



City of Fredericksburg

REGULAR CITY COUNCIL MEETING AGENDA

MONDAY, JULY 18, 2022 ~ 6:00 P.M.

LAW ENFORCEMENT CENTER

1601 E. MAIN STREET

FREDERICKSBURG, TEXAS 78624

Jeryl Hoover, Mayor
Tony Klein, Councilmember
Bobby Watson, Councilmember/Pro Tem

Sharon Joseph, Councilmember
Emily Kirchner, Councilmember
Clinton Bailey, City Manager

The City of Fredericksburg City Council will meet in a regular session on Monday, July 18, 2022 at 6:00 p.m. This meeting will be held in person and livestream on our YouTube Channel.

Link to City of Fredericksburg YouTube Channel [Fredericksburg, Texas USA - YouTube \(https://www.youtube.com/c/FredericksburgTexasUSA\)](https://www.youtube.com/c/FredericksburgTexasUSA). It is the intent to have all members of the governing body present in person at the above identified location, with one or more City employees attending this meeting by videoconference in compliance with the Tex. Gov't Code § 551.127.

1. CALL TO ORDER

2. INVOCATION

(Eric Hammersen, City resident)

3. PLEDGE OF ALLEGIANCE

4. EMPLOYEE RECOGNITIONS

5. PUBLIC COMMENTS ON ITEMS ON THE AGENDA

The City Council welcomes citizen participation and comments at all City Council Regular Meetings.

A. Written Comments: to be submitted remotely:

- i. Must be received by 3 p.m. on July 18, 2022
- ii. Complete the Citizen Comment Form online at www.fbgtx.org; or
- iii. Email your comments to CitizenComments@fbgtx.org; or
- iv. Complete a Citizen Comment Form located inside the Public Access entrance at 126 W. Main Street, Fredericksburg, Texas, and place in the box marked Citizen Comment Form.

Copies of the submitted comments will be provided to the City Council and made public on the City website under the "July 18, 2022, City Council Regular Meeting" tab.

B. Verbal Comments:

- i. Sign up in-person between 5:30 p.m. and 6 p.m. at the Law Enforcement Center in order to comment.
- ii. You will be limited to 3 minutes to speak.

- iii. If any citizen has handouts for these should be provided to the City Secretary prior to speaking. If you wish the City Council to receive your handouts for the meeting, please provide 10 copies, if not the City Council will receive your handouts the following day.

6. CONSENT

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF CITY COUNCIL.

- A. Consider approval of City Council Minutes for: (Shelley Goodwin, City Secretary).
 - i. July 5, 2022 Regular Meeting
(Agenda Packet Pages 5-10)

7. PUBLIC HEARING

- A. Hold a public hearing to receive comments for or against a request for Zoning Classification of Single Family Residential (R1) from Mark Cornett with Cornett Engineering for 6.1 acres of land described as Altstadt Village Subdivision Phase II, located at 701 E. Morse Street (Z-2209 (Shelby Collier, Associate Planner)
(Agenda Packet Pages 11-27)

- B. Hold a public hearing to receive comments for or against requests by Brenda Burrier for property located at 528 South Milam (Z-2210)
 - i. Land Use change from Low Density Residential (LDR) to Commercial (C)
 - ii. Zoning change from Single-Family Residential (R1) to Neighborhood Commercial (C1)
(Shelby Collier, Associate Planner)
(Agenda Packet Pages 28-40)

8. ORDINANCE AND RESOLUTIONS

- A. Consider the approval of Ordinance 2022-25 annexing approximately 6.168 acres of land out of an Unnumbered Outlot, as shown on the map of Fredericksburg and Environs by the German Emigration Company in Gillespie County, Texas, near the intersection of E. Morse Street and N. Lee Street; extending the corporate limits of the City of Fredericksburg, Texas, so as to include said territory; granting to all inhabitants and future inhabitants of said territory all of the rights and privileges of other citizens of the City of Fredericksburg, Texas; binding the inhabitants and future inhabitants of said territory by any and all acts, ordinances, resolutions and regulations of said City of Fredericksburg, Texas; and amending the Zoning Ordinance of the City to establish the Zoning District of said territory as R-1: Single Family Residential (Z-2209), (City Council may waive the second reading). (Shelby Collier, Associate Planner)
(Agenda Packet Pages 11-27)

- B. Consider the approval of requests by Brenda Burrier for approximately 2.42 acres of land, comprised of a part of Outlot No. 95, and a part of Outlot No. 96, located at 528 South Milam, situated in the City (Z-2210)
 - i. Ordinance 2022-26 adopting a change in the Comprehensive Plan of the City specifically in the Land Use Map; changing said property from Low Density Residential (LDR) to Commercial (C); providing that the change become a part of the Comprehensive Plan, and providing for an effective date (City Council may waive the second reading)
 - ii. Ordinance 2022-27 amending the Zoning Ordinance of the City and Changing the Zoning District said property from Single Family Residential (R-1) to Neighborhood

Commercial (C-1) ; and providing for an effective date (City Council may waive the second reading)

(Shelby Collier, Associate Planner)
(Agenda Packet Pages 28-40)

- C. Consider the approval of Ordinance 2022-28 adopting an amended schedule for outdoor irrigation under Stage 4 of the City's Water Conservation Measures; and providing for an effective date (City Council may waive the second reading) (Clinton Bailey, City Manager).
(Agenda Packet Pages 41-44)
- D. Consider the approval of Ordinance 2022-21 adopting and approving amendments to the City Budget for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022, and making amended appropriations for each affected department and account (postponed from June 6, 2022 Regular Meeting) (City Council may waive the second reading) (Laura Hollenbeck, Finance Director).
(Agenda Packet Pages 45-53)

9. OTHER ACTION ITEMS AND UPDATES

- A. Consider approval of a Voluntary Annexation Agreement with the City and Shepherds Glen Partners for the Altstadt Village Phase II Subdivision (this item will need to be considered before Agenda Item 8. A.). (Shelby Collier, Associate Planner)
(Agenda Packet Pages 11-27)
- B. Consider and discuss a presentation on City's electric rate study from Schneider Engineering, LLC. (Kris Kneese, Interim Public Works Director).
(Agenda Packet Pages 54-70)
- C. Consider and discuss a presentation on two Hotel/Conference Center proposals received in response to a Request for Proposal (RFP) (Clinton Bailey, City Manager).
(Agenda Packet Pages 71-84)

10. PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA.

11. CITY MANAGER'S REPORT

- A. Water supply update
- B. FY2023 Budget update
 - i. Proposed Enterprise Fund Budgets on July 22, 2022, at 9:30 a.m. in the Fire Training Room
 - ii. Proposed General Fund Budgets on July 27, 2022, at 4 p.m. in the Cardinal Room at the Lady Bird Golf Course.
 - iii. Budget Workshop with the County Commissioners on August 1, 2022, at 8:30 a.m. in the Cardinal Room at the Lady Bird Golf Course.
 - iv. File Proposed Budget with the City Secretary on August 5, 2022.
 - v. City Council Workshop for Public Hearing on proposed FY2023 Budget and No-New-Revenue Tax Rate on August 22, 2022, at 4 p.m. in the Cardinal Room at the Lady Bird Golf Course.
 - vi. City Council Regular Meeting adoption of the Tax Rate and the FY2023 Budget on September 19, 2022, at 6 p.m. at the Law Enforcement Center.

12. COUNCIL COMMENTS

Reports about items of community interest, which no action will be taken.

13. ITEMS FOR FUTURE AGENDA

(Agenda Packet Page 85)

14. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Section 551.074 (Personnel Matters) and Section 551.071 (Consultation with Attorney):

- A.** Consider and discuss the appointment, evaluation, and/or duties of a public officer or employee, specifically the Director of Special Projects (Section 551.074); and
- B.** Consider and discuss legal advice concerning contract provisions related to an agreement with U.S. Department of the Treasury (Sec. 551.071)

15. BUSINESS ITEM

The City Council will reconvene into Regular Session upon the conclusion of the Executive Session, the City Council may take action on any item posted in Executive Session, as necessary.

16. ADJOURN

This is to certify that I, Shelley Goodwin, posted this Agenda at 6:18 p.m. on July 13, 2022, on the bulletin board of the City of Fredericksburg City Hall, 126 W. Main St., Fredericksburg, Texas.



Shelley Goodwin, TRMC/CMC
City Secretary



City of Fredericksburg

REGULAR CITY COUNCIL MEETING MINUTES

TUESDAY, JULY 5, 2022 ~ 6:00 P.M.

LAW ENFORCEMENT CENTER

1601 E. MAIN STREET

FREDERICKSBURG, TEXAS 78624

The City of Fredericksburg City Council held their Regular Meeting on Tuesday, July 5, 2022 at 6 p.m. This meeting was held in person at the Law Enforcement Center and live streamed on the Fredericksburg YouTube Channel.

Members Present:

Mayor Jeryl Hoover
Mayor Pro-Tem Bobby Watson
Councilmember Emily Kirchner
Councilmember Tony Klein
Councilmember Sharon Joseph

Members Absent:

None.

City Staff Present:

Clinton Bailey, City Manager
Daniel Jones, City Attorney
Brian Vorauer, Police Chief
Derek Seeling, Patrol Police Lieutenant
Lynn Bizzell, Fire Chief
Eric Whiting, Information Technology Director
Lea Feuge, Public Information Officer
Garret Bonn, Interim City Engineer/Interim Development Services Director
Justin Calhoun, Emergency Management Coordinator
Regan Rabke, Fire Marshall
Krista Wareham, City Accountant
Anna Hudson, Historic Preservation Officer
Leslie Ball-Embrey, Administrative Assistant
Shelley Goodwin, City Secretary

1. CALL TO ORDER

Mayor Hoover called the Regular Meeting of the Fredericksburg City Council to order at 6:00 p.m. on Tuesday, July 5, 2022.

2. INVOCATION

Dennis McCanless, County Resident, led the Invocation.

3. PLEDGE OF ALLEGIANCE

Mayor Hoover led the Pledge of Allegiance.

4. EMPLOYEE RECOGNITIONS

Clinton Bailey, City Manager, provided the following recognitions:

- Derek Seelig, Patrol Police Lieutenant, for his recent promotion and completion of leadership training.
- Officer Denyse Munoz, for her professionalism.

5. PUBLIC COMMENTS ON ITEMS ON THE AGENDA

Mayor Hoover announced that he received six written comments.

Kimberley Lams spoke regarding the FY2023 Budget and the cuts that need to be made.

Jerry McCorkle, City resident, spoke regarding the FY2023 Budget and the only things that should be in the upcoming budget.

MaryLee Marschall, City resident, spoke regarding the constitution and the American Rescue Funds.

Eric Hammersen, City resident, spoke regarding American Rescue Funds and the requirements.

6. CONSENT

THE FOLLOWING ITEMS MAY BE ACTED UPON IN A SINGLE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THESE ITEMS WILL BE HELD UNLESS PULLED AT THE REQUEST OF A MEMBER OF CITY COUNCIL.

A. Consider approval of City Council Minutes for:

- June 20, 2022 Regular Meeting**
- June 20, 2022 Work Session Meeting**

Motion: A motion was made by Councilmember Kirchner, seconded by Councilmember Joseph, to approve Consent Agenda item 6. A.i. with corrections and 6. A. ii, The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

7. PUBLIC HEARING

A. Hold a public hearing to receive comments and citizen input on FY2023 Budget.

Laura Hollenbeck, Finance Director, stated that the City holds a public hearing to allow the citizens input on what they wish to see in the FY2023.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to open the public hearing at 6:20 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Edith McCanless, County resident, spoke regarding returning the need to return the American Rescue Funds and tight budget.

Heath Bell, City resident, spoke regarding the need to return the American Rescue Funds and recommended ways to handle upcoming budgets.

Jeannette Hormuth, City resident, spoke regarding returning the priority of returning the American Rescue Funds and only wants to see essential items in the upcoming budget.

George Studor, City resident, spoke about the need to monitor the risk in the budget and then know the budget is on track. He also spoke regarding the need to return the American Rescue Funds.

Sally Clark, City resident, spoke regarding the land the City purchased from her and how she feels it could be developed to assist people with getting around town. She also provided copies of the agreement of the purchase.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to close the public hearing at 6:40 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

B. Hold a public hearing to receive comments for or against a Voluntary Annexation request from Mark Cornett with Cornett Engineering, for approximately 6.1 acres of land described as Altstadt Village Subdivision Phase II, located at 701 E. Morse Street (Z-2208).

Garret Bonn, Assistant City Engineer/Interim Development Services Director, reviewed the property's history. He noted this is just a public hearing request.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to open the public hearing at 6:41 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Mark Cornett, Cornett Engineering, reviewed the proposed voluntary annexation. He also reviewed the reason for the annexation.

Ilene Crenwelge, City resident, spoke regarding concerns about future water needs. She also inquired about the stress this annexation and filling of pools put on the City's water system during droughts.

David Stone, City resident, spoke regarding the traffic flow of the future development.

The City Council discussed the transportation plan and the different Phases.

Mark Cornett, Cornett Engineering, provided an update on the number of proposed lots in the development. He also reviewed the proposed entrances and exits of this Phase and the proposed development.

Roger Crenwelge, City resident, spoke regarding the street situation and the impact of this development.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to close the public hearing at 6:53 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

8. ORDINANCE AND RESOLUTIONS

A. Consider the approval of Ordinance 2022- 24 adopting an updated Records Management Program for the City of Fredericksburg; and providing for an effective date.

Shelley Goodwin, City Secretary, reviewed the need for the change to the Ordinance, and the practice of the profession is to now have the City Council approve the Program, then the Records Management Officer implement procedures and policies.

Daniel Jones, City Attorney, stated the proposed Ordinance is based on the template from the State Library of Archives Commission, establishes and provides the duties and responsibilities of the Records Management Officer and that the City will follow the State Library of Archives Records Control Schedules.

The City Council discussed the process, its role, and the need to repeal the previous Ordinance.

Motion: A motion was made by Councilmember Klein, seconded by Councilmember Joseph, to approve Ordinance 2022-24, adopting an updated Records Management Program for the City of

Fredericksburg; and providing an effective date. Councilmember Klein withdrew his motion, and Councilmember Joseph withdrew her second.

Motion: A motion was made by Councilmember Joseph, seconded by Councilmember Klein, to approve Ordinance 2022-24 adopting an updated Records Management Program for the City of Fredericksburg; provided an effective date and waived the second reading. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

9. OTHER ACTION ITEMS AND UPDATES

A. Consider and discuss an update from Development Services and Engineering Department on the current and planned development activity through the City.

Garret Bonn, Interim City Engineer/Interim Development Services Director, introduced Evan Williamson, Assistant City Engineer, and Kyle Staudt, Building Inspector. They have been working together to create a list of the City's current and planned development activities.

Evan Williamson, Assistant City Engineer, and Kyle Staudt, Building Inspector, provided a PowerPoint regarding the Citywide Development Trends, Residential and Commercial Development, and Building Permit Trends.

Subdivisions

Current 151 lots under construction and 447 lots planned in the future.

Single Family

- Stone Ridge (396 lots)
- Oaks of Windcrest (241 lots)
- Crabapple Grove (159 lots)
- Frieden (Phase I 85 lots completed and Phase II 27 in the process)
- The Beginning (53 lots)
- Madrona (53 lots)
- Post Oak Village (39 lots)
- Friendship Oaks (7 Phases-Phase I 104 lots, Phase II 130 lots, and Phase IV 60 Multi-Family Units)
- Alstadt Village (proposed 42 lots)
- Harmony Hills (proposed 72 lots)

Multi-Family

- W. Live Oak Apartments (63 units)
- W. Live Oak Duplexes (46 units)
- Friendship Oaks (60 units)
- SECO (95 units)
- Eagles Village (24 units)
- Botanica (148 units)
- Reserve at Vineyard Oaks (152 units)
- Vineyard Gate Apartments (38 units)
- Prospect Addition (62 age restricted and 234 apartments)
- Orchard Grove (90 units)
- Keller Oaks (Townhomes 21 units)

Commercial Development

- The Emigrant- to be completed in late April 2023
- Albert Hotel – to be completed in late April or early May 2023
- Milam Street Market - Multi tenant retail market 100% leased
- Vineyard Hills RV – RV Development with 145 spaces

Future Developments

Middle School Campus
Feller Tract
Warehouse District

They also reviewed the Building Permit Trends from 2015 to 2022 and the graphic charts for Building Permits and Inspections.

Clinton Bailey, City Manager, stated when looking at the building, staff also looks at traffic flow, sanitation, and water.

B. Consider and discuss a presentation on affordable housing by Vince Michel, Affordable Housing Coordinator.

Clinton Bailey, City Manager, stated Vince Michel has been researching affordable housing for the last nine months. He also presented at the City Council and County Commissioners on March 25, 2022.

Vince Michel, Affordable Housing Coordinator, reported on the trend for the next five years. He also stated the planned future construction would help reduce the cost of homes. He noted out of the homes being built, only 60 of those homes could be for the workforce due to cost. He also provided an update on restricted rent apartments and the role the City wants to play with housing for the workforce. He also reviewed the different ways to achieve the goals of affordable housing. He requested the City Council consider affordable housing a priority and provide the role they want to play in achieving affordable housing.

The City Council discussed which businesses are considering workforce housing. They also discussed the single-family and apartments being built and the effects they could have on reducing costs in the market.

10. PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA.

Debra Habecker, City resident, spoke regarding COVID 19, vaccines, and the 2020 Presidential Election.

Kimberley Lams, City resident, spoke regarding the COVID and the City website. She also provided a website regarding COVID.

Ruben Aguilar, City resident, spoke regarding the Citizen Comment Period. He also spoke regarding the American First Agenda and the City Council's role in safety.

George Studor, City resident, spoke regarding the planned development and feels there should be a neighborhood planning process for neighborhood development.

11. CITY MANAGER'S REPORT

A. Water supply update

Clinton Bailey, City Manager, reviewed a PowerPoint regarding the Water Supply Update. He reviewed the State Drought Monitor for July 2021 and July 2011. He also provided a report on the City's Well Fields and Local Drought Index. He stated the City is currently in Stage 3, and without the rain, the City will need to go into Stage 4 soon. He reviewed the restrictions for Stage 4.

The City Council inquired about when the waterline on Hwy 290 will be completed and the possibility of going into Stage 4 now.

Clinton Bailey, City Manager, stated the Hwy 290 waterline would be completed in a couple of weeks.

B. STR enforcement update

Garret Bonn, Interim City Engineer/Interim Development Services Director, provided an update regarding enforcing STRs and notifying the property contact person. He noted that Development Services is requesting two people in the FY2023 Budget, one an administrative employee, to assist with the enforcement process.

C. Comprehensive plan update

Clinton Bailey, City Manager, provided an update on the process and bids the City received and is recommending the bid award to HALFF.

12. COUNCIL COMMENTS

Councilmember Kirchner stated she met with County Judge and attended the County Commissioner Meeting. She also noted she attended the April 8, 2024, Eclipse Meeting.

13. ITEMS FOR FUTURE AGENDA

Clinton Bailey, City Manager, reviewed the Future Agenda spreadsheet.

14. EXECUTIVE SESSION

The City Council will recess its open meeting and reconvene in Executive Session pursuant to Texas Government Code Section 551.071:

A. Consider and discuss status updates for pending litigation in the 216th Judicial District Court, as follows (Section 551.071):

i. Susanna Boyer vs. City of Fredericksburg, Cause No. 17026

Motion: A motion was made by Councilmember Joseph, seconded by Councilmember Watson, to go out of the Regular Meeting and into the Executive Session at 8:52 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Kirchner, to go out of the Executive Session and into the Regular Meeting at 9:03 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

15. BUSINESS ITEM

The City Council took no action.

16. ADJOURN

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Klein, to adjourn the Tuesday, July 5, 2022, City Council Regular Meeting at 9:04 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.

Jeryl Hoover
Mayor

Shelley Goodwin, TRMC/CMC
City Secretary



CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council Members

FROM: Shelby Collier – Associate Planner

SUBJECT: Z-2208 (ANNEXATION) & Z-2209 (LAND USE & ZONING) – CONSIDERATION AND ACTION REGARDING A REQUESTED ANNEXATION AGREEMENT/ORDINANCE AND REQUESTED ZONING OF SINGLE-FAMILY RESIDENTIAL (R1) ZONING DISTRICT FOR 6.1 ACRES OF LAND LOCATED AT 701 E. MORSE STREET.

Summary:

On behalf of the property owner, Mark Cornett with Cornett Engineering, has requested voluntary annexation of approximately 6.1 acres of land to construct a +/-19 lot single-family subdivision located at the dead end of the roadway in the 700 block of E. Morse St. The subject tract is located immediately adjacent to the east side of Altstadt Subdivision, Phase I, a 23 lot R1 zoned subdivision currently under construction.

The requested zoning of the property is R1. The Future Land Use Plan calls this area as Low Density Residential and the requested zoning of R1 meets the requirements of the Future Land Use Plan.

The property would be required to extend utilities to serve their property and then be required to extend utilities to adjacent landowners as part of the platting/subdivision process. The applicant is currently working with City staff to finalize a roadway and utility plan for the area.

A public hearing was held at the July 5th City Council meeting and three neighboring property owners voiced concerns relating to water supply, ROW issues with the proposed Lee St. extension, and increased traffic concerns. The Planning and Zoning Commission also held a public hearing at their July 6th meeting with one other neighbor voicing concerns relating to construction traffic/noise and stormwater runoff. Ultimately, P&Z unanimously recommended approval of the requested land use, zoning, and preliminary plat for the project.

Recommendation:

Staff recommends approval of the requested annexation and zoning, as presented.

The City of Fredericksburg

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

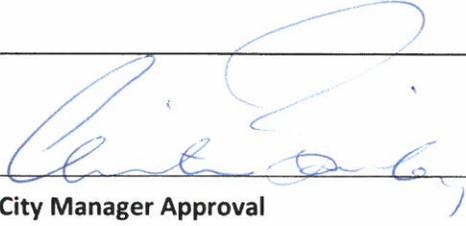
Attachments: Location Map, Future Land Use Map, Zoning Map, Draft Annexation Agreement, Annexation Ordinance



Department Approval



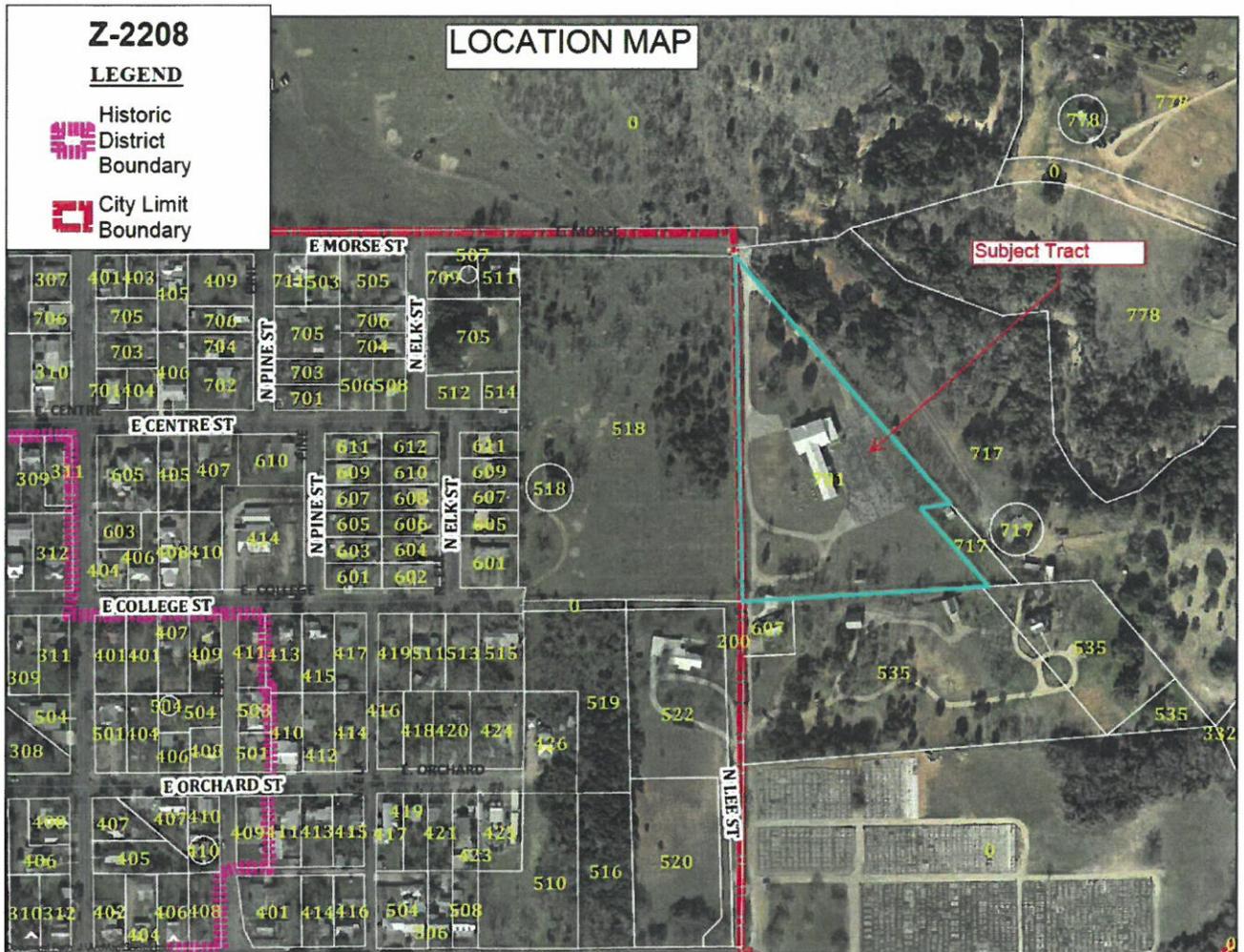
City Attorney Approval



City Manager Approval

The City of Fredericksburg

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The City of Fredericksburg

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1 inch = 400 feet

FIGURE 1
Land Use Map

LEGEND	
Landuse	High Density Residential
LANDUSE	Industrial
Downtown Central Business District	Low Density Residential
Uptown Central Business District	Medium Density Residential
Commercial Center	Mixed Use Corridor
Commercial	Parks & Open Space
Employment Center	Public / Semi-Public
FUTURE ROW	Rural
	City Limit Boundary
	1-Mile ETJ Boundary

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1 inch = 400 feet

FIGURE 1
Zoning Map

LEGEND

Zoning	PF - Public Facilities
ZONED	FUD - Planned Unit Development
C1 - Neighborhood Commercial	R1 - Single Family Residential
C1.5 - Medium Commercial	R1A - Single Family Residential - Small Lot
C2 - Commercial	R2 - Mixed Residential
CBD - Central Business District	R3 - Multi-Family Residential
M1 - Light Manufacturing	R4 - Manufactured Home Residential
M2 - Medium Manufacturing	R5 - Patio Home Residential
M3 - Industrial Park	City Limit Boundary
OS - Open Space	1-Mile ETJ Boundary

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The City of Fredericksburg

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

ANNEXATION AGREEMENT

FOR THE ALTSTADT VILLAGE PHASE II SUBDIVISION

This Annexation Agreement ("Agreement"), made and entered into this ____ day of _____, 2022, by and between the City of Fredericksburg ("City"), with an address of 126 W. Main Street, Fredericksburg, Texas, 78624, and Shepherds Glen Partners, LLC, a Texas limited liability company ("Developer"), with an address of 130 S. Seguin, Suite 100, New Braunfels, Texas 78130.

RECITALS

WHEREAS, the Developer is the owner of record of certain real estate ("Annexation Tract") legally described as follows:

Being 6.168 acres of land out of an Unnumbered Outlot as shown on the map of Fredericksburg and Environs by the German Emigration Company to the City of Fredericksburg, Gillespie County, Texas and being a portion of that certain 5.8 acre tract described in Instrument No. 20143865 of the Official Public Records of Gillespie County, Texas and described in Volume 156, Page 377 of the Deed Records of Gillespie County, Texas and all of that certain 695 square foot tract, Exchange Deed, described in Instrument No. 20060607; Said 6.168 acre tract being more particularly described on Exhibit "A", attached hereto and incorporated herein for all purposes; and

WHEREAS, the Developer desires to have the entirety of said Annexation Tract annexed into the City, and the agreements contained herein are made in anticipation of the annexation of said 6.168 acres; and

WHEREAS, the City Council, after due and careful consideration, finds that the annexation of said 6.168 acres into the City will promote economic development and further the growth of the City, promote the development of desirable and necessary housing in the City, enable the City to control the development of the area, and serves the best interests of the City.

NOW THEREFORE, for and in consideration of the mutual covenants contained herein, the Parties agree as follows:

AGREEMENT

1. The Parties acknowledge and agree that the entire 6.168 acres of the Annexation Tract is presently located outside the city limits of the City (the "Annexation Tract"), but is located within the extra territorial jurisdiction of the City. The Annexation Tract is more particularly described by survey map in Exhibit "A", a copy of which is attached hereto and made a part hereof. At a public City Council meeting, the City Council shall duly consider enacting an ordinance annexing the Annexation Tract, pursuant to a Petition for Annexation filed by Developer.
2. Contemporaneously with the annexation of the Annexation Tract under Paragraph 1 of this Agreement, the City Council shall also duly consider enacting an ordinance amending the

Zoning Ordinance of the City, to designate the zoning districts of the Annexation Tract as R-1: SINGLE FAMILY RESIDENTIAL. The designation of the Annexation Tract shall be carried out in accordance with the provisions and proceedings of the City of Fredericksburg Zoning Ordinance and City of Fredericksburg Comprehensive Plan. Any subsequent zoning amendments related to the Annexation Tract and requested by the Developer shall be subject to the rules, regulations, and procedures set forth in the City of Fredericksburg Zoning Ordinance, and the same must be in conformity with the Comprehensive Plan for the City in effect at the time of the request.

3. Subsequent to the execution of this Agreement, the Developer may submit to the City a preliminary plat for the Annexation Tract. Any preliminary plat submitted by Developer under this Agreement shall be processed by the City under the applicable City procedures and Ordinances existing at the time of submission of the plat to the City. The Parties acknowledge and agree that the Annexation Tract shall be developed in accordance with said preliminary plat, and the dedications and easements shown thereon. The Developer shall be permitted a reasonable degree of flexibility with respect to changes or modifications of said preliminary plat due to engineering considerations, as is permitted by the Ordinances of the City. The Parties acknowledge and agree that all Exhibits attached to this Agreement are attached hereto solely for the purposes of clarification of the provisions of this Agreement, and the attachment of said Exhibits shall not be considered as an approval by the City of the plat or design of the Annexation Tract.
4. The Developer shall pay to the City a fee in lieu of park land dedication and a park development fee, at set forth in Section 6.15 (Park Land Dedication) of Chapter 38 (Subdivisions) of the City Code of Ordinances.
5. Utility Improvements.
 - a. Utility plan. Developer shall, at Developer's sole expense, have a utility infrastructure master plan for streets, electric, water, sewer and drainage prepared by a Texas registered professional engineer and approved by the City, Central Texas Electric Cooperative, and other utility service provider as applicable for the entire Annexation Tract. Such master plan will be based on fully developed conditions, shall incorporate the City's available engineering data and comply with the City of Fredericksburg Construction Standards and Specifications. All utilities will be required to be provided by Developer to the boundary of the Annexation Tract to permit future extensions at locations shown on the approved utility infrastructure master plan. If Developer changes the layout of development, which necessitate relocation of such mains or other utilities, the same, including the cost of replacing any City upsizing paid for by the City, shall be at Developer's expense, and will require subsequent City approval in accordance with the City's usual development regulations notwithstanding any agreements herein.

- b. Sewer. In order to minimize ongoing maintenance costs to the City, whenever possible the Annexation Tract will be served through a sanitary sewer gravity flow collection system as described in the development plans submitted to the City by the Developer's engineering consultants. Installation and maintenance of individual household sanitary sewer grinder lift stations, if necessary, serving single lots will be the responsibility of the individual lot owner, not the City, and shall be shown in the City-approved construction plans.
- c. Oversizing. Subject to the terms hereof, the City may elect to oversize any or all of the public infrastructure to be constructed. For purposes hereof, oversize means that the City may require an increase in the size of any utility infrastructure beyond what is required to serve the Annexation Tract pursuant to the applicable codes. The City, if it desires, may require oversizing in connection with the various phases. In order to make an election to oversize any or all of the utility infrastructure, the City must send written notice to Developer on or before the date that is thirty (30) days after the date the relevant utility construction plans are submitted to the City for review prior to approval of the preliminary plat. If the City makes an oversizing request, then Developer shall obtain bids for the construction of the applicable oversizing as an alternate bid based on construction plans approved by the City. It is understood that the Developer's responsibility for obtaining bids at its expense is for add alternates for upsizing, and not for major re-engineering expense. Developer will send written notice to City setting forth both the base bid Developer has received for its infrastructure and for the alternate bid. No more than thirty (30) days after receipt of this notice, the City shall provide written notice to Developer of its intention to pursue and pay all costs associated with the oversizing. Upon making such election, the Developer shall construct the improvements set out in the alternate bid, and City shall be obligated to reimburse Developer for 100% of the difference between the base bid and the alternate bid.
- d. The Developer agrees to design and construct, at Developer's sole expense, all remaining external and internal lines and taps to connect the Annexation Tract to City's water and sewer system, constructed in conformance with the utility infrastructure master plan, all City ordinances, and the Minimum Standards for street and utility design and the materials and specifications on file with the City Engineer. It is further understood and agreed by the Parties that each lot in the Annexation Tract shall be subject to the impact fees of the City in effect at the time of required payment with regard to water and sewer, unless said lot is exempt from payment of impact fees pursuant to a City ordinance in effect at the time of required payment, related to affordable or attainable housing. Impact fees shall become due and payable to the City for each lot in the Annexation Tract at the time of issuance of a building permit for said lot.

6. Roadways and easements.

- a. It is agreed and understood that all roadway easements, utility easements, drainage easements, and any other public or private dedications or easements shown on the Annexation Tract plat shall be acquired and constructed by Developer at Developer's sole cost, and in conformance with all City ordinances and the Minimum Standards for street and utility design and the materials and specifications on file with the City Engineer. Following construction, dedication, completion of the maintenance assurance period, and acceptance by the City, the public roadways shall be conveyed to the City and shall be maintained by the City as public roadways. All easements other than public roadways shall be maintained by the Parties in accordance with the City Subdivision Ordinance and City Storm Water Control and Detention Ordinance, and as set forth in Paragraph 8 of this Agreement.
 - b. All roadways will be constructed by Developer at Developer's sole cost, and in conformance with the minimum City standards for roadway and utility design, and the materials and specifications on file with the City Engineering Department for the type of roadway being constructed.
 - c. Developer will not provide a Traffic Impact Study ("TIS") if the Annexation Tract is zoned single family residential. Except as specifically set forth in Paragraph 6(d) below, the Developer shall not be required to construct streets or make other road improvements to any public right of way outside of the Annexation Tract. If Developer significantly changes the development plan for the entire Annexation Tract (including phasing of development) at any time during the development process, the City may require subsequent studies and the attendant improvements or alterations.
 - d. The Parties acknowledge and agree that Developer shall be required to construct the full width (to City standards for roadway) of N. Lee Street that spans from E. Centre Street to E. Morse Street, and Developer shall not be required to construct any portion of N. Lee Street that spans from E. Centre Street to E. College Street.
 - e. Developer shall be solely responsible for coordinating with the United States Postal Service concerning the establishment and provision of U.S. Mail delivery to the Annexation Tract.
7. The Developer shall coordinate and install (through CTEC) all street lights as required by City ordinances in effect at the time of development.
 8. The City agrees to provide for the maintenance of all public streets, storm water and drainage system (excluding retention ponds and detention areas), sanitary sewer and water main, and public rights-of-way in the development, following conveyance to the City and

acceptance by City, as shown on the approved final plat of the Annexation Tract and in accordance with the City Subdivision Ordinance and City Storm Water Control and Detention Ordinance.

9. The Parties acknowledge and agree that this Agreement shall not bind either party hereto until an annexation ordinance has been duly enacted and adopted by the City, as set forth in Paragraph 1 of this Agreement. The Parties acknowledge and agree that this Agreement shall not bind or hinder the independent or legislative powers of any City Council, City boards or commissions, and this Agreement shall be effective only if and upon adoption of the ordinance contemplated and as set forth in Paragraph 1 of this Agreement, the same to be completed on or before 90 days from the date of institution of Annexation proceedings by the City.
10. It is hereby agreed that if the Annexation Tract is annexed into the City under Paragraph 1 of this Agreement, and if any of the terms of this Agreement are not met by the Developer within five years from the date of said annexation, then any commitments on the part of the City for construction of infrastructure or for development approvals shall be automatically terminated, and the Annexation Tract shall then be subject to the development ordinances then in effect.
11. The effective date of this Agreement shall be the date of annexation of the Annexation Tract to the City, as set forth in Paragraph 1 of this Agreement. This Agreement shall be binding upon the parties to it, their respective grantees, successors, assigns or lessees for a full term of thirty (30) years, commencing as of the effective date of this Agreement, subject to limitations provided by law and to the extent permitted thereby, and for such further term as may subsequently be agreed to by the parties. It is hereby agreed that if the Annexation Tract (or any portion of the Annexation Tract) is annexed to the City of Fredericksburg, and if any the City does not grant the requested zoning set forth in this Agreement, or if the City does not perform its obligations hereunder, then Developer may petition for disannexation and/or the City may disannex.
12. It is understood and agreed by the Parties hereto that time is of the essence of this Agreement, and that all of the parties will make every reasonable effort to expedite the subject matters hereof.
13. The Parties mutually represent that they have taken and will take action as may be required to bring about the annexation of Annexation Tract and the amendments, exceptions, and variances, as may be necessary or proper in order to zone and classify the Annexation Tract so as to enable the same to be developed and used in the manner anticipated in this Agreement, and such other action as to enable the parties to execute this Agreement and to fully carry out all other covenants, agreements, duties and other obligations created and imposed by the terms and conditions of this Agreement.

14. This Agreement shall be binding upon the parties to it, their respective grantees, successors, assigns or lessees, subject to limitations provided by law.
15. The Parties agree that this Agreement and any exhibits attached to it may be amended only by the mutual written consent of all parties.
16. The Developer covenants and agrees to fully indemnify, hold harmless and defend the City, its officers, agents, servants, and employees, from all claims, suits or causes of action of any nature whatsoever, whether real or asserted, brought for or on account of any injuries or damages to persons or property including death, resulting from or in any way connected with this Agreement or the construction of the improvements or facilities described herein; and in addition, the Developer covenants to indemnify, hold harmless and defend the City, its officers, agents, servants and employees, from and against any and all claims, suits or cause of action of any nature whatsoever, brought for or on account of any injuries or damages to persons or property, including death, resulting from any failure to properly safeguard the work, or on account of any act, intentional or otherwise, neglect or misconduct of the Developer, its contractors, agents, servants or employees.
17. Approval by the City of any plans, designs, or specifications submitted by the Developer pursuant to this Agreement shall not constitute or be deemed to be release of the responsibility and liability of the Developer or its engineers, employees, officers or agents for the accuracy and competency of their design and specifications. The Parties acknowledge and agree that the approval of any plans, designs, or specifications by the City signifies the City's approval on only the general design concept of the improvements to be constructed as the same relates to conformance with City ordinances.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement, or caused the same to be executed by its duly authorized representative.

[SIGNATURE PAGE TO FOLLOW]

Shepherds Glen Partners, LLC (“DEVELOPER”)

By: _____ Date: _____
Frederick Heimer, Manager

CITY OF FREDERICKSBURG, TEXAS ("CITY")

By: _____ Date: _____
Clinton Bailey, City Manager

ORDINANCE NO. 2022-25

AN ORDINANCE ANNEXING TO THE CITY OF FREDERICKSBURG, TEXAS APPROXIMATELY 6.168 ACRES OF LAND OUT OF AN UNNUMBERED OUTLOT, AS SHOWN ON THE MAP OF FREDERICKSBURG AND ENVIRONS BY THE GERMAN EMIGRATION COMPANY IN GILLESPIE COUNTY, TEXAS, NEAR THE INTERSECTION OF E. MORSE STREET AND N. LEE STREET; EXTENDING THE CORPORATE LIMITS OF THE CITY OF FREDERICKSBURG, TEXAS, SO AS TO INCLUDE SAID TERRITORY; GRANTING TO ALL INHABITANTS AND FUTURE INHABITANTS OF SAID TERRITORY ALL OF THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS OF THE CITY OF FREDERICKSBURG, TEXAS; BINDING THE INHABITANTS AND FUTURE INHABITANTS OF SAID TERRITORY BY ANY AND ALL ACTS, ORDINANCES, RESOLUTIONS AND REGULATIONS OF SAID CITY OF FREDERICKSBURG, TEXAS; AND AMENDING THE ZONING ORDINANCE OF THE CITY TO ESTABLISH THE ZONING DISTRICT OF SAID TERRITORY AS R-1: SINGLE FAMILY RESIDENTIAL.

WHEREAS, the City of Fredericksburg has received a written request for voluntary annexation for the following tracts or parcels of land (the "Property") situated in Gillespie County, Texas, to-wit:

Being 6.168 acres of land out of an Unnumbered Outlot as shown on the map of Fredericksburg and Environs by the German Emigration Company to the City of Fredericksburg, Gillespie County, Texas and being a portion of that certain 5.8 acre tract described in Instrument No. 20143865 of the Official Public Records of Gillespie County, Texas and described in Volume 156, Page 377 of the Deed Records of Gillespie County, Texas and all of that certain 695 square foot tract, Exchange Deed, described in Instrument No. 20060607, and more particularly and separately described in the attached Exhibit "A"; and

WHEREAS, the City Council of the City of Fredericksburg, Texas has heard arguments for and against the annexation of such Property at a public hearing in accordance with the Local Government Code of the State of Texas and after having been requested to annex such Property by the owners thereof; and

WHEREAS, the City Council of the City of Fredericksburg, Texas has determined that said Property is contiguous and adjacent to the limits of the City of Fredericksburg, Texas; that said Property meets all requisites of law for annexation, and that such Property should be annexed to the City of Fredericksburg, Texas, and the corporate limits of the City of Fredericksburg, Texas should be extended so as to include such territory; and that the City Council of the City of Fredericksburg, Texas, by the provisions of the Local

Government Code of the State of Texas, and the Charter of the City of Fredericksburg, has the power to annex such Property; and

WHEREAS, a request has been submitted by the owner of the Property to establish R-1: Single Family Residential zoning upon said Property; and

WHEREAS, public hearings before the Planning and Zoning Commission and the City Council of the City of Fredericksburg have been duly noticed and held regarding such zoning application, as required by the City of Fredericksburg Zoning Ordinance; and

WHEREAS, the Planning and Zoning Commission has determined that such zoning change is in conformity with the uses established by the Comprehensive Land Use Plan of the City of Fredericksburg and is consistent with the objectives of the City of Fredericksburg Zoning Ordinance, and has recommended to the City Council of the City of Fredericksburg, based upon positive findings under the review and evaluation criteria established by such ordinance, that the zoning be enacted; and

WHEREAS, the City Council has specifically found, following public hearing, that such change is consistent with the objectives of the City of Fredericksburg Zoning Ordinance and Comprehensive Land Use Plan of the City of Fredericksburg and there has not been a protest against the zoning signed by owners of twenty per cent (20%) or more of the area of the property included in the zoning request, or of the area of the property immediately adjoining the same and extending two hundred feet (200') therefrom.

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

Section 1. That the Property is hereby annexed to the City of Fredericksburg, Texas; that the corporate limits of the City of Fredericksburg, Texas, be and they are hereby extended so as to include such Property within the city limits of the City of Fredericksburg, Texas; and that said Property shall hereafter be included within the territorial limits of the City of Fredericksburg, Texas.

Section 2. That the present and future inhabitants of such Property shall hereafter be entitled to all the rights and privileges of other citizens of the City of Fredericksburg, Texas; and that the inhabitants of such Property shall be bound by any and all the acts, ordinances, resolutions and regulations of the City of Fredericksburg, Texas. Pursuant to Texas Local Government Code Sec. 43.0672, the City has entered into a written agreement with the owners of Property, related to the provision of City services in the area, and the City is not required to provide a service that is not included in said agreement.

Section 3. That the zoning ordinance of the City of Fredericksburg is hereby amended to incorporate the certain change in zoning district as follows:

The Property is hereby zoned and designated as R-1: Single Family Residential.

Section 4. That all references in City of Fredericksburg Code of Ordinances to the Zoning Ordinance shall henceforth refer to such as is amended hereby.

PASSED AND APPROVED this the _____ day of _____, 20____.

Jeryl Hoover, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Goodwin, TRMC/CMC
City Secretary

APPROVED AS TO FORM:

Daniel Jones, City Attorney



CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council

FROM: Shelby Collier, Associate Planner

SUBJECT: Z-2210 REQUEST BY BRENDA BURRIER, TO CONSIDER A LAND USE CHANGE FROM LOW DENSITY RESIDENTIAL (LDR) TO COMMERCIAL (C) AND A ZONING CHANGE FROM (R1) SINGLE FAMILY RESIDENTIAL TO (C1), NEIGHBORHOOD COMMERCIAL ON PROPERTY LOCATED AT 528 SOUTH MILAM.

Summary:

The applicant is seeking a future land use classification change from “Low Density Residential” (LDR) to “Commercial” (C) and zoning change from “Single Family Residential” (R1) to “Commercial” C1.

528 S. Milam has 2 lots with legal descriptions of: AG E CO #95 2., -M/H HOMESITE- HUD# TEX0490402; HUD#2 TEX0490403; TITLE # REAL and G E CO #96 0.49

Background / Analysis:

The property currently has one primary house and outbuilding. The entire property in question is the average size of a typical city block and could be divided into multiple lots within the current or proposed zoning districts.

Land uses surrounding this property include Low Density Residential (LDR) to the north across West Walch and west and east across South Milam, and Neighborhood Commercial (NC) to the south across West Live Oak. Additionally, there are neighborhood commercial land uses 2 lots to the west and beyond the intersection of West Live Oak and Post Oak Road.

Zoning to the west, north, and east is R1 – Single Family Residential. Zoning to the south across West Live Oak is Neighborhood Commercial – C1.

While West Live Oak has multiple C1 zoned lots, the area north of this block was developed as Single Family and has remained residential.

The City of Fredericksburg

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

Recommendation

This item was considered by the Planning & Zoning Commission on July 6, 2022, and staff’s initial recommendation was that half of the block facing West Live Oak change to C1 as requested. The half of the block facing West Walch should stay residential, either R1-Single Family as existing or R2 – Mixed Residential to act as a buffer between single family and commercial uses.

The Commission voted unanimously to recommend a rezone from R1-Single Family to C1 – Neighborhood Commercial on the southern portion of the property (fronting on West Live Oak), to match the southern property line of the neighboring R1 tract located at 507 West Walch.

The remaining northern portion fronting on West Walch should remain R1-Single Family to develop in a similar pattern to the rest of the neighborhood. In addition, the Commission requested that staff consider rezoning the two vacant tracts to the west as C1 – Neighborhood Commercial to have a continuous zoning from South Milam west to Post Oak Road.

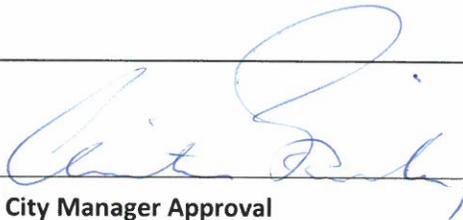
The recommendation provided by the Commission is in keeping with staff’s recommendation that the property fronting on West Live Oak be rezoned to C1 as requested to match the southern property line of the neighboring R1 tract located at 507 West Walch.

Attachments:

- Project Application
- Future Land Use Map & Location/Zoning Map
- Zoning Matrix
- Map with Legal Descriptions
- Land Use Ordinance
- Zoning Ordinance



Department Approval



City Manager Approval



City Attorney Approval

The City of Fredericksburg



Project Application

City of Fredericksburg - Development Services Department
126 W. Main St., Fredericksburg, TX 78624 – (830)997-7521

A. Project Information (Please complete all items)

Project Name: 528 S Milam (Burrier Tract)
Project Address: 528 S Milam, Fredericksburg, TX 78624
Tax ID Number (s):

Application Type (Check all items that apply)

PDF COPIES ARE REQUIRED FOR ALL SUBMISSIONS

- | | | |
|--|--|--|
| <input type="checkbox"/> Conditional Use Permit | <input type="checkbox"/> Minor Plat* | <input type="checkbox"/> Plat Vacation |
| <input type="checkbox"/> Site Plan | <input type="checkbox"/> Replat* | <input type="checkbox"/> Annexation* |
| <input checked="" type="checkbox"/> Zoning Change | <input type="checkbox"/> Amending Plat* | <input type="checkbox"/> Final Plat* |
| <input checked="" type="checkbox"/> Land Use Plan Change | <input type="checkbox"/> Preliminary Plat* | |

Revision of Approved Plan / Plat? Yes No Name:

Jurisdiction: City Limits ETJ Total Acres: 2.49 No. of Lots:

Original Survey & Abstract No:

Legal Description: See Attached Exhibit A

Current Land Use Plan: Low Density Residential Proposed Land Use Plan: Commercial

Current Zoning: R1 Single Family Residential Proposed Zoning: C1 Neighborhood Commercial

Location: 528 S Milam. Corner of S Milam and W Live Oak

Proposed Use(s): Medical offices/Small business

Applicant's Signature

Applicant's Role: Owner Developer Other (note role):

I hereby certify that the information supplied with this application is true and correct, and that the paper and electronic copies of the materials submitted are consistent with each other, to the best of my knowledge. I also certify I have authorization from the owner to act on his / her behalf.

Signature: Adam Hahn

Printed Name: Adam Thomas Hahn Date: 25 May 2022

Staff Use Only Application No.: 22210 Date: 05/26/22

*Copy of current Title Search required with application.

\$700.00 - CIH#2265



Project Application

City of Fredericksburg - Development Services Department
126 W. Main St., Fredericksburg, TX 78624 – (830)997-7521

B. Contact Information (Please complete all items. Attach additional pages as necessary.)

I. Property Owner(s)

Firm Name (if applicable):

Owner Name: Brenda Burrier

Address: 417 E College St. Fredericksburg, TX 78624

Phone: 830-992-1697

Fax:

Email:

II. Owner's Agent/Engineer/Surveyor (Main contact person responsible for application)

Role: Agent Engineer Surveyor Other (note role):

Firm Name (if applicable):

Address: 617 Country Creek Lane. Fredericksburg, TX 78624

Primary Contact Name: Adam Hahn

Phone: 830-456-3277

Fax:

Email: ahahn@kw.com

Secondary Contact Name:

Phone:

Fax:

Email:

III. Applicant

Firm Name (if applicable):

Applicant Name (s): Adam Hahn

Address: 617 Country Creek Lane. Fredericksburg, TX 78624

Phone: 830-456-3277

Fax:

Email: ahahn@kw.com

IV. Applicant's Agent/Engineer/Surveyor (Main contact person responsible for application)

Role: Agent Engineer Surveyor Other (note role):

Firm Name (if applicable):

Address:

Primary Contact Name:

Phone: Fax: Email:

Zoning Matrix

Existing

Proposed

	R1	C1
Lot Size	Minimum Lot Area 7,500	Minimum Lot Area 7,500
Lot Width	Minimum 70 Feet	Minimum 70 Feet
Height	Max 28 Feet	Max 38 Feet
Front Yard	Minimum 25 Feet	Minimum 25 Feet
Street Side Yard	Minimum 15 Feet	Minimum 25 Feet
Interior Side Yard	Minimum 5 Feet	Minimum 5 Feet Minimum 10 Feet when abutting residential zoning districts Minimum 15 feet for 2 story structures when abutting residential zones
Rear Yard	Minimum 10 Feet	Minimum 10 Feet Minimum 15 Feet when abutting residential zoning districts Minimum 25 Feet for 2 story structures when abutting residential zones
Max Building Coverage	40% of Lot Area	50% of Lot Area
Impervious Coverage	55% of Lot Area	70% of Lot Area

ORDINANCE NO. 2022-26

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, ADOPTING A CHANGE IN THE COMPREHENSIVE PLAN OF THE CITY OF FREDERICKSBURG, SPECIFICALLY IN THE LAND USE MAP, AS TO APPROXIMATELY 1.656 ACRES OF LAND, COMPRISED OF APPROXIMATELY 0.95 ACRES A PART OF OUTLOT NO. 95, AND OF APPROXIMATELY 0.706 ACRES A PART OF OUTLOT NO. 96, LOCATED AT 528 SOUTH MILAM; CHANGING SAID PROPERTY FROM LOW DENSITY RESIDENTIAL (LDR) TO COMMERCIAL (C); PROVIDING THAT THE CHANGE BECOME A PART OF THE COMPREHENSIVE PLAN, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, upon adoption of the Comprehensive Plan for the City of Fredericksburg, the City Council recognized, as is required by such Plan, that such Plan is not static but must be re-evaluated in terms of physical, environmental, social, economic and public value factors which have occurred since the adoption of the Plan; and

WHEREAS, the Planning and Zoning Commission of the City of Fredericksburg has re-evaluated such Plan and has recommended that such Plan be changed, and that the Land Use Plan be amended to reflect such changes in land use; and

WHEREAS, public hearings before the Planning and Zoning Commission and the City Council have been duly noticed and held regarding such proposed change as required by the City of Fredericksburg Zoning Ordinance; and

WHEREAS, the City Council has specifically found, following the public hearing, that such change is consistent with the objectives of the Comprehensive Plan of the City of Fredericksburg and that it would be in the best interests of the public that such change be made.

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

Section 1. That the Comprehensive Plan of the City of Fredericksburg is hereby amended to incorporate the certain change to the Land Use Plan as follows:

All of those certain lots, tracts or parcels of land situated in the City of Fredericksburg, Gillespie County, Texas, said land being known as 1.656 acres of land, comprised of approximately 0.95 acres a part of Outlot No. 95, and of approximately 0.706 acres a part of Outlot No. 96, as shown on the map of Fredericksburg and Environs by the German Emigration Company, and located at 528 South Milam in the City of Fredericksburg, Gillespie

County, Texas, and as additionally shown and designated on the map attached hereto as Exhibit A, are hereby designated as COMMERCIAL (C).

Section 2. That all references in City of Fredericksburg Code of Ordinances to the Comprehensive Plan or to the Land Use Map shall henceforth refer to such as are amended hereby.

Section 3. That this Ordinance shall take effect upon the date of its passage.

PASSED AND APPROVED on this the ____ day of _____, 20____.

Jeryl Hoover, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Goodwin, City Secretary, TRMC/CMC

APPROVED AS TO FORM:

Daniel D. Jones, City Attorney



FIGURE 1
 City of Fredericksburg
 Z-2210 Burrier Rezone
EXHIBIT "A"

<p> Z-2210 Burrier Rezone</p>	<p>Zoning</p> <p> C1 - Neighborhood Commercial</p>	<p>LEGEND</p> <p> R1 - Single Family Residential</p> <p> R4 - Manufactured Home Residential</p>	<p>GCAD Parcels</p>
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ORDINANCE NO. 2022-27

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY AND CHANGING THE ZONING DISTRICT AS TO APPROXIMATELY 1.656 ACRES OF LAND, COMPRISED OF APPROXIMATELY 0.95 ACRES A PART OF OUTLOT NO. 95, AND OF APPROXIMATELY 0.706 ACRES A PART OF OUTLOT NO. 96, LOCATED AT 528 SOUTH MILAM, SITUATED IN THE CITY OF FREDERICKSBURG, TEXAS; CHANGING SAID PROPERTY FROM SINGLE FAMILY RESIDENTIAL (R-1) TO NEIGHBORHOOD COMMERCIAL (C-1); AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, an Application for Rezoning has been submitted by the owners of lots described as APPROXIMATELY 2.42 ACRES OF LAND, COMPRISED OF APPROXIMATELY 1.93 ACRES A PART OF OUTLOT NO. 95, AND OF APPROXIMATELY 0.49 ACRES A PART OF OUTLOT NO. 96, LOCATED AT 528 SOUTH MILAM in the City of Fredericksburg, Texas, to change the present zoning district of said lots from SINGLE FAMILY RESIDENTIAL (R-1) TO NEIGHBORHOOD COMMERCIAL (C-1); and

WHEREAS, public hearings before the Planning and Zoning Commission and the City Council of the City of Fredericksburg have been duly noticed and held regarding such application, as required by the City of Fredericksburg Zoning Ordinance; and

WHEREAS, the Planning and Zoning Commission has determined that such zoning change is in conformity with the uses established by the Comprehensive Land Use Plan of the City of Fredericksburg and is consistent with the objectives of the City of Fredericksburg Zoning Ordinance, and has recommended to the City Council of the City of Fredericksburg, based upon positive findings under the review and evaluation criteria established by such ordinance, that the rezoning be **enacted in modified form**; and

WHEREAS, the City Council has specifically found, following public hearing, that such change is consistent with the objectives of the City of Fredericksburg Zoning Ordinance and Comprehensive Land Use Plan of the City of Fredericksburg and there has not been a protest against rezoning signed by owners of twenty per cent (20%) or more either of the area of the property included in the zoning request, or of the area of the property immediately adjoining the same and extending two hundred feet (200') therefrom.

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

Section 1. That the zoning ordinance of the City of Fredericksburg is hereby amended to

incorporate the certain change in zoning district as follows:

All of those certain lots, tracts or parcels of land situated in the City of Fredericksburg, Gillespie County, Texas, said lots being described as APPROXIMATELY 1.656 ACRES OF LAND, COMPRISED OF APPROXIMATELY 0.95 ACRES A PART OF OUTLOT NO. 95, AND OF APPROXIMATELY 0.706 ACRES A PART OF OUTLOT NO. 96, LOCATED AT 528 SOUTH MILAM in the City of Fredericksburg, Texas, and as additionally shown and designated on the map attached hereto as Exhibit A, to be and are hereby rezoned and designated as NEIGHBORHOOD COMMERCIAL (C-1).

Section 2. That all references in City of Fredericksburg Code of Ordinances to the Zoning Ordinance shall henceforth refer to such as is amended hereby.

Section 3. That this Ordinance shall take effect upon the date of its passage.

PASSED AND APPROVED on this the ____ day of _____, 20____.

Jeryl Hoover, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Goodwin, TRMC/CMC
City Secretary

APPROVED AS TO FORM:

Daniel D. Jones, City Attorney



FIGURE 1
 City of Fredericksburg
 Z-2210 Burrier Rezone
EXHIBIT "A"

 Z-2210 Burrier Rezone	<p>Zoning</p>  C1 - Neighborhood Commercial	<p>LEGEND</p>  R1 - Single Family Residential  R4 - Manufactured Home Residential  GCAD Parcels
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CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council

FROM: Kris Kneese, P.E. – Interim Director of Public Works and Utilities

SUBJECT: Water Conservation Ordinance Amending Stage 4 Watering Times

Summary:

Ordinance amendment to change the outdoor watering time from the evening hours to the morning hours within the Water Conservation Ordinance under Stage 4.

Recommendation:

Discuss changing the outdoor watering time from the evening hours to the morning hours for Water Conservation Ordinance under Stage 4.

Background / Analysis:

The current Water Conservation Ordinance – Stage 4 (critical water shortage) list the outdoor watering times between the hours of 7:00pm to 11:00pm once per week based on the last digit of the property street address.

After some research and discussion, it's recommended that the outdoor watering time change to the morning hours between 5:00am and 9:00am under the Stage 4 Water Conservation Ordinance.

Attachments:

The City of Fredericksburg

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



Department Approval



City Manager Approval



City Attorney Approval

The City of Fredericksburg

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ORDINANCE NO. 2022-28

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, ADOPTING AN AMENDED SCHEDULE FOR OUTDOOR IRRIGATION UNDER STAGE 4 OF THE CITY'S WATER CONSERVATION MEASURES; AND PROVIDING FOR AN EFFECTIVE DATE.

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

Section 1. That, Section 47-51(c)(2) of Article II. – Water Conservation Measures, under Chapter 47 - Utilities, of the Code of Ordinances, is hereby amended to read as follows:

Sec. 47-51. - Stage 4—Critical water shortage.

(c) Requirements:

(2) All Outdoor Irrigation may occur only by any approved watering method between the hours of ~~7:00 p.m. to 11:00 p.m.~~ 5:00 a.m. to 9:00 a.m. on the following schedule below based on the last digit of the street address:

- a. 1 or 2 the irrigation day is Monday
- b. 3 or 4 the irrigation day is Tuesday
- c. 5 or 6 the irrigation day is Wednesday
- d. 7 or 8 the irrigation day is Thursday
- e. 9 or 0 the irrigation day is Friday

The day of week restrictions do not apply to the irrigation of commercial plant nurseries; however, these establishments shall curtail all nonessential water use.

{End of Code text}

Section 2. Severability or Invalidity. If any provision of this Ordinance or the application hereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without defeating the purpose or objective of the provisions, and to this end, the provisions of this Ordinance are declared to be severable.

Section 3. Repealer. All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 4. Effective Date. This Ordinance shall be effective on and after the date of passage and publication.

PASSED AND APPROVED on this the ____ day of _____, 20____.

Jeryl Hoover, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Goodwin, City Secretary, TRMC/CMC

APPROVED AS TO FORM:

Daniel Jones, City Attorney



CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council

FROM: Laura Hollenbeak, Finance Director

SUBJECT: FY 2022 Budget Amendments

Summary:

The mid-year budget review is intended to measure budget performance by using the first six months of actual results, along with prior year's trends, to project year end results. As part of the review, staff has identified certain accounts that might have a material variance to the budgeted amounts. Several wage, payroll tax, and retirement expense adjustments are due to recent retirements and promotions within those departments.

Recommendation:

Staff recommends that Council approve the attached FY 2022 proposed Budget amendments.

Background / Analysis:

The mid-year budget review is intended to measure budget performance by using the first six months of actual results, along with prior year's trends, to project year end results. As part of that review, staff has identified certain accounts that might have a material variance to the budgeted amounts. The City Charter allows amending the City budget in the case of public necessity as determined and declared by the City Council. Amendments to the budget may be caused by changes in original projections, omissions, or unanticipated variables. During the recent mid-year budget review of all City departments, the attached listing of budgeted revenues and expenditures were recommended for budget amendments. Several General Fund revenue accounts are doing better than originally projected. These include increases in City

The City of Fredericksburg

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Sales Tax, Mixed Drinks Tax, Building Permits, and RV Park Camping revenues. General Fund expenditures include an increase in wages, payroll taxes, and retirement expenses due to recent retirements, promotions, early retirement incentive pay outs and PTO pay outs. Fuel cost increases are included for several departments. The Electric fund has increased revenues for customer pay jobs, and the Sanitation fund has increased revenues for landfill fees. The Tourism fund is also doing better than projected in Hotel Occupancy Tax Revenues.

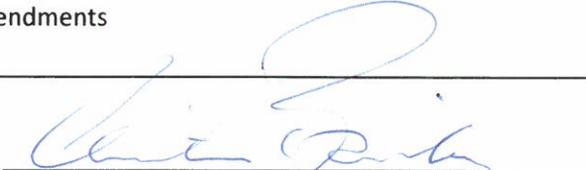
Attachments:

FY 2022 Proposed Budget Amendments
Ordinance Adopting and Approving FY 2022 Budget Amendments

Department Approval



City Attorney Approval



City Manager Approval

ORDINANCE NO. 2022-21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS, ADOPTING AND APPROVING AMENDMENTS TO THE CITY BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021 AND ENDING SEPTEMBER 30, 2022, AND MAKING AMENDED APPROPRIATIONS FOR EACH AFFECTED DEPARTMENT AND ACCOUNT.

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

Section 1. That the City Manager has prepared proposed budget amendments to the previously approved City of Fredericksburg, Texas (“City”) budget for the fiscal year 2021-2022, said proposed budget amendments being set forth in Exhibit “A”, which is attached hereto and incorporated herein by reference. The City Council finds that the proposed budget amendments are a public necessity to ensure continued municipal government operations, and the budget amendments set forth in Exhibit “A” are hereby approved and adopted for municipal purposes. City resources and revenues are hereby appropriated for City departments and account expenditures as detailed in the budget amendments in Exhibit “A”.

Section 2. Severability or Invalidity. If any provision of this ordinance or the application hereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without defeating the purpose or objective of the provisions, and to this end, the provisions of this ordinance are declared to be severable.

Section 3. Repealer. All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 4. Effective Date. This ordinance shall be effective on and after the date of passage and publication when required by law.

PASSED AND APPROVED on this the ____ day of _____, 20____.

Jeryl Hoover, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Goodwin, TRMC/CMC, City Secretary

APPROVED AS TO FORM:

Daniel D. Jones, City Attorney

FY 2022 Budget Revisions
Mid-Year Review

G/L Account	Description	2022 Adopted Budget	Amendment	2022 Proposed Budget	Notes
General Fund Revenues					
01-00-4101-00	Current Ad Valorem Taxes	\$ 3,998,167	\$ 80,393	\$ 4,078,560	Collected additional \$80,393.34 in current taxes than budgeted
01-00-4102-00	Delinquent Ad Valorem Taxes	\$ 319,853	\$ (80,393)	\$ 239,460	Less will be collected as delinquent because of increased amount collected as current
01-00-4103-00	Penalty & Interest	\$ 35,184	\$ (8,684)	\$ 26,500	Less penalty & interest will be collected because of less delinquent taxes
01-00-4108-00	1.1/2% City Sales Tax	\$ 7,514,544	\$ 985,456	\$ 8,500,000	Collections up ytd over budget
01-00-4110-00	Mixed Drink Tax	\$ 201,175	\$ 98,825	\$ 300,000	Collections up ytd over budget
01-00-4122-00	Building Permits	\$ 120,000	\$ 100,000	\$ 220,000	Collections up ytd over budget
01-00-4502-00	Camping	\$ 700,000	\$ 100,000	\$ 800,000	Increase in revenues at the RV park - extra eclipse revenue
01-00-4530-00	Park Dedication Fees - South	\$ 2,000	\$ 48,000	\$ 50,000	Collections up ytd over budget
	General Fund Revenues	\$ 12,890,923	\$ 1,323,597	\$ 14,214,520	
Administration Expenditures					
01-20-1030-00	Regular Wages-Full Time Employees	\$ 454,385	\$ 10,632	\$ 465,017	City Manager Transition and IT Director increase alloc
01-20-2020-00	Social Security	\$ 40,243	\$ 1,402	\$ 41,645	City Manager Transition alloc and added Car Allowance , IT Director increase alloc
01-20-2030-00	Retirement-TMRS	\$ 106,840	\$ 4,112	\$ 110,952	City Manager Transition alloc and added Car Allowance , IT Director increase alloc
01-20-2050-00	Car Allowance	\$ 6,000	\$ 7,700	\$ 13,700	Unbudgeted car allowance (IT Dept)
01-20-2065-00	Fund Salary Adjustment (Salary Study)	\$ 250,000	\$ (250,000)	\$ -	Wages allocated to various GF departments
01-20-4056-00	Other Programs-ARPA Funds	\$ 830,775	\$ (405,900)	\$ 424,875	Reclass to Non-Profit Award GL line item
01-20-4057-00	Non-Profit Grants - ARPA Funds	\$ -	\$ 405,900	\$ 405,900	Set up Non-Profit Award GL line item (Holy Ghost has decided not to accept the funding)
01-20-4070-00	Computer/Software Maintenance	\$ 39,948	\$ 3,520	\$ 43,468	Budget for Accounts Payable software
	Administration Expenditures	\$ 1,728,191	\$ (222,634)	\$ 1,505,557	
Police Expenditures					
01-22-1030-00	Regular Wages-Full Time Employees	\$ 2,868,564	\$ 60,351	\$ 2,928,915	Early Retirement Payout, Police Chief Transition, and IT Director increase allocations
01-22-1070-00	Overtime Pay	\$ 75,000	\$ 45,000	\$ 120,000	Increase budget for salary adjustment increases
01-22-1071-00	Holiday Pay	\$ 60,000	\$ 17,000	\$ 77,000	Increase budget for salary adjustment increases
01-22-2020-00	Social Security	\$ 228,719	\$ 9,388	\$ 238,107	Early Retirement Payout, Police Chief Transition, IT Director Increase and Salary Adjustment
01-22-2030-00	Retirement-TMRS	\$ 665,451	\$ 27,565	\$ 693,016	Police Chief Transition, IT Director Increase and Salary Adjustment
01-22-3140-00	Contract Professional Services	\$ 116,000	\$ 4,000	\$ 120,000	Budget for external property room inventory (BV)
01-22-3220-00	Insurance & Bonds	\$ 74,337	\$ 95,663	\$ 170,000	Higher claim volume
01-22-4070-00	Computer/Software Maintenance	\$ 230,395	\$ 22,006	\$ 252,401	Cost for New World conversion from Odyssey not anticipated, and Accounts Payable software
01-22-5230-00	Police Department Equipment	\$ -	\$ 14,110	\$ 14,110	Funds were allocated in 2021 and not used
	Police Expenditures	\$ 4,318,466	\$ 295,082	\$ 4,613,548	
Fire Expenditures					
01-23-4070-00	Computer/Software Maintenance	\$ 31,518	\$ 1,100	\$ 32,618	Budget for Accounts Payable software
01-23-4410-00	Gasoline, Oil, & Lubrication	\$ 22,300	\$ 22,300	\$ 44,600	Fuel cost increases
01-23-5310-00	Fire Dept. Capital Equipment	\$ -	\$ 6,700	\$ 6,700	Purchase of emergency lights for new vehicle
01-23-5350-00	Fire Station Architectural Services	\$ 350,000	\$ -	\$ 350,000	Description change for line item - Previously Land Purchase
	Fire Expenditures	\$ 403,818	\$ 30,100	\$ 433,918	
Street Expenditures					
01-24-1030-00	Regular Wages-Full Time Employees	\$ 638,436	\$ 36,453	\$ 674,889	Interim Dir of Dev Services (Interim Transportation Engineer) alloc and Salary Study adjustment
01-24-2020-00	Social Security	\$ 52,292	\$ 2,789	\$ 55,081	Interim Dir of Dev Services (Interim Transportation Engineer) alloc and Salary Study adjustment
01-24-2030-00	Retirement-TMRS	\$ 152,387	\$ 8,176	\$ 160,563	Interim Dir of Dev Services (Interim Transportation Engineer) alloc and Salary Study adjustment
01-24-4070-00	Computer/Software Maintenance	\$ 22,460	\$ 1,980	\$ 24,440	Budget for Accounts Payable software

FY 2022 Budget Revisions
Mid-Year Review

G/L Account	Description	2022 Adopted Budget	Amendment	2022 Proposed Budget	Notes
01-24-4410-00	Gasoline, Oil, & Lubrication	\$ 45,050	\$ 40,000	\$ 85,050	Fuel cost increases
01-24-5110-00	Street Dept. Equipment	\$ -	\$ 22,150	\$ 22,150	Budget for Sweeper Head Assembly and balance of Lease/Purchase Chip Spreader
	Street Expenditures	\$ 910,625	\$ 111,549	\$ 1,022,174	
	Parks Expenditures				
01-25-1030-00	Regular Wages-Full Time Employees	\$ 745,898	\$ 305	\$ 746,203	Interim Dir of Public Works alloc
01-25-2020-00	Social Security	\$ 72,521	\$ 23	\$ 72,544	Interim Dir of Public Works alloc
01-25-2030-00	Retirement-TMRS	\$ 172,980	\$ 68	\$ 173,048	Interim Dir of Public Works alloc
01-25-4070-00	Computer/Software Maintenance	\$ 28,081	\$ 1,980	\$ 30,061	Budget for Accounts Payable software
01-25-5553-00	Tennis Light Install	\$ 20,000	\$ -	\$ 20,000	Change project description to resurface 2 tennis courts 1 and 2 - lighting cost far exceeded budget
	Parks Expenditures	\$ 1,039,480	\$ 2,376	\$ 1,041,856	
	Development Services Expenditures				
01-27-1040-00	Regular Wages-Full Time Employees	\$ 501,100	\$ 946	\$ 502,046	Interim Dir of Dev Services (Interim Transportation Engineer) alloc
01-27-2020-00	Social Security	\$ 38,914	\$ 72	\$ 38,987	Interim Dir of Dev Services (Interim Transportation Engineer) alloc
01-27-2030-00	Retirement-TMRS	\$ 113,837	\$ 212	\$ 114,049	Interim Dir of Dev Services (Interim Transportation Engineer) alloc
01-27-4070-00	Computer/Software Maintenance	\$ 44,035	\$ 880	\$ 44,915	Budget for Accounts Payable software
	Development Services Expenditures	\$ 697,887	\$ 2,111	\$ 699,997	
	Health Expenditures				
01-28-4070-00	Computer/Software Maintenance	\$ 8,792	\$ 220	\$ 9,012	Budget for Accounts Payable software
	Health Expenditures	\$ 8,792	\$ 220	\$ 9,012	
	Municipal Court Expenditures				
01-29-1050-00	Part-Time Wages	\$ 18,760	\$ 5,633	\$ 24,393	Part-time Judge increase eff 6/1/2022
01-29-2020-00	Social Security	\$ 12,747	\$ 431	\$ 13,178	Part-time Judge increase eff 6/1/2022
01-29-3273-00	Municipal Court Office Lease	\$ 20,542	\$ 20,000	\$ 40,542	Budget for additional office space
01-29-4070-00	Computer/Software Maintenance	\$ 16,937	\$ 220	\$ 17,157	Budget for Accounts Payable software
	Municipal Court Expenditures	\$ 68,986	\$ 26,284	\$ 95,270	
	Engineering Expenditures				
01-30-1035-00	Regular Wages-Full Time Employees	\$ 130,812	\$ 2,063	\$ 132,875	Interim Dir of Dev Services/Transportation Engineer alloc. and Interim Dir of Public Works alloc
01-30-2020-00	Social Security	\$ 10,159	\$ 158	\$ 10,316	Interim Dir of Dev Services/Transportation Engineer alloc. and Interim Dir of Public Works alloc
01-30-2030-00	Retirement-TMRS	\$ 29,525	\$ 463	\$ 29,987	Interim Dir of Dev Services/Transportation Engineer alloc. and Interim Dir of Public Works alloc
01-30-4070-00	Computer/Software Maintenance	\$ 25,839	\$ 440	\$ 26,279	Budget for Accounts Payable software
	Engineering Expenditures	\$ 196,334	\$ 3,123	\$ 199,457	
	General Fund Revenue Total	12,890,923	1,323,597	14,214,520	
	General Fund Expenditure Total	9,372,579	248,212	9,620,791	
	General Fund Net Amount	3,518,344	1,075,385	4,593,729	
	Electric Fund Revenues				
02-00-4165-00	Misc. Electric Revenue	\$ 150,000	\$ 150,000	\$ 300,000	Increase in revenues, customer pay jobs
	Electric Fund Revenues	\$ 150,000	\$ 150,000	\$ 300,000	
	Electric Fund Expenditures				
02-21-1030-00	Regular Wages-Full Time Employees	\$ 1,098,015	\$ 6,338	\$ 1,104,353	City Manager, Interim Dir of Public Works, and IT Director increase allocations
02-21-2020-00	Social Security	\$ 90,535	\$ 485	\$ 91,020	City Manager, Interim Dir of Public Works, and IT Director increase allocations
02-21-2030-00	Retirement-TMRS	\$ 265,452	\$ 1,422	\$ 266,874	City Manager, Interim Dir of Public Works, and IT Director increase allocations
02-21-2100-00	Prof Education & Training	\$ 7,500	\$ 5,000	\$ 12,500	Lineman program training
02-21-3200-00	Uncollectible Accounts	\$ 3,000	\$ 25,000	\$ 28,000	Increase in accounts going to collections

FY 2022 Budget Revisions
Mid-Year Review

G/L Account	Description	2022 Adopted Budget	Amendment	2022 Proposed Budget	Notes
02-21-4070-00	Computer/Software Maintenance	\$ 106,341	\$	\$ 131,221	Budget for Accounts Payable software and \$24K for Sensus Portal Maintenance
02-21-4310-00	Overhead Line Maintenance	\$ 12,500	\$ 10,000	\$ 22,500	Increase in line maintenance
02-21-4376-00	Meter Data Mgt-System Maintenance	\$ -	\$ 16,500	\$ 16,500	IP Keys software (will be eliminated after Sensus electric meter install)
02-21-4410-00	Gasoline, Oil, & Lubrication	\$ 10,050	\$ 8,000	\$ 18,050	Fuel cost increases
	Electric Fund Expenditures	\$ 1,593,393	\$ 97,625	\$ 1,691,018	
	Electric Fund Revenue Total	150,000	150,000	300,000	
	Electric Fund Expenditure Total	1,593,393	97,625	1,691,018	
	Electric Fund Net Amount	(1,443,393)	52,375	(1,391,018)	
Water & Wastewater Fund Revenues					
03-00-4500-00	Water Impact Fee	\$ 350,000	\$ 80,000	\$ 430,000	Increased development
03-00-4505-00	Sewer Impact Fee	\$ 325,000	\$ 70,000	\$ 395,000	Increased development
	Water & Wastewater Fund Revenues	\$ 675,000	\$ 150,000	\$ 825,000	
Water & Wastewater Expenditures					
03-21-1030-00	Regular Wages-Full Time Employees	\$ 1,391,577	\$ 6,338	\$ 1,397,915	City Manager, Interim Dir of Public Works, and IT Director increase allocations
03-21-2020-00	Social Security	\$ 118,982	\$ 485	\$ 119,467	City Manager, Interim Dir of Public Works, and IT Director increase allocations
03-21-2030-00	Retirement-TMRS	\$ 348,374	\$ 1,422	\$ 349,796	City Manager, Interim Dir of Public Works, and IT Director increase allocations
03-21-2100-00	Prof Education and Training	\$ 8,500	\$ 5,000	\$ 13,500	CDL driver training, in-person conferences
03-21-3101-00	Safety	\$ 10,000	\$ 6,000	\$ 16,000	Increase in signage costs
03-21-3200-00	Uncollectible Accounts	\$ 1,750	\$ 15,000	\$ 16,750	Increase in accounts going to collections
03-21-4070-00	Computer/Software Maintenance	\$ 125,461	\$ 25,980	\$ 151,441	Budget for Accounts Payable software and \$24K for Sensus Portal Maintenance
03-21-4165-00	Water Treatment Expenditures	\$ 12,500	\$ 8,000	\$ 20,500	materials cost increase
03-21-4410-00	Gasoline, Oil and Lubrication	\$ 32,050	\$ 30,000	\$ 62,050	Fuel cost increases
03-21-5307-00	Water Pump Station Pumps	\$ -	\$ 9,661	\$ 9,661	Replace Windcrest water pump
03-21-5308-00	Lift Station Pumps	\$ -	\$ 16,471	\$ 16,471	Replace University Center LS pump
03-21-5311-00	Knauth Well	\$ -	\$ 58,000	\$ 58,000	Emergency repair
03-21-5414-00	MLSS Pump Station	\$ -	\$ 41,000	\$ 41,000	Emergency pump repair
03-21-5439-00	West Live Oak Water and Sewer	\$ -	\$ 1,155,000	\$ 1,155,000	Need to reclass budget line to 5439
03-21-5440-00	Water line connection - Fort MS	\$ -	\$ (1,155,000)	\$ -	Need to reclass budget line from 5440
03-21-5441-00	South Heights PS	\$ -	\$ 50,000	\$ 50,000	Budgeted in FY21, material not delivered until FY22
03-21-5447-00	Friendship Lane Sewer Expansion	\$ 2,000,000	\$ (500,000)	\$ 1,500,000	project under contract for around \$1.5 million
03-21-5454-00	PRV Heritage Hill Country	\$ 100,000	\$ 50,000	\$ 150,000	Increased material costs
03-21-5455-00	Polymer system at WRF	\$ -	\$ 21,000	\$ 21,000	Replace Polymer system - sludge dewatering system
03-21-5456-00	Flow test - future well	\$ -	\$ 20,000	\$ 20,000	Flow test well out - future water supply
	Water & Wastewater Expenditures	\$ 5,304,195	\$ (135,643)	\$ 5,168,552	
	Water & Wastewater Fund Revenue Total	675,000	150,000	825,000	
	Water & Wastewater Fund Expenditure Total	5,304,195	(135,643)	5,168,552	
	Water & Wastewater Fund Net Amount	(4,629,195)	285,643	(4,343,552)	
Sanitation Fund Revenues					
05-00-4102-00	Landfill Fees	\$ 1,620,000	\$ 400,000	\$ 2,020,000	YTD revenue above budget
	Sanitation Fund Revenues	\$ 1,620,000	\$ 400,000	\$ 2,020,000	
Sanitation Waste Fund Expenditures					
05-21-1030-00	Regular Wages-Full Time Employees	\$ 942,595	\$ 4,514	\$ 947,109	City Manager, Int Dir of Public Works, and Int Dir of Development Services/Transportation Engineer alloc
05-21-2020-00	Social Security	\$ 77,659	\$ 345	\$ 78,004	City Manager, Int Dir of Public Works, and Int Dir of Development Services/Transportation Engineer alloc

FY 2022 Budget Revisions
Mid-Year Review

G/L Account	Description	2022 Adopted Budget	Amendment	2022 Proposed Budget	Notes
05-21-2030-00	Retirement-TMRS	\$ 227,439	\$ 1,013	\$ 228,452	City Manager, Int Dir of Public Works, and Int Dir of Development Services/Transportation Engineer alloc
05-21-4031-00	Dumpster Maintenance	\$ 30,000	\$ 10,000	\$ 40,000	STR's acquiring multiple cans; New subdivisions coming online
05-21-4070-00	Computer/Software Maintenance	\$ 19,983	\$ 6,260	\$ 26,243	Budget for Accounts Payable software and \$4.5k for weighing system
05-21-4266-00	Grinding of Debris	\$ 56,000	\$ 10,000	\$ 66,000	Large amount of brush being brought to the landfill
05-21-4268-00	Tire Disposal	\$ 9,000	\$ 8,000	\$ 17,000	Few other options for tire disposal; We are cheaper than other places
05-21-4410-00	Gasoline	\$ 85,050	\$ 20,000	\$ 105,050	Fuel cost increases
05-21-4440-00	Tractor-Heavy Equipment Maintenance	\$ 45,000	\$ 30,000	\$ 75,000	Rebuild engine on landfill compactor; rebuild undercarriage on track loader
05-21-5158-00	Leaf Loader 2021	\$ -	\$ 130,230	\$ 130,230	Budgeted in FY 21, not delivered until FY 22
05-21-5159-00	Bed for New Dump Truck (fleet lease)	\$ -	\$ 15,000	\$ 15,000	Bed for new dump truck (street can pick up)
	Sanitation Fund Expenditures	\$ 1,492,726	\$ 235,362	\$ 1,728,088	
	Sanitation Fund Revenue Total	\$ 1,620,000	\$ 400,000	\$ 2,020,000	
	Sanitation Fund Expenditure Total	\$ 1,492,726	\$ 235,362	\$ 1,728,088	
	Sanitation Fund Net Amount	\$ 127,274	\$ 164,638	\$ 291,912	
	EMS Fund Expenditures				
06-21-1030-00	Regular Wages-Full Time Employees	\$ 1,044,385	\$ 1,226	\$ 1,045,611	City Manager Transition alloc
06-21-2020-00	Social Security	\$ 137,129	\$ 94	\$ 137,223	City Manager Transition alloc
06-21-2030-00	Retirement-TMRS	\$ 360,812	\$ 275	\$ 361,087	City Manager Transition alloc
06-21-2040-00	Uniforms & Clothing	\$ 12,000	\$ 2,000	\$ 14,000	Increase with new employees
06-21-4021-00	Hazardous Waste Disposal	\$ 725	\$ 800	\$ 1,525	More calls requiring waste disposal
06-21-4030-00	EMS Equipment Maintenance	\$ 23,000	\$ 23,000	\$ 46,000	Service calls up on equipment
06-21-4070-00	Computer/Software Maintenance	\$ 43,267	\$ 1,980	\$ 45,247	Budget for Accounts Payable software
06-21-4410-00	Diesel, Oil & Lubrication	\$ 37,000	\$ 37,000	\$ 74,000	Fuel cost increases
	EMS Fund Expenditures	\$ 1,658,318	\$ 66,375	\$ 1,724,693	
	EMS Fund Expenditure Total	\$ 1,658,318	\$ 66,375	\$ 1,724,693	
	Tourism Fund Revenues				
07-00-4109-00	7% Hotel Occupancy Tax	\$ 5,034,099	\$ 800,000	\$ 5,834,099	Revenues up mid-year
	Tourism Fund Revenues	\$ 5,034,099	\$ 800,000	\$ 5,834,099	
	Tourism Fund Expenditures				
07-21-1030-00	Regular Wages-Full Time Employees	\$ 111,117	\$ 1,226	\$ 112,343	City Manager Transition alloc
07-21-2020-00	Social Security	\$ 9,855	\$ 94	\$ 9,949	City Manager Transition alloc
07-21-2030-00	Retirement-TMRS	\$ 25,201	\$ 275	\$ 25,476	City Manager Transition alloc
07-21-3260-00	Hotel Tax Distributions	\$ 500,000	\$ 36,565	\$ 536,565	CC approved additional Hotel Tax Distributions of \$36,565 at the 4/18/2022, CC Meeting
	Tourism Fund Expenditures	\$ 646,172	\$ 38,160	\$ 684,332	
	Tourism Fund Revenue Total	\$ 5,034,099	\$ 800,000	\$ 5,834,099	
	Tourism Fund Expenditure Total	\$ 646,172	\$ 38,160	\$ 684,332	
	Tourism Fund Net Amount	\$ 4,387,927	\$ 761,840	\$ 5,149,767	
	Drainage Fund Expenditures				
10-21-1030-00	Regular Wages-Full Time Employees	\$ 192,959	\$ 1,453	\$ 194,413	Int Director of Dev Services/Transportation Engineer alloc
10-21-2020-00	Social Security	\$ 14,871	\$ 111	\$ 14,982	Int Director of Dev Services/Transportation Engineer alloc
10-21-2030-00	Retirement-TMRS	\$ 43,602	\$ 326	\$ 43,928	Int Director of Dev Services/Transportation Engineer alloc
10-21-4070-00	Computer/Software Maintenance	\$ 1,810	\$ 5,000	\$ 6,810	Springbrook Software Maintenance - Drainage alloc was not budgeted
10-21-4410-00	Gasoline, Oil, & Lubrication	\$ 10,000	\$ 5,000	\$ 15,000	Fuel cost increases
10-21-5158-00	Leaf Loader 2021	\$ -	\$ 130,230	\$ 130,230	Budgeted in FY 21, not delivered until FY 22

FY 2022 Budget Revisions
Mid-Year Review

G/L Account	Description	2022 Adopted Budget	Amendment	2022 Proposed Budget	Notes
	Drainage Fund Expenditures	\$ 263,243	\$ 142,120	\$ 405,363	
	Drainage Fund Expenditure Total	263,243	142,120	405,363	
	Emergency Management Revenues	\$ 28,000	\$ (28,000)	\$ -	FEMA grant was not awarded
14-00-4101-00	FEMA Revenue	\$ 28,000	\$ (28,000)	\$ -	
	Emergency Management Revenues	28,000	(28,000)	-	
	Emergency Management Expenditures	\$ 6,639	\$ 220	\$ 6,859	Budget for Accounts Payable software
14-21-4070-00	Computer/Software Maintenance	\$ 6,639	\$ 220	\$ 6,859	
14-21-4410-00	Gasoline, Oil & Lubrication	\$ 1,250	\$ 500	\$ 1,750	Fuel cost increases
	Emergency Management Expenditures	7,889	720	8,609	
	Emergency Mgmt. Fund Revenue Total	28,000	(28,000)	-	
	Emergency Mgmt. Fund Expenditure Total	7,889	720	8,609	
	Emergency Mgmt. Fund Net Amount	20,111	(28,720)	(8,609)	
	Animal Shelter Expenditures	\$ -	\$ 5,000	\$ 5,000	Budget for overtime on weekends (short-staffed)
42-22-1070-00	Overtime Wages	\$ -	\$ 5,000	\$ 5,000	
42-22-2020-00	Social Security	\$ 3,091	\$ 383	\$ 3,474	Increase due to overtime
42-22-2030-00	Retirement-TMRS	\$ 9,062	\$ 1,122	\$ 10,184	Increase due to overtime
	Animal Shelter Expenditures	12,153	6,504	18,657	
	Animal Shelter Expenditure Total	12,153	6,504	18,657	
	All Funds Revenue Total	20,370,022	2,795,597	23,165,619	
	All Funds Expenditure Total	20,350,667	699,435	21,050,102	
	All Funds Net Amount	19,355	2,096,162	2,115,517	



CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council

FROM: Kris Kneese, P.E. – Interim Director of Public Works and Utilities

SUBJECT: Electric Rate Study Presentation

Summary:

In preparation of the FY2023 budget, the City hired Schneider Engineering to evaluate the City's electric rates.

Recommendation:

Receive presentation on the City's electric rate study from Schneider Engineering, LLC.

Background / Analysis:

The City hired Schneider Engineering to complete an electric rate study in preparation of the fiscal year 2023 budget. The rate study evaluates the operation, maintenance and capital expenses relative to the Electric Department revenues. Additionally, the presentation will compare our electric rates to surrounding municipalities and electric coops.

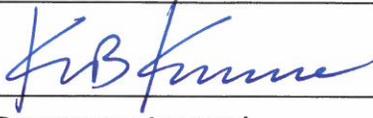
The last electric rate study completed by the City was in 2013. The 2013 rate study resulted in an increase of electric rate over three years, ending in 2015. As part of last year's budget (FY2022), the City Council approved a 3% increase to the City's electric rates.

The City of Fredericksburg

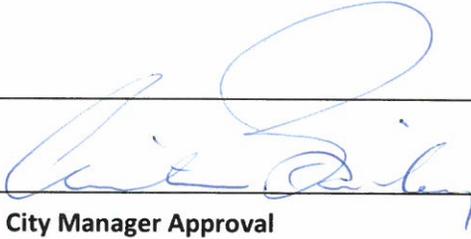
126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

Attachments:

Electric Rate Study Presentation



Department Approval



City Manager Approval



City Attorney Approval

The City of Fredericksburg

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

COST OF SERVICE AND RATE STUDY

JULY 18, 2022



Prepared for: City of Fredericksburg | Prepared by: Schneider Engineering, LLC. | July 18, 2022

OVERVIEW

- Background
- Cost of Service and Rate Study Overview
- Cost of Service Study Results
- Financial Forecast
- Rate Recommendations

Slide 2



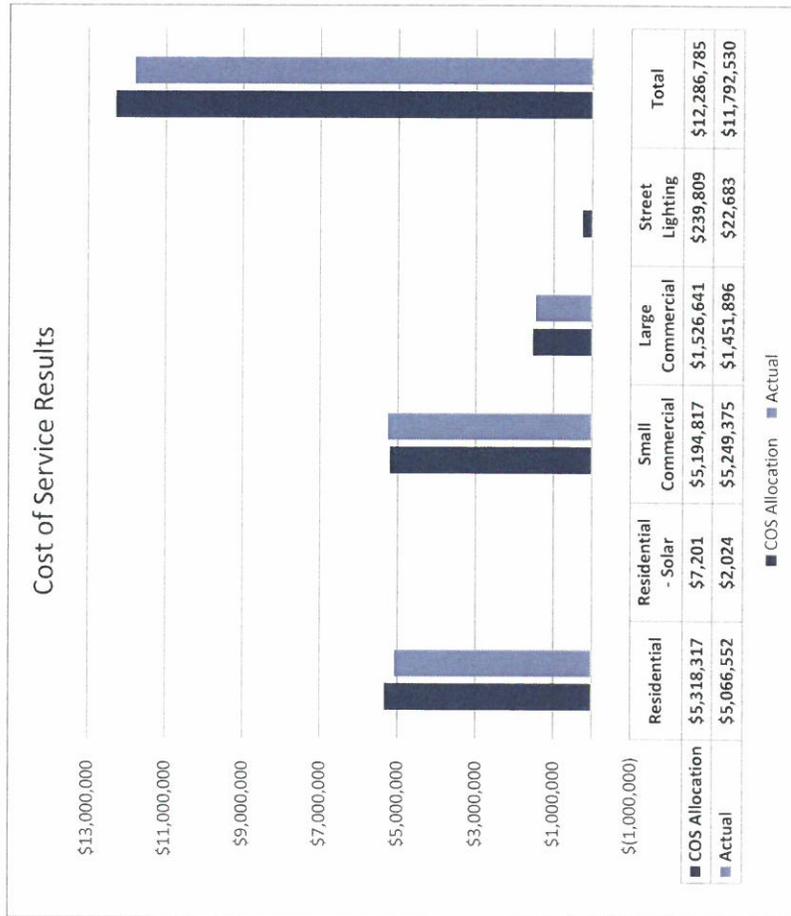
COST OF SERVICE / RATE STUDY SCOPE OF WORK

- **Cost of Service Study**
 - Develop cost of service model and allocate test year revenues according to costs associated with service various electric rate classes
 - Review financial statements of electric utility and identify any issues, problems, or non-desirable aspects of the current financial position of the City
 - Review the current electric rate design and determine “proof of revenues” by rate/rate class
 - Align electric revenues to budgets including the current electric department budget, and the 5-year capital improvement plan
- **Rate Study**
 - Review overall rate competitiveness from a City Prospective
 - Identify issues, problems, or non-desirable aspects of the current rate design and make recommendations based on financial and competitiveness goals provided by the City

Slide 3



COST OF SERVICE RESULTS



■ Key Findings

- Rates are under-recovering costs to maintain and operate the system
- Some adjustments needed
 - Increase revenue from Residential and Large Commercial Rate Classes
 - Visit rates used for Residential – Solar
- Small rate classes often see large allocation disparity vs actual
- Overall rate revenue increase required of approx. \$500,000 for pure COS



Slide 4

FINANCIAL FORECAST



FINANCIAL FORECAST - OVERVIEW

- Allows for evaluation of financial impacts due to debt, revenues, and/or expenses
- Incorporates:
 - Capital Improvement Plan (CIP)
 - Variations in revenues and expenses
 - Projected customer growth and consumption
- Provides insight into total utility fund performance

Slide 6



BASE FINANCIAL FORECAST

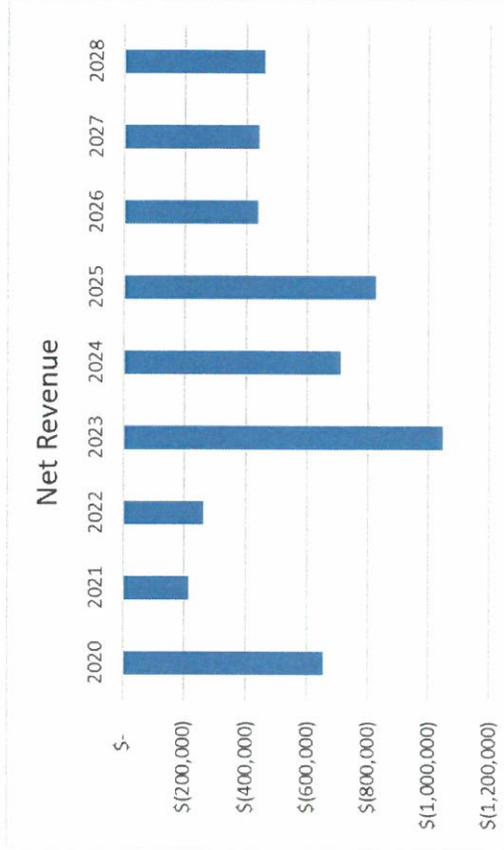
	2020	2021	2022	2023	2024	2025	2026	2027	2028
		Budget				Forecast Numbers			
Power Sold (Base Rate + Gen. & Trans.)	\$ 10,421,623	\$ 11,772,438	\$ 12,121,838	\$ 12,396,039	\$ 12,676,625	\$ 12,963,748	\$ 13,257,563	\$ 13,558,130	\$ 13,804,674
Energy Revenue	\$ 2,816,417	\$ 2,807,635	\$ 2,947,071	\$ 3,003,121	\$ 3,060,263	\$ 3,118,519	\$ 3,177,910	\$ 3,238,459	\$ 3,300,189
Generation & Transmission Revenue (PCRF)	\$ 7,605,207	\$ 8,964,803	\$ 9,174,767	\$ 9,392,918	\$ 9,616,362	\$ 9,845,230	\$ 10,079,653	\$ 10,319,671	\$ 10,504,485
Other Revenue	\$ 216,260	\$ 280,764	\$ 294,707	\$ 300,312	\$ 306,026	\$ 311,852	\$ 317,791	\$ 323,846	\$ 330,019
Revenue Total	\$ 10,637,883	\$ 12,053,202	\$ 12,416,545	\$ 12,696,351	\$ 12,982,652	\$ 13,275,600	\$ 13,575,354	\$ 13,881,976	\$ 14,134,693
Expenses									
O&M									
Electric Service Expenses	\$ (2,588,017)	(1,680,504)	\$ (1,814,945)	\$ (1,996,439)	\$ (2,136,190)	\$ (2,242,999)	\$ (2,287,859)	\$ (2,333,616)	\$ (2,380,289)
Resale Electricity	\$ (7,548,564)	(9,002,422)	\$ (9,182,470)	\$ (9,366,120)	\$ (9,553,442)	\$ (9,744,511)	\$ (9,939,401)	\$ (10,138,189)	\$ (10,340,953)
O&M Total	\$ (10,136,581)	\$ (10,682,926)	\$ (10,997,415)	\$ (11,362,559)	\$ (11,689,632)	\$ (11,987,510)	\$ (12,227,260)	\$ (12,471,805)	\$ (12,721,242)
Non-operating Revenues (Expenses)									
Investment Income	\$ 14,108	\$ 22,897	\$ 23,126	\$ 23,357	\$ 23,591	\$ 23,827	\$ 24,065	\$ 24,306	\$ 24,549
Capital Improvement Projects	\$ -	\$ -	\$ (55,000)	\$ (667,800)	\$ (208,300)	\$ (225,600)	\$ (160,600)	\$ (198,167)	\$ (198,167)
Interest and Fiscal Charges	\$ (20,072)	\$ (34,843)	\$ (34,635)	\$ (38,675)	\$ (42,380)	\$ (46,605)	\$ (27,820)	\$ (27,820)	\$ (27,820)
Bond Payment	\$ (287,813)	\$ (501,200)	\$ (498,210)	\$ (556,325)	\$ (609,620)	\$ (670,395)	\$ (400,180)	\$ (400,180)	\$ (400,180)
Non-operating Revenues (Expenses) Total	\$ (293,777)	\$ (513,146)	\$ (564,719)	\$ (1,239,443)	\$ (836,709)	\$ (918,773)	\$ (564,555)	\$ (601,861)	\$ (601,618)
Grants and Transfers									
Transfers	\$ (863,800)	\$ (1,070,407)	\$ (1,117,489)	\$ (1,142,672)	\$ (1,168,439)	\$ (1,194,804)	\$ (1,221,782)	\$ (1,249,378)	\$ (1,272,122)
Grants and Transfers Total	\$ (863,800)	\$ (1,070,407)	\$ (1,117,489)	\$ (1,142,672)	\$ (1,168,439)	\$ (1,194,804)	\$ (1,221,782)	\$ (1,249,378)	\$ (1,272,122)
Net Rate Revenue	\$ (656,275)	\$ (213,277)	\$ (263,077)	\$ (1,048,321)	\$ (712,128)	\$ (825,487)	\$ (438,223)	\$ (441,068)	\$ (460,289)
Net Position, Beginning		\$ 1,598,895	\$ 1,385,619	\$ 1,122,541	\$ 74,220	\$ (637,908)	\$ (1,463,395)	\$ (1,901,618)	\$ (2,342,686)
Net Position, End	\$ 1,598,895	\$ 1,385,619	\$ 1,122,541	\$ 74,220	\$ (637,908)	\$ (1,463,395)	\$ (1,901,618)	\$ (2,342,686)	\$ (2,802,975)

Slide 7



UNADJUSTED FINANCIAL FORECAST

- Significant rate adjustments are necessary
- Inflationary pressures overwhelming established margins
- Aggressive CIP plan in 2023 compounds inflation pressures on electric fund balance
- PCRF well utilized in recovering wholesale power costs



Slide 8



RATE RECOMMENDATIONS



GOALS FOR RATE ADJUSTMENT

- **Ensure Electric Fund Stability**
 - Support CIP Plan
 - \$1.26 MM over next 5 years
 - Support system expenses
 - Inflation pressures to O&M
 - Commodity prices rising 50 – 100% in some instances
 - Transfers
 - Maintain current transfer rate
- **Rate Adjustment Overview**
 - Covers inflation increases
 - Adding approximately \$280,000 to O&M over next 2 years
 - Covers proposed CIP – FY 2022
 - \$667,800

Slide 10



PROPOSED RATE CHANGES

		Proposed					
		Current	2022	2023	2024	2025	2026
Residential	Customer Charge	\$ 11.36	\$ 15.34	\$ 15.34	\$ 15.34	\$ 15.34	\$ 15.34
	Energy Charge	\$ 0.0144	\$ 0.0195	\$ 0.0195	\$ 0.0195	\$ 0.0195	\$ 0.0195
Small Commercial	Customer Charge	\$ 34.11	\$ 46.05	\$ 46.05	\$ 46.05	\$ 46.05	\$ 46.05
	Energy Charge	\$ 0.0121	\$ 0.0163	\$ 0.0163	\$ 0.0163	\$ 0.0163	\$ 0.0163
Large Commercial	Customer Charge	\$ 1,364.32	\$ 1,841.83	\$ 1,841.83	\$ 1,841.83	\$ 1,841.83	\$ 1,841.83
	Energy Charge	\$ 0.0092	\$ 0.0125	\$ 0.0125	\$ 0.0125	\$ 0.0125	\$ 0.0125
Street Light	Customer Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Energy Charge	\$ 0.0467	\$ 0.0630	\$ 0.0630	\$ 0.0630	\$ 0.0630	\$ 0.0630

- Recovery needed for projects in CIP plan and commodity inflation
- Maintains electric fund balance



RESIDENTIAL BILL IMPACTS

Residential Bill Impacts		
Avg kWh Usage	1,000	
	Current	Proposed
Customer Charge	\$ 11.36	\$ 15.34
Energy Charge	\$ 0.01442	\$ 0.01947
PCRF Charge	\$ 0.06912	\$ 0.06912
Total Variable Charges	\$ 0.08354	\$ 0.08859
Bill Total	\$ 94.90	\$ 103.93

Slide 12



FINANCIAL FORECAST

	2020	2021 Budget	Forecast Numbers					2028	
			2022	2023	2024	2025	2026		2027
Rate Revenue									
Power Sold (Base Rate + Gen. & Trans.)	\$ 10,421,623	\$ 11,772,438	\$ 12,121,838	\$ 13,446,628	\$ 13,747,209	\$ 14,054,717	\$ 14,369,313	\$ 14,691,067	\$ 14,959,211
Energy Revenue	\$ 2,816,417	\$ 2,807,635	\$ 2,947,071	\$ 4,053,710	\$ 4,130,847	\$ 4,209,487	\$ 4,289,660	\$ 4,371,396	\$ 4,454,727
Generation & Transmission Revenue (PCRF)	\$ 7,605,207	\$ 8,964,803	\$ 9,174,767	\$ 9,392,918	\$ 9,616,362	\$ 9,845,230	\$ 10,079,653	\$ 10,319,671	\$ 10,504,485
Other Revenue	\$ 216,260	\$ 280,764	\$ 294,707	\$ 405,371	\$ 413,085	\$ 420,949	\$ 428,966	\$ 437,140	\$ 445,473
Revenue Total	\$ 10,637,883	\$ 12,053,202	\$ 12,416,545	\$ 13,851,999	\$ 14,160,294	\$ 14,475,665	\$ 14,798,279	\$ 15,128,207	\$ 15,404,684
Expenses									
O&M									
Electric Service Expenses	\$ (2,588,017)	(1,680,504)	\$ (1,814,945)	\$ (1,996,439)	\$ (2,136,190)	\$ (2,242,999)	\$ (2,287,859)	\$ (2,333,616)	\$ (2,380,289)
Franchise Fees	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Resale Electricity	\$ (7,548,564)	(9,002,422)	\$ (9,182,470)	\$ (9,366,120)	\$ (9,553,442)	\$ (9,744,511)	\$ (9,939,401)	\$ (10,138,189)	\$ (10,340,953)
O&M Total	\$ (10,136,581)	\$ (10,682,926)	\$ (10,997,415)	\$ (11,362,559)	\$ (11,689,632)	\$ (11,987,510)	\$ (12,227,260)	\$ (12,471,805)	\$ (12,721,242)
Non-operating Revenues (Expenses)									
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Interest and Fiscal Charges	\$ (20,072)	\$ (34,843)	\$ (34,635)	\$ (38,675)	\$ (42,380)	\$ (46,605)	\$ (27,820)	\$ (27,820)	\$ (27,820)
Bond Payment	\$ (287,813)	\$ (501,200)	\$ (498,210)	\$ (556,325)	\$ (609,620)	\$ (670,395)	\$ (400,180)	\$ (400,180)	\$ (400,180)
Non-operating Revenues (Expenses) Total	\$ (293,777)	\$ (513,146)	\$ (564,719)	\$ (1,239,443)	\$ (836,709)	\$ (918,773)	\$ (564,535)	\$ (601,861)	\$ (601,618)
Grants and Transfers									
Transfers	\$ (863,800)	\$ (1,070,407)	\$ (1,117,489)	\$ (1,246,680)	\$ (1,274,426)	\$ (1,302,810)	\$ (1,331,845)	\$ (1,361,539)	\$ (1,386,422)
Grants and Transfers Total	\$ (863,800)	\$ (1,070,407)	\$ (1,117,489)	\$ (1,246,680)	\$ (1,274,426)	\$ (1,302,810)	\$ (1,331,845)	\$ (1,361,539)	\$ (1,386,422)
Net Rate Revenue	\$ (656,275)	\$ (213,277)	\$ (263,077)	\$ 3,318	\$ 359,527	\$ 266,572	\$ 674,639	\$ 693,002	\$ 695,403
Net Position, Beginning	\$ 1,598,895	\$ 1,598,895	\$ 1,385,619	\$ 1,122,541	\$ 1,125,859	\$ 1,485,386	\$ 1,751,959	\$ 2,426,598	\$ 3,119,600
Net Position, End	\$ 1,598,895	\$ 1,385,619	\$ 1,122,541	\$ 1,125,859	\$ 1,485,386	\$ 1,751,959	\$ 2,426,598	\$ 3,119,600	\$ 3,815,003

Slide 13



RESIDENTIAL RATE COMPARISON – PROPOSED

Residential Bill Comparison - Proposed (1,000 kWh Usage)



Slide 14

QUESTIONS



1509 Emerald Parkway, Ste. 103
College Station, TX 77845



+1 830 249 3887



rcripe@se-texas.com
restrada@se-texas.com



www.se-texas.com





CITY COUNCIL MEMO

DATE: July 18, 2022

TO: Mayor and City Council

FROM: Clinton Bailey, City Manager

SUBJECT: Hotel and Conference Center Presentations

Summary:

This item is for the presentation and discussion of two Hotel and Conference Center proposals that were received in response to a request for proposals (RFP) solicited by the City of Fredericksburg on March 22, 2022. Presentations will be given by each of the two respondents to the RFP, DC Partners and Frieden.

Recommendation:

It is recommended the City Council receive and discuss each of the two Hotel and Conference Center presentations. No action will be taken by the City Council regarding this item. Staff recommends the City Council decide on a future City Council meeting date to either select and enter into a contract negotiations with a single development group or reject both proposals.

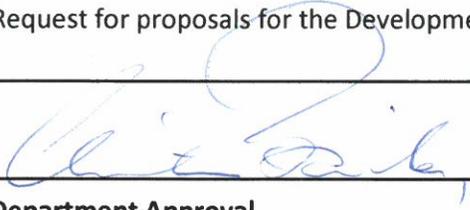
Background / Analysis:

The City of Fredericksburg solicited for written proposals for the development, financing, design, construction, and operation of a Hotel Conference Center in Fredericksburg on March 22, 2022. Two proposals were received on or before the submittal deadline of April 22, 2022. A copy of the RFP is included with this agenda item to provide background and details regarding the submittal requirements for proposals.

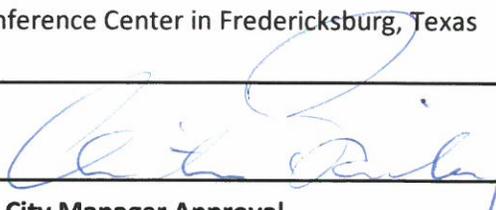
The City of Fredericksburg

Attachments:

Request for proposals for the Development of a Hotel Conference Center in Fredericksburg, Texas

 _____

Department Approval

 _____

City Manager Approval

 _____

City Attorney Approval

REQUEST FOR QUALIFICATIONS AND PROPOSALS

Development of a Hotel Conference Center
Fredericksburg, Texas



Issue Date: *February 22, 2022*

Proposal Due Date: *April 22, 2022*

Table of Contents

- 1. Introduction and Summary
- 2. Project Scope
- 3. Proposal Requirements
- 4. Selection Process
- 5. Other Conditions

APPENDIX A – Site Description

1. INTRODUCTION AND SUMMARY

The City of Fredericksburg, Texas ("City") invites written proposals for the development, financing, design, construction, and operation of a Hotel Conference Center in Fredericksburg, Texas. To attract new meeting and group business to Fredericksburg, the City seeks the development of a conference center ("Conference Center") and an upscale hotel ("Hotel") through a public-private partnership.

Proposals are solicited in accordance with the terms, conditions, and instructions as set forth in this Request for Qualifications and Proposals ("RFP").

The deadline for submitting the response to this RFP is 5pm (CST). (If mailed, the proposal must be received by the City by April 22, 2022.)

Proposals will be time stamped in and should be sent to:

Kent Myers, City Manager
Fredericksburg City Hall
126 West Main Street
Fredericksburg, Texas, 78624

Late proposals will not be accepted. Faxed or emailed proposals will not be accepted. The City is not responsible for submissions not properly identified.

Respondents to this RFP must submit an original and nine (9) copies of their Proposal in a sealed package labeled "HOTEL CONFERENCE CENTER DEVELOPMENT PROPOSAL."

Questions regarding this RFP must be submitted in writing to the City by March 22, 2022. Responses to respondent questions will be provided by March 25, 2022

The City reserves the right to reject any and all proposals or to accept any proposal deemed to be in its best interest. The City shall not be obligated to enter into any contract with any respondent on any terms or conditions. Questions regarding this RFP should be sent in writing or email per respondent to:

Kent Myers, City Manager
Fredericksburg City Hall
126 West Main Street
Fredericksburg, Texas, 78624
kmyers@fbgtx.org

Procurement Schedule

RFP Issued: February 22, 2022

Questions must be received by: March 22, 2022

Questions answered by: March 25, 2022

RFP Responses Due: April 22, 2022

2. PROJECT BACKGROUND AND SCOPE

2.1. Purpose and Overview

The City of Fredericksburg, Texas (the “City”) seeks a highly-qualified Development Partner to develop, construct, equip, and operate a Hotel Conference Center. The purposes of this project are to improve the ability of the City to attract conference and group meeting business and generate a positive economic impact on Fredericksburg.

The City envisions that the Development Partner would own and operate the Conference Center and the Hotel.

In 2015, the City engaged HVS Convention, Sports and Entertainment Facilities Consulting (“HVS”) to study the feasibility of conference center development in Fredericksburg. The HVS study, which can be found here, www.VisitFredericksburgTX.com/partners/CVB-visitor-research/, included a market area overview, projection of demand for and the financial operations of a conference center, an overview of the lodging market, and a discussion of approach to financing. Analysis of hotel demand revealed high room occupancy on weekends and during peak seasons, but low occupancies during mid-week. Surveys of event planners show a desire to place events in Fredericksburg, but a lack of facilities to accommodate them. Furthermore, many group meeting events would occur during mid-week periods. The study concluded that an integrated hotel conference center developed through a public-private partnership offers the best opportunity for success. Proposers are advised to carefully read this report in its entirety.

In 2017 the City issued an initial Request for Proposals (RFP) and received several proposals. These proposals were reviewed and eventually the City selected a firm to develop this project. However, this firm was not able to secure their financing and the City has cancelled their agreement with this firm.

In 2021 the Fredericksburg Convention and Visitor’s Bureau (CVB) retained HVS to update their previous study. This updated feasibility study is also available on the website reference above. Based upon this study and new interest expressed by potential project developers, the City has decided to issue this new RFP.

Although Proposals are expected to range in scope and scale, the Selection Committee will compare all Proposals according to the criteria described in this RFP.

The City seeks a proposal from a highly qualified and financially capable Development Partner for the design, financing, construction, and operation of the Hotel Conference Center which contains the following elements:

- a hotel with a minimum of 150 rooms,
- useable meeting space with a minimum of 12,000 square feet which would include a multipurpose ballroom with a minimum of 8,000 square feet (divisible into three rooms),

- a minimum of 4,000 square feet of meeting room space (four rooms of various sizes), and
- lobbies, pre-function areas, storage, production kitchen and other support spaces necessary for the successful operation of the facility.

Development Partner teams should include an architect, a builder, and equity investors. Developer Partners may recommend Hotel brands and operators, but final selections of a hotel flag and a hotel and conference center operator would occur after the selection of a Development Partner.

**2.2
Site Considerations**

The City will consider any sites within its municipal boundaries and outside municipal boundaries if an annexation plan is included in the proposal. Developers may offer alternative proposals for more than one site.

Site selection will be a key factor in evaluation of proposals. Sites will be evaluated based on their capacity to accommodate the recommended building program, accessibility, availability of related infrastructure, compliance with building and zoning requirements, proximity to tourist amenities, and impact on neighboring land uses. Additional consideration will be given to sites that allow for future expansion of the Conference Center.

**2.3
Public Investment and
Resources**

The Development Partner should propose an approach to financing the project that is feasible and achievable within the specified project schedule. The City recognizes that some level of public participation may be necessary. The City intends to minimize the level of public participation in the Project while attaining the most distinctive, highest quality and marketable project possible. Preference will be given to those developers who minimize public participation and emphasize private sector financing and participation.

**2.4
Two Phased Selection
Process**

Development Partner proposals will be considered in a two-phased selection process.

Phase 1 – Developer Partners should submit the qualifications of team members, proposed development site, provide a preliminary project concept, and identify an approach to financing and ownership of the project.

Phase 2 – The team of Development Partners initially approved will be asked to submit a business plan that includes: a development schedule, project cost estimates, a pro forma statement of operations, and a financing and ownership plan.

3. PROPOSAL REQUIREMENTS

**3.1
Submission
Requirements**

Submittals for both Phases shall be bound as single-sided pages and include the information set forth below. Failure to include any part listed below may disqualify a submission.

**3.2
Phase 1 Submission
Requirements**

Respondent shall provide the following information to the greatest extent possible, in their Phase 1 submittal in the order listed below.

A. Team Qualifications

- Respondents should propose a Development Partner team that includes an owner/developer, general contractor (optional), design team, and equity investors. The Development Partner may recommend other team members (such as hotel brands and operators) that may be required for completion of the Project.
- Describe your organization and management approach, including identifying the role of key personnel who will be involved in the implementation of the Project. Using an organizational chart, list proposed team's key personnel who will be directly involved with the Project. Personnel should include architects, general contractors, equity owners, and other team members.
- For each key person, please provide a summary of qualifications, which should include the following:
 - A resume with past relevant development experience, specifically addressing projects related to the hotel and conference center projects,
 - Location of key personnel (e.g. local office location, main headquarters, etc).
 - Describe each individual's respective role, responsibilities and amount of involvement in this project.
- Submit information on three (3) projects of similar scope and complexity that have been completed or substantially completed by members of the development team within the last ten (10) years. The information for each project shall include specific details on the extent to which services were provided.
- Provide the name, title, address, and phone number of three (3) references having first-hand experience of the Development Partner's performance on the projects listed above. Each reference should relate to a different project.

- Provide information on the Developer Partner's legal status and financial capabilities along with copies of financial statements for the previous two (2) years.

B. Development Site

- Identify the proposed site or sites. See Section 2.2 of this RFP for information on site.

C. Preliminary Project Concept

- A conceptual diagram of the Hotel Conference Center, parking, and related development and amenities. Please summarize the proposed building program including:
 - proposed site(s) location and dimensions,
 - the number of hotel guest rooms,
 - floor areas of function spaces,
 - description of food and beverage facilities,
 - on-site parking facilities, and
 - other amenities or collateral development that may be included in your plan.
- Please indicate your prior experience in branding or franchising hotels. Discuss hotel brands that may be appropriate for the proposed Hotel Conference Center.
- Discuss the visual and physical relationship with the surrounding neighborhood including commercial, residential, and recreational developments,
- Demonstrate transportation access to and within the site area, and
- Present other information related which may be helpful in explaining your project.

D. Approach to Financing and Ownership

- Please discuss your proposed approach to the ownership and operations of the project.
- Describe your approach to financing including identification of potential equity investors.

E. Approach to Staffing Operation of Both Conference Center and Hotel

- Please include number of full-time and part-time employees that are projected to staff both the conference center and hotel.

- Describe how these employees will be recruited to staff these positions.
- Indicate any inducements or incentives that would be offered to these employees include housing assistance and travel stipends.

Upon review of the Phase 1 submittals by the Selection Committee, the City will select a short list of no more than three potential Development Partners.

3.3 Phase 2 Submission Requirements

The Development Partners initially selected will be asked to provide a detailed business plan for the Hotel Conference Center development. Phase 2 submittal requirements will include the following items as well as additional information that the City may deem necessary for selecting the best development team.

1. A detailed concept plan that includes a site plan, building floor plans, and sections as may be necessary to fully describe the project.
2. Development Schedule
 - A project schedule beginning with authorization to negotiate through opening of the project.
3. Project Cost Estimates
 - A comprehensive project budget including all land costs, construction costs broken down by building component, FF&E costs, pre-opening costs, permit and approval fees, legal costs, development fees and other soft costs. Escalation of costs for inflation should be included and identified in the projections.
4. Proforma Statement of Operations
 - A five-year pro forma operating statement for the proposed Hotel Conference Center.
5. Financing and Ownership Plan
 - The amounts of proposed debt financing and estimated cost of debt.
 - The amounts of proposed equity investment and anticipated return on equity.
 - Other third-party sources of funding, if any (e.g. EB5 funding, tax credits, hotel operator equity, etc.)
 - The anticipated amount of public participation in the project and proposed forms of public participation.

- A narrative description of the proposed approach to funding the proposed Project, clearly detailing any proposed financial responsibilities of the proposed Development Partner and/or operator.
- Plans for ownership and operation of the proposed Hotel Conference Center including identification of potential brands, franchise arrangement, and a Hotel Conference Center operator.
- Verifiable assurances that the proposed Development Partner has, or can obtain within time certain, the required financing to construct the project as proposed.

Upon review of the Phase 2 submittals and recommendation from the Selection Committee, the City will begin negotiations with the first ranked Development Partner of a development agreement and other related agreements. The selected Development Partner will be expected to provide the information and perform due diligence necessary to reach a development agreement with the City. If negotiations are not successfully concluded within a predetermined schedule, the City may terminate discussions and begin negotiations with the next ranked Development Partner.

**3.4
Confidential
Information**

Any information submitted by the respondents that is deemed proprietary and confidential should be submitted in a separate envelope and marked as such. The City will make efforts to protect the confidentiality of this information to the extent allowable by law.

**3.5
Insurance
Requirements**

Respondent agrees to always maintain during the life of the project applicable insurance. Upon selection, respondents will be required to provide a Certificate of Insurance coverage evidencing all coverage, limits and endorsements. If Respondent receives a non-renewal or cancellation notice from an insurance carrier affording coverage, Respondent agrees to notify the City within five (5) business days with a copy of the non-renewal or cancellation notice.

4. SELECTION PROCESS

4.1 Selection Process

The selection process will begin with a review of the Proposals submitted, a ranking of the Proposals by the Selection Committee, followed by interviews of the respondents that are initially deemed to be qualified. The Selection Committee will then recommend a short list of Development Partners to the City. With City approval, the short-listed teams will be asked to submit additional information.

After review of the Phase 2 submittals, the Selection Committee will rank the Development Teams. Upon approval of the Selection Committee's recommendations by the City Council, the City will begin to negotiate a Development Agreement and other related agreements with the first ranked Development Partner. The Development Partner and the City will agree on a schedule for conclusion of such negotiations. If an agreement is not reached within the agreed upon time-frame, the City may terminate discussions and begin negotiations with the second ranked team.

Throughout the selection and negotiation process, the City may reasonably request additional information from the Developer Partners as may be necessary to select a team and negotiate the necessary agreements.

4.2 Selection Criteria

The evaluation criteria shown below will give favorable consideration to Development Partners with significant experience in developments similar in scope and quality to the proposed Project. Preferred Development Partners should demonstrate they have sufficient financial resources and experience to finance and complete the Project in accordance with a fixed schedule.

The Development Partner's qualifications will be evaluated using the following criteria:

- Ability to secure project financing and make the necessary investments,
- Depth of experience on directly comparable projects,
- Demonstrated experience and availability to meet the stated schedule for project completion,
- The quality of the proposed building program, ownership structure, and operating plans,
- The quality of the plan to provide the workforce necessary to staff the project once completed.
- Extent to which the proposed Hotel Conference Center building program meets the objectives of the City as described in the RFP,
- Simultaneous development of complimentary land uses in a mixed-use development,
- Benefit to the City, financial and otherwise, of the proposed ownership and operating arrangements, and
- Overall responsiveness to the RFP.

5. OTHER CONDITIONS

- Any response to this RFP should remain in effect for 120 days after the date of submission.
- The respondent shall not collude in any manner or engage in any practices with any respondent(s) which may restrict or eliminate competition or otherwise restrain trade. Violation of this instruction will cause the City to reject the respondent's submittal. This prohibition is not intended to preclude joint ventures or subcontracts
- All responses submitted must be the original work product of the respondent. The copying, pasting, paraphrasing or other uses of substantial portions of the work product of another respondent is not permitted. Failure to adhere to this instruction will cause the city to reject the proposal.
- This RFP does not commit the City to procure or award a contract for the scope of work described herein.
- The City reserves the right to waive any irregularities or non-conformance with the terms of the RFP.

Upcoming City Council Agenda Items

	CITY COUNCIL MEETING DATES & FUTURE AGENDA ITEMS	TYPE	PRESENTER
	Friday, July 22,2022(Workshop) 9:30 p.m.- Fire Training Room		
1	Proposed Enterprise Fund	Presentation/Discussion	
	Wednesday, July 27,2022(Workshop) 4 p.m.- Cardinal Room		
1	Proposed General Fund	Presentation/Discussion	
	Monday, August 1, 2022 (Workshop) 8:30 - 10:30 Cardinal Room		
1	Joint Meeting with County Commissioners	Presentation/Discussion	
	Monday, August 1, 2022 (Regular Meeting)		
1	July 18, 2022 Regular Meeting Minutes	Consent	Shelley
2	July 20, 2022 Workshop Meeting Minutes	Consent	Shelley
3	July 27, 2022 Workshop Meeting Minutes	Consent	Shelley
4	Award Contract for the Comprehensive Plan	Approval	Anna
5	Take action on Hotel Conference Center	Approve/Disapprove	Clinton
6	PDV Mariposa - Voluntary Annexation	Public Hearing	Garret
	Wednesday, August 10, 2022 (Workshop) 4 p.m.Cardinal Room		
1	General Fund and Enterprise Fund	Presentation/Discussion	
	Monday, August 15, 2022 (Regular Meeting)		
1	August 1, 2022 Regular Meeting Minutes	Consent	Shelley
2	August 1, 2022 Workshop Meeting Minutes	Consent	Shelley
3	Market Square Improvement Bids	Approval	Andrea
4	Naming rights for Market Square	Approval	Andrea
5	Bestfest street closure request	Consent	Jennifer
	Monday, August 22, 2022 (Workshop)- 4 p.m. Cardinal Room		
1	Budget and tax rate	Public Hearing	
2	Tax Rate	Approve	
	Tuesday, September 6, 2022 (Regular Meeting)		
1	August 15, 2022 Regular Meeting Minutes	Consent	Shelley
2	August 10, 2022 Workshop Meeting Minutes	Consent	Shelley
	Wednesday, September 14, 2022 (Workshop)- 4 p.m. Cardinal Room		
1	Budget and tax rate	Public Hearing	Shelley
	Monday, September 19, 2022 (Regular Meeting)		
1	September 6, 2022 Regular Meeting Minutes	Consent	Shelley
2	August 22, 2022 Workshop Meeting Minutes	Consent	Shelley
3	Adoption of FY2023 Budget	Ordinance	Laura
4	Adoption of I&S and M&O/Tax Rate	Ordinance	Laura
	Monday, October 3, 2022 (Regular Meeting)		
1	September 19, 2022 Regular Meeting Minutes	Consent	Shelley
	Monday, October 17, 2022 (Regular Meeting)		
1	October 3, 2022 Regular Meeting Minutes	Consent	Shelley
	FUTURE AGENDA ITEMS		
1	Lady Bird Johnson Golf Course Lease	Approval	Shelley
2	Capital Improvement Fund in General Fund (postponed from 5-16-2022)	Resolution	Laura
3	S. Milam ROW Vacation	Consideration	Daniel/Kris