGE, RAINFALL DATE, AND CURRENT WATER RESTRICTIONS - Craig Wallendorf, D.P.W.U. presented in depth information concerning well levels, water usage, rainfall data, and current water restrictions. No action taken.

BOOT RANCH WATER-SEWER PROVISION AGREEMENT AND AUTHORIZE CITY MANAGER TO EXECUTE AMENDMENT - Council met with Boot Ranch representative Gordon Sauer regarding proposed changes to the Boot Ranch Water-Sewer Provision Agreement. No action taken.

FREDERICKSBURG MORNING ROTARY CLUB PRESENTATION FOR COMMUNITY SKATE PARK - Council received presentation by Susan Kimbrell from Rotary Club on their concept of building a community skate park. The council asked her to come back in May to take action on the request. No action taken.

FUTURE AGENDA ITEMS - Council Member Jones wants Council to discuss addresses on houses or curbs.

PUBLIC COMMENT - No comments.

COUNCIL COMMENT - Council Member Pearson commented on City Manager replacement process; Council Member Jones commented on stage 4 water restrictions.

EXECUTIVE SESSION- At 8:50 PM. Council Member Dooley made a motion to recess the regular session and go into Executive Session. Council Member Jones seconded the motion, and the motion carried. At 9:03 PM, Council Member Dooley made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Segner seconded; the motion carried.

Following Executive Session, the following action was taken:

Council Member Jones made a motion to recess regular session and to reconvene at City Hall at 3:00 PM, the following day, March 20. Council Member Segner seconded; motion carried.

At 3:00 PM, March 20, Council Member Dooley made a motion to reconvene the regular session.

Council Member Segner seconded; motion carried.

EXECUTIVE SESSION- At 3:01 PM, Council Member Dooley made a motion to recess Regular Session and go into Executive Session. Council Member Pearson seconded, and the motion carried. At 5:10 PM, Council Member Dooley made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Segner seconded, the motion carried. (Note: Council Member Jones was absent)

Following Executive Session, no action was taken.

With no further discussion, Council Member Dooley made a motion to adjourn the meeting at 5:12 PM. Council Member Segner seconded. Motion carried.

PASSED AND APPROVED this the 21st day of May, 2012.

SHELLEY BRITTON, CITY SECRETARY

JERYL HOOVER, MAYOR

* * * * *

* * * * *

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

**SPECIAL CITY COUNCIL MEETING
MARCH 26 2012
6:00 PM**

On this the 26th day of March, 2012, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

TOM MUSSELMAN - MAYOR
TIM DOOLEY - COUNCIL MEMBER
TOMMY SEGNER - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
SCOTT JONES - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: GARY NEFFENDORF - CITY MANAGER
PAT MCGOWAN - CITY ATTORNEY
BRAD KOTT - DIR OF FINANCE
CRAIG WALLENDORF - D.P.W.U.

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

EXECUTIVE SESSION- At 6:01 PM, Council Member Dooley made a motion recess special session and go into Executive Session. Council Member Jones seconded, and the motion carried. At 7:03 PM, Council Member Dooley made a motion to adjourn the Executive Session and reconvene the special session. Council Member Pearson seconded, the motion carried.

The following were discussed in Executive Session, no action was taken.

1. Discuss interview questions to be asked of City Manager candidates, and discuss contents of evaluation form and method of scoring.
2. Consult with City Attorney regarding the terms of employment for new City Manager.
3. Electric Matters - Discuss and consider changes to Elster Agreement.

With no further discussion, Council Member Dooley made a motion to adjourn the meeting at 7:04 PM. Council Member Pearson seconded; motion carried.

PASSED AND APPROVED this the 21st day of May, 2012.

SHELLEY BRITTON, CITY SECRETARY

JERYL HOOVER, MAYOR

* * * * *

* * * * *

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

**SPECIAL CITY COUNCIL MEETING
MARCH 30 2012
8:00 AM**

On this the 30th day of March, 2012, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

TOM MUSSELMAN - MAYOR
TIM DOOLEY - COUNCIL MEMBER
TOMMY SEGNER - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
SCOTT JONES - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: PAT MCGOWAN - CITY ATTORNEY

The meeting was called to order at 8:00 AM.

EXECUTIVE SESSION- At 8:01 AM, Council Member Dooley made a motion recess special session and go into Executive Session. Council Member Jones seconded, and the motion carried. At 11:30 AM, Council Member Dooley made a motion to adjourn the Executive Session and reconvene the special session. Council Member Jones seconded, the motion carried.

The following were discussed in Executive Session, no action was taken.

1. Interview City Manager candidate(s) and discuss selection offer.

With no further discussion, Council Member Dooley made a motion to adjourn the meeting at 11:33 AM. Council Member Jones seconded; motion carried.

PASSED AND APPROVED this the 21st day of May, 2012.

SHELLEY BRITTON, CITY SECRETARY

JERYL HOOVER, MAYOR