

**AUSTIN CITY COUNCIL
MINUTES****WORK SESSION MEETING
MONDAY, SEPTEMBER 13, 2010**

The following represents the actions taken by the Austin City Council in the order they occurred during the meeting. The City Council of Austin, Texas, convened in a special meeting on Monday, September 13, 2010, in the Council Chambers of City Hall, 301 W. 2nd Street, Austin, Texas.

Mayor Leffingwell called the Council Meeting to order at 9:35 a.m.

1. Conduct a public hearing on the proposed property (ad valorem) tax rate for Fiscal Year 2010-2011. The public hearing on the proposed maximum property (ad valorem) tax rate was closed by the Mayor without objection. The second public hearing will be held September 23, 2010 in the Council Chambers of City Hall, 301 W. 2nd Street, Austin, Texas. Council will adopt the City's actual property tax rate on September 29, 2010.

The public hearings on items 2, 3, 4, 6, 7, 8, 9, 10 and 11 were closed with a combined motion on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

2. Approve an ordinance adopting the Operating Budget for Fiscal Year 2010-2011, beginning on October 1, 2010, and ending on September 30, 2011. The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Ordinance No. 20100913-002, adopting the following programs related to the University of Texas as part of the operating budget, was approved on Council Member Shade's motion, Council Member Cole's second on a 5-0 vote. Council Members Morrison and Spelman recused themselves from any discussion and abstained on the vote.

- Watershed Protection - Stormwater filtration systems research project multi-year contract - \$232,044;
- Watershed Protection - Lab services multi-year contract - \$187,500;
- Transportation - Austin Strategic Mobility Plan for the "Gap Analysis" traffic modeling services - \$310,000;
- Police - Telecommunication connection services leadership training - \$35,098;
- Police - Conference services and facilities room rental for conferences, seminars (Master Agreement) - \$180,000;
- Water - Technical services (5/3/10-5/2/11) database development - \$34,200;
- Water - Consulting services (8/15/10-8/14/12) concerning chemical usage at the City's water treatment plants - \$128,000;
- P.A.R.D. - Invasive species management consulting with Wildflower Center - \$100,000;
- P.A.R.D. - Lions golf course lease that expires in 2019 - \$128,000;

- E.G.R.S.O. - Training and instruction small business training classes - \$165,000;
- E.G.R.S.O. - ATI business consulting services for life science companies - \$125,000;
- E.G.R.S.O. - ATI business consulting services for high tech startup companies - \$200,000;
- Austin Energy - Solar monitoring services interlocal agreement - \$180,000
- Austin Energy - UT/THEnet Internet (ISP) Telecom connection services - \$23,399;
- Austin Energy - Conference room A/V Equipment and Catering for Green classroom - \$51,974
- Austin Energy - Incubator energy conservation consulting - \$355,000; and
- CTM - THEnet internet services - \$313,092.

Ordinance No. 20100913-002, adopting the remainder of the operating budget, with the following amendments and friendly amendments, was approved on Mayor Pro Tem Martinez' motion, Council Member Shade's second on a 7-0 vote.

The amendments were:

- Police – decrease appropriations in the amount of \$167,512 for the jail contract with Travis County;
- Municipal Court (Downtown Community Court) - add 2.0 case manager positions and increase appropriations in the amount of \$130,512 to address increased caseload and the needs of repeat offenders;
- increase transfers out to the Support Services Fund in the amount of \$37,000 to increase appropriations in the Office of the City Auditor in the same amount;
- Transportation - increase appropriations to the special revenue fund in the amount of \$325,000 for the American Recovery and Reinvestment Act – Federal Aid Highways grant for the Loop 360 Bicycle and Pedestrian Improvements Project;
- Health - increase appropriations to the special revenue fund in the amount of \$225,000 for the Austin Healthy Adolescent Initiative/Teen Outreach grant;
- Police - add 1.0 FTE for the Federal Motor Carrier Safety Administration Program Traffic Safety and Education grant included in the special revenue fund.

The following friendly amendments were accepted by the maker of the motion and Council Member Shade, who seconded the motion:

- The friendly amendments from Council Member Cole were to:
 - reduce appropriations in the Economic Growth and Redevelopment Services Office for the Global Commerce Program in the amount of \$385,400;
 - increase transfers out from Austin Energy to the Economic Incentives Reserve Fund for the Economic Incentives Program in the amount of \$333,334; and
 - reduce transfers out from the General Fund to the Economic Incentives Reserve Fund in the amount of \$333,334.
- The friendly amendments from Council Member Morrison to the Health and Human Services Department budget were to:
 - eliminate the Administrative Assistant position proposed for the internal contract compliance function and reduce associated appropriations in the amount of \$47,316; and
 - increase appropriations in the amount of \$380,650 to fund unmet social services needs in the community.

- The friendly amendment from Council Member Shade was to amend the proposed budget of the Parks and Recreation Department by eliminating funding in the amount of \$374, 044 for the Trail of Lights and reallocating the same amount to fund existing unmet maintenance needs in City Parks.
- The friendly amendments from Mayor Pro Tem Martinez to the Solid Waste Department budget were to:
 - Maintain the base customer charge for the 60 gallon cart at the current level of \$10.00 per month and increase projected revenue in the amount of \$486,000.
 - Increase appropriations for Green Events and Zero Waste Programs in the amount of \$150,000.

3. Approve an ordinance adopting the Capital Budget for Fiscal Year 2010-2011, beginning on October 1, 2010, and ending on September 30, 2011.

The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Ordinance No. 20100913-003, adopting the following programs related to the University of Texas as part of the capital budget, was approved on Mayor Pro Tem Martinez' motion, Mayor Leffingwell's second on a 5-0 vote. Council Members Morrison and Spelman recused themselves from any discussion and abstained on the vote.

- Watershed Protection - UT Filtration Research - \$249,440; and
- Watershed Protection - hydrologic response of green roofs to Austin rainfall events (Wildflower Center) - \$10,000.

Ordinance No. 20100913-003, adopting the remainder of the capital budget, with the following amendments and friendly amendments, was approved on Council Member Spelman's motion, Council Member Cole's second on a 7-0 vote.

The amendments were:

- Public Works - increase appropriations in the amount of \$295,973 for sidewalk improvements;
- Police - increase appropriations in the amount of \$45,500 for Austin Ridge Facility improvements; and
- Housing – increase appropriations in the amount of \$550,000 for the Holly Neighborhood Home Rehabilitation Program.

4. Approve an ordinance authorizing fees, fines, and other charges to be set or charged by the City for Fiscal Year 2010-2011, beginning on October 1, 2010, and ending on September 30, 2011.

The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

There was a motion to approve Ordinance No. 20100913-004 with the following amendment and friendly amendment on Mayor Pro Tem Martinez' motion, Mayor Leffingwell's second.

The amendment from Mayor Pro Tem Martinez was to amend the fee structure for Solid Waste Services to maintain the base customer charge for the 60 gallon cart at the current level of \$10.00 per month.

The friendly amendments from Council Member Riley were approved by the maker of the motion and Mayor Leffingwell, who seconded the motion. The friendly amendments were to revise the demotion or relocation permit review fees in the Planning and Development Review Department as follows:

- \$140.00 fee for Total Demolition/Relocation of a principal residential or commercial building, if the building is: a) 40 years or older; b) located within a Local Historic District; or c) located within a National Register Historic District.
- \$25.00 fee for Total Demolition/Relocation of a principal residential or commercial building not addressed in #1 above;
- \$25.00 fee for all Partial or Total Demolitions/Relocations of accessory buildings, or Partial Demolitions of principal building regardless of location.

There was a friendly amendment from Council Member Spelman to reduce the percent of rate increase for water proposed by the Austin Water Utility as noted below. This was not accepted by the maker of the motion.

- Residential from 6.7% to 5.9%;
- Multifamily from 4.8% to 4.0%;
- Commercial from 4.1% to 3.3%;
- Large volume from 4.5% to 3.7%; and
- Wholesale from 5.4 % to 4.6%.

There was a motion from Council Member Spelman, seconded by Council Member Morrison to reduce the percent of rate increase for water proposed by the Austin Water Utility as noted below. This failed on a 3-4 vote. Those voting aye were: Council Members Morrison, Riley and Spelman. Those voting nay were: Mayor Leffingwell, Mayor Pro Tem Martinez and Council Members Cole and Shade.

- Residential from 6.7% to 5.9%;
- Multifamily from 4.8% to 4.0%;
- Commercial from 4.1% to 3.3%;
- Large volume from 4.5% to 3.7%; and
- Wholesale from 5.4 % to 4.6%.

Ordinance No. 20100913-004 with the approved amendment and friendly amendments that were accepted, as stated above, was approved on Mayor Pro Tem Martinez' motion, Mayor Leffingwell's second on a 7-0 vote.

5. Ratify the property tax increase reflected in the Budget for Fiscal Year 2010-2011.
The motion to ratify the property tax increase reflected in the budget for Fiscal Year 2010-2011 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Action on items 6, 7, 8, 9, 10, 11 and 13 was done as a combined motion with the public hearing having been closed earlier in the meeting.

6. Approve an ordinance establishing classifications and positions in the classified service of the Austin Fire Department; creating positions; establishing pay rates; and repealing Ordinance No. 20090924-037 relating to the Fire Department Classifications and Positions. Funding is available in the Fiscal Year 2010-2011 Operating Budget of the Austin Fire Department.
The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Ordinance No. 20100913-006 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

7. Approve an ordinance establishing classifications and positions in the classified service of the Austin Police Department, creating certain positions, and repealing Ordinance No. 20100429-032 relating to police department classifications and positions. Funding is included in the Fiscal Year 2010-2011 Operating budget of the Austin Police Department.
The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Ordinance No. 20100913-007 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

8. Approve a resolution to amend the supplemental funding plan for the City of Austin Employees' Retirement System.
The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Resolution No. 20100913-008 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

9. Approve a resolution declaring the City of Austin's official intent to reimburse itself from November 2006 Proposition 1 General Obligation bonds to be issued for expenditures in the amount of \$5,300,000 related to bikeways, sidewalks, and traffic signals; to reimburse itself from November 2006 Proposition 2 General Obligation bonds to be issued for expenditures in the amount of \$18,000,000 related to watershed protection master plan projects; to reimburse itself from November 2006 Proposition 3 General Obligation bonds to be issued for expenditures in the amount of \$6,135,000 related to parks facilities improvements and renovations, playscapes, pool improvements and renovations, and trails; to reimburse itself from November 2006 Proposition 4 General Obligation bonds to be issued for expenditures in the amount of \$9,550,000 related to community and cultural facilities; to reimburse itself from November 2006 Proposition 5 General Obligation bonds to be issued for expenditures in the amount of \$6,495,000 related to affordable housing programs; and to reimburse itself from Certificates of Obligation in the amount of \$75,951,000 for expenditures related to closed landfill remediation projects, Harold Court remediation, and the Waller Creek Tunnel. \$45,480,000 in General Obligation Public Improvement Bonds to be issued in August 2011 or later and \$75,951,000 in non tax-supported General Obligation Certifications of Obligation to be issued in August 2011 or later.
The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Resolution No. 20100913-009 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

10. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principal amount of \$142,000,000 for expenditures related to the acquisition and construction of electric utility capital improvement projects.
The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Resolution No. 20100913-010 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

11. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations to be issued through October 2011 for acquisition and construction costs in an aggregate maximum principal amount of \$250,000,000 related to Fiscal Year 2010-2011 Austin Water Utility Capital Improvement Projects.

The public hearing was closed on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

Resolution No. 20100913-011 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

13. Approve a resolution awarding contracts for Cultural Arts Services for the Fiscal Year 2010-2011 in an amount not to exceed \$4,405,083. Funding in the amount of \$4,370,083 is available in the Fiscal Year 2010-2011 Proposed Budget for the Cultural Arts Fund for cultural arts contracts; \$35,000 is expected in the Fiscal Year 2010-2011 Texas Commission on the Arts Subgranting Program grant for a total of \$4,405,083. Recommended by the Austin Arts Commission.

Resolution No. 20100913-013 was approved on Council Member Cole's motion, Mayor Pro Tem Martinez' second on a 7-0 vote.

12. Approve a resolution adopting the Austin Convention and Visitors Bureau (ACVB) 2010-2011 Marketing Plan and Proposed Budget in the amount of \$8,625,391, setting the contract payment from the City to ACVB in an amount not to exceed \$6,682,776 for the Fiscal Year 2010-2011, and directing the City Manager to file the approved documents with the City Clerk's office as required by the Texas Tax Code. Funding in the amount of \$6,682,776 is available in the Fiscal Year 2010-2011 Proposed Operating Budget for the Tourism and Promotion Fund. The Fiscal year 2010-2011 Tourism and Promotion Fund is attached. Funding for the remaining \$1,942,615 ACVB Budget is available from the sources shown in the attachment.

Resolution No. 20100913-012 was approved on Council Member Shade's motion, Council Member Morrison's second on a 7-0 vote.

14. Approve a resolution directing the City Manager to allocate \$125,000 from the Holly Neighborhood Grants Assistance Program for various community outreach programs for Fiscal Year 2009-2010 and detailing the Holly Good Neighbor Program funding plan for Fiscal Year 2010-2011. (Mayor Pro Tem Mike Martinez Mayor Lee Leffingwell Council Member Sheryl Cole)

Resolution No. 20100913-014 was approved on Mayor Pro Tem Martinez' motion, Council Member Riley's second on a 7-0 vote.

BOARD OF DIRECTORS MEETING OF AUSTIN HOUSING FINANCE CORPORATION.

Mayor Leffingwell recessed the Council Meeting and called the Board of Director's Meeting of the Austin Housing Finance Corporation to order at 11:36 a.m. See separate minutes.

BOARD OF DIRECTORS MEETING OF MUELLER LOCAL GOVERNMENT CORPORATION.

Mayor Leffingwell recessed the Council Meeting and called the Board of Director's Meeting of the Mueller Local Government Corporation to order at 11:39 a.m. See separate minutes.

Mayor Leffingwell adjourned the Mueller Local Government Corporation meeting at 11:41 a.m. without objection.

Mayor Leffingwell called the Council Meeting back to order at 11:41 a.m.

Mayor Leffingwell adjourned the City Council Meeting at 11:45 a.m. without objection.

The minutes for the budget meeting of September 13, 2010 were approved on this the 23rd day of September 2010 on Council Member Spelman's motion, Cole's second on a 7-0 vote.