



Austin City Council MINUTES

For MAY 16, 1989 - CITY COUNCIL CONVENING AS THE ELECTRIC UTILITY
BOARD OF DIRECTORS - 3:00 P.M.

Council Chambers, 307 West Second Street, Austin, Texas

Mayor Cooke called to order the meeting of the Council convening as the Electric Board of Directors. He noted the absence of Councilmembers Nofziger and Urdy, who were out of the City, and stated that Mayor Pro Tem Shipman was out of the City but would arrive later in the day.

LCRA/CITY COUNCIL DISCUSSION OF ELECTRIC TRANSMISSION PLAN

Mayor Cooke introduced the discussion of Lower Colorado River Authority/City Council electric transmission plan. David Freeman, General Manager of LCRA, discussed LCRA's dedication of transmission lines to the use of the City and summarized that something needs to be done by the City to update transmission of power. Mr. Freeman said there will be serious problems if this is not done and that LCRA's prime concern must be to service their own customers properly.

Pat Oles, Chairman, LCRA Board of Directors, discussed the City's abandonment of 345 KV line plans. He said there are not health problems involved with 345 KV lines and they will bring experts from Palo Alto, California to Austin to explain the question of health hazards.

Mayor Cooke agreed there is a serious situation between LCRA and the City concerning provision of service to the customer and said the City could have serious problems this summer. The Mayor asked for specifics concerning issues that will be reliability problems this summer.

John Moore, Director of the Electric Utility, showed maps of 138 KV lines which are being built on the former 345KV routes. Mr. Moore said the City staff and LCRA staff can work together.

Mayor Cooke asked if the 1987 decision to discard 345 KV lines was wrong. Mr. Freeman said yes and cited others who had the same opinion. Councilmember Carl-Mitchell suggested the staffs of the City and LCRA should talk and identify the deficiency in the transmission lines. Mr. Freeman told him the staffs have already been working together. Mr. Moore said there will be some difficulty if Council does not want 345KV lines and LCRA does. Mayor Cooke said "This Council needs to go on record as to whether or not to re-open the 345 KV line issue." Mr. Oles said LCRA needs a signal from the City Council that 345 KV is an option.

Councilmember Carl-Mitchell referred to the 1987 Council

discussion of 345KV lines. He said, "At that time I was voltage neutral and I need comparisons of 138KV and 345KV lines". Mr. Freeman said time is of the essence and Mr. Moore told Council, "We can begin working with LCRA immediately to bring this back to Council by September". Mr. Barney Knight, Acting Assistant City Manager, told Council staff needs specific direction because something needs to be done soon. Mayor Cooke said an item needs to be placed on the City Council's regular agenda concerning a 345KV study.

ELECTRIC UTILITY COMMISSION REPORT

Mr. Al Fairweather, Chairman, Electric Utility Commission, introduced two resolutions to Council. One concerned affirmative action in the Electric Utility Department. Mayor Cooke said he would instruct the City Manager to instruct staff to implement that resolution in the budget process. The other resolution was to consider approving EUC's cost of service study recommendation. Mayor Cooke directed that an item be posted for consideration on June 1, 1989.

MONTHLY MANAGEMENT REPORT

John Moore referred to the Monthly Management Report concerning fiscal, operations and fuel. He said sales of electricity are improving.

MONTHLY UTILITY RECEIVABLE REPORT

Joe Mangum, Utility Customer Service Office, presented the Monthly Utility Receivable Report.

NO LEGISLATIVE UPDATE

There was no legislative update on utility matters during this meeting.

CONSENT RESOLUTIONS

The Council, on Councilmember Carl-Mitchell's motion, Councilmember Humphrey's second, adopted the following resolutions in one consent motion: (4-0 Vote, Mayor Pro Tem Shipman, Councilmembers Urdy and Nofziger absent.)

Contracts

Approved the following contracts:

Blume Trees Services Inc.
1236 Chude Cemetary Road
Willis, Texas 77378

-Electric Line Clearance and Tree
Trimming, Electric Utility Department
Twelve Month Service Agreement with
options to extend in one year increments
for three years. Total \$1,229,358.00
89-C021-JJ

AAR Aircraft Turbine Center
850 E. Central, Suite 175
Plano, Texas 75074

- Gas Turbine Spare Parts, Electric
Utility Department
Total \$154,700.18
89-0140-OM

Clajon Gas Company

Granted Clajon Gas Company two pipeline easements across the Fayette Power Project for the purpose of collection of the gas production from the existing and future gas wells on the Fayette Power Project property.

Gemini Exploration Company

Granted Gemini Exploration Company an amendment to their oil and gas lease at the Fayette Power Project to allow for disposal of salt water and other oil and gas wastes in a shut-in well on the Fayette Power Project property.

ITEM ON WHEELING CONTRACTS TO BE BROUGHT BACK

Council will consider adoption of a resolution authorizing the City Manager or her designee to execute electric wheeling contracts after Council has looked at standard contracts.

NO ACTION ON ITEM

No action was taken on consideration to approve certain legislation pending before the Texas Legislature.

EXECUTIVE SESSIONS FOR THIS MEETING AND SPECIAL CALLED MEETING

Mayor Cooke announced Council would enter into Executive Session pursuant to Article 6252-17, Texas Revised Civil Statutes Annotated, to discuss matters of land acquisition, litigation and for personnel matters. No final action, decision or vote by the City Council will be taken on any subject or matter unless specifically listed on the agenda for the meeting. The Mayor stated Council would discuss executive session items listed for this meeting as well as the items listed for the special called meeting which was scheduled to begin at 4:00 P.M.

This meeting:

Pending Litigation - Section 2, Paragraph e

(a) City of Austin v. Houston Lighting and Power

Special Called Meeting

Land Acquisition - Section 2, Paragraph f

(a) Status of Convention Center Property Acquisition

RECESS

Council recessed its meeting for executive session from 4:52 to 6:50 P.M.

ANNOUNCEMENT AND ADJOURNMENT

Mayor Cooke announced no action would be taken as a result of executive session and Council adjourned the meeting at 6:50 P.M.