

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Council Meeting

March 5, 1981
9:00 A.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Councilmembers Cooke, Goodman,
Himmelblau, Mayor Pro Tem Trevino

Absent: Councilmember Mullen

The Invocation was given by Pastor Charles Ferrell, Southwest Baptist Church.

NATIONAL NUTRITION MONTH

National Nutrition Month will be observed during the month of March, 1981, according to a proclamation read by Mayor McClellan and accepted with thanks by Alana Davis and Alexa Sparkman, both dieticians.

SHOPLIFTING AWARENESS WEEK

JoAnna Garcia, student at Austin Community College; Cindy Dismukes, teacher at Austin Community College; and other members of the Fashion Merchandising Class at Austin Community College, received a proclamation for Shoplifting Awareness Week to be observed March 1-7, 1981. The Mayor read the proclamation.

PEOPLE TO HELP THE CHILDREN OF ATLANTA WEEK

Mayor McClellan presented a proclamation to Betty and Larry Mayo in observance of People to Help the Children in Atlanta Week. The Mayo's received the proclamation, which sets aside the week of March 11-18, 1981, with their thanks and appreciation.

BOARDS AND COMMISSIONS

Mayor McClellan announced the following board and commission appointments are due to be made on March 12, 1981:

- Building Standards Commission, 2
- EMS Quality Assurance Team, 1
- Ethics Review Commission, 1
- On-Going Goals Assembly Committee, 5
- MHMR Public Responsibility Commission, 1
- Urban Transportation Commission, 5
- Renewable Energy Resources Commission, 1
- Water Quality Board, 5
- Capital Area Planning Council, 1
- Police Department of Internal Affairs Committee, 1
- Employees Retirement System City of Austin, 1
- Policy Advisory Committee, 1
- Community Development Commission, 6
- Dental Health Advisory Committee, 9
- Downtown Revitalization Committee

On April 2, 1981:

- Airport Zoning Board, 1
- Community Development Commission, 1
- Commission on Status of Women, 2
- Elizabet Ney Museum Board of Directors, 4
- Environmental Board, 1
- MHMR Board of Trustees, 1

CLASS RECOGNIZED

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Mayor McClellan recognized the presence in the Council Chamber of the Zavala 6th Grade Class. Their teachers are Mrs. Donna Nes and Ms. Deborah Tahserda.

MINUTES APPROVED

Councilmember Himmelblau moved that the Council approve the Minutes of the February 19 Meeting as corrected. The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Mayor McClellan, Councilmembers Goodman, Himmelblau,
Mayor Pro Tem Trevino
Noes: None
Absent: Councilmember Mullen
Not in Council Chambers when roll was called: Councilmember
Cooke

CAPITAL IMPROVEMENTS PROGRAM

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving acquisition of certain land for the Barton Creek Greenbelt, C.I.P. No. 75/86-13: 10 acres out of the Henry P. Hill League. (Knights of Columbus) The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

LEASE AGREEMENT

Mayor Pro Tem Trevino moved that the Council adopt a resolution authorizing execution of a Lease Agreement with Austin Geriatric Center Inc. for space in the Rebekah Baines Johnson Nursing Center for the Health Department. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

LIBERTY LUNCH AGREEMENT

Mayor Pro Tem Trevino moved that the Council adopt a resolution authorizing execution of a Lease Agreement to provide parking for the current lessee, Liberty Lunch and Wagonyard, along with an amendment to the current lease. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Councilmember Himmelblau wanted it noted that if the parking lot is left untidy and the City has to clean it, the lessee will be billed for the cost. Mr. Morahan, Director of Property Management, said this will be no problem and they will reword the lease.

CONTRACTS APPROVED

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Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

INTERNATIONAL BUSINESS MACHINES
CORPORATION

1609 Shoal Creek Boulevard
Austin, Texas

- Magnetic Tape Units, Data Systems
Department
Twenty-four (24) Month Lease Agreement
Item 1, 2 units @ \$653.00/mo.
Total \$31,344.00

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

R. BRUCE CARTER AGENT, INC.
10300 Heritage, Suite 112
San Antonio, Texas

- Pressure Reducing Valves to be
installed at IH-35 and Bluff Springs;
and IH-35 north of Boca Raton Drive,
Water and Wastewater Utility Department
Items 1 & 2 - \$5,888.00

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

AQUALAB, INC.
2221 Hancock Drive
Austin, Texas

- Wastewater Pollutant Monitoring
and Analysis, Water and Wastewater
Department
Twelve (12) Month Contract
Estimated total \$79,000.00

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

DAVIS TRUCK AND EQUIPMENT CO., INC.
520 Crescent Drive
Waco, Texas

- Refuse Bodies, Vehicle & Equipment
Services Department
Item 1, 15 ea. - \$200,490.00

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

Bid award:

- Fine Paper, Public Information Department
Three (3) Month Supply Agreement

CLAMPITT PAPER COMPANY
3731 Dorsett Drive
Austin, Texas

- Items 1.a thru 1.c, 4.k, 6.a & 6.b, 9 & 10.a & 10.b - \$39,326.99

LONE STAR PAPER COMPANY
200-210 E. St. Elmo Road
Austin, Texas

- Items 1.d thru 1.f, 2 thru 4.e, 4.g and 4.j, 5, 7, 8, 10.c & 10.d - \$16,730.67

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

TEXAS FIRE FIGHTERS EQUIPMENT CO. - Liquid Fire Fighting Concentrate,
1144 Eikel
New Braunfels, Texas Fire Department
Items 1 & 2 - \$6,938.20

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

CITATION CONSTRUCTION COMPANY
P.O. Box 14105
Austin, Texas

- CAPITAL IMPROVEMENTS PROGRAM -
Southwest "A" Water Service Area
Improvements - Davis Lane Reservoir
Portable Pump (Leo Street) -
\$21,996.90 C.I.P. No. 81/22-04

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council adopt a resolution approving the following contract:

TRANS-TEX SUPPLY COMPANY
4618 East 7th Street
Austin, Texas

- Tapping Machines and Accessories,
Water & Wastewater Utility
Department
Item 1-6 - \$11,554.07

The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem
Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

TTY MACHINE

Mayor Pro Tem Trevino moved that the Council adopt a resolution authorizing the purchase of a TTY machine for Fire/EMS in the amount of \$800.00 from the Fire Department's 1980-81 budget to be installed immediately in the Fire Dispatch Center. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

INCORPORATION OF ANNEXED AREAS INTO VOTING
PRECINCTS

Mayor McClellan introduced the following ordinance:

AN ORDINANCE INCORPORATING CERTAIN TERRITORY ANNEXED TO THE CITY OF AUSTIN INTO APPROPRIATE VOTING PRECINCTS IN THE CITY OF AUSTIN; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Trevino moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan, Councilmember Cooke

Noes: None

Absent: Councilmember Mullen

The Mayor announced that the ordinance had been finally passed.

ONE-WAY SYSTEM ON WEST 35TH

Mayor McClellan introduced the following ordinance:

AN ORDINANCE DESIGNATING THE DIRECTION IN WHICH TRAFFIC SHALL MOVE ON WEST 35TH STREET BETWEEN NORTH LAMAR BOULEVARD AND MEDICAL PARKWAY, IN ACCORDANCE WITH SECTION 21-39 OF THE AUSTIN CITY CODE OF 1967; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Trevino moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Goodman, Himmelblau, Mayor Pro Tem Trevino,
Mayor McClellan, Councilmember Cooke

Noes: None

Absent: Councilmember Mullen

The Mayor announced that the ordinance had been finally passed.

<u>ON</u>	<u>FROM</u>	<u>TO</u>	<u>DIRECTION</u>
West 35th St.	North Lamar Blvd.	Medical Parkway	Westbound

ZONING ORDINANCES

Mayor McClellan brought up the following ordinance for its first reading:

AN ORDINANCE ORDERING A CHANGE IN HEIGHT AND AREA AND CHANGING THE HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS: A 2.08 ACRE TRACT OF LAND LOCALLY KNOWN AS 2209 SOUTH I.H. 35, FROM "LR" LOCAL RETAIL, FIRST HEIGHT AND AREA DISTRICT TO "LR" LOCAL RETAIL, SECOND HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (Janus Sales, Inc. C14r-80-232)

The ordinance was read the first time, and Mayor Pro Tem Trevino moved that the ordinance be passed to its second reading. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Goodman, Mayor Pro Tem Trevino,
Mayor McClellan, Councilmember Cooke

Noes: None

Abstain: Councilmember Himmelblau

Absent: Councilmember Mullen

The Mayor announced that the ordinance had been passed through its first reading only.

Mayor McClellan brought up the following ordinance for its third reading:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS: LOT 34-A, RESUBDIVISION OF NORTH PORTION OF LOTS 33 AND 34, BLOCK 15, CREST-VIEW ADDITION, LOCALLY KNOWN AS 1917 CULLEN, FROM INTERIM "A" RESIDENCE, FIRST HEIGHT AND AREA DISTRICT TO "B" RESIDENCE, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (T.C. Scott Francis, C14-80-117)

The ordinance was read the third time, and Mayor Pro Tem Trevino moved that the ordinance be finally passed. The motion, seconded by Councilmember Goodman, FAILED to carry by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman

Noes: Mayor Pro Tem Trevino

Abstain: Councilmember Himmelblau

Absent: Councilmember Mullen

The Mayor announced that the ordinance failed to pass through third reading, and will be brought back March 12, 1981.

REPORT FROM LEGISLATIVE COUNSEL 12

Mr. Joe Longley, Legislative Counsel for the City of Austin, presented a report to Council on the dinner to be held March 10, 1981. He said indications are there will be over 500 in attendance.

Mr. Longley then reviewed legislation of pertinence to the City. He said H.B. 310, Cable Referendum has passed and was signed into law March 4, 1981. It is an immediate effect bill. S.B. 89 relating to the teaching hospital bill compensation for resident physicians, is out of committee in the Senate and pending for floor action in the Senate. H.B. 309 is the companion bill. Mr. Longley said some things Council will need to discuss in the future as to their effect on the City will include H.B. 236 which amends Article 1011 VTCS to prohibit cities of 200,000 or more from participating in the Council of Governments. H.B. 687 relating to gross receipts liquor tax would give Austin as well as other municipalities a greater share of the gross receipts tax if passed. S.B. 566 is compensation in lieu of taxes bill concerning where the state has a large impact within a municipality it would provide for the setting up of a formula by the Controller's Office to allow some compensation to these cities where they have a high impact on State Government and where there is a great deal of property not on the tax roll to allow the cities to get some compensation for municipal services. He said eight states presently allow this type of compensation. S.B. 425 relating to the creation of mass transit authorities in Metropolitan areas will include the City of Austin if passed. S.B. 619 relating to an amendment to the Texas Deceptive Trade Practices would be a remedy for the City of Austin.

Mayor McClellan requested a clarification of Council's position on S.B. 425 should be determined by placing it on next week's Agenda. Mr. Tom Muehlenbeck, Deputy City Manager, also requested the same be done for S.B. 619. Council unanimously agreed.

FIFTH RENT CAR OPERATOR AT MUNICIPAL AIRPORT

Mr. Roy Bayless, Director, Municipal Airport, presented a report on the advisability of having a fifth rent car operator at Municipal Airport. He gave an overview of the Austin rent car service/revenue posture and said the total cars available for rent vary from between 900 and 1,100 dependent upon the time of year and fleet sales. Average fleet utilization is 69% and the average number of daily transactions is about 445. Counter space required for each agent position varied from four to eight feet depending on the type of equipment used. None of the existing car rental companies has had occasion to break advance reservations. There are airports our size and smaller that have five and perhaps more rental car concessions. There is no established guideline to tell the airport owner if or when it is time to add another concessionaire but the general observation is that the existing concessionaires are adequately serving the public demand. He showed a slide to Council which illustrated the westerly end of the terminal building after expansion. He said if a fifth operator

is approved they would have to redesign the designated rent car space in order to handle a fifth operator and permit the installation of a free-standing structure in the corridor or the baggage claim area. Mr. Bayless said it is his belief that "putting five companies into the space originally planned for four would create severe constraints and the installation of a booth in the corridor or baggage claim area would hamper passenger circulation." Mr. Mayless concluded that there have been no complaints that the existing level of service is inadequate and at this time the Department of Aviation recommends against adding a fifth operator but if Council wishes to call for bids for five rent car operators they will use their best efforts to work it out to provide the best possible service to the traveling public.

Councilmember Goodman thought they should have a public hearing on this in two weeks. Mayor McClellan could not see the value of a public hearing. She said the amount of space available will need to be determined and then let anyone who is interested bid. Councilmember Goodman said the purpose of the hearing would be to listen to comments from the public and other potential operators.

Motion

Councilmember Goodman moved that the Council set a public hearing on March 26, 1981 at 2:30 p.m. on possibility of a fifth rent car operator at Municipal Airport. The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Councilmember Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan, Councilmembers Cooke, Goodman
 Noes: None
 Absent: Councilmember Mullen

REVENUE REQUIREMENTS FOR ELECTRIC UTILITY

Mr. R.L. Hancock presented the following report on Revenue Requirements for Electric Utility Department 1981-82 Fiscal Year:

"The department has just completed a preliminary review of the Electric Utility Department revenue requirements for the 1981-1982 fiscal year. The revenue needs of the department can be met for 1981-82 without a rate increase if the following requirements are met:

1. normal energy sales to Austin customers in 1980-81 FY and 1981-82 FY. (3.3 billion KWH 1980-81; 3.7 billion KWH 81-82)
2. utilization of a \$9.3 million 1980-81 ending balance as a 1981-82 beginning balance. (\$2.8 million plus \$6.5 million from annual HLP contract)
3. a \$1.5 million ending balance for 1981-81.
4. transfer to the general fund from electric of \$25.23 million in 1981-82. (maintaining the 1980-81 level)
5. CIP transfer of \$9.5 million in 1981-82. (maintaining the 1980-81 level)

The ability to meet 1981-82 revenue requirements without an increase in electric rates is very dependent on the \$9.3 million dollar beginning balance for 1981-82. The beginning balance for 1981-82 anticipates the utilization of the additional income from the increased Houston Lighting & Power Company Capacity Contract less the \$1 million previously approved for required maintenance, leaving approximately \$6.5 million to be added to the 1980-81 ending balance which would become the 1981-82 beginning balance.

Income from extra ordinary transactions, such as capacity contract energy (KWhr) sales above 840,000,000 kilowatt hours and KWhr sales under the brokerage sales to other utilities have not been considered in this analysis.

To the extent extra ordinary transactions materialize, they will provide extra income. It is not possible to anticipate the magnitude of the net revenue from brokerage sales until the fiscal year is complete as it depends on other utilities, their hour by hour cost, their capability and their capacity and energy requirements.

It would be much more prudent to determine the disposition of such net income from extra ordinary transactions after it materializes. It does, however, provide opportunity for increases in either transfer to general government or transfer to CIP or perhaps some of both for the 1981-82 fiscal year based on net income from extra-ordinary transactions accruing in 1980-81 applied to 1981-82 through the 1981 ending balance.

The additional \$6.5 million accruing in 1980-81 is not anticipated in the approved budget. As an alternative to including the \$6.5 million in a \$9.3 million beginning balance for 1981-82, that additional revenue could be used to fund:

1. additional transfers to general government.
2. increased transfers to CIP.
3. Electric Utility projects anticipated in the prospective June Bond Issue.
4. or any desired combination of the above.

To the extent such action reduces the 1980-81 ending balance transferred to 1981-82 beginning balance below \$9.3 million, the shortfall will have to be made up by an Electric Utility rate increase. (Rates would have to be increased $\frac{1}{2}\%$ for each \$1,000,000 shortfall in the \$9.3 million 1981-82 beginning balance or 1980-81 ending balance.)

An area that deserves special consideration is the adoption of long range policy relating to Electric Utility equity decline and ultimate improvement. To the extent any funds are available, a policy commitment and action increasing the \$9.5 million transfer to CIP should be considered.

An additional area worthy of consideration is the need to support absolutely critical construction projects in the event the prospective June 27, 1981 limited revenue bond package fails to receive voter approval. The \$6.5 million available through the Houston Lighting & Power Company contract increase would provide some funding to support absolutely critical projects in the event the bond issue failed, but would require a rate increase of about 3% plus any additional rate increases required to support other construction projects required for 1981-82 above the \$6.5 million level.

These projections are based on normal economic activity in the service area, inflation in about the 10% annual rate and revenue bond interest rates in the 10% area.

If it appears that an electric rate increase is required for 1981-82, cost of service analysis should begin immediately in order to allow time for EUC and Council consideration. The disposition of the available \$6.5 million accruing in 1980-81 is the critical factor in this consideration. If authorized for use in the 1981-81 FY, a required rate increase is not likely and the investment in a cost of service study is not required for 1981-82 FY.

If however the extra \$6.5 million accruing in 1980-81 is used partially or totally for purposes other than carrying forward into the 1981-82 beginning balance, then an electric rate increase sufficient to generate the shortfall would be required for 1981-82 FY. Policy direction with respect to the utilization of the additional projected \$6.5 million from the amended Capacity Contract in FY 1980-81 is needed very soon.

Councilmember Himmelblau asked, "Where do you show the interest that accrues for the \$6.5 million because that money is invested, I would assume, in short term paper and the interest rates now are fairly good." Mr. Hancock told her it is not in this analysis but would be in interest income that normally accrues from other investments and to that extent it would tend to increase the available funds. The \$6.5 million dollars is not money on hand, that accrues on a monthly basis. Councilmember Himmelblau said it would be of interest to know what they are accruing on a monthly basis. Mr. Hancock said he will get a report to her on the interest.

Councilmember Goodman noted the stipulation that "you have the entire \$9.3-million dollar ending balance. What did we do with the ending balance last year, and how much was it approximately?" Mr. Hancock told him it was carried forward into this year in order to meet funding requirements in this year." Councilmember Goodman asked if this would be precedent setting in any way to use the entire \$9.3-million ending balance." Mr. Hancock told him no, there is normally an ending balance carried forward and fluctuations occur year to year. "The question is that there is \$6.5 million that accrues as a result of the increase in the Houston contract that occurred in January of this year, subsequent to the preparation of the budget and a determination of the disposition of that fund is critical to revenue requirements for the following year. The alternative is the Council could transfer it to general government or reinvest it all in assets but if the Council chose to do that the trade-off would be to the extent that reduced the \$9.3-million would be an appropriate rate increase in the Electric Utility area in order to generate a short fall. If we are to anticipate a rate increase in the fall of this year, we need to get started on cost of service study. We would prefer not to do that as it is extra money and extra time and if those funds are transferred we wouldn't need to do that."

Mr. Hancock continued, "I think there are two other areas that probably need to be pointed out with respect to these options, one of which is to the extent available funds are necessary Council may want to consider an improvement in the equity position which has gotten some Council consideration previously on a preliminary basis. I think another area that needs to be pointed out is that the \$6.5 million could be used to fund some of the projects that are currently anticipated in the proposed bond issue in June of this year. To the extent those funds are used to fund those projects or in the event that bond issue failed and it was necessary to fund some of those projects from the \$6.5 that would almost mandate an appropriate rate increase to generate that short fall in connection with the next year. These are preliminary assessments contingent on inflation rates at about the same rate they currently are and it is also contingent on normal economic expansion in the system which we have historically experienced. The key issue is what is to be done with the \$6.5 million. If we transfer it forward we can preclude a rate increase. If not we need to proceed on the analytical work in conjunction with the rate increase."

Councilmember Himmelblau said, "I think the question of the equity position....I know the Audit Committee and our auditor has been concerned with it. This is something that needs to be looked at and I don't think any of us want to look at a rate increase." Mr. Hancock said, "If Council wishes to preclude a rate increase I think it can be done and a policy position established with respect to equity improvement that would not necessarily mandate a contribution this year but a program policy position for increases in future years."

Councilmember Cooke expressed his appreciation for the report and thinks it goes to the heart of the whole financial issue of the City and not just the General Fund but the Electric Department. We're in a very difficult time and I really believe that we've got to monitor and hold the line very much. We need to move the \$6.5 million forward in order to prevent that kind of a rate increase."

PROPOSAL OF PEAT, MARWICK, MITCHELL AUDIT

Council had before it for consideration the proposal of Peat, Marwick, Mitchell for the Audit of Fiscal Years 1980, 1981 and 1982.

Councilmember Cooke addressed the issue of the audit as follows: "After spending time with the staff in regard with the memo that was provided to us last week dealing with the request for \$255,000.00 for this year's audit followed by \$240,000 for next year and \$215,000 for the next year if Peat, Marwick, Mitchell's contract is sustained for two additional years. And also in the additional analysis City staff provided to us regarding additional expenses which would ultimately total \$330,000.00. I do not take issue with the Base of 255, 240 and 215. I do take issue with the additional cost that may or will incur for our total cost for the audit this year in the \$330,000 range implied or direct expense. So I respectfully request we divide the question on this because I will oppose anything above \$255,000. My concern is that I think we can get the economy to scale with regard to the fact that Peat, Marwick and Mitchell has had two year's experience working for us with a very intricate and complicated transition whereby the City of Austin will be on a very sophisticated computer based accounting system and at the same time we have gone to upgrading our internal auditing staff, our treasury function and there are a number of things we are doing to enhance our financial fiscal capabilities within the City staff. I do feel we pushed the external audit much above our appropriation of \$255,000. I think we are getting out of line with regard to what audit costs municipalities in this country today even with the sophistication of the accounting system. It seems to me, in all due respect, if we look back to the transition of the accounting system we should be getting some economy to scale as far as people and I realize we're having to upgrade a number of our bookkeeping type work force into more professional accountants as we move a sophisticated accounting system. There also should be some productivity fall out for that. I don't see how we can add \$800,000 of capital improvement in an accounting system and still have to be adding people and still have the increased cost we're having to incur, going roughly from an identified cost of a little over \$100,000 three or four years ago, and even with inflation, up to \$330,000.00 now. To me I can respect last year how the staff was really under the gun and they were having to maintain two systems at one time in order that we could come into a new accounting system by October 1. It is something this Council had been pushing. I just don't feel that I can, in due respect, honor a request for amendments to the budget

and a total accumulated cost of \$330,000 for an audit because I think that is out of line with what you can get audits for on the competitive market today."

Mayor McClellan wanted to know "Can we do in house those things. Can we bring up the information that's needed so we don't have all the additional costs on top of the base figure?" Mr. Carrasco, Assistant City Manager, told Council, "We have reviewed the fiscal note and different components of it with Mr. Bill Love. It is predicated on what we feel the Finance Department staff would be in a position to accomplish, given the available staffing level." The Mayor said, "Let's talk about the available staffing levels and what it has been and what it is now, what it was last year, what our costs were last year, what our projected costs are here."

Councilmember Goodman suggested this discussion be postponed for a week and give Mr. Carrasco time to answer the questions raised. No innuendo's are intended, he said. Councilmember Goodman feels that the fee charged by Peat, Marwick, Mitchell in previous years has more than offset any losses the City may have incurred if the audit had not been done in the manner in which it was accomplished. Councilmember Cooke said his concern is not that the City will save money through embezzlement and all kinds of potential problems that could account in a budget as large as we have. "My point is that if other municipalities can get external auditing services for a fee that I feel is more reasonable and prevent embezzlement or any other potential problems that could be prevented by an audit, then we need to be pursuing this with the same concept." Mr. Carrasco said he will be happy to respond in detail to any further questions Council might have. He pointed out on the supplemental audit fee the work has been completed. The work involved reconciliation of fixed assets and the fund balances. The staff in the Finance Department was not in a position to complete that aspect of this external audit work and had to do it with the assistance of the external auditor. The anticipated overruns are associated with grant costs that were related to audit work on grants which were not covered by the grant and which we did not anticipate at the time budget was passed. (\$25,000 is the amount.) Councilmember Cooke wanted to know what grants. Mr. William C. Love, Peat, Marwick, Mitchell told Councilmember Cooke it was the LPW grant (local public works) and TDCA (Texas Department of Community Affairs) that are awarded to the City. That work has been completed and Peat, Marwick has been paid for that work. The majority of the work was done in the budget year ending September 30, 1980. I don't know if the appropriations have ever been approved.

Councilmember Cooke asked if he was saying the work has already been done and now they are asking for the money. Mr. Love explained, "No. In the course of the audit work, the reconciliation of fund balances and the fixed assets of the City which are the most complicated two pieces of the puzzle could not be performed by the Finance staff. We requested that they perform and they could not do it. This was for the year ending September 30, 1980. The City has not been billed for that work so they have not expended any funds in regard to that work. That is for the \$25,000this cost is above the \$255,000.The \$40,000 from the City Auditing Department is merely an allocation cost from internal audit that

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there will be no out of pocket costs spent by the City. Salaries of the internal auditors are set. That is purely an internal allocation and if you will review further down in the memo it allocates those costs back to the funds where that work would have been done by the internal audit so it is purely an allocation. It is no out of pocket costs to the City in that regard. There just has to be a method whether you can get the funds appropriated where they can be spent and this is the vehicle by which they can do it. In turn they will be allocated back to the Utility Fund and Hospital Fund. The point that needs to be made is that it is not out of pocket costs. Those funds will pay the salaries of internal auditors and this is just an allocation."

Councilmember Cooke said, "The concern I have is that we appropriated x number of dollars in the 1980 budget and now we are asking to make an amendment to the budget based on costs that have already been incurred. You have done the work and for you to be paid for the work we have to amend the budget. In all due respect what this reminds me of is when the City came to Council and said we have already enlarged the wastewater line to Scenic Brook West and it is already in the ground and we need the appropriations to pay for it. That caused a whole change in City policy on how those things could happen and yet I see them happening in another way here because the work has been done and there is a request for an expansion of the amount of money. If I am wrong, correct me, but that is what I hear." Mr. Carrasco pointed out "the budget includes authority for \$175,000 for work to be done on the external audit. The authority was there for those expenses to be incurred. There has been no expenditure of funds for which there hasn't been unexpended or unused appropriation authority to carry out the work. If you will recall the original request for funding on the external audit was on the order of \$275,000 which was discussed at the time the budget was developed last summer. Although that amount was not allocated we did not anticipate at that time that it would be as low as \$175,000.00."

Councilmember Cooke questioned whether Peat, Marwick, Mitchell has billed the City for work done for the 1980 audit that would be classified in the realm of \$175,000 or "if you had to bill us today, that it would be in excess of \$175,000. You are within 10 days of signing off on the external audit and in your opinion as the official officers of the City we owe you x number of dollars. My request is, how much money do we owe you?" Mr. Love replied, \$175,000 has been paid by the City so far and we billed an additional \$45,000. That's \$220,000. So \$35,000 on the basic audit fee and it would be \$25,000 if the Council so chose to consider that. One point needs to be cleared. I can understand your comment about costs being incurred and funds not being appropriated. However, I think you need to be aware that the City recently had a bond issue that required that the financial statements for September 30, 1980 in the Utility Fund be complete to a sufficient point that we could issue a times coverage letter so you could receive those bond monies we had no choice but to go on and complete that work." Councilmember Cooke said he was not taking issue with whatever circumstances being dealt with in order for the City to sell the bonds. What he said he is taking issue with is the fact money has been expended in excess of what has been budgeted and the City does not have appropriations for that money. Councilmember Cooke said that the bill within a month or more will be \$280,000 "so our options are that we can amend the additional \$105,000, or we have a deficit problem where we

can't pay you." Mr. Love said that by law the City would have to make some amendment. Mr. Carrasco pointed out, the "engagement for the audit for fiscal 79-80 was approved some time ago by Council. In fact the understanding at the time of agreement was made for Peat, Marwick, Mitchell external auditors implied there would be work over a three year period of time. There was a contractual obligation based on an estimate of costs for their services that the City was obligated for and what we are trying to bring to Council's attention is changes in those costs that need to be a part of the supplemental appropriation, but as far as whether or not there was an obligation for that work, we had a contractual commitment for this kind of work to be completed. And we used the funding authority that was available and what we are asking for now is consideration for supplemental funding associated with this last year's audit."

Council decided to schedule this for action on March 12, 1981.

The following agenda item which was to be considered in conjunction with the proposal of Peat, Marwick, Mitchell will also be brought back March 12, 1981.

Consider amending the ending balance of the following funds for the external audit of the City's September 30, 1980 financial statement:

- a. \$37,400 from the General Fund ending balance;
- b. \$29,750 from the Utility Fund ending balance;
- c. \$11,050 from the Hospital Fund ending balance;
- d. \$3,400 from the Auditorium Fund ending balance;
- and
- e. \$3,400 from the Aviation Fund ending balance.

ZONING AMENDMENT PROPOSED AND DENIED

Mayor McClellan opened the public hearing scheduled for 9:30 a.m. to consider amending Chapter 45 of the Austin City Code (Zoning Ordinance) Section 45-22 to allow facilities where newspapers are received for distribution by local route carriers as a permitted use in "GR" Districts.

Mr. Lillie, Director of Planning, stated the Planning Commission recommended that the text should not be changed.

A representative of Balcones Civic Association appeared and said the amendment would not help any. The present distribution center is in a shopping center and the noise in the early morning hours is making them an undesirable tenant.

Motion

Councilmember Himmelblau moved that the Council deny an amendment to Chapter 45 of the Austin City Code (Zoning Ordinance) Section 45-22 to allow facilities where newspapers are received for distribution by local route carriers as a permitted use in "GR" Districts. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Mayor Pro Tem Trevino, Mayor McClellan, Councilmembers Cooke, Goodman, Himmelblau

Noes: None

Absent: Councilmember Mullen

CITY PLANNING FOR POOR AND ELDERLY

Mr. Bob Garrett Kunta Kinte appeared before Council to express concern for city planning for the poor and elderly in Austin. He said if the Blacks were moved out of East Austin, there would be no place they could afford to live. He feels more moderate and low cost housing is needed on the East side.

Mayor McClellan suggested he check with the Austin Redevelopment Association. They have \$2.6 million for rehabilitation. Mayor Pro Tem Trevino pointed out the various programs this Council has approved and worked on in order to help with low and moderate income housing. He cited the zoning roll back in Govalle, the 10th Ward (as it is known in East Austin) and efforts to be approved by UDAG.

PARADE PERMITS

Mayor Pro Tem Trevino moved that the Council approve the request of Mr. Michael Putnam for Austin Runners Club for a Parade Permit from 4:00 p.m., Saturday, March 28, 1981, beginning from West 1st Street, west on Lake Austin Blvd., east on Enfield, north on Pecos, west on Windsor, south on Robinhood Trail, west on Enfield, east on Lake Austin Blvd., east on West 1st Street, east on Hike and Bike Trail, from MoPac overpass to finish line east of Austin High Baseball Field. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman, Himmelblau,
Mayor Pro Tem Trevino

Noes: None

Absent: Councilmember Mullen

Mayor Pro Tem Trevino moved that the Council approve the request of Mr. Roy Dalton Pool Jr. for Austin Runners Club, Austin YMCA, Austin Chamber of Commerce, Parks & Recreation Department & University of Texas, on Saturday, April 4, 1981 from 7:15 a.m. to 1:00 p.m., beginning from one lane nearest Town Lake on Riverside Drive from Lamar Street bridge to Auditorium Shores Gazebo from 7:00 a.m. to 8:00 a.m. and one lane, nearest Town Lake on West 1st from MoPac footbridge to boat ramp from 7:45 a.m. to 8:45 a.m. In addition, one lane (right side going west) of Barton Springs Road on the Barton Creek Bridge. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman, Himmelblau,
Mayor Pro Tem Trevino

Noes: None

Absent: Councilmember Mullen

ALTERNATE ENERGY SOURCES

Mr. Leon J. Barish, chairman, Renewable Energy Resources Commission, appeared before Council to ask them to pass the following resolution. The Energy Resources Commission had unanimously adopted the resolution at its regular meeting on February 23, 1981.

WHEREAS the City Council has specified that \$100,000 in Electric Utility CIP funds be spent for "Alternate Energy Sources;" and

WHEREAS the Electric Utility Department is unable to determine how these funds should be appropriately used without further clarification from the City Council.

BE IT THEREFORE RESOLVED that the Renewable Energy Resources Commission recommends to the City Council that it direct the Electric Utility to undertake the following projects to be funded approximately at the levels indicated.

1. Conservation and Renewable Resources Study. This study should be expanded to include a socio-economic impact analysis; and accelerated and modified as suggested by the Renewable Energy Resources Commission in its written comments submitted to the Electric Utility Department on February 19, 1981. (\$50,000).
2. Low Head Hydroelectric engineering and design study for Longhorn Dam on the basis of Dr. Walter Moore's feasibility study. (\$50,000).

Mayor Pro Tem Trevino suggested Council not approve 2. in the resolution until they have had a chance to study the proposed action concerning Longhorn Dam. He said there should be both citizen and Council approval of the project.

Motion 24

Mayor Pro Tem Trevino moved that the Council adopt the following resolution:

WHEREAS the City Council has specified that \$100,000 in Electric Utility CIP funds be spent for "Alternate Energy Sources;" and

WHEREAS the Electric Utility Department is unable to determine how these funds should be appropriately used without further clarification from the City Council.

BE IT THEREFORE RESOLVED that the Renewable Energy Resources Commission recommends to the City Council that it direct the Electric Utility to undertake the following projects to be funded approximately at the levels indicated.

1. Conservation and Renewable Resources Study. This study should be expanded to include a socio-economic impact analysis; and accelerated and modified as suggested by the Renewable Energy Resources Commission in its written comments submitted to the Electric Utility Department on February 19, 1981.

The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan

Noes: None

Absent: Councilmember Mullen

ZONING ORDINANCE

Mayor McClellan introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE AS FOLLOWS:

A 22.73 ACRE TRACT OF LAND, LOCALLY KNOWN AS 3906-4104 ED BLUESTEIN BOULEVARD, FROM INTERIM "A" RESIDENCE, FIRST HEIGHT AND AREA DISTRICT AND "C" COMMERCIAL, FIRST HEIGHT AND AREA DISTRICT TO "DL" LIGHT INDUSTRIAL, SECOND HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY. (William B. Cotton, C14-80-192)

Councilmember Himmelblau moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Goodman, Himmelblau, Mayor Pro Tem Trevino,
Mayor McClellan, Councilmember Cooke

Noes: None

Absent: Councilmember Mullen

The Mayor announced that the ordinance had been finally passed.

DEAF INTERPRETER FOR COUNCIL MEETINGS

Council had before it an ordinance to consider amending the 1980-81 Operating Budget by appropriating \$2,178 from the General Fund ending balance to provide for a deaf interpreter at regular City Council meetings.

Councilmember Himmelblau said she would like to try using an interpreter for the deaf for the night meetings only because most of the Austin citizens with hearing impairment work during the day.

Mayor McClellan referred to a memo from Councilmember Himmelblau (CLERK DID NOT RECEIVE A COPY) and said she appreciates the offer of her campaign fund for this use. Councilmember Himmelblau said that what the deaf really want are captions. A discussion followed concerning captions versus an interpreter, and whether or not to have an interpreter at the meetings.

Councilmember Cooke stated for the record that he is not opposed to a deaf interpreter for Council meetings but that he is at a point where we should not amend the budget unless it is critical. He is not speaking against the deaf but is concerned with the ending balance.

Motion - No Action

Councilmember Goodman moved that the Council waive the requirements for three readings and finally pass an ordinance amending the 1980-81 Operating Budget by appropriating \$2,178 from the General Fund ending balance to provide for a deaf interpreter at regular City Council meetings. The motion, seconded by Mayor McClellan, FAILED to carry by the following vote:

Ayes: Mayor Pro Tem Trevino, Mayor McClellan, Councilmember Goodman
Noes: Councilmembers Himmelblau, Cooke
Absent: Councilmember Mullen

The Mayor announced that four votes are needed for action, therefore no action was taken.

MONTHLY REPORT REQUESTED

Councilmember Himmelblau moved that the Council approve a request for department heads to deliver a monthly report to the Council through the City Manager, beginning March 12, 1981 which would include the difference between the amount budgeted and the amount spent for personnel from October 30, 1980 to date. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Mayor Pro Tem Trevino, Mayor McClellan, Councilmembers Cooke, Goodman, Himmelblau
Noes: None
Absent: Councilmember Mullen

RECESS

Council recessed its meeting at 11:30 p.m. and resumed its recessed meeting at 2:25 p.m.

ELECTRIC RATES

Mayor McClellan opened the public hearing, scheduled for 2:00 p.m. on the Elimination of the Declining Block Concept in All Electric Rates.

Mr. R.L. Hancock, Director of Electric Utility, presented the following report:

"The Council rate action of 1978 eliminated all but one block step in all rates and set the long term policy objective of complete elimination of declining block rate structures. The rate change of 1980 reduced the one step difference to $\frac{1}{2}$ its 1978 level. This proposed change will conclude the policy objective.

The proposal under consideration retains the same revenue by customer class, the same average cost in terms of cents per kilowatt hours, the same rate of return by classification and the same customer billing structure.

The customer billing structure is composed of :

1. Customer charge - fixed cost of meter read, billing and accounting.
2. Energy charge - those costs, excluding fuel, relating to energy usage.
3. Capacity charge - those costs relating to providing the capacity requirements.
4. Fuel charge - the cost of the boiler fuel required to meet the ratepayer electrical energy needs.

This proposal to eliminate all declining block concepts in the electric rate structure applies to the capacity charge that is applied in the summer period (May through October billings).

No other components of the rate structure incorporates the declining block concept.

The general impact on the ratepayers within a rate classification is a slight decrease for the smaller users and a slight increase for the larger users within each customer classification.

For the mixed fuel residential classification summer rates, approximately 65% of the consumers will experience a decrease ranging from 0 to 4.3% and the remaining 35% will experience an increase from 0 to 4.7%. This is for the summer only. 28

Annual changes for specific mixed fuel residential ratepayers are:

Small -	- \$5.26,	- 2.5%
Medium-	+ \$9.04,	+ 1.3%
Large -	+\$50.48,	+ 2.7%

For the single fuel residential classification summer rate, approximately 57% of the consumers will experience a decrease from 0 to 8.5% and 43% will experience an increase from 0 to 6.5% in the summer period.

Annual changes for specific residential single fuel ratepayers are:

Small -	-\$11.53,	-4.3%
Medium -	+ \$30.32,	+1.9%
Large -	+\$168.24,	+3.3%

Annual charge for non-demand general service ratepayers is approximately a 2% reduction for the smaller consumer and a 2% increase for the larger consumer.

Annual changes for customers above 30 KW who are billed on demand rates will depend on their unique characteristics but should experience reductions up to 4% and increases up to 1% with the reduction experienced by the small consumers and the larger consumers experiencing the increase.

Annual changes for large ratepayers taking service at 12,500 volts and higher will depend on their unique electrical characteristics. The smaller consumer in the classification would experience reductions near 1% and the larger consumer in the classification would experience increases less than 1%.

Specific customer impacts can be provided, however, the nature of the change associated with the elimination of the declining block is such that no unusual variations are expected and none have been identified in the testing.

Mayor McClellan commended Council for their action in elimination of block rates. She said this proposal is not a life line measure but is strictly a conservation measure.

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Larry Deuser, member of Electric Utility Commission, said the vote of the Electric Utility Commission was 5-3 and he is one of those who voted against the proposal not because he does not think it is a good idea but because the timing of it is very bad.

Mayor McClellan stated, for the record, "The Electric Utility Commission took the following action at the February 23, 1981 meeting: Commissioners Kocurek/Woodson moved that the EUR recommend the elimination of the Declining Block Rate Concept. The motion carried 6-3-0. For: Graham, Henderson, Kocurek, Lesso, Midwikis, Woodson. Against: Deuser, Fath, Young."

Mr. Deuser continued that they have a number of electric rate revisions stacked up at the Electric Utility Commission and he believes it is important not to change a rate structure often and then only for a very important reason.

Mayor McClellan said that since this would effect summer billings, the elimination of the declining block concept in all electric rates should be enacted before summer.

Shudde Fath, minority member, Electric Utility Commission, urged Council to wait until after the election to vote. She then discussed proposal 7.

Mayor McClellan stated, "It makes no sense at all to compare the dollars or pennies or whatever saved on energy conservation measure with the lifeline proposal or as the proponents of 7 call it not a lifeline proposal but a major rate revision. This is not a major revision. This is not a lifeline proposal. This is one step of energy conservation. Any lifeline proposal and any difference it will make in people's bills if we want to talk about our lifeline utility assistance program the staff is looking into, that translates to dollars and cents. We're comparing apples and oranges when we are looking at an energy conservation measure and then comparing it to so called lifeline proposal 7. The second point I want to make is this city had the highest residential electric rates in the state four years ago. Now we are about mid-way with that improving. We have no sweetheart deal with big business. If we did, Abbott Labs would be getting their electricity from us and not from TP&L. For every business, convenience store and above, they are paying the highest electric rate in the state."

Jack Jackson, speaking for ACORN and himself, said that the proposed measure for elimination of declining block concept in all electric rates is a step in the right direction even though it is a small step.

Marcus DeLeon said he wonders why this is being pushed at this time when the effect is very little. He wants proposal 7. ³⁰

Conrad Fath expressed his opinion that this should have been voted on four years ago. He said it is too close to election and the new Council should decide the issue.

Motion

Councilmember Goodman moved that the Council close the public hearing. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Mayor Pro Tem Trevino, Mayor McClellan, Councilmembers Cooke, Goodman, Himmelblau

Noes: None

Absent: Councilmember Mullen

Motion - No Action

Councilmember Cooke moved that the Council eliminate the declining block concept in all electric rates for implementation in the May, 1981 billing. The motion, seconded by Councilmember Himmelblau, FAILED to carry by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Himmelblau

Noes: None

Abstain: Councilmember Goodman, Mayor Pro Tem Trevino

Absent: Councilmember Mullen

The Mayor announced that four votes are needed for action, therefore no action was taken.

At the time of roll call the following comments were made:

Councilmember Goodman: "I'll abstain on the motion, I believe that this is now a matter of principle concerning our entire electric rate structure and as the sponsor of proposal 7 and one who is firmly committed to its implementation, at this point, I will settle for nothing less. Proposal 7 is not only a lifeline rate it is also an energy conservation measure that would have a tremendous impact and more than that it will establish for the first time a fair and equitable electric rate structure for the citizens of Austin who have been denied that for decades."

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Mayor McClellan: "Under proposal 7, anyone who pays \$30.00 or more a month on their utility bill in the winter months will have their bill go up. I know a lot of families who need help on utility bills who pay more than that. Their bills will go up under proposal 7 which would not help them. Any family in the summertime who is paying \$75.00 on their utility bill will have a higher bill for single fuel. Any customer with mixed fuel who pays \$90.00 in the summer would have a higher bill under proposal 7. City facilities prediction for Water and Wastewater would have a 34% increase. That would be a raise of 5% on our bills each month. I want to set up a program separate and apart that really sets up a criteria and helps the people who need help paying electric bills and water and wastewater and does not get that help on the basis of energy consumption. But that is separate from today and this is an energy conservation measure I think we ought to implement."

PARKS AND RECREATION BOARD

Mr. Guerrero, Parks and Recreation Department, appeared before Council to state the requests by Wichita State University and Glastron Boat Company are recommended.

Motion

Councilmember Goodman moved that the Council approve Wichita State University Crew Team to place a boat with a 5 h.p. outboard engine on Town Lake from March 14 to March 25, 1981 to provide a means for the coach to supervise and direct during practice time. The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

Motion 32

Councilmember Goodman moved that the Council approve the Glastron Boat Company and Bill Gaston, Inc. to place gasoline powered motorboats on Town Lake for on-water demonstrations for approximately four hours on either August 3 or 4, 1981 and approximately four hours on August 5, 1981. The motion, seconded by Mayor Pro Tem Trevino, carried by the following vote:

Ayes: Councilmembers Cooke, Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan
Noes: None
Absent: Councilmember Mullen

ELECTION OFFICIALS APPOINTED

Mayor McClellan introduced the following ordinance:

AN ORDINANCE APPOINTING ELECTION OFFICIALS TO CONDUCT THE MUNICIPAL ELECTION TO BE HELD APRIL 4, 1981; PROVIDING COMPENSATION FOR THE ELECTION OFFICIALS; DESIGNATING THE UTILIZATION OF AN ELECTRONIC VOTING SYSTEM FOR SAID ELECTION; DESIGNATING A CENTRAL COUNTING STATION FOR SAID ELECTION; ESTABLISHING A DATE FOR A PRECOUNT TEST OF THE AUTOMATIC TABULATING EQUIPMENT; PROVIDING NOTICE OF SAME; DIRECTING THAT AN INSTRUCTION SCHOOL FOR ELECTION OFFICERS SHALL BE CONDUCTED; PROVIDING NOTICE OF SAME; PROVIDING FOR SUCH OTHER ASPECTS AS ARE INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDINANCE; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmembers Goodman, Himmelblau, Mayor Pro Tem Trevino, Mayor McClellan, Councilmember Cooke
Noes: None
Absent: Councilmember Mullen

The Mayor announced that the ordinance had been finally passed.

Prior to the vote, Councilmember Himmelblau thought the officials should be appointed as listed with no changes.

ADJOURNMENT

Council adjourned its meeting at 3:05 p.m.

APPROVED

Carole Foster McEllis
Mayor

ATTEST:

Grace Monroe
City Clerk