

Closed Caption Log, Council Meeting, 05/03/07

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GOOD MORNING, I'M AUSTIN MAYOR WILL WINN, OUR SCHEDULED MINISTER THIS MORNING, WE HAD SOME COMMUNICATION CONFLICTS AND COULDN'T MAKE IT TO THE COUNCIL CHAMBERS IN TIME SO WE'VE ASKED MARK CHAPEL BETTERS TO LEAD US IN OUR INVOCATION. PLEASE RISE.

THANK YOU, MAYOR. AS WE TAKE THIS TIME TO PRAY FOR ONE ANOTHER AND A PRAYER TO OUR LORD, I ASK THAT WE REMEMBER IN OUR HEARTS THOSE THINGS THAT ARE IMPORTANT TO US, OUR FAMILIES. MAY THE LORD BLESS THEM AND PROTECT THEM WITH THE BLOOD OF JESUS CHRIST, AND MAY THE LORD ALSO BLESS THIS CITY, THIS STATE, THIS COUNTRY, EVERYONE THAT WE LIVE ON THIS EARTH WITH. ALLOW US ALL TO WORK IN HARMONY WITH BEAUTY, COMPASSION, AND FORGIVENESS AND UNDERSTANDING. AND ALLOW OUR HEARTS TO ALL UNIT AS ONE. FOR NOW I WOULD LIKE TO PRAY FOR THIS ORGANIZATION, THE CITY OF AUSTIN, WITH PSALM 23, I WOULD..... I WOULD LIKE TO PRAY FOR THE WORKPLACE, THE LORD IS MY REAL BOSS, I SHALL NOT WANT, HE GIVES HE PEACE WHEN CHAOS IS ALL AROUND ME, HE GENTLY REMINDS ME TO PRAY THEN DO ALL THINGS THROUGH CHRIST WITHOUT COMPLAINING. HE REMINDS ME THAT HE MY SOURCE AND NOT MY JOB, HE RESTORES MY SANITY EVERY DAY AND MY DECISION THAT I MIGHT HONOR HIM IN ALL THAT I DO. EVEN THOUGH I FACE HILLS AND MOUNTAINS, HIS PEACE AND HIS POWER SEE ME THROUGH. HE RAISES

ME UP. HE ALSO CLAIMS ME AS HIS OWN EVEN WHEN PEOPLE AROUND ME CRITICIZE AND TELL ME THINGS THAT AREN'T TRUE, HIS FAITHFULNESS AND LOVE IS BETTER THAN ANY BONUS CHECK AND FOR THIS I BLESS HIS NAME. I PRAY PSALM 91 OVER THIS ORGANIZATION AND THIS WORLD AND IN YOUR HOLY PRECIOUS NAME I PRAY, AMEN.

AMEN. THERE BEING A QUORUM PRESENT, THIS TIME I WILL CALL TO ORDER THE MEETING OF THE CITY COUNCIL, IT IS THURSDAY, MAY 3, 2007. WE'RE IN THE CITY COUNCIL CHAMBERS HERE, THE CITY HALL BUILDING, 301 WEST SECOND STREET. BEFORE I GO TO CHANGES AND CORRECTIONS, COUNCIL AND HOPEFULLY GO THROUGH OUR CONSENT AGENDA, WE'VE BEEN ASKING IF THERE'S UPCOMING ITEMS FROM COUNCIL LIKELY, SO IF THERE'S ANNOUNCEMENTS?

THANK YOU, MAYOR, WANT TO GIVE A HEAD'S UP THAT THE PUBLIC TASK FORCE HAS STARTED TO MEET EVERY OTHER WEEK AND RIGHT NOW OUR GOAL IS TO CONTINUE MEETING BUT TO FOCUS ON ANY RECOMMENDATIONS THAT NEED TO COME TO COUNCIL SO THAT WE CAN BE -- WE CAN HAVE THESE RECOMMENDATIONS PRIOR TO ANY BUDGET DISCUSSION, SO ON JUNE FOURTH WE ARE SCHEDULED TO TAKE OUR FIRST SET OF ACTION ITEM AS IT RELATES TO ANY RECOMMENDATION COME FORTH TO COUNCIL AND WILL BRING THAT TO NEXT AVAILABLE COUNCIL MEETING IN JUNE.

COUNCILMEMBER KIM?

I WOULD JUST LIKE TO TAKE THIS OPPORTUNITY TO THANK OUR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT OFFICERS FOR THEIR QUICK WORK IN APPREHENDING THE SUSPECT IN THE BOMB LEFT AT THE WOMEN'S HEALTH CENTER AND I WANT TO THANK THEM FOR THE JOINT TASK FORCE FOR RECOGNIZING THAT IS A FOAM OF TERROR AND ACTED WITH APPROPRIATE CONCERN AND EFFORT AND I JUST WANTED TO REITERATE THAT AUSTIN IS A PLACE THAT WILL NOT TOLERATE VIOLENCE AGAINST ABORTION PROVIDERS AND STILL A LEGAL RIGHT TO CHOOSE ABORTION IN AUSTIN. THANK YOU FOR LAW ENFORCEMENT'S WORK ON THIS, I APPRECIATE HARD WORK AND SWIFT

ACTION IN THIS CASE.

THANK YOU, COUNCILMEMBER. AGAIN, FURTHER POTENTIAL ITEMS COMING FROM COUNCIL? COUNCILMEMBER COLE.

I WOULD LIKE TO ANNOUNCE THAT THE WALLER CREEK CITIZEN TASK FORCE MEETING IS GOING TO BE HELD ON MAY 16th AND THEN THE FIRST MEETING OF THE GROUP, I WANT TO EXTEND A THANK YOU TO THE PEOPLE WHO HAVE AGREED TO SERVE AND WE WILL BEGIN WORK ON DESIGNS, AND IMPLEMENTATION PLANS AS EARLY AS MAY 16th.

THANK YOU, COUNCILMEMBER. INITIAL ITEMS? AND IF NOT, WE'LL GO THROUGH OUR CHANGES AND CORRECTIONS TO THIS WEEK'S POSTED AGENDA, WE HAVE A FEW. WE SHOULD NOTE THAT ON ITEM NUMBER 3, CORRECTING THE DATE, AND THAT WILL STRIKE MAY AND THAT SHOULD HAVE BEEN APRIL 1, 2007. AS WITH ITEM NUMBER 4, MAY 1 WILL BE CORRECTED TO APRIL 1, 2007. ITEM NUMBER 30, WHICH IS ITEM FROM COUNCIL REGARDING THE ENDOWMENT FROM THE CENTRAL LIBRARY, COMING FROM THE SALE PROCEEDS OF LOT 21, ORIGINAL POSTING HAD ESTIMATED THE PROCEEDS OF TEN MILLION DOLLARS, STAFF NOW HAS THAT EXACT FIGURE WHICH IS TO BE \$9,998,640, AGAIN FOR THE SALE PROCEEDS, BLOCK 21, ITEM NUMBER 30. ON ITEM NUMBER 31 WE SHOULD NOTE THAT MAYOR PRO TEM DUNKERLY IS ADDITIONAL COSPONSOR. ON ITEM 32, WE SHOULD CORRECT THE DATE OF MAY 8, 2007, WITH THE APPROPRIATE MAY 22, 2007 DATE. ON ITEM NUMBER 49, WE SHOULD CORRECT THE WATERSHED AND STRIKE THE BARTON CREEK WATERSHED BECAUSE TECHNICALLY THIS IS IN THE WILLIAMSON CREEK WATERSHED BARTON SPRINGS ZONE, ITEM NUMBER 49 OF OUR ZONING CASES, AND ON ITEM NUMBER 69, WE SHOULD CORRECT THE FIGURE, STRIKING 27,000 AND REPLACING IT WITH \$36,500. ALSO NOTE THAT ITEM NUMBER 70 HAS BEEN WITHDRAWN FROM THE AGENDA. TIME CERTAINS TODAY, AFTER OUR -- GET THROUGH OUR CONSENT AGENDA THIS MORNING, WE'RE GOING TO HAVE STAFF PRESENTATION OF THE FIVE YEAR FINANCIAL FORECAST. AT NOON WE WILL BREAK FOR GENERAL CITIZENS COMMUNICATIONS. AT FOUR O'CLOCK WE TAKE UP ALL OF OUR ZONING MATTERS, 5:30 WE BREAK FOR LIVE MUSIC AND PROCLAMATIONS, AT 6 P.M. WE WILL

CONDUCT POSTING PUBLIC HEARINGS ALTHOUGH WE WILL NOTE THAT STAFF WILL BE REQUESTING THEM, THAT TWO OF THEM, PUBLIC HEARING NUMBER 66 AND 67, STAFF WILL BE REQUEST FOR CHANGE IN ZONING FROMMING A POSTPONEMENT TO MAY 24th 2007. WE TECHNICALLY CAN'T TAKE UP THE VOTE TO POSTPONE THOSE ITEMS UNTIL THE TIME CERTAIN OF 6 P.M. SO FAR COUNCIL, ONLY ITEM NUMBER 29 REGARDING THE WATER CONSERVATION TASK FORCE RECOMMENDATION HAS BEEN PULLED OFF THE CONSENT AGENDA, SO AS TO HAVE A LENGTHIER STAFF PRESENTATION AND DISCUSSION LATER TODAY. SO ADDITIONAL ITEMS TO BE PULLED OFF OUR CONSENT AGENDA? HEARING NOON,.....ING NONE, THEN I WILL READ THE PROPOSED CONSENT AGENDA NUMERICALLY. IT WILL BE TO IMPROVE ITEMS 1 -- APPROVE ITEMS 1, 2, 3 AND 4, PER CHANGES AND CORRECTION. APPROVING ITEM 5, 6, 7, 89, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 WILL BE OUR BOARD AND COMMISSION APPOINTMENTS THAT I WILL READ INTO THE RECORD. WE HAVE QUITE A FEW THIS WEEK. TO OUR CONSTRUCTION ADVISORY COMMITTEE, MARTIN PRISTENT IS COUNCILMEMBER KIM'S APPOINTMENT, TO OUR ELECTRIC UTILITY COMMISSION, STEPHEN SMAHA IS COUNCILMEMBER COLE'S APPOINTMENT. TO OUR RESIDENTIAL DESIGN AND COMPATIBILITY COMMISSION, KATRINA DANIEL IS COUNCILMEMBER MARTINEZ APPOINTMENT. DAMON WAITS IS MY APPOINTMENT. AND FINALLY THE NEW MEMBERS OF OUR NEW WATER CREEK CITIZEN ADVISORY COMMITTEE THAT WAS INTRODUCED BY COUNCILMEMBER COLE A FEW MINUTES AGO, THOSE -- THESE WILL ALL BE CONSENSUS APPOINTMENTS, AND I'LL READ THE NAME AND WHO THEY WERE RECOMMENDED BY OR CERTAINLY THE POSITION THEY ARE SERVING AS. TRACY ADD KINS, LONG TIME AUSTIN ALLIANCE. JOSH ALLEN, PECAN STREET OWNERS. ABE ANDERSEN, ENVIRONMENTAL BOARD. SAM ARCHER, ROWING CLUB. JEB BOYT, PARKS AND RECREATION BOARD. GEORGE COFFER, OPENING SEAT. DAVE FOSTER, CLEAN WATER ACTION. BILL EICKERD, AN OPEN SEAT. SANDRA KIRK, PLANNING COMMISSION. DONATO RODRIGUEZ, THE MEXICAN-AMERICAN CULTURAL CENTER. ANN SHORDO, HOTEL AND LODGING ASSOCIATION. TED SIFF, DOWNTOWN AUSTIN NEIGHBOR ASSOCIATION. BILL SPELLMAN, LIVEABLE CITY, AND DIANA ZUNIGA, OPEN SEAT.

THOSE ARE THE MEMBERS OF OUR NEW WALLER CREEK CITIZEN ADVISORY COMMITTEE AND THAT COMPLETES THE BOARD AND COMMISSION APPOINTMENTS ITEM NUMBER 28 ON THE CONSENT AGENDA. SO CONTINUING NOW WITH THE APPROVED -- PROPOSED APPROVED ITEMS. ITEMS NUMBER 29, 30, PER CHANGES AND CORRECTION -- I'M SORRY, ITEM NUMBER 29 IS NOT ON THE CONSENT AGENDA, THANK YOU. SO ITEM NUMBER 28, THE BOARD AND COMMISSION APPOINTMENTS WILL BE PART OF THE CONSENT AGENDA, AS WILL ITEM 30. WITH CHANGES AND CORRECTION. 31, PER CHANGES AND CORRECTION. 32 PER CHANGES AND CORRECTION. ALSO APPROVING ITEMS 33, 34, 35, 36, 37, 38, 39, AND AGENDA ITEM 69, PER CHANGES AND CORRECTION, AND AGAIN NOTING EARLIER AS PART OF THE CHANGES AND CORRECTIONS, ITEM 70 HAS BEEN WITHDRAWN. THAT IS OUR PROPOSED CONSENT AGENDA, COUNCIL. LY ENTERTAIN A MOTION. MOTION MAID BY MAYOR PRO TEM, SECONDED BY COUNCILMEMBER MARTINEZ TO APPROVE THE CONSENT AGENDA AS READ. COMMENTS OR QUESTIONS? COUNCILMEMBER COLE?

YES, MAYOR, I HAD A QUESTION ABOUT ITEM NUMBER 20, WHICH INVOLVE AS SUPPLY CONTRACT FROM THE AUSTIN WHITE LAWN COMPANY. AND I BELIEVE WE HAVE SOMEONE FROM STAFF HERE TO ANSWER THAT. I'M NOT SURE HOW THAT PROCESS WORK, BUT I WANT TO MAKE SURE THEY'RE NOT USING OLD TIRES TO DO THAT. CAN YOU ANSWER THAT QUESTION?

BYRON JOHNSON, PURCHASING OFFICER, YES, WE DID CONTACT THE COMPANY AND VERIFIED THEY DO NOT USE ANY RUBBER MATERIALS OR ANYTHING IN THE MAKING OF THIS MATERIAL OR IN THEIR KILNS.

OKAY, I JUST WANTED TO MAKE SURE, BECAUSE A LOT OF TIMES WE APPROVE THESE CONTRACTS, WE DON'T KNOW THE DETAILS OF THEM, WE ARE TRYING TO BE AN ENVIRONMENTALLY SENSITIVE CITY. THANK YOU.

Mayor Wynn: OTHER COMMENTS ON THE CONSENT AGENDA OR QUESTIONS? COUNCILMEMBER MARTINEZ?

MARTINEZ: . MAYOR, ONE OF THE ITEMS ON HERE, NOT SURE

WHERE IT IS, ITEM NUMBER 9, IT'S -- IT'S EXPENDITURE FOR PARTS AND REC AND BASICALLY FOR THE JIMMY CLAY, ROY KAISER GOLF COURSE, I JUST WANTED TO THANK THE DIRECTOR FOR HIS TIMELINESS, BECAUSE HE AND CHIEF ADAME HELD A GOLF CHARITY TOURNAMENT OUT THERE AND WE'RE GOING TO NEED SOME EXCESS BECAUSE OF THE WAY THEY PLAYED. I WANT TO THANK FOR INVITING US ALL OUT, RAISING MONEY FOR COMBINED CHARITIES.

Mayor Wynn: THANK YOU. COUNCILMEMBER KIM?

KIM: I HAVE AN EYE TIM HERE CO RESPONDERRED CREATING A MODEL OF AUSTIN, AND DIRECTING SOME MANAGERS TO CREATE A PLAN TO DO THAT FOR WHEN WE HAVE DONATED FOR A NEIGHBORHOOD PLAN, BE ABLE TO SEE ACTUALLY WHAT THE DEVELOPMENTS WILL LOOK LIKE ON THE 3 D PERSPECTIVE. THIS IS SOMETHING OTHER COMMUNITIES HAVE, DALLAS HAS IT, OTHER COMMUNITIES HAVE IT. AUSTIN IS NOT ONE OF THE CITIES THAT HAS THAT YET, SO I'M DIRECTING THE CITY MANAGER TO COME UP WITH A PLAN TO FUND IT, TO PHASE IT IN OVER TIME SO PEOPLE CAN REALLY SEE WHAT THEIR HOME WILL LOOK LIKE IN THE FUTURE IN CONTEXT WITH THE DEVELOPMENTS THAT WE'RE FACING EVERY DAY, SO I APPRECIATE THE EFFORT OF THE STAFF WORKING ON THIS AND I LOOK FORWARD TO SEEING IT PRODUCED FOR ALL OF US. THANK YOU.

Mayor Wynn: THANK YOU, COUNCILMEMBER. MAYOR PRO TEM?

Dunkerly: I WOULD LIKE TO TAKE THIS TIME TO THANK THE LIBRARY STAFF, LIBRARY FOUNDATION AND ALL OF THE OTHER SUPPORTERS FOR COMING UP WITH AN INNOVATIVE IDEA ON FUTURE FUNDING OF OPERATIONS FOR THE NEW LARGE, GRAND LIBRARY THAT WE'RE GOING TO HAVE IN A FEW YEARS, SO WE REALLY APPRECIATE IT. WE JUST WISH ALL OF OUR OTHER FOUNDATIONS COULD -- COULD DO THE SAME. IT WOULD HELP US IN OUR UPCOMING BUDGET IN FUTURE YEARS, WE THANK YOU FOR BEING CREATIVE AND BE WILLING TO PUT YOUR MONEY WITH YOUR MOUTH IS, SO THANK YOU VERY MUCH. [APPLAUSE]

Mayor Wynn: AGREED. THANK YOU. FURTHER COMMENTS ON

THE CONSENT AGENDA OR QUESTIONS? COUNCILMEMBER MARTINEZ.

MARTINEZ: I'M SORRY, MAYOR. I JUST GOT AN E-MAIL, ON ITEM TEN, I CAN'T -- I'M GETTING CONFLICTING INFORMATION, CHIEF MCDONALD, IF HE'S HERE, THERE'S -- WITHIN THIS APPROVAL THERE WAS POTENTIAL FOR A PURCHASE OF A CAMERA TO SCAN LICENSE PLATES. I JUST GOT INFORMATION THAT SAID NOW IT'S BACK IN THERE. AND I WAS TOLD EARLIER THAT IT WAS REMOVED. THE CONCERN IS THIS IS A DEVICE THAT SCANS LICENSE PLATES, TAKES PICKS AND RUNS IT THROUGH A DATABASE TO DETERMINE WHETHER OR NOT THERE'S A STOLEN VEHICLE TRAVELLING THE STREETS, BUT IT WAS MY UNDERSTANDING THAT IT'S COST PROHIBITIVE TO DO THIS AND NOW I'M BEING TOLD IT MIGHT BE IN THERE? SORRY, CHIEF.

Mayor Wynn: WELCOME CHIEF MCDONALD, ITEM NUMBER 10 IS APPROVING RESOLUTION OFF RISING THE APPLICATION FOR RENEWABLE FUNDING FROM TXDOT REGARDING THE TEXAS AUTOMOBILE THEFT PREVENTION AUTHORITY IN THE AMOUNT OF ALMOST HALF A MILLION DOLLARS, WELCOME, CHIEF McDONALD.

GOOD MORNING, MAYOR AND COUNCIL. COUNCILMEMBER, WHAT I UNDERSTAND THE ITEMS THAT YOU'RE TALKING ABOUT, IT HAS BEEN REMOVED.

OKAY. THANK YOU, I JUST RECEIVED AN E-MAIL SAYING IT MAY NOT HAVE BEEN BUT I WANTED TO MAKE SURE, BECAUSE THERE'S SOME CONCERNS ABOUT -- OBVIOUSLY THE CONCERNS COME UP AT THE DEVICE, WHAT ARE WE TAKING PICTURES OF, WHAT PRIVACY ISSUES SO I HAD SOME FOLLOW-UPS IF WE'RE GOING TO PURCHASE THAT, IF WE'RE GOING TO NEED TO APPLY FOR THE GRANT.

THANK YOU.

THANK YOU.

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THANK YOU, CHIEF.

YOU KNOW, FURTHER QUESTIONS OR COMMENTS ON THE CONSENT AGENDA? WE HAVE A MOTION ON THE TABLE TO -- MOTION AND A SECOND ON THE TABLE TO PROVE IT AS READ AND IT WILL BE ALL ITEMS WITH THE EXCEPTION OF ITEM 29 WHICH WE'LL TAKE UP -- OUR INSTINCT IS WE'LL TAKE UP ITEM NUMBER 29, OUR WATER CONSERVATION TASK FORCE RECOMMENDATIONS LIKELY JUST AFTER OUR CITIZEN COMMUNICATION INDOOR LUNCH BREAK BECAUSE AS SOON AS WE HAVE OUR CONSENT AGENDA APPROVED HERE, WE'LL GO INTO OUR FIVE YEAR FINANCIAL FORECAST THAT THAT COULD EASILY TAKE US TO THE NOON HOUR. SO AGAIN, MOTION AND SECOND ON THE TABLE TO APPROVE THE CONSENT AGENDA AS READ. FURTHER COMMENTS? HEARING NONE ALL THOSE IN FAVOR PLEASE SAY AYE. AYE, OPPOSED, MOTION PASSES ON A VOTE OF 7-0. THANK YOU VERY MUCH. [APPLAUSE] COUNCIL, JUST A QUICK NOTE, I APOLOGIZE, I HAD TO STEP OFF THE DAIS TO RUN OVER TO THE ELEMENT FOR A FEW MINUTES, I WILL TURN THE DAIS OVER TO CAPABLE HANDS OF MAYOR PRO TEM BETTY DUNKERLY, PARTICULARLY AS WE TAKE UP THE FIVE YEAR FINANCIAL FORECAST.

Dunkerly: I WILL CALL YOU CHICKEN, BUT I WON'T. THANK YOU VERY MUCH, MAYOR. STAFF WILL MOVE FORWARD. WE WILL GET STARTED. WE'LL GIVE EVERYBODY JUST A SECOND TO GET ORGANIZED. MAYBE CLEAR THE CHAMBERS. OKAY. AT THIS TIME I WOULD LIKE TO CALL ON OUR CITY MANAGER TO PRESENT OUR FIVE YEAR FORECAST AND IF ALL OF YOU WOULD SORT OF CLEAR THE BACK OF THE BUILDING? ALL RIGHT. OKAY. WELL, EVERYBODY IS POINTING. DID YOU WANT TO GET STARTED WITH JOHN FIRST AS PART OF THIS? ALREADY, I THINK AS WE BEGIN ON OUR FIVE YEAR FORECAST, AS YOU REMEMBER, LET ME REPEAT BEFORE WE START THAT THE FORECAST DOCUMENT IS NOT A BUDGET, THE FORECAST DOCUMENT IS THE BEGINNING TO HAVE BUDGET PROCESS, AND A LARGE PART OF THE FORECAST IS ABOUT TAKING A LOOK AT THE ECONOMIC FORECAST OF BOTH THE NATION AND THE COMMUNITY AND THE STATE, AND SO WE'RE GOING TO KICK OFF WITH JOHN WHO IS GOING TO GIVE US A BROAD OVERVIEW OF

ECONOMIC FORECAST FOR THE LARGER PICTURE. SO JOHN?

50,000 FEET AND ON DOWN.

50,000 FEET.

ALL RIGHT. MAYOR PRO TEM, MEMBERS OF COUNCIL, NOT TO SEE YOU ALL AGAIN, THANKS AGAIN FOR INDULGING ME AS I TALK ABOUT BIG PICTURE STUFF HERE. AS THE CITY MANAGER SAID WE DO START TALKING ABOUT ALL OF THIS AS A CONTEXT BECAUSE IT DOES OBVIOUSLY HAVE AN INFLUENCE ON THE CITY'S FINANCIAL PLANNING PROCESS, AND THEN AGAIN WE DO TEND TO START AT 50,000 FEET, WE DO TEND TO START WITH WHAT IS GOING ON OUT THERE IN THE BIG BROAD WORLD, NATIONALLY HERE IN THE UNITED STATES, SOME DEGREE AS WELL, AND THEN TALK ABOUT HOW IT TRANSFERS DOWN TO AUSTIN AND WHY EXTENSION -- WHAT THE OUTLOOK FOR AUSTIN IS, TO SOME DEGREE SOME THINGS I THINK ARE INTERESTING FACTORS TO WATCH, AS PART OF TALKING ABOUT CONTEXT, WHAT I'VE DONE THIS YEAR IS TRY TO TALK ABOUT A COUPLE OF DIFFERENT THINGS GOING ON THAT I WANT TO HIGHLIGHT FOR YOU. I THINK IT'S INTERESTING. WE TALK ABOUT GENERAL TRENDS, IT'S INTERESTING TO PICK UP ONE OR TWO THINGS THAT YOU CAN PUT A LITTLE FOCUS ON. I PROMISE AGAIN NO EQUATIONS, NEVER ANY EQUATIONS, BUT CHARTS AND GRAPHS HOPEFULLY ILLUSTRATE PART OF WHAT WE'RE TALKING ABOUT. NEWS ON THE NATIONAL ECONOMY IS ACTUALLY PRETTY GOOD, ECONOMISTS ACROSS THE COUNTRY ARE NERVOUS, WE'RE ALWAYS A LITTLE NERVOUS BECAUSE SOME LEVEL WE'RE GLORIFIED WITCH DOCTORS, WE PUT POINTY HATS ON AND TRY TO PROJECT THE BEHAVIOR OF HUNDREDS OF MILLIONS OF PEOPLE, WHEN YOU THINK ABOUT IT IS EGO MAN.... MANIACAL IF YOU THINK ABOUT IT. I WILL SHOW YOU SOME PICTURES WHY IN GENERAL RIGHT NOW THE UP SIDE HAS TO DO WITH THE BUSINESS SECTOR OF THE ECONOMY, THIS INVESTMENT REMAINS PRETTY GOOD, YOU'VE SEEN RECENT EARNINGS REPORTS THAT ARE PRETTY SOLID, OVERALL OUR CORPORATE SECTOR IS REALLY IN PRETTY GOOD SHAPE, PRETTY BALANCED RIGHT NOW, INFLATION RIGHT NOW IS STILL RELATIVELY TAME, GIVEN ALL OF THAT, JOB GROWTH IS OKAY. IT'S NOT AS STRONG NATIONWIDE AS

WOULD MIGHT HAVE BEEN EXPECTED IN A MORE TRADITIONAL ECONOMIC CYCLE, BUT SOME OF THAT HAS TO DO WITH SOME STRUCTURAL CHANGE, ET CETERA, ET CETERA, ALL IN ALL, BUSINESS SIDE LOOKS PRETTY GOOD. WHAT IS THE DOWN SIDE, THE PROVERBIAL...IAL ECONOMIST, ON THE OTHER HAND. INCOME GROWTH HAS ALSO BEEN A LITTLE BIT SLOW, THEN OF COURSE THE BIG FACTOR THAT CONCERNS A NUMBER OF PEOPLE PARTICULARLY IF YOU LIVE CLOSE TO AN OCEAN IS HOUSING, PARTICULARLY ON THE EAST AND WEST COAST HAS BEEN IN SOMETHING OF A DOWNTURN RECENTLY, ONE OF THE THINGS THAT I TEND TO PAY A LITTLE BIT OF ATTENTION TO, IS WHAT DOES THE FEDERAL RESERVE BANK THINK. FEDERAL RESERVE BANK IS IN GENERAL BIASSED TOWARD TIGHTENING MONETARY POLICY WHICH MEANS RAISING INTEREST RATES, IF THEY HAD TO LEAN ONE WAY OR THE OTHER THAT IS THE GENERAL DIRECTION THEY'RE LEANING, ALL OF THAT, YOU'RE GOING TO SEE ECONOMIC GROWTH ACROSS THE COUNTRY, BUT IT'S GOING TO BE SCLOAER THAN IT HAS TO CLOSE TO THE 2 AND A HALF TO 3% RANGE. SOME PICTURES THAT ILLUSTRATE THAT, THAT IS GDP, THAT IS THE BROAD MEASURE OF THE NATIONAL ECONOMY, THAT 2001 NUMBER HAS NOW BEEN REVISED UP AND DOWN, I BELIEVE AT LEAST FIVE TIMES, WE WERE IN A RECESSION, WE WERE NOT, WE WERE, WE WERE NOT, ONLY ECONOMISTS ARE CONCERNED WITH DEFINING THE PAST AS TO WHETHER IT WAS GOOD OR BAD BASED ON THE NUMBER ON AN ONGOING BASIS, YOU CAN SEE REALLY THE LAST THREE OR FOUR YEARS GROWTH HAS BEEN PRETTY GOOD, 2006 IS NO EXCEPTION, OUR OVERALL FORECAST IS CONTINUED POSITIVE BUT AT A SLOWER PACE NATIONALLY, A LITTLE MORE CONSISTENT WITH WHAT WE SAW BACK IN 2003, SOME SPECIFIC FACTORS, CORPORATE PROFITS, SIGNIFICANT, AND THAT IS OF COURSE THROUGH THE END OF 2006, YOU'VE SEEN RECENT EARNING ANNOUNCEMENTS IN THE NEWSPAPER THAT SUGGEST WE MAY NOT BE GETTING 22% GROWTH WHEN THIS NUMBER IS ULTIMATELY RELEASED BUT WE'RE CLEARLY GOING TO CONTINUE TO HAVE POSITIVE NEWS ON THE CORPORATE PROFIT SIDE, AT SOME LEVEL CORPORATIONS HAVE GOTTEN INCREDIBLY GOOD AT BEING LEAN, MEAN EFFICIENT, AND THAT OBVIOUSLY HAS HELPED WITH THE BOTTOM LINE.

PERSONAL CONSUMPTION, THAT IS ESSENTIALLY ALL THE SPENDING WE DO WITH INDIVIDUALS ALL THE WAY ACROSS THE COUNTRY, COVERS EVERYTHING WHETHER YOU GO TO THE DRY CLEANER, WHETHER YOU GO TO THE RESTAURANT, WHETHER YOU GO BUY A TOASTER OVEN, WHATEVER IT MIGHT BE, IT'S A LITTLE SLOWER THAN IT WAS IN THE BACK PART OF THE LAST CENTURY HERE, AND THIS IS THE ONE, RESIDENTIAL INVESTMENT, THE NEGATIVE NUMBER NATIONWIDE FOR 2006, THAT NUMBER IS NOT GOING TO GET ANY BETTER ACROSS THE COUNTRY ANY TIME SOON AND YOU CAN SEE WHAT A POSITIVE EFFECT IT HAD REALLY COMING OUT OF THE SLOW DOWN IN THE WAKE OF 9-11 AND HOW THAT POSITIVE NUMBER HAS TURNED NEGATIVE. HOUSING ALONE ACROSS THE COUNTRY IS ENOUGH TO PROBABLY KNOCK HALF A PERCENT DAMAGE POINT OFF OVERALL NATIONAL GROWTH FOR 2007. A COUPLE OF THINGS THAT I WANTED TO HIGHLIGHT A LITTLE BIT. I SAID THAT OVERALL INFLATION WAS IN PRETTY GOOD SHAPE, BUT OF COURSE ONE OF THE THINGS THAT WE'RE CONCERNED WITH IS COMMUNITY OR CONSTRUCTION COSTS BECAUSE THERE'S A LOT OF BUILDING ACTIVITY GOING ON, AND AT SOME LEVEL THE PRICE OF LUMBER IS THE PRICE OF LUMBER WHETHER YOU'RE IN AUSTIN OR ALBANY OR ALBUQUERQUE OR WHEREVER, THAT IS AN INDEX PRODUCED BY THE BUREAU OF LABOR STATISTICS ON PRODUCER PRICES SPECIFICALLY FOR CONSTRUCTION COSTS AND YOU CAN SEE WHAT A RAPID JUMP THERE'S BEEN IN THE LAST THREE YEARS ON THAT, SOME OF THAT REFLECTS THE BUILDING BOOM ACROSS THE COUNTRY WHICH LOGICALLY IS GOING TO SLOW DOWN, SOME OF THAT REFLECTS THE RISE IN ENERGY PRICES, I DO NOT EXPECT THAT NUMBER TO ACTUALLY DECLINE IN 2007. IT WILL NOT GROW AS RAPIDLY AS IT HAD. INDICATIONS OUT THERE RIGHT NOW THAT FOR EXAMPLE, LUMBER HAS SLACKED OFF QUITE A BIT, AS NOBODY IS BUILDING ANYTHING NEW ON THE EAST OR WEST COAST, BUT ONE OF THE REASONS WHY PRICES HAVE BEEN SO HIGH FOR BUILDING THINGS, THE COST OF BUILDING MATERIALS HAS RISEN SO SHARPLY IN THE LAST COUPLE OF YEARS. AND THEN THIS ONE IS ALSO KIND OF INTERESTING. ANYONE WHO RUNS ANY KIND OF AN ENTERPRISE IS CONCERNED WITH HEALTH CARE COSTS AND SPECIFICALLY IN THIS CASE PREMIUMS FOR HEALTH

CARE, I HAVE PUT TOGETHER JUST A LITTLE DATA THERE SHOWING THE GROWTH IN HEALTH INSURANCE PREMIUMS VERSUS SORT OF OTHER BROAD MEASURES OF PRICES, ONE IS OVERALL INFLATION, THAT IS THE ORANGE BAR, AND THEN THE GRAY BAR IS ACTUALLY PEOPLE'S EARNINGS, AND SO I GUESS THE GOOD NEWS IS THE RAPID ACCELERATION IN HEALTH INSURANCE COST IS SLOWING DOWN, BUT YOU CAN SEE THERE FOR THE LAST SIX YEARS, AND THIS IS NOT PARTICULARLY NEW INFORMATION, JUST INTERESTING TO SORT OF SEE THE NUMBERS HOW -- HOW MUCH OF AN INCREASE WE'VE REALLY SEEN IN HEALTH CARE INSURANCE COVERAGE. I WOULD SAY THAT WHEN I TALK TO BUSINESSES, AND PARTICULARLY SMALLER BUSINESSES, WHEN THEY THINK ABOUT MANAGING THEIR COMPANY, OTHER THAN OF COURSE HOW AM I GOING TO FIND GOOD PEOPLE, HEALTH INSURANCE REMAINS AT THE TOP OF THE LIST OF CONCERNS, PEOPLE ARE AFRAID OF THE INPREDICTABILITY OF RISING COSTS. I THINK THIS CHART SORT OF ILLUSTRATES PEOPLE'S LIFE EXPERIENCE FOR THE LAST THREE OR FOUR YEARS, AGAIN, A COUPLE OF THINGS TO KIND OF CALL OUT RELATED TO COST DRIVERS THAT I KNOW ARE AN ISSUE HERE OBVIOUSLY FOR THE CITY. SO WHAT IS THE STORY LOCALLY? THIS IS OBVIOUSLY WHAT WE'RE MOSTLY CONCERNED WITH. WELL, YOU KNOW, I'M GETTING TO BE A LITTLE BIT OF A BROKEN RECORD BECAUSE I DON'T THINK I WALKED IN THE DOOR IN A COUPLE OF YEARS WITH BAD NEWS, ALL OF THE AGGREGATE INDICATORS OF OUR ECONOMY ARE STILL PRETTY POSITIVE. WE'RE GETTING VERY STRONG JOB GROWTH, TRACKED NICELY ALONG, RETAIL SALES HAVE BEEN PRETTY GOOD, IT'S NO SURPRISE TO ANYBODY THAT BUILDING ACTIVITY HAS BEEN STRONG, WE ARE REALLY, I THINK, BASED ON JUST ON MY OBSERVATION WRESTLING AS MUCH WITH HOW DO WE MANAGE ECONOMIC GROWTH WITH HOW DO WE STIMULATE IT. NONE OF THAT SUGGESTS WE NEED TO SORT OF PUT THE STOP SIGN UP IN FRONT OF PEOPLE, BUT IT DOES SAY THAT THE FOCUS FOR MANY, MANY FOLKS IS HOW DO WE HANDLE ALL THE GOOD THINGS THAT HAVE COME TO US, GEE, WOULDN'T IT BE NICE IF SOMEBODY WOULD PAY SOME ATTENTION TO AUSTIN IN PARTICULAR, I WILL SHOW YOU AN INTERESTING THOUGHT ON THIS, WE ARE CONTINUING TO GET RECORD LEVELS OF MIGRATION IN

OUR COMMUNITY AND AS A RESULT EXTRAORDINARY POPULATION GROWTH HERE, AND REALLY MOST COMPANIES IN AUSTIN HAVE THE GOOD FORTUNATE TO HAVE PARTICIPATED PRETTY SOUNDLY IN ECONOMIC RECOVERY THAT HAS OCCURRED OVER THE LAST SEVERAL YEARS, SO IT REALLY DOES FEEL SOMEWHAT LIKE SEVERAL RECENT BOONES AT LEAST IN SOME SORT OF SIGNIFICANT WAY, I THINK BUBBLISH IS PROBABLY NOT IN WEBSTER'S DICTIONARY, BUT I THINK YOU KNOW WHAT I MEAN WHEN I SAY THAT, I DO SEE SOME SIGNS OF POTENTIALLY A LITTLE BIT OF A BUBBLE IN SOME AREAS. I WONDER IF WE REALLY ARE GOING TO HAVE ENOUGH PEOPLE MOVE TO TOWN THAT CAN AFFORD HALF A MILLION DOLLARS CONDOS GO FORWARD, THAT IS SOMETHING I WONDER ABOUT. I WOULD BE HAPPY TO BE PROVEN WRONG, BUT I WONDER ABOUT IT. HAVING SAID THAT THE FUNDAMENTALS REMAIN VERY, VERY STRONG. I'LL SHOW YOU SOME PICTURES TO SORT OF SUPPORT THAT. TOTAL POPULATION GROWTH IN THE METRO ER, ACTUALLY RECENTLY RELEASE BY THE CENSUS BUREAU FOR 2006, THE NUMBERS THEY USE ACTUALLY GO FROM JULY TO JULY, 4% POPULATION GROWTH IS AN EXTRAORDINARILY RAPID GROWTH RATE IN POPULATION, YOU CAN SEE IT REALLY TRACKS PRETTY CLOSELY WITH WHAT WE EXPERIENCED AT THE BACK END OF THE 1990s. IT IS INTERESTING TO ME THAT EVEN IN THE TIME WHEN THINGS WERE SLOW, THE POPULATION HERE WAS STILL GROWING AT GREATER THAN 2% ACROSS THE METRO AREA, WHICH OBVIOUSLY IS MUCH BIGGER THAN TRAVIS COUNTY, BUT THAT IS EXTRAORDINARY POPULATION GROWTH. ONE OF THE THINGS DRIVING IT, IT'S INTERESTING TO ME, IS THIS AMAZING LEVEL OF DOMESTIC IMMIGRATION, WHAT IS DRIVING POPULATION GROWTH? SOME OF IT IS OBVIOUSLY BIRTHS AND DEATHS FROM THE EXISTING LOCAL POPULATION AND THEN THEY TRACK WHERE ARE MIGRANTS COMING FROM. FIRST OF ALL, THE AGGREGATE LEVEL OF MIGRANTS, ARE THEY COMING FROM WITHIN THE UNITED STATES, OR ARE THEY COMING FROM UNITED STATES THE UNITED STATES.

-- OUTSIDE THE OUTSIDE. WHAT THAT TELLS US IS 11% OF THE CURRENT POPULATION IN THE AUSTIN METRO AREA HAS MOVED TO AUSTIN CENTER FROM SOMEWHERE ELSE IN

THE UNITED STATES, MORE THAN ONE OUT OF TEN OF US WASN'T HERE IN 2000, CAME HERE, AND CAME FROM SOMEWHERE ELSE IN THE U.S., BY CONTRAST, LOOK AT WHAT IS HAPPENING IN THE CALIFORNIA MARKETS OUT THERE ON THE END, SAN DIEGO, SAN JOSE. SAN DIEGO AND SAN JOSE ARE ACTUALLY STILL EXPERIENCING POSITIVE OVERALL NET MIGRATION, BUT IT'S ALL BEING DRIVEN BY INTERNATIONAL FOLKS. PEOPLE, U.S. CITIZENS ARE LEAVING CALIFORNIA IN DROVES. WE KNOW THIS. WE SEE IT EVERY DAY HERE IN AUSTIN, BUT IT'S INTERESTING TO LOOK AT THE NUMBERS AND SORT OF SAY, OKAY, WHAT DOES THIS TELL US ABOUT WHERE WE ARE AND WHERE WE ARE GOING FORWARD? WHAT IT TELLS US IS THAT FOR PEOPLE IN THE UNITED STATES, WE'RE A HOT MARKET, THE ONLY MARKET THAT I COULD FIND THAT IS REALLY COMPARABLE TO US, YOU KNOW, GIVEN OUR SIZE AND SCOPE WAS CHARLOTTE, NORTH CAROLINA. I FIND THAT INTERESTING. SO HERE IS TOTAL JOB GROWTH IN THE METRO AREA, FINISH, YOU CAN SEE IT. IT ATTRACTS THE GENERAL TRENDS WE SAW FOR POPULATION, OBVIOUSLY WE HAD A COUPLE OF YEARS THERE OF NEGATIVE NUMBERS, IT'S INTERESTING THAT WE HAD JOB GROWTH IN 2006 ACCORDING TO THE WORKFORCE COMMISSION THAT MATCHED THE RATE OF POPULATION GROWTH. THAT IS INTERESTING. THAT MEANS OUR UNEMPLOYMENT RATE HAS DIPPED SIGNIFICANTLY, WHICH IT HAS, AND IT AMOEBAS THAT ALL LOCAL ECONOMISTS CREATING JOBS, 4% JOB GROWTH IN THE MODERN ECONOMY IS A BOONE BY ANY STRETCH OF THE IMAGINATION, NO QUESTION ABOUT IT. HERE IS A NUMBER OF DIFFERENT CHARTS SORT OF FOCUSING ON THE HOUSING MARKETS. NUMBER OF HOMES SALES, RECORD LEVEL, MEDIAN PRICE, I DIDN'T PUT THE AVERAGE PRICE UP, BECAUSE IT'S SKEWED UP SO MUCH BY THE HIGHER END SALES THAT WE'VE SEEN HERE IN THE LAST COUPLE OF THREE YEARS, OBVIOUSLY THAT'S WHAT I THINK. TWO THINGS HERE THAT I THINK ARE IMPORTANT, ON THE SINGLE FAMILY PERMANENT SIDE, IT ACTUALLY LEVELED OFF FROM 2005 TO 2006, I EXPECT THAT NUMBER TO GO DOWN IN 2007. I THINK BUILDERS IN AUSTIN ARE SAYING WE'VE HAD AN INCREDIBLY GOOD THING FOR AN INCREDIBLY LONG PERIOD OF TIME. WE'RE GOING TO RELAX A LITTLE BIT, WE ARE NOT GOING TO PUSH QUITE AS HARD AS WE HAVE THE LAST

COUPLE OF YEARS, THE FIRST COUPLE OF MONTHS OF DATA ON THAT INDICATE THAT 2007 WILL BE SLOWER THAN 2007 WHEN IT COMES TO SINGLE FAMILY BUILDING PERMITS, BUT IF I HAD TO TRACK ONLY ONE NUMBER ON THE HOUSING MARKET IN AUSTIN, I WOULD LOOK AT THE CHART IN THE THE UPPER RIGHT HAND CORNER THERE, THAT IS MONTHS OF HOUSING INVENTORY, THAT IS REALLY A MEASURE OF HOW WELL A SUPPLY ATTRACTING DEMAND, 2006, THE CURRENT NUMBERLY ACTUALLY IS CLOSER TO 3, YOU TALK TO THE GUYS AT TEXAS A&M REAL ESTATE CENTER WHO PUT THIS DATA TOGETHER, THEY TELL YOU A BALANCED MARKET IS 6 AND A HALF PERCENT -- 6.5 MONTHS, EXCUSE ME, SO THERE IS NO SIGN THAT WE ARE OVERBUILT IN ANYWAY, SHAPE OR FORM ACROSS THE URBAN AREA R. WE GOING TO SEE SOME SLUGGISH PRICES IN SOME NEIGHBORHOODS? UNDOUBT LID, NO QUESTION ABOUT IT. BUT ACROSS THE WHOLE METROPOLITAN AREA, HOUSING MARKET IS IN PRETTY GOOD BALANCE, TO THE EXTENT SINGLE FAMILY PERMITS SLOW DOWN A LITTLE BIT, I THINK THAT BALANCE WILL STAY IN PLACE. PUT THIS IN ON VENTURE FUNDING BECAUSE THERE'S A STORY IN THE NEWSPAPER RECENTLY, KIND OF CAUGHT MY EYE ABOUT OH, GOSH, THE NUMBERS DECLINED AND WE'RE IN DEEP TROUBLE, I RESPECTFULLY DISAGREE WITH THAT. I THINK IT'S IMPORTANT TO SEE THIS SORT OF LONG PERIOD OF TIME HERE, TO RECOGNIZE THAT THE PERIOD OF 99, TO 2001 WAS AND AN NO, MA'AM MY, BY IN YOU -- ANOMALY, BY ANY STRETCH OF THE IMAGINATION, IF YOU TAKE THOSE OUT, THE NUMBERS LOOK LIKE STEADY IMPROVEMENT FROM 1998 TO 2006. HAVING SAID THAT, I DO THINK WE ARE IN A BIT OF A TRANSITION FOR VENTURE FUNDING IN AUSTIN. I THINK WE WILL HAVE SOME NEW INDUSTRIES ON THE RISE HERE IN THE NEXT THREE TO FIVE YEARS THAT I THINK WOULD BE VENTURE FUNDING WORTHY AND I THINK THERE MAY BE A PERIOD IN THERE WHERE THERE'S A LITTLE BIT OF A PAUSE AS THE VENTURE INDUSTRY TRIES TO FIGURE OUT BOTH NEW INDUSTRIES TO FOCUS ON AND TO SOME DEGREE NEW MODELS TO EVALUATE WHAT IS AND IS NOT A GOOD INVESTMENT. I MEAN ONE OF THE THINGS THAT IS A CHALLENGE FOR THE VENTURE GUYS RIGHT NOW, YOU'RE SEEING A TREMENDOUS AMOUNT OF ECONOMIC ACTIVITY AND SORT OF VALUE CREATION IN SECTORS OF THE

ECONOMY THAT DON'T HAVE MUCH IN THE WAY OF TANGIBLE ASSETS. THAT IS A TOUGHER EVALUATION PROCESS FOR A FINANCE GUY WHEN HE'S LIKE IT'S A COUPLE OF GUYS IN A ROOM AND ALL THEY HAVE IS A CHECKING ACCOUNT AND HOW DO I FIGURE OUT IF IT'S A REAL DEAL OR NOT. BUT I DO THINK IF THERE'S A SLOW DOWN, OF COURSE THE FIRST QUARTER SLOW DOWNS WERE A LITTLE SLOW, I THINK IT'S A TEMPORARY SLOW DOWN, I THINK THIS NUMBER WILL CONTINUE TO FOLLOW LONGER TERM TREND. SO WHAT IS OUR FORECAST? WELL, CLEARLY, THERE IS CONTINUED GROWTH IN THE NATIONAL ECONOMY, IT'S A LITTLE BIT SLOWER. WE TO HAVE ECONOMIC DEVELOPMENT SUCCESS IN AUSTIN, I KNOW THE CHAMBER HAS RECENTLY ANNOUNCED THEY'VE MET THEIR OPPORTUNITY AUSTIN GOAL, 72,000 NEW JOBS. NOT ALL OF THOSE JOBS HAVE ACTUALLY SHOWN UP YET, THEY HAVE BEEN ANNOUNCED. THEY HAVE NOT DONE ALL THE HIRING YET. SO THOSE WERE OBVIOUSLY GOING TO CONTRIBUTE TO THE DATA ACTUALLY IMPROVING SOME OVER THE NEXT 12 TO 28 18 MONTHS. WE ARE STARTING TO SEE DECENT WAGE GROWTH, CONSTRUCTION GROWTH OBVIOUSLY STILL GOING ON, I THINK THAT TO SOME DEGREE OFFSETS THE IMPACT OF RISING INTEREST RATES. I CAN'T PROJECT 4% JOB GROWTH, WHEN I SAY PROJECTING 4%, MY MOUTH JUST TWISTS, 3.3 IS WHAT I THINK MORE LIKE THE NUMBER THE COMING YEAR, THAT IS VERY SOLID GROWTH, I MAY VERY WELL BE BACK HERE NEXT YEAR SAYING WRONG AGAIN, IT WAS 4% AGAIN, I FIND THAT UNLIKELY. PERSONAL INCOME GROWTH WAS GOOD. POPULATION MOVED WELL PAST ONE AND A HALF MILLION MILLION PEOPLE. ONE OF THE THINGS I THINK IS INTERESTING, CLEARLY SEEING THE MOST RAPID JOB GROWTH IN SECTORS OF THE ECONOMY SOMEHOW RELATED TO SEGMENTS OF OUR ECONOMY, EVERY SINGLE SEGMENT OF OUR ECONOMY I THINK IS GOING TO HAVE EMPLOYMENT RISE BY 2% THIS YEAR. AND THAT SAYS THAT IT'S A FAIRLY BALANCED SITUATION, WHICH OBVIOUSLY I THINK IS A POSITIVE THING. AGAIN, THESE ARE THE NUMBERS ON THE AGGREGATE FORECAST. I WON'T BORE YOU WITH A LOT OF DETAILS ON THAT FOR THE NEXT FIVE YEARS OR SO, DETAIL EMPLOYMENT FORECAST AGAIN JUST IN FURTHER DELINEATION OF THE OVERALL NUMBERS PRETTY GOOD SHAPE. MEDIAN TERM, YOU KNOW, I THINK

THAT WE -- I STILL THINK THIS CONTINUES TO BE A PLACE THAT IS GOING TO EXPERIENCE GROWTH. I DO THINK THAT ONE OF THE INTERESTING THINGS DRIVING THIS RIGHT NOW REALLY ARE MIGRATION PATTERNS. IT WILL BE INTERESTING TO SEE IF PEOPLE ELSEWHERE IN THE UNITED STATES CHANGE THEIR MINDS ABOUT AUSTIN FOR ANY REASON. THAT WOULD OBVIOUSLY BEGIN TO CHANGE IN THE OVERALL NUMBER. ONE OF THE THINGS THAT I'M SORT OF PAYING ATTENTION TO IS THIS SORT OF GROWTH WITHIN OUR REGION. ONE OF THE THINGS THAT I THINK WE OUGHT TO KEEP OUR EYE ON IS OBVIOUSLY WE'RE IN THE PROCESS OF REINVENTING DOWNTOWN TO SOME DEGREE, WE'RE ALSO IN THE PROCESS OF DEVELOPING NEW TOWN CENTERS OUT IN SOME CASES, OUTSIDE OF TRAVIS COUNTY. SOME IN WILLIAMSON COUNTY, MAYBE DOWN IN HAYES, MAYBE OUT TO THE EAST. IT WILL BE INTERESTING, THEN, TO SEE WHAT THE APPLICATIONS OF THOSE -- IMPLICATIONS OF THOSE TWO THINGS ARE FOR THE AREA IN BETWEEN, FOR SOME OF THE TRADITIONAL SUBURBS, HOW THAT MAY AFFECT LAND USE PATTERNS, HOW THAT MAY AFFECT HOUSING PATTERNS, TRANSPORTATION, THAT IS SOMETHING I'M TRYING TO KEEP AN EYE ON TO SOME DEGREE. LONGER TERM ON THE JOB GROWTH, I JUST CAN'T IMAGINE IT WOULD BE BEYOND 3% FOR SUSTAINED PERIOD. 2.6% I THINK IS THE NUMBER. THAT IS VERY SOLID IN THE MODERN WORLD, AND AGAIN THE POPULATION AND INCOME GROWTH GOES WITH IT, AND I DO THINK THAT RELATIVELY SPEAKING OVER THE NEXT FIVE YEARS YOU WILL SEE SOME RESURGENCE, IF YOU WILL, IN WHAT I'M CALLING THE PRODUCTION SECTORS OF OUR LOCAL ECONOMY, SOME OF THAT IS OBVIOUSLY DUE TO ECONOMIC DEVELOPMENT OFFICE. SOME ARE NEW INDUSTRIES THAT I THINK YOU WILL SEE RISING UP HERE, I'M GOING TO TALK ABOUT IN A FEW SECONDS.

OUR CONCLUSION, THE DIFFERENCE BETWEEN THE HAVES AND HAVE (T) HAVE NOTES ARE GETTING BIGGER. WE ARE FORTUNATE TO BE A HAVE, THAT WILL CONTINUE TO BE THE CASE GOING FORWARD. BUT IT IS SOMETHING TO PAY PRETTY CLOSE ATTENTION TO. IT CONTINUES TO BE ALL FUNDAMENTAL STRENGTH AS A COMMUNITY AS WE ADD VALOREM ADD VALUE. ONE IS I THINK THE EFFORTS TO

PURSUE ACADEMIC MET SIN AND BIOTECH IS GOING TO PROVE TRUE. THAT IS THE MISSING PIECE BASED ON SOME WORK I'VE BEEN DOING FOR A REAL ACCELERATION IN OUR BIOTECHNOLOGY CLUSTER WHICH IS ENTIRELY CONSISTENT WITH WHAT WE'RE GOOD AT AS A COMMUNITY, I THINK THAT IS AN AREA THAT KEEPS SOME REAL SORT OF -- KEEP AS CLOSE EYE ON. WHEN I SAY CREATIVE PRODUCTION, ONE OF THE THINGS THAT CREATIVITY USED TO BE ABOUT HERE IN AUSTIN, WE WERE THE LIVE MUSIC CAPITAL OF THE WORLD, THAT HAS STARTED TO CHANGE. WHAT WE ARE DOING NOW MORE AND MORE IS CAPTURING THE EFFORTS OF OUR CREATIVE SECTOR IN INTELLECTUAL CAPITAL WHICH CAN BE SOLD ALL OVER THE WORLD TO A VARIETY OF BUSINESS MODELS, YOU'RE SEEING THAT OBVIOUSLY WITH THE GAMING INDUSTRY. I'VE TALKED SOME ABOUT THAT IN THE PAST. OUR FILM INDUSTRY IS DOING THAT, DIGITAL MEDIA IN GENERAL, THERE WILL BE MORE AND MORE OF THAT KIND OF THING, I MEAN IF YOU GET FILM PRODUCTION HERE, THAT CHANGES THE DYNAMIC A LITTLE BIT IN A WAY BEYOND WHAT WE CURRENTLY HAVE GOING ON RIGHT NOW. I THINK THAT IS GOING TO HAPPEN. I THINK THAT IS GOING TO HAPPEN FAIRLY SIGNIFICANTLY OVER THE NEXT THREE TO FIVE YEARS, AND THE LAST ONE IS THE TERM I MADE UP, EXPORTABLE SUSTAINABILITY. LET ME TELL YOU WHAT I MEAN, A TERM LOTS OF DIFFERENT PEOPLE USE, WHEN I USE IT HERE I'M TALKING ABOUT ECONOMIC ACTIVITY THAT FOCUSES ON USING RESOURCES AS EFFICIENTLY AS POSSIBLE WITH THE FEWEST POSSIBLE COLLATERAL EFFECTS. THERE'S LOTS OF OTHER ONES. WHAT I SEE IN AUSTIN IS WE'RE BECOMING A LABORATORY FOR A LOT OF GOOD IDEAS RELATED TO THIS GENERAL IDEA, CLEAN ENERGY IS AN OBVIOUS ONE, GREEN BUILDING IS AN OBVIOUS ONE, WHAT I THINK YOU'RE GOING TO SEE MORE AND MORE, I THINK YOU'RE GOING TO SEE PEOPLE HERE WHO BECOME EXPERTS IN THIS AS CONSULTANTS OR INDUSTRY PRACTITIONERS AND I THINK THAT EXPERTISE CAN BE EXPORTED, CAN BE TAKEN TO OTHER MARKETS AND IN FACT CREATE A PROFESSIONAL SERVICES AND SORT OF KNOWLEDGE BASE HERE THAT WILL BRING ECONOMIC ACTIVITY BACK TO AUSTIN, SO I MADE THAT UP, BUT I THOUGHT IT WAS FINE, I THINK IT REALLY DOES REFLECT KIND OF AN UNDERLYING TREND. FUNDAMENTALLY IT'S STILL

ALL ABOUT CAPABLE PEOPLE. THAT IS REALLY WHAT IT BOILS DOWN TO, AS MUCH FOR THIS ECONOMY AS ANY ECONOMY REALLY IN THE UNITED STATES, OBVIOUSLY THE ONLY THING I SAY AS AN COMMITMENT, BECAUSE THIS IS WHAT I CARE ABOUT, KEEP THAT IN MIND AS YOU THINK ABOUT ALL THE OTHER THINGS THAT THE CITY OF AUSTIN HAS TO WORRY ABOUT. THANKS.

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Dunkerly: AND I THINK, COUNCIL, IT MIGHT BE A GOOD TIME TO JUST PAUSE RIGHT HERE, BEFORE WE HEAD INTO HOW WE TRANSLATE THAT INTO OUR FINANCIAL FORECAST AND SEE IF YOU HAVE SOME QUESTIONS THAT YOU MIGHT WANT TO ASK JOHN ABOUT THE GENERAL ECONOMIC FORECAST.

MAYOR PRO TEM, I WOULD LIKE TO ASK.....

Dunkerly: SORRY. BETTY MEYERS.

LOOKING AHEAD TO THE FORECAST. I'M SMILING, PULLS OUT THE CALCULATOR, WE HAVE TO WORRY UP HERE. ALL RIGHT. WHO IS FIRST?

THANK YOU, FOR YOUR PRESENTATION, IT GIVES ME A LOT OF THINGS TO THINK ABOUT, ESPECIALLY SOMETHING THAT I'M WORKING ON AND SO I WANTED TO ASK YOU A FEW QUESTIONS AS FAR AS CURE OBSERVATIONS AND THINGS THAT I'M SENSING, IN PARTICULAR ONE THING HAS TO DO WITH MIDDLE CLASS FAMILIES THAT AUSTIN IS LOSING ITS SHARE OF MIDDLE CLASS FAMILIES PART OF THAT HAS TO DO WITH AFFORDABILITY OF LAND, HOUSING, SCHOOL, ALL OF THAT IS TIED TOGETHER, BUT WHEN YOU PROVIDED US YOUR HOUSING STATISTICS, IT WAS BASED ON THE MSA, THE METROPOLITAN AREA, WHICH I THINK IS OVER 1.5 MILLION PEOPLE, SO ABOUT DOUBLE THE SIZE OF THE CITY OF AUSTIN LIMITS. IF WE WERE TO BREAK THAT DOWN, NOT INTO SPECIFIC NUMBERS RIGHT NOW, BUT WHAT IS YOUR SENSE IN TERMS OF THE HOUSING AFFORD BILITYD, HOUSING STARTS, PARTICULARLY THE TYPES OF HOUSES THAT ARE BEING BUILT, ARE THEY CONDOS, ONE BEDROOM, TWO BEDROOM, ARE THEY LARGE FAMILY SIZED HOUSES AND WHAT IS THAT DISTRIBUTION, YOUR SENSE, BETWEEN

AUSTIN AND OUTSIDE OF AUSTIN?

YOU KNOW, FAMILY HOUSING OCCURS OUTSIDE OF AUSTIN AND EXPENSIVE CONDOS GET BUILT ON THE CITY OF AUSTIN. I MEAN THAT IS MY SIMPLISTIC VERSION OF IT. BUT THERE'S NO QUESTION THE CITY OF AUSTIN IS MORE EXPENSIVE THAN ANY OF THE OUTLYING AREAS, AND IF YOUR DESIRE FOR HOUSING PRODUCT IS FOR LET'S SAY 2500, 3,000 SQUARE FEET, FOR A FAMILY OF FOUR, YOU KNOW, YOU'RE TALKING ABOUT EITHER FAIRLY EXPENSIVE HOUSING THAT ALREADY EXISTS IN AUSTIN OR YOU'RE TALKING ABOUT BUILDING HOUSING OUTSIDE THE CITY, SO I THINK THERE'S NO QUESTION THAT IT'S TRUE THAT WE DO HAVE A OF AFFORDABILITY ISSUES PARTICULARLY FOR MIDDLE CLASS FAMILIES IN THE CITY OF AUSTIN, YOU'RE RIGHT, THE STATISTICS I GAVE YOU OBVIOUSLY WERE FOR FIVE COUNTY AREA. RIGHT, OKAY. THANK YOU. ALSO WANTED TO ASK YOU ABOUT THE INCOME GAP IN AUSTIN, WE KNOW, YOU DIDN'T MENTION SPECIFICALLY BUT THERE IS A CRISIS IN AMERICAN IN TERMS OF PEOPLE WHO ARE JUST IN HUGE DEBT, CONSUMER DEBT, PERSONAL DEBT, SUB PRIME MORTGAGES ARE 16% OF MORTGAGES OUT THERE, FREDDY MACK HAS STEPPED UP AND SAID THEY'RE NOT GOING TO UNDERWRITE SUB PRIME MORTGAGES ANYMORE, I APPLAUD THEM FOR DOING THAT, IT'S A PROBLEM IN AMERICA, I JUST WANTED TO KNOW HOW SEVERE IS IT IN AUSTIN, AND WHAT IS YOUR SENSE IN TERMS OF CAN PEOPLE AFFORD THE LIFESTYLE THAT THEY HAVE RIGHT NOW BECAUSE THAT'S GOT EFFECT OURS ONAL FORECAST IN THE FUTURE AS WELL AS HOUSING PRICES.

I THINK THE PROBLEM YOU IDENTIFY IS REAL AND IMPORTANT, I THINK IT'S MASKED A LITTLE BIT IN AUSTIN BECAUSE WE'VE HAD SUCH RAPID OVERALL ECONOMIC GROWTH THAT TO SOME DEGREE AND WE HAVE SUCH RAPID IMMIGRATION, HAVING SAID THAT, IT'S A CHALLENGE IN AUSTIN, PARTICULARLY IN THE CITY OF AUSTIN TO BE SUCCESSFUL ON A MIDDLE CLASS INCOME, THERE'S NO CLASS ABOUT IT, AND IT'S A CHALLENGE WE USED TO SAY, YOU KNOW, TEN FIFTEEN YEARS AGO, WE WERE TRYING TO FIND OUT A WAY TO GET PEOPLE TO MAKE 10, \$15 AN HOUR, NOW IT'S HOW TO MAKE 20 TO \$25 AN HOUR, AS A WAY TO CREATE ECONOMIC PROGRESS ACROSS TIME AND ACROSS

GENERATIONS, I THINK IT'S SOMETHING WHEN WE TALKED ABOUT THE ECONOMIC DIVIDE IT'S TRUE WITHIN COMMUNITIES AS WELL AS BETWEEN COMMUNITIES AND I THINK THAT IS SOMETHING AS OUR ECONOMY RESTRUCTURES IS GOING TO BE A BIG CHALLENGE FOR US, BECAUSE THERE ARE NOT THAT MANY PRIVATE SECTOR JOBS OUT THERE WHERE YOU HAVE THAT SORT OF MIDDLE CLASS INCOME.

IF I WANT ANYMORE INFORMATION ON I GUESS THE LEVEL OF DEBT THAT PEOPLE HAVE IN AUSTIN ON AN AGGREGATE LEVEL, WHERE COULD I GET THAT INFORMATION?

YOU KNOW, THAT INFORMATION IS NOT THAT READY AVAILABLE. WHAT I WOULD DO IS I WOULD ACTUALLY CALL THE DALLAS FEDERAL RESERVE BANK AND SEE IF THEY CAN POINT YOU IN THE RIGHT DIRECTION, YOUR OFFICE MIGHT GET YOU ACCESS TO VAULTS OF INFORMATION THAT THE REST OF US DON'T --

THAT'S THE FIRST STEP, RIGHT?

THANK YOU.

COUNCILMEMBER McCRACKEN?

McCracken: JOHN, IN LOOKING AT THE VENTURE FUNDING, HOW DO YOUR VENTURE CAPITAL LEVELS CURRENTLY COMPARE TO WHERE THE OTHER REGION -- WHAT OTHER REGIONS YOU'RE EXPERIENCING?

I THINK IT'S ACTUALLY, I MEAN IN TERMS OF THE AGGREGATE, OBVIOUSLY WE ARE SMALLING THAN SAY, SILICON VALLEY, WHAT HAVE YOU, I THINK THE VENTURE INDUSTRY, THE VENTURE INDUSTRY IS REALLY A NATURAL INDUSTRY, THERE'S NOT THAT MUCH REGIONAL VARIATION, THERE'S A LITTLE BIT, BUT NOT AN ENORMOUS AM, IN MOST MARKET VENTURE GUYS ARE STANDING AND SAYING, OKAY, WHO ARE WE GOING TO INVEST IN, WHO IS THE NEXTEL COME OF THE LATE 1990s, WHAT HAVE YOU. I THINK WE ARE SOMEWHAT COMPARABLE, BUT BECAUSE WE ARE A MARKET THAT GENERATE AS LOT OF IDEAS AND SORT OF A LOT OF ENTREPRENEURIAL IAL ENERGY, THERE CONTINUES TO BE A

LOT OF COMPETITION IN AUSTIN, I THINK YOU WILL SEE A SURGE IN INVESTMENT IN THAT AREA, YOU MAY SEE SOME NEW PLAYERS ON THE VC STAGE AS A RESULT OF THAT, OR EXISTING LOCAL PLAYERS BRINGING IN THAT EXPERTISE ABOUT, I GUESS FIVE OR SIX YEARS AGO, I WENT WITH A A DELIGATION FROM SAN ANTONIO OUT TO SAN DIEGO WHEN THEY WERE TRYING TO GROW THIS INDUSTRY AND THE THING THAT REALLY STRUCK ME WAS IT TAKES FAIRLY SPECIALIZED SOPHISTICATED PROFESSIONAL KNOWLEDGE FOR YOUR LAWYERS AND FOR YOUR ACCOUNTANTS AND FOR SORT OF THE PROFESSIONAL FOLKS AROUND THAT, THE FINANCE GUYS TO BUILD THAT CLUSTER AND I'M NOT SURE IT'S PRESENT YET HERE, BUT IT WOULD GET HERE QUICK.

AND WHEN YOU LOOK AT OUR COMPETITOR REGIONS, OBVIOUSLY SILICON VALLEY IS DOMINATES NATIONALLY.

YEP.

BUT WHERE DO WE FALL WITHIN OTHER REGIONS SINCE WE ARE A MAJOR, PARTICULARLY SEMICONDUCTOR, I THINK YOU SEE US IN WIRELESS ALSO. WHERE ARE WE -- WHERE DO THEY FALL NATIONALLY?

IN TERMS OF -- I WOULD SAY WE'RE ONE OF THE LEADERS OF THE SECOND TIER, THE BOSTONS OF THE WORLD ARE ALWAYS GOING TO BE BIGGER THAN WE ARE, IF YOU LOOK AT SOME OF THE SECOND TIER COMMUNITIES, WE LOOK AT, SAY, THE RESEARCH TRIANGLE IN NORTH CAROLINA OR LOOK TOWARD THE PORTLAND AREA, WE'RE ONE OF THE LEADERS IN THAT GROUP AND CONTINUE TO BE. I MEAN WE HAVE SUCH A STRONG BASE OF ASSETS THAT SUPPORT THE DEVELOPMENT IN VENTURE COMPANIES HERE, I MEAN BETWEEN THE EDUCATIONAL INFRACTION, THE EXISTING WORKFORCE, YOU KNOW, THE EXPERIENCE FRANKLY OF A LOT -- WHO HAVE A LOT OF LOCAL ENTREPRENEURS THAT, YOU KNOW, WE'RE -- WE'RE RIGHT AT THE ON THE OF THE SECOND TIER.

OBVIOUSLY SILICON VALLEY HERE, THE OTHER FIRST TIER CITIES, EMEMERGENCYING TECHNOLOGY.

NEW YORK CLEARLY IS STILL, BY SHEAR SIZE, SEATTLE TO SOME DEGREE, PROBABLY -- AND CHICAGO IN SOME SORT OF SUB SECTORS.

AND YOU MENTIONED THAT THE OBVIOUSLY BIOTECH AS WE SAW IN LAST WEEK'S STORY WAS THAT ONE OF THE FACTORS IN US SEEING A DECLINE IN THE VENTURE FUNDING AND PROBABLY IN OUR RELATIVE POSITION WITH THE BIOTECH WAS THE DOMINANT SECTOR IN WHICH THERE WAS VENTURE FUNDING.

THAT'S RIGHT.

WHAT ARE THE OTHER BIG SECTORS IN HAVE YOU KNOWN CHURCH FUNDING THAT YOU'RE -- IN VENTURE FUNDING THAT YOU'RE SEEING.

SOME TYPE OF WIRELESS APPLICATIONS, WE'RE MOVING IN THAT DIRECTION, THERE'S BEGINNING TO SEE SOME INTEREST IN TECHNOLOGY SORT OF IMPLICATIONS RELATED TO ENERGY, OTHER THAN THAT, THERE'S NOT A WHOLE LOT. THERE'S NOT A REAL FOCUS, THAT'S PART OF THE PROBLEM, PEOPLE TRYING TO FIGURE OUT WHAT THE NEXT BIG THING IS.

INTERNATIONALLY LAST YEAR, ENERGY TECHNOLOGY WAS SECOND TO BIOTECH WAS THE DOMINANT SECTOR.

YEAH.

AND THEN SO AS WE VENTURE FUNDING THE ANGEL INVESTOR FUNDING THERE ARE GOOD INDICATORS OF WHERE THE FUTURE OF NEW COMPANY CREATION IS IN OUR ECONOMY, WHAT DO YOU SEE AS THE DOMINANT SECTORS COMING FORWARD THAT YOU SAID YOU SAW SOME PROMISE FOR US IN THE --

I REALLY DO THINK THAT THE BROADLY CONSTRUCTED BIOTECHNOLOGY SECTOR HERE IS GOING TO GO WELL. I THINK WHAT WE'RE MISSING RIGHT NOW, LET ME STAY ON THIS A LITTLE BIT. I RECENTLY DID SOME WORK FOR SETON LOOKING AT THIS AND RELIED HEAVILY ON INFORMATION BY THE MILLICAN INSTITUTE, AND THE THICK WE TO SOME

DEGREE ARE MISSING HERE IS THE ACADEMIC ENGINE BEHIND IT, WE HAVE ACTUALLY MOST OF THE OTHER STUFF, WE HAVE THE HUMAN CAPITAL IN PLACE, WE DO HAVE A VC INFRASTRUCTURE EVEN THOUGH IT'S NOT POINTED IN THIS DIRECTION RIGHT NOW, WE DO HAVE A LOT OF THE ENTREPRENEURIAL SORT OF ENERGY HERE. SO IF WE ARE ABLE TO IMPLEMENT THE ACADEMIC PIECE OF THAT PUZZLE, I THINK YOU'RE GOING TO SEE THAT IN AND OF ITSELF IS GOING TO HAVE A PROFOUND IMPACT ON THE ECONOMY, BUT IT'S ALSO GOING TO STIMULATE I THINK THE CREATION OF A LOT OF PRIVATE SECTOR BIOTECHNOLOGY-RELATED STUFF. I PUT TOGETHER SOME NOTIONAL NUMBERS ON THAT BASED ON THE -- ON SOME OF THE STUFF WITH MILL CAN AND DUNN, SIZING IT TO AUSTIN, AND CAME UP WITH THE OVERALL CONCLUSION THE NEW ECONOMIC DEVELOPMENT ASSOCIATED WITH THAT AND THE ACADEMIC FACILITY ITSELF WOULD HAVE A BIGGER IMPACT ON AUSTIN THAN TOYOTA HAS ON SAN ANTONIO, THIS IS MEASURE BID JOBS.

ANY OTHER QUESTIONS FOR OUR --

I'VE GOT A FEW MORE.

ONE MORE?

YEAH.

OKAY. OTHER THAN BIOTECH, WHAT ARE THE OTHER SECTORS YOU'RE SAYING?

WELL, THINGS WE'VE ALREADY TALKED ABOUT. I THINK YOU'RE GOING TO SEE SOME INTERESTING BUSINESS -- I THINK YOU'RE GOING TO SEE EXPANSION EVEN FURTHER BROADENING AND DEEPENING OF TAKING OUR INTELLECTUAL CAPITAL AND OUR CREATIVE SECTOR AND PUTTING IT INTO AN EXPORTABLE MODEL, YOU'RE GOING TO SEE I THINK MAYBE THE FIRST STEP IN THE EFFORT TO BRING A DEPTH OF SORT OF LACK OF A BETTER WORLD, FILM AND MUSIC PRODUCTION HERE, I THINK THE GAMING SECTOR IS GOING TO CONTINUE TO GROW, I THINK -- WE'VE TALKED ABOUT THIS, THE LINES OF DEMARKATION, THE SIGHTS BETWEEN THESE DIFFERENT CREATIVE

SECTORS ARE GOING TO BEGIN TO BLUR TOGETHER MORE AND MORE ALL THE TIME. PRETTY SOON YOU'RE GOING TO GET TO THE POINT WHERE THE SUM IS GOING TO BE GREATER THAN THE PARTS AND YOU'RE GOING TO GET MOMENTUMS, THEY START LIKE THIS, THEY RAMP UP AND THEN THEY LEVEL OFF, OUR CREATIVE SECTOR IS DOWN HERE RIGHT NOW, NOT FAR FROM THAT RAMP UP PROCESS.

WE HAVE WIRELESS COMPANIES REQUIRING INVASIONS IN THE SEMICONDUCTOR SECTOR WHICH IS BASICALLY BECOMING NANOTECHNOLOGY SECTOR TO MAKE WIRELESS VIDEO GAMES HERE IN AUSTIN, HIRING PEOPLE FROM THE FILM INDUSTRY, IT'S ALL WORKS TOGETHER.

THAT'S RIGHT.

ON THE -- IN THE -- IN THE IMMIGRATION, WHERE IN ARE PEOPLE COMING TO FROM AUSTIN.

THE TRADITIONAL MIGRATION PATTERN, ONE, PEOPLE ARE COMING FROM TEXANS, TEXANS ALWAYS WANT TO COME TO AUSTIN, EVERYONE HAS, PEOPLE SAY HOW DO I GET BACK AS FAST AS I CAN? TRADITIONALLY MID WEST..... WESTERNERS COME HERE INCLUDING ME. I WOULD SAY THE LAST FIVE OR SIX YEARS THE DOMINANT AREA HAS BEEN THE WEST COAST AND INTERESTINGLY ALSO NEW YORK CITY. WHICH IS INTERESTING SO...

AND IF YOU HAD TO GIVE KIND OF A ROUGH BREAK DOWN OF THE 107,600 DOMESTIC FOLKS IMMIGRATING INTO AUSTIN SINCE 2000, WHAT WOULD -- WHAT PERCENTAGE OF THOSE WOULD BE FROM WITHIN TEXAS VERSUS THE WEST COAST VERSUS MID WESTERN NEW YORK.

SINCE I DON'T HAVE DATA ON THAT I WOULD JUST MAKE THAT UP.

THAT'S WHAT WE DO ALL THE TIME.

THAT'S WHY YOU'RE THE COUNCIL, JUST HOLD YOU ACCOUNTABLE. I WOULD PROBABLY SAY 40% TEXAN, 25 TO 30% CALIFORNIAN, CALIFORNIA/WEST COAST AND THE

BALANCE FROM EVERYWHERE ELSE.

THE FINAL AREAS ON THE HOUSING ISSUE, I SAW THAT HOUSING PRICES HAVE GONE UP FROM 161 TO \$172,000 IN JUST A YEAR ON THE MEDIAN SIDE. WHAT IS -- CAN YOU TELL US COMPETITOR REGIONS LIKE BOSTON NSA, AND I GUESS THE SAN JOSE, MSA, THE SAN FRANCISCO MSA OR ARE THEY ONE?

YOU CAN ANALYZE THEM SEPARATELY.

HOW DO HOUSING PRICES COMPARE WITH COMPETITORS.

LOTS CHEAPER. LOTS CHEAPER, PARTICULARLY IN HOUSING MARKETS THAT ARE NOT IN THE CENTRAL -- IN AUSTIN PROPER, THEY'RE OUT IN METRO AREA, WE STILL HAVE LAND AND ROOM TO BUILD AND THEY DON'T, TO SOME DEGREE.

I'VE SEEN FIGURES FOR CALIFORNIA FOR INSTANCE MEDIAN HOME PRICES IN THE \$400,000 RANGE, IS THAT ACCURATE.

YES.

IS IT LOWER THAN THAT.

NO, THAT'S ACCURATE.

THAT IS HOW YOU GET 50 YEAR BALLOON ONLY INTEREST MORTGAGES, NOBODY CAN PAY THE TRADITIONAL FINANCIAL INSTRUMENT.

AND -- AND THEN I GUESS THE LAST TWO IN THIS AREA WOULD BE THAT ONE OF THE THINGS WE'VE PICKED UP ON THE PAST OF INFORMATION IS WE LOOKED AT HOW EFFORTS PROMOTE AFFORDABILITY, WE FOUND THIS REALLY WANT TO PROMOTE HOUSING OPPORTUNITIES FOR TEACHER, STATE EMPLOYEES, YOU KNOW, POLICE OFFICERS AND FIREFIGHTERS. WHAT WE FOUND OUT IS THAT ACTUALLY ALL OF OUR HOUSING EFFORTS ARE UNDERSHOOTING THE PEOPLE UP TRYING..... YOU'RE TRYING TO HELP, BUT FIRST YEAR AISD TEACHES COME IN AT 140% NFI, YET THE HIGHEST AFFORDABLE HOUSING

EFFORT WE HAVE ON ANYTHING WE DO IN THE CITY OF AUSTIN IS A HUNDRED, IF YOU HAVE TWO KIDS, AISD TEACHER HOUSEHOLD, 109 TO 111, YOU GET TWO CITY EMPLOYEES AND IF YOU ADD IN THE MIX FIREFIGHTER OR POLICE OFFICER, YOU'RE GETTING SOMEWHERE BETWEEN 150 AND 2 100% MFI FOR A 2 EARNER HOUSEHOLD, I THINK WHAT WE'RE SEEING NOW IS WE HAVE HAD -- WE'RE WITNESSING A GAP ON OUR EFFORTS THAT FOR INSTANCE EXCLUDED THE MIDDLE CLASS IN REDEVELOPMENT. THERE'S NO MIDDLE CLASS HOUSING OPPORTUNITIES THERE, ON THE BUYER SIDE WE UNDERSHOT THE PEOPLE THAT WE WERE TRYING TO HELP, AND THEN ON THE FINAL POINT, I THINK THE MAYOR HAS REALLY BROUGHT THROUGH OUR AWARENESS THAT WE SHOULD BE COLLECTING DATA ON WHAT THE TOTAL HOUSING COSTS ARE, AND BY THAT LET'S FACTOR IN YOUR UTILITY BILLS, YOU KNOW, IF YOU'RE SPENDING FOR A SUBURBAN, YOU KNOW, HOUSE \$400 A MONTH ON COMBINED GAS AND WATER, PURELY HYPOTHETICAL TOTAL, AND THE MAYOR SPENDS ABOUT 40 BUCKS A MONTH, SUDDENLY THE OPPORTUNITY FOR INFILL HOUSING HAS SUDDEN, THAT'S \$360 DELTA RIGHT THERE, IF YOU'RE LIVING FURTHER OUT, IF YOU HAVE TO COMMUTE FROM BUDA AND MAYBE YOU'RE SPENDING \$400 A MONTH ON GASOLINE, AND 360 BUCK AS MONTH ON GAS, ELECTRIC, WATER, AND SAY 300 BUCKS A MONTH ON GASOLINE FOR YOUR CAR, SUDDENLY YOU'RE LOOKING AT A HOUSING CLOSE IN YOU , YOU ADD THOSE TWO FACTORS, YOU ARE LOSING DRAMATIC HOUSING COST SAVINGS THAT SHOULD BE ADDED ON TO THE HOUSING COSTS OF LIVING FURTHER OUT IN THE SUBDIVISION MODEL, I THINK YOU FIGURE OUT SOME WAY TO COLLECT THAT DATA. HELPFUL PIECE OF INFORMATION AS WE ANALYZE VARIOUS HOUSING POLICIES.

OKAY. THANKS.

ANY OTHER QUESTIONS FOR THE ECONOMIST?

...CHERYL?

I THINK THIS IS ABSOLUTELY FASCINATING WORK, BECAUSE I'M JUST GOING TO ASK YOU A COUPLE OF QUESTIONS. I HAD ALWAYS HEARD ABOUT THE DIFFERENCE BETWEEN AUSTIN RESIDENTIAL HOUSING MARKET AND THE REST OF THE

COUNTRY, AND YOU EXPLAIN A LOT OF THAT HAD TO DO WITH MIGRATION FROM WITHIN THE UNITED STATES, BUT I WANTED YOU TO QUICKLY JUST LET US KNOW WHAT OTHER FACTORS ARE COMING INTO PLAY THERE.

ABOUT WHY THINGS ARE SO HIGH HERE? WELL, ONE OF THE THINGS THAT -- COUPLE OF THINGS THAT ARE GOING ON. AUSTIN -- THE BUZZ ON AUSTIN OUT THERE IN THE WORLD REMAINS REALLY, REALLY GOOD. I MEAN WE ALL TRAVEL AT LEAST TO SOME EXTENT AND PEOPLE ALWAYS SAY YOU LIVE IN AUSTIN, AUSTIN, THAT'S COOL, AND THEN THEY TELL YOU WHY THEY THINK IT'S COOL. I THINK ONE OF THE THINGS THAT HAS HAPPENED IS THE WORD HAS GONE OUT IN A VIRAL MARKETING KIND OF WAY THAT THIS IS A PLACE WHERE THERE'S A LOT GOING ON AND IT MAKES IT APPEALING TO PEOPLE. THAT IS PART OF THE EQUATION. SECOND THING THAT HAS GONE ON HERE, WE HAVE LOTS OF COMPANIES HERE IN RELATIVELY NEW INDUSTRIES AND RISING INDUSTRIES AND WE HAVE A NUMBER OF COMPANIES HERE PRETTY SUCCESSFUL IN THE INDUSTRIES THEY ARE IN, NOT ALL OF A SUDDEN CONDUCTOR FIRMS ARE CREATED EQUAL. NOT PC FIRMS ARE CREATED EQUAL. WE HAVE SOME REAL STRONG ONES HERE IN AUSTIN. YOU PUT THOSE TWO THINGS TOGETHER, UNLESS YOU WENT TO A&M, MOST TEXANS WANT TO FIND A WAY TO GET BACK HERE SOME WAY, SHAPE OR FORM, MAKES IT A PRETTY APPEALING PLACE TO BE.

THE OTHER THING THAT YOU SAID THAT REALLY STRUCK ME WAS THE FACT THAT IF WE COULD HAVE AN ACADEMIC ENGINE IN BIOTECH FIELD, THAT IT WOULD BE SIMILAR TO WHAT WE'VE DONE WITH TOYOTA IN SAN ANTONIO. AND I WANTED TO GET A BETTER FEEL FOR WHAT YOU ENVISION THAT ACADEMIC ENGINE WOULD LOOK LIKE.

THE CITY IS PURSUING THIS HARD, ACTUALLY BROUGHT IN A GUY NAMED SAM SCHUMER MAKER, THE FORMER DEAN OF THE UNIVERSITY OF HAWAII MEDICAL SCHOOL, THE VISION HERE IS TO HAVE AN ACADEMIC MEDICINE FACILITY THAT WOULD BE COMPARABLE IN SCOPE AND FOOTPRINT TO A TRADITIONAL SCOPE. TALKING ABOUT HAVING SOMETHING ON THE ORDER OF 500 PERMANENT PHYSICIAN FACULTY, YOU WOULD HAVE A STUDENT POPULATION THAT WAS, YOU

KNOW, COMMENSURATE WITH THAT, YOU WOULD HAVE SUPPORT STAFF CONSISTENT WITH THAT ONE I JUST COVERED FOR EVERY PERSON ON THE FACULTY IN THE MEDICAL SCHOOL, THERE'S TYPICALLY BETWEEN 8 AND TEN SUPPORT STAFF ASSOCIATED WITH THAT EITHER IN THE RESEARCH LAB OR WHATEVER, SO THAT YOU WOULD HAVE THIS -- THIS PRESENCE HERE OF ACADEMIC MEDICINE, IT'S CALLED ACADEMIC MEDICINE BECAUSE TO BE OFFICIALLY DESIGNATED AS A MEDICAL SCHOOL IS A POLITICAL QUESTION INVOLVING THE STATE OF TEXAS, YOU WOULD HAVE THIS PRESENCE HERE THAT IN AND OF ITSELF WOULD HAVE A STRONG EFFECT ON THE ECONOMY SIMPLY BECAUSE IT'S A BIG INSTITUTION SPENDING A LOT OF MONEY, JUST LIKE UT DOES RIGHT NOW, OVER AND ABOVE THAT, IT WOULD LOGICALLY CREATE RESEARCH AND KNOWLEDGE WHICH COULD BE COMMERCIALIZED, MUCH AS WHAT HAPPENED IN MEDICAL SCHOOLS AROUND THE COUNTRY, PARTICULARLY IN PLACES LIKE SAN DIEGO, A LOT OF THE OTHER FACTORS NECESSARY FOR THAT COMMERCIALIZATION TO BE SUCCESSFUL ARE IN PLACE IN AUSTIN AS THEY ARE IN SAN DIEGO, ESPECIALLY IF WE GET SOME SPECIFIC EXPERTISE RELATED TO THAT IN OUR VENTURE SECTOR THAT WOULD SHOW UP IN TOWN TO TAKE ADVANTAGE OF IT, IT'S A BIG AMBITION, BUT SETON IS WORKING HARD ON IT.

OKAY, THE OTHER QUESTIONS THAT I NOTICED YOU MENTIONED ABOUT THE GAP BETWEEN THE HAVES AND HAVE NOTS AND THAT WAS GOING ON ACROSS THE COUNTRY, BUT IN PARTICULAR WE NEED TO BE CAREFUL OF IT IN AUSTIN, AND I NOTICE THAT WE DIDN'T HAVE ANY EDUCATION DATA OR ANY SPECIFIC COMMENTS ABOUT THAT, AND I THINK THAT IS ONE OF THE MAJOR REASONS WE SEE THAT GAP, AND THAT PEOPLE MAKE A DECISION ABOUT WHERE THEY'RE GOING TO BUY THEIR HOME NOT ONLY BECAUSE OF THE PRICE OF THE HOME BUT ALSO ABOUT THE QUALITY OF THE SCHOOL DISTRICT, SO I WAS JUST CURIOUS IF YOU HAD ANY INFORMATION ABOUT OUR COMPETITION TYPE CITIES AND THE QUALITY OF THEIR SCHOOL SYSTEM OR WHAT THE KIND OF BUZZ IS ON THAT, OR IF WE ARE SEEING SECTORS COME TO AUSTIN. (ONE MOMENT, PLEASE, FOR CHANGE IN CAPTIONERS...)

THIS IS JUST THE START OF A BUDGET PROCESS AND IT'S THE PREVENTION OF A FIVE-YEAR FORECAST. THE FORECAST IS JUST OUR VERY BEST ESTIMATE OF THE FINANCIAL PICTURE THAT WE FACE OVER THE NEXT FIVE YEARS. IT'S A TOOL TO FRAME THE DISCUSSION OF OUR UPCOMING YEAR, 2008 BUDGET AS WE BEGIN THE MORE DETAILED WORK THAT HAS TO HAPPEN TO PREPARE AND BALANCE A BUDGET FOR 2008. I'LL BE PRESENTING MY PROPOSED 2008 BUDGET TO THE COUNCIL IN ABOUT THREE MONTHS, A JULY 26, AND THEN YOU, THE COUNCIL, WILL BE ADOPTING YOUR 2008 BUDGET ABOUT A MONTH AND A HALF LATER. SO AGAIN, THIS IS JUST A START OF THE 2008 BUDGET PROCESS, WITH THE END OF THE BUDGET PROCESS COMING UP IN ABOUT FOUR AND A HALF MONTHS FROM NOW. NOW, DURING THAT FOUR AND A HALF MONTHS THERE'S GOING TO BE A LOT HAPPENING, INCLUDING KEY POLICY DISCUSSION ISSUES, PRESENTATION BY FINANCE AND BUDGET STAFF TO THE COMMISSIONS, THE PUBLIC SAFETY TASK FORCE, THE AUDIT AND FINANCE SUBCOMMITTEE. YOU'LL HEAR PRESENTATIONS OF THE PROPOSED BUDGET. THERE WILL THEN BE DEPARTMENTAL PRESENTATIONS BROKEN DOWN IN MORE DETAIL. THERE WILL BE NUMEROUS PUBLIC HEARINGS FOR CITIZENS AND STAKEHOLDERS TO WEIGH IN, AND JUST A LOT OF DISCUSSION AND ANALYSIS OVER THE NEXT FOUR AND A HALF MONTHS. AND AS ALWAYS, WE'RE GOING TO TRY TO PROVIDE YOU WITH AS MUCH INFORMATION AS WE CAN DURING THIS PROCESS. WE'RE GOING TO ANSWER YOUR QUESTIONS AS WELL AS THOSE OF ALL OF OUR CITIZENS AND DIFFERENT STAKEHOLDERS IN THE BUDGET PROCESS. WE'LL BE PUTTING UP OUR BUDGET QUESTION AND ANSWERS UP ON A WEB PAGE, AND WE'LL BE DOING OUR BEST TO ASSIST YOU IN YOUR DELIBERATION OF THE 2008 BUDGET. NOW, ON THE NEXT SLIDE COUNCIL, THE FORECAST IN MANY WAYS IS REALLY A CONTINUATION OF LAST YEAR'S FORECAST. YOU'RE JUST MOVING ONE YEAR FURTHER IN YOUR FIVE-YEAR LOOK OR YOUR FIVE-YEAR WINDOW. THE THEME OF LAST YEAR'S FORECAST WAS CAUTIOUS OPTIMISM, AND I THINK YOU COULD SAY THAT THE THEME OF THIS YEAR'S FORECAST IS ALSO ONE OF CAUTIOUS OPTIMISM, MAYBE WITH A LITTLE MORE EMPHASIS ON THE CAUTION. THE GOOD NEWS IS THAT OUR

REVENUE GROWTH IS STILL PROJECTED TO BE STRONG, JUST AS WE PROJECTED LAST YEAR. AND AS GREG CANALE, OUR BUDGET OFFICER, IS GOING TO GO OVER WITH YOU SHORTLY, WITH THE FORECASTING GENERAL FUND REVENUE INCREASES IN ALL OF OUR MAJOR REVENUE CATEGORIES. HOWEVER, THE BAD NEWS IS THAT WE ARE PROJECTING INCREASES IN ALL OF OUR COST DRIVERS, SO THOSE COST DRIVERS ARE HIGHER THAN THE ESTIMATES WE SHOWED YOU LAST YEAR FOR 2008. AND GREG WILL ALSO WALK YOU THROUGH EACH OF THOSE INCREASES. CANAL.....THESE INCREASES CALL FOR A LARGER GAP THAT HAS TO BE CLOSED IN 2008, FOR A LARGER GAP THAN WE PREDICTED LAST YEAR. ADDITIONALLY THIS YEAR'S FORECAST IS DIFFERENT FROM LAST YEAR'S IN TERMS OF WHAT IS INCLUDED IN THE FORECAST DOCUMENT. LAST YEAR OUR FORECAST WAS BUILT ONLY ON BASE BUDGET AND COST DRIVERS. THIS YEAR, HOWEVER, I HAVE INCLUDED SOME CORE SERVICE INVESTMENTS IN THE FORECAST THAT I PLAN TO PROPOSE IN MY 2008 PROPOSED BUDGET. NOW, THESE ARE INVESTMENTS THAT ARE DRIVEN BY THE NEED TO RESPOND, REALLY, TO TWO THINGS: GROWTH AND INTERNAL CONTROLS. THE FIRST I STRONGLY BELIEVE THAT THESE INVESTMENTS ARE CRITICAL TO MEET THE RISING NEEDS FROM THAT PHENOMENAL GROWTH THAT WE ARE EXPERIENCING HERE IN AUSTIN, AND YOU SAW ON THE CHARTS THAT JOHN PRESENTED TO YOU A 4% GROWTH. AND AN UPTICK EACH YEAR IN GROWTH OVER THE LAST FEW YEARS. THIS GROWTH IN THE FUTURE IS GOING TO HELP US SUSTAIN OUR ECONOMY AND OUR CITY FINANCES, BUT IN THE SHORT-TERM THIS GROWTH IS A DRAIN ON OUR EXISTING RESOURCES AND WE MUST ADD RESPONSIBLY TO THOSE RESOURCES TO MANAGE IT EFFECTIVELY. IT'S ALSO HAPPENING AT A STRONGER RATE THAN WE ORIGINALLY PREDICTED, SO ORIGINALLY COMING OUT OF THE DOWNTURN I THINK EVERYONE WAS HOPING OR THINKING THERE WOULD BE A LITTLE SLIGHTER SLOPE TO THE RATE OF GROWTH. INSTEAD THAT RATE OF GROWTH HAS BEEN FAIRLY PHENOMENAL COMING OUT OF THE DOWNTURN. SECONDLY, I ALSO INTEND TO PROPOSE SOME CRITICAL INVESTMENTS OR ADD-BACKS TO THOSE CORE SERVICES THAT PROVIDE OUR INTERNAL CONTROLS. FOR EXAMPLE, IN THE AREAS OF FINANCE, HUMAN RESOURCES,

IT, TECHNOLOGY MANAGEMENT AND ADMINISTRATION. AS ALL OF YOU KNOW, THESE WERE THE SERVICES THAT WERE CUT BACK THE MOST DRAMATICALLY OR SUBSTANTIALLY DURING THE DOWNTURN WHEN WE FUNDED ONLY THE MOST BASIC OF OUR COST DRIVERS, ESSENTIALLY ONLY INCREASES IN PUBLIC SAFETY COST, AND THEY HAVE NOT BEEN ADDED BACK IN ANY SIGNIFICANT DEGREE SINCE THE DOWNTURN. WE CAN NO LONGER LIMP ALONG WITHOUT ADDING BACK TO THESE SERVICES. THEY ARE NECESSARY IN NORMAL TIMES AND THEY ARE EVEN MORE NECESSARY IN PERIODS OF HIGH GROWTH LIKE WE ARE EXPERIENCING RIGHT NOW. YOU KNOW, I STOLE AN ANALOGY, ACTUALLY FROM COUNCIL MEMBER MCCrackEN. IT'S A STAR TREK ANALOGY. EVERY ONE OF US HAVE SEEN AS WE GREW UP THE SCENE IN EVERY STAR TREK SERIES, EVERY STAR TREK SHOW, WHERE CAPTAIN KIRK IS DEMANDING WHAT.....DEMAND WARP TEN FROM HIS SHIP'S JER, SCOTTY. THERE'S SOME PRESSURE GOING ON, GENERALLY FROM A CLINGON AND CAPTAIN KIRK IS SAYING I MUST HAVE WARP 10 AND I MUST HAVE IT NOW AND YOU SEE THE BE LEADING SHIP'S JER, GENERALLY WITH FIRES BURNING AROUND HIM SAYING, CAPTAIN, IT'S GOING TO TAKE TEN HOURS TO PUT THESE FIRES OUT AND GET THE POWER BACK, AND THE CAPTAIN SAID, SCOTTY, IT DOESN'T MATTER, THE PRESSURES WON'T ALLOW IT. WE NEED IT IN TEN MINUTES. WELL, CITY STAFF IS THAT BELEAGUERED ENGINEER. CITY STAFF IS SCOTTY FOR YOU. WE'RE PUTTING OUT THOSE FIRES AND WE'RE PRODUCING THAT WARP 10 FROM THAT PRESSURE, FROM THAT GROWTH, OUR CLINGON, BUT THAT WARP TEN IS NOT RELIABLE, IT'S WEAK. WE DON'T HAVE THE INTERNAL CONTROL WE NEED FOR THAT WARP 10, AND THAT WHAT..... WARP 10 IS GETTING WEAKER AND WE'RE GOING TO NEED TO REINVEST TO HANDLE BOTH GROWTH AND INTERNAL CONTROLS. SO COUNCIL, RETURNING TO OUR FORECAST THEME -- MAYBE WE SHOULD HAVE MADE THE THEME STAR TREK. I'M BEGINNING TO SEE OUR SONG, GREG.

SURPRISED YOU DON'T HAVE IT CUED UP ALREADY.

WHILE OUR ECONOMY REMAINS ONE OF THE STRONGEST IN THE COUNTRY, THERE IS CALL FOR OPTIMISM. WE'VE GOT TO BE MINDFUL THAT THE GROWTH IN OUR GENERAL FUND

COST DRIVERS CONTINUES TO OUT STRIP THE GROWTH IN OUR REVENUE, JUST AS WHAT'S WAS PROJECTED LAST YEAR. THIS IS NOT A NEW STORY. WE REALIZE THAT THE SITUATION, GROWTH AND COST DRIVERS, EXCEEDING GROWTH AND REVENUE, IS HAPPENING IN A BOOM. WE ALSO REALIZE IT'S DIFFICULT TO RECOGNIZE SIEL THAT. WE.....IT'S DIFFERENT TO RECONCILE THAT GROWTH WE'RE SEEING IN AUSTIN WITH OUR INABILITY TO FUND THE DEMAND FOR NEW INITIATIVES THAT COME WITH THAT NEW GROWTH. BUT AT THIS POINT WE'RE STILL EXPERIENCING HIGHER GROWTH IN OUR COST DRIVERS THAN WE ARE IN OUR REVENUES AND THAT PICTURE DOES NOT CHANGE IN THE FORECAST PERIOD. THE NOTE OF CAUTION, THEN, RELATES TO THIS IMBALANCE BETWEEN REVENUE AND COST DRIVERS THAT WE'RE EXPERIENCING EVEN IN AN UP TURN AND EVEN MORE SO TO THE GREAT IMBALANCE WE WILL EXPERIENCE IF WE HAVE THE DOWNTURN. SO RELATED TO THIS NOTE OF CAUTION IS THE FACT THAT OUR GREATEST OR FAST HE ISEST SOURCE OF REVENUE OVER THE LAST 20 YEARS IS SALES TAX, AND YOU SEE A GRAPH OF OUR SALES TAX HERE. SO ALTHOUGH OUR FASTEST GROWING SOURCE OF REVENUE IN THE GENERAL FUND IS SALES TAX, IT'S ALSO OUR MOST VOLATILE SOURCE OF REVENUE AND THE GRAPH SHOWS YOU THE SIGNIFICANT INCREASE WE'VE SEEN IN OUR SALES TAX IN THE LAST 20 YEARS, FROM ABOUT 1987 TO ABOUT 2006. IT'S ABOUT A 250% INCREASE. IT'S ONE OF FOUR MAJOR CATEGORIES OF REVENUE WHERE WE FUND OUR CORE GENERAL FUND SERVICES, AND IT'S ALWAYS GOING TO BE AN IMPORTANT SOURCE OF REVENUE FOR US. BUT AS YOU CAN SEE ON THIS GRAPH, DURING THE DOWNTURN BEGINNING IN 2002, SALES TAX REVENUE CAN GO DOWN QUICKLY AND STEEPLY. NOW, DURING THAT DOWNTURN OUR SALES TAX WENT DOWN A TOTAL OF 10.3%, JUST OVER A TWO-YEAR PERIOD, AND WE DIDN'T RETURN TO THE SALES TAX BASE WE HAD ESTABLISHED IN 2001 FOR A PERIOD OF FOUR YEARS. SO JUST TO HELP YOU PUT THAT IN PERSPECTIVE, AS AN EXAMPLE, A 10.3% REDUCTION IN SALES TAX TODAY WOULD MEAN A LOSS OF MORE THAN \$15 MILLION FOR THE GENERAL FUND, AND TO HELP YOU PUT THAT IN FURTHER PERSPECTIVE, THAT'S AN AMOUNT EQUAL TO HALF OF OUR PARKS DEPARTMENT BUDGET, OR THREE QUARTERS OF

OUR LIBRARY DEPARTMENT BUDGET. AND THAT'S HOW SWIFTLY DURING A DOWNTURN YOUR REVENUE PROJECTIONS CAN CHANGE. SO COUNCIL, I THINK OUR 2008 BUDGET IS GOING TO BE DIFFICULT. IT'S GOING TO BE DIFFICULT TO RECONCILE THE PHENOMENAL PHYSICAL GROWTH WE SEE IN AUSTIN WITH THE REALITY THAT OUR COST DRIVERS CONTINUE TO OUT STRIP OUR GROWTH IN REVENUE. BUT THAT'S WHERE WE ARE FOR THE FORECAST PERIOD. SO ON THAT NOTE OUR CONTINUED CAUTIOUS OPTIMISM AND WITH THE GUTSINESS OF THE STAR TREK THEME, I WILL NOW TURN THE PRESENTATION OVER TO GREG WHO WILL FILL IN THE FORECAST DETAILS FOR YOU.

THANK YOU CITY MANAGER AND THANK YOU FOR THAT THEME. THAT'S ONE LESS DECISION WE'LL HAVE TO MAKE NOW, ALWAYS ADULT ONE, TOO. TIME CONSUMING. GOOD MORNING, MAYOR, MAYOR PRO TEM, COUNCIL MEMBERS. TODAY WE WILL BE TAKING YOU THROUGH THROUGH OUR FORECAST BY FIRST FOCUSING ON THE GENERAL FUND WITH DETAILS AND ASSUMPTIONS ABOUT REVENUE, PRIMARILY OUR PROPERTY TAX AND SALES TAX, FIRED BY GENERAL FUND EXPENDITURES INCLUDING A LOOK AT COST DRIVERS AND COMMUNITY COSTS AS WELL AS A PRELIMINARY LOOK AT A LIST OF CORE SERVICE INVESTMENTS AND I'LL WRAP UP THE GENERAL FUND BY BRIEFLY REVIEWING OUR BUDGET STABILIZATION RESERVE. TOBY WILL THEN ADDRESS THE PRIORITIES YOU ESTABLISHED IN YOUR COUNCIL RETREAT AND LESLIE WILL CONCLUDE BY WALKING YOU THROUGH OUR MAJOR ENTERPRISE FUNDS. AS THE CITY MANAGER MENTIONED THE APPROVAL OF THE BUDGET IS FOUR AND A HALF MONTHS AWAY AND WHAT WE WILL BE REVIEWING TODAY IS NOT THE UPCOMING BUDGET FOR THAT YEAR, FOR THAT MATTER ANY OF THE OUT YEARS BUT INSTEAD A HIGH LEVEL LOOK AT THE CITY'S FINANCIAL SITUATION WHICH PROVIDE YOU WITH A CONTEXT MOVING FORWARD IN THIS BUDGET PROCESS. THE FIRST YEAR, FISCAL YEAR 2008, WILL FORM THE FOUNDATION FOR THE POLICY DISCUSSION WE'LL HAVE HERE IN A COUPLE WEEKS AND THE RESULTING PROPOSED BUDGET IN JULY. SO LET ME WALK YOU THROUGH THE SUMMARY FOR THE GENERAL FUND HERE ON SLIDE 6, AND ON LATER SLIDES I'LL WALK YOU THROUGH THE

ASSUMPTIONS THAT ARE BEHIND THE SUMMARY. ACROSS THE TOP IS EACH OF THE YEARS IN THE FORECAST PERIOD, FISCAL YEAR 2008 THROUGH 2012, AND WE ALSO SHOW YOU THE ESTIMATE FOR OUR CURRENT YEAR, 2007. AS THE MANAGER MENTIONED OUR REVENUE WILL BE INCREASING IN EACH OF THE YEAR. IN FACT, WE WILL SEE GROWTH IN ALL OF OUR FOUR MAJOR REVENUE CATEGORIES. THE NEXT LINE IS OUR BASE BUDGET, WHICH IS THE BUDGET THAT MOVES FROM ONE YEAR TO THE NEXT. THIS IS THE FUNDING THAT GETS US EXACTLY WHAT WE HAVE IN THE BUDGET TODAY. ON TOP OF THAT IS ADDED ANNUAL COST INCREASES OR COST DRIVERS. THIS INCLUDES ITEMS SUCH AS INSURANCE, PAID FOR PERFORMANCE FOR OUR WORK FORCE AND PUBLIC SAFETY CONTRACTS AND POLICIES. AS THE CITY MANAGER MENTIONED AS WELL, THIS YEAR THERE'S AN ADDITIONAL LINE FOR FISCAL YEAR 2008 AND THAT IS OUR CORE SERVICE INVESTMENTS TO ADDRESS BOTH THE CUSTOMER DEMANDS AND INTERNAL CONTROLS STRAINED BY AUSTIN'S GROWTH. THESE LINES ADD TO OUR TOTAL PROJECTED COST INCREASES. TOGETHER THE REVENUE AND EXPENDITURES, WHEN LOOKED AT TOGETHER, GET YOU TO OUR EXCESS OR GAP TO BE CLOSED LINE. FOR THE CURRENT FISCAL YEAR, JUST TO RECAP QUICKLY, WE ARE ESTIMATING THAT WE'LL END THE YEAR WITH AN ADDITIONAL 4.1 MILLION. HALF OF THIS IS DUE TO HIGHER SALES TAX REVENUE AND I'LL TOUCH ON THAT IN A LITTLE BIT WHEN WEGHTSES TO THE SALES TAX SECTION, WITH THE OTHER HALF FROM OTHER FEES, DEVELOPMENT FEES, FRANCHISE FEES AND FEES FOR SERVICES IN OUR PARKS, FOR EXAMPLE. AND AS A REMINDER FOR THE CITY'S FINANCIAL POLICIES, THIS \$4.1 MILLION WILL BECOME AVAILABLE IN THE BUDGET STABILIZATION RESERVE FOR ONE TIME CAPITAL AND CRITICAL NEEDS FOR NEXT YEAR. OUR PROJECTED GAP FOR FISCAL YEAR 2008 IS \$27.5 MILLION. THE GAP DECREASES IN THE NEAR TERM, THEN WIDENS A BIT IN THE LONG-TERM AND THIS FLUCTUATION IS DUE TO ASSUMPTIONS ABOUT SALES TAX AND ASSESSED VALUATION ON OUR PROPERTY. ASSUMPTION IN THIS SUMMARY THAT YOU SEE IS THAT WE RECEIVE STRUCTURAL BALANCE, THAT IS OUR EXPENDITURES EQUALS OUR REVENUE SO THE GAP OF 27.5 MILLION IN FY 08 WILL BE CLOSED FOR THAT YEAR BUT THE GAPS IN THE OUT YEAR

WILL REMAIN TO BE CLOSED BECAUSE EACH YEAR YOU'RE SEEING IS INCREMENTAL. AND ACTUALLY ON THIS SLIDE THERE'S SOMETHING DIFFERENT. THERE'S TWO GAP LINES HERE, BOTH ASSUME THAT FOR '08 WE WILL BE ADDING TO THE TAX RATE FOR THE 2006 BOND ELECTION BUT THE TOTAL TAX RATE DECREASES DUE TO DECREASE IN ASSESSED VALUE. THE FIRST GAP LINE ASSUMES WE WOULD LOWER OUR TAX RATE OF 41.26 CENTS BY ABOUT 1.7 CENTS BASED ON EARLY PRODUCE YIELDS FOR THE COMING YEAR TO THE EFFECTIVE RATE PLUS ONE CENT RELATED TO THE BOND PROGRAM. THE REVISED GAP LINE YOU SEE ON THE BOTTOM ALSO ASSUMES WE WOULD BE LOWERING OUR TAX RATE BUT BY A SMALLER AMOUNT, .3 CENTS, TO THE ROLL BACK RATE. LOWERING THE TAX RATE BY THE SMALLER AMOUNT WOULD RESULT IN AN ADDITIONAL \$10.9 MILLION IN REVENUE, AGAIN BASED ON OUR PROJECTIONS THAT WE HAVE AS OF NOW. THUS MAKING THE GAP SMALLER. BUT STILL SIGNIFICANT AT 16.6 MILLION. AND FINALLY A NOTE ON THE PROJECTED COST DRIVERS IN EACH YEAR. THE COST DRIVERS FOR FY '08 JUMP UP TO 54 MILLION FROM 37.5 MILLION AND THIS IS MAINLY DUE TO CHANGES IN ESTIMATES WE HAD PROVIDED LAST YEAR THAT THE MANAGER MENTIONED AND I WILL WALK YOU THROUGH THOSE CHANGES. AS YOU CAN SEE, OUR COST DRIVERS REMAIN RELATIVELY LEVEL THROUGHOUT THE FORECAST PERIOD, BETWEEN 50 AND 55 MILLION. THIS IS DUE TO A KEY EXPENDITURE ASSUMPTION WE MADE REGARDING SALARY INCREASES. SINCE THE CURRENT PUBLIC SAFETY CONTRACTS END IN '08, UNLESS THERE ARE SALARY PROVISIONS FOR THIS FORECAST BEGINNING IN FISCAL YEAR '09, WE HAVE ASSUMED A LEVELING OF PAY INCREASES FOR ALL EMPLOYEES, SWORN AND CIVILIAN, AT 4.5% ANNUALLY. THIS LEVELING OF SALARY INCREASES IS A FACTOR IN LEVELING THE COST DRIVERS IN ALL THE YEARS AND OBVIOUSLY IF COUNCIL DLIB RATES ON NEW CONTRACTS MOVING FORWARD THIS ASSUMPTION ABOUT SALARY INCREASES WILL CHANGE. THESE PROJECTIONS FOR THE OUT YEARS WILL ALSO CHANGE AS WE GET CLOSER FOR EACH YEAR AND ARE ABLE TO REFINE OUR ESTIMATES AND ASSUMPTIONS. NOW I'LL MOVE INTO MORE DETAILS ABOUT THE PROJECTIONS FOR THE GENERAL FUND REVENUE. WHAT YOU SEE HERE IS OUR REVENUE PIE AS WE

CALL IT, AND THE CITY'S GENERAL FUND REVENUE CAN REALLY BE CATEGORIZED INTO FOUR PIECES OF THAT PIE, PROPERTY TAX AND SALES TAX ARE THE LARGEST TWO COMPONENTS, ROUGHLY 30% EACH. THE OTHER TWO COMPONENTS ARE UTILITY TRANSFERS FROM AUSTIN ENERGY AND AUSTIN WATER UTILITY AND THEN ALL OTHER REVENUE, INCLUDING OUR FRANCHISE FEES, FINES AND PENALTIES, LATE NEZ IN PARENTS PERMITS AND CHARGES FOR REVENUE. EACH ABOUT 30% OF OVER ALL REVENUE. WE CAN START TALKING ABOUT PROPERTY TAX. AUSTIN IS JUST ONE OF FIVE LOCAL TAXES JURISDICTIONS. FOR 2007 THE YEAR WE'RE CURRENTLY IN RIGHT NOW, THE CURRENT COMBINED TAX RATE IS 2.52 CENTS OF WHICH AUSTIN COMPRISES 16.4% OF THAT RATE. FOR A TAX BILL ON A TYPICAL HOME OF 175,000, WHICH IS SLIGHTLY HIGHER THAN OUR CURRENT YEAR MEDIAN HOME VALUE, WHICH IS ABOUT -- WHICH IS ABOUT 167,000, AUSTIN'S SHARE OF THE \$4,008 TAX BILL IS 18%. OUR PERCENTAGE OF THE TAX BILL IS HIGHER THAN THEIR PERCENTAGE OF THE TAX RATE DUE TO THE HOMESTEAD TAXABLE VALUE FOR THE COUNTY AND SCHOOL DISTRICT. FOR THE UPCOMING YEAR IN '08 PROPERTY TAX REVENUE IS BASED ON LOWERING THE CURRENT TAX RATE OF 4126 DOWN TO 3954, WHICH IS THE EFFECTIVE TAX RATE, PLUS 1 CENT TO COVER DEBT SERVICE ASSOCIATED WITH THE BOND ELECTION AS WE MENTIONED. ALSO AS I MENTIONED EARLIER WE RAN AN ADDITIONAL SCENARIO WHERE THE OFFICIAL YEAR TAX RATE WAS LOWERED TO 42 CENTS OR THE ROLL BACK RATE. THIS ACHIEVES AN ADDITIONAL 10.9 MILLION IN REVENUE AS I DISCUSSED. FOR THE OUT YEAR THE REVENUE IS BASED ON MAINTAINING THE EFFECTIVE TAX RIGHT PLU THE ADDITIONAL .5 CENTS IN 2010 ALSO RELATED TO THE BOND ELECTION. ESTIMATES OF APPRAISED VALUE ARE NOT BASED ON THE RECENT TAX NOTICES THAT WE'VE ALL BEEN RECEIVING IN OUR MAILBOXES OVER THE LAST WEEK BUT INSTEAD ARE BASED ON EARLY DISCUSSION WE'VE HAD WITH THE APPRAISAL DISTRICT ABOUT WHERE ESTIMATES OF THE FINAL CERTIFIED ROLL WILL BE IN JULY, AND WE'LL CONTINUE TO TALK TO THEM OVER THE UPCOMING MONTHS AS WE GET CLOSER TO POLICY DISCUSSIONS AND ALSO MOVE INTO THE PROPOSED BUDGET. OUR ASSESSED VALUATION WHICH IS CURRENTLY 60.2 BILLION IS

PROJECTED TO INCREASE EACH YEAR WITH A 10.5% INCREASE NEXT YEAR. INCREASES IN AV FOR EXISTING PROPERTY LOWER THE EFFECTIVE TAX RATE BUT THE CITY DOES REALIZE ADDITIONAL REVENUE FROM NEW PROPERTY ADDED EACH YEAR. FOR FISCAL YEAR '08 BASED ON -- AGAIN BASED ON EARLY ESTIMATES OF WHERE WE THINK THE CERTIFIED ROLL WILL END UP, WE ARE PROJECTING THE TOTAL VALUE OF NEW PROPERTY AT 2.1 BILLION, WHICH IS 24% HIGHER THAN WE REALIZED FOR THE CURRENT YEAR IN WHICH WE REALIZED 1.7 BILLION. WE ARE SHOWING NEW PROPERTY INCREASING AGAIN IN '09 TO 2.2 BILLION AND THEN COMING BACK DOWN TO ABOUT 1.5 BILLION BY 2012. STAYING WITH OUR PROPERTY TAX, WE HAVE SEVERAL COLLIDES TO SHOW HOW AUSTIN COMPARES TO THE OTHER CITIES IN TEXAS. SO HERE ON SLIDE 11 A SIMPLE COMPARISON OF OUR TAX RATE TO THE TAX RATES OF OTHER MAJOR CITIES. AS YOU CAN SEE, AUSTIN HAS THE LOWEST AT 4126 WITH FORT WORTH'S THE HIGHEST AT 86 CENTS. FOR COMPARISON PURPOSES WE'VE CHOSEN TO USE \$175,000 HOME TO COMPARE TAX BILLS FOR THE MAJOR CITIES. IT'S BASED ON THE TAXABLE VALUE, THAT IS, IT TAKES ACCOUNT IN ANY EXEMPTIONS. LOOKING AT THE TAX BILL AUSTIN IS STILL THE LOWEST AT \$722 A YEAR. REALLY THE MOST COMPREHENSIVE WAY TO COMPARE TAX BILLS ACROSS THESE CITIES IS BY LOOKING AT THE OVERLAPPING TAX RATE AND END. THE TOTAL TAX BILL FOR THE \$175,000 HOME IN AUSTIN IS 4,008. RIGHT IN THE MIDDLE OF THE PACK FOR THESE TEXAS CITIES. THE 18% THAT THE CITY COMPRISES OF THE TAX BILL IS BY FAR THE LOWEST WITH DALLAS AND FORT WORTH ABOVE 25%. ANOTHER METHOD TO GET AT THE IMPACT OF THE TAX BILL FOR THE COMMUNITY AT LARGE IS THROUGH THE MEDIAN FAMILY INCOME. FOR AUSTIN THE MEDIAN FAMILY INCOME IS \$69,300, WHICH IS THE HIGHEST OF THE FIVE CITIES. AND AS A PERCENTAGE OF THE MEDIAN INCOME BOTH THE CITY'S PORTION OF THE TAX BILL AND THE OVERLAPPING TAX BILL ARE THE LOWEST OF THE TEXAS CITIES. SAN ANTONIO, FORT WORTH ARE AT THE HIGH END WHEN YOU COMPARE THESE MEASURES. SO MOVING INTO OUR OTHER REVENUE CAT NEGOTIATION THE SECOND LARGEST REVENUE CATEGORY, WHICH IS OUR SALES TAX, AND THAT COMPRISES ABOUT 29% OF OUR GENERAL FUND REVENUE.

AS JOHN HOPKINS PAINTED A PICTURE OF A HEALTHY AND ROBUST ECONOMY AND WE WILL CONTINUE TO SEE THE EFFECT OF THAT ON OUR SALES TAX REVENUE. LAST YEAR WE ACHIEVED SALES TAX GROWTH OF 12.7%, SLIGHTLY ABOVE OUR FINAL ESTIMATE OF 12.3%, AND THAT WAS THE THIRD YEAR IN A ROW OF POSITIVE ANNUAL SALES TAX GROWTH AFTER TWO YEARS OF NEGATIVE GROWTH, AS THE SLIDE THE MANAGER SHOWED YOU INDICATED. FOR THE CURRENT YEAR OUR BUDGET -- OUR BUDGETED GROWTH IS 8.1%, BUT BASED ON THE FIRST FIVE MONTHS OF PAYMENTS WE ARE REVISING OUR CURRENT YEAR ESTIMATE UP TO 9.5%. AGAIN, THIS CONTRIBUTES TO THE ENDING BALANCE FOR 2007. MORE IMPORTANTLY IT ALSO RAISES THE BASE FOR SALES TAX REVENUE IN THE OUT YEARS. WE ARE PROJECTING A 7.5% INCREASE TO THAT HIGHER BASE FOR 2008 AND ANOTHER 7.5% IN '09, WITH SLIGHTLY SLOWER GROWTH IN THE OUT YEARS. IF IT OBTAINS THIS POSSIBLE GROWTH IN EACH OF THE NEXT FIVE YEARS THAT WILL BE 9 CONSECUTIVE YEARS OF GROWTH. 20% OF REVENUE WILL POST MODERATE GAINS IN THE OUT YEARS AS WE MOVE CLOSER TO PREPARING THE BUDGET WE WILL TAKE A CLOSER LOOK AT ALL OF THESE REVENUE SOURCES, ESPECIALLY OUR DEVELOPMENT FEES, OUR FRANCHISE REVENUE AND INTEREST INCOME TO MAKE THEM MORE CONSISTENT AND IN LINE AS WE GET MORE DATA IN AS WE MOVE THROUGH THE UPCOMING MONTHS. AND THE OTHER CATEGORY ARE TRANSFER FROM AUSTIN ENERGY AND AUSTIN WATER UTILITY, WHICH ARE THE CITIZENS' DIVIDENDS ON THESE MUNICIPALLY OWNED UTILITIES, ALSO ACCOUNT FOR ABOUT 20% OF THE REVENUE. EACH OF THE FORECAST YEARS ASSUMES WE WILL MAINTAIN A CURRENT UTILITY TRANSFER RATES, TRANSFER RATE FROM AUSTIN ENERGY IS 9.1% AT THE TOP OF THE RANGE ESTABLISHED BY COUNCIL POLICY. AUSTIN WATER UTILITY TRANSFER IS AT 8.2%, THE UPPER LIMIT SET OUT IN THE CITY'S FINANCIAL POLICIES. AND ALTHOUGH THESE TRANSFER RATES ARE REMAINING THE SAME THROUGHOUT THE FORECAST PERIOD, AS YOU CAN SEE FROM THIS CHART REVENUE COMING INTO THE GENERAL FUND STILL INCREASES. SO JUST TO CONCLUDE AND WRAPPING UP OUR REVENUE SIDE OF THE GENERAL FUND, HERE ON SLIDE 18 IS A SUMMARY OF OUR PROJECTIONS. TOTAL REVENUES PROJECTED TO

INCREASE 6.3% IN '08 DUE TO CONTINUED STRONG SALES TAX REVENUE, BUT AS YOU CAN SEE WHILE OUR REVENUE IS PROJECTED TO INCREASE EACH OF THESE YEARS, AS THE MANAGER MENTIONED OUR COST DRIVERS HAVE INCREASED TO A MUCH HIGHER LEVEL, WHICH WILL WE'LL GO INTO FURTHER, ON EXPEND..... EXPENDITURES. OUR FORECAST EXPENDITURES CAN BE CATEGORIZED OR CHUNKED INTO THREE GROUPS IN YEAR, OUR BASE BUDGET COSTS, OUR COST DRIVERS AND COMMITTED COSTS AND FOR THIS YEAR OUR CORE SERVICE INVESTMENTS FOR FY '08. ON THE EXPENDITURE SIDE WE BUILT THIS FORECAST AROUND SEVERAL KEY ASSUMPTIONS. FIRST OF ALL, IT MAINTAINS BASE BUDGET TO MAINTAIN SERVICE LEVELS FOR SAFETY SERVICES, PUBLIC HEALTH AND SOCIAL SERVICES, PARKS AND LIBRARY PROGRAMS AS WELL AS DEVELOPMENT SERVICES. SECONDLY, WE'VE ADDRESSED THOSE ITEMS IN THE BUDGET THAT HAVE BUILDING ANNUAL COST INCREASES, OUR COST DRIVERS AS WE REFER TO THEM CONCLUDE TO MAINE MAINTAIN OFFICERS, POLICE OFFICERS PER THOUSAND OPERATION, WHICH FOR 2008 RESULT IN AN ADDITIONAL 39 OFFICERS THAT WILL BE ON THE STREET, MAINTAINING STAFFING FOR FIRE DEPARTMENT AND FULLY FUNDING THE COMIMENT MENTS OF OUR PUBLIC SAFETY CONTRACTS. THIS FORECAST ALSO HAS COST INCREASES ASSOCIATED WITH THE REMAINING 1998 BOND FACILITIES, GUS GARCIA AND COLONY PARK REC CENTERS, THE MEXICAN CULTURAL CENTER, COLORADO RIVER PARK AND THE NORTH VILLAGE AND TWIN OAKS AS WELL AS THE FACILITIES ASSOCIATED WITH THE 2006 BOND PROGRAM. AND FINALLY, WHICH IS AN ADDITION THIS YEAR, THERE IS ADDITIONAL FUNDING TO KEEP STREET PREVENTATIVE MAINTENANCE AT 9%. THIS WILL REPLACE ONE TIME FUNDS THAT ARE GOING AWAY, AND ALSO AS WELL WOULD INCREASE SOCIAL SERVICE CONTRACTS BY 3.5%. A MAJOR COMPONENT OF OUR COST DRIVERS IS THE CITY'S INVESTMENT IN OUR WORK FORCE. FOR '08 THIS FORECAST INCLUDES A 3.875% PAY FOR PERFORMANCE. THIS IS ACTUALLY A BLENDED RATE THAT GETS 3.5% FOR METES AND 5% FOR UP TO -- 5% FOR UP TO 25% OF THE WORK FORCE. AS WE DISCUSSED EARLIER THE CURRENT PUBLIC SAFETY CONTRACTS DO END IN FY '08. THUS FOR FISCAL YEAR '09 ONWARDS WE HAVE MADE THE

ASSUMPTION THAT THE ENTIRE WORK FORCE WOULD RECEIVE THE SAME ANNUAL PAY INCREASE OF 4.5%, CHANGING THAT PERCENTAGE OF COURSE WOULD CHANGE THE COST DRIVERS ONE AND I OR THE OTHER. THE FORECAST ASSUMES A CONTINUATION OF A MARKET STUDY PROGRAM ASSESSING THE MARKET RATES OF ONE-THIRD OF THE WORK FORCE EACH YEAR AND THE CONTINUATION OF THE REWARD AND RECOGNITION PROGRAM. AS JOHN ALLUDED TO NATIONALLY WE'RE SEEING THE SAME ISSUE HERE ON HEALTH INSURANCE LOCALLY. HEALTH INSURANCE COSTS DO CONTINUE TO INCREASE. NEXT YEAR WE ARE PROJECTING A 15% INCREASE AND THIS IS BASED ON PRELIMINARY DISCUSSIONS WE'VE HAD WITH OUR PROVIDERS. IN THE OUT YEARS WE SHOW MORE TYPICAL 10% INCREASE BUT AS ALWAYS WE WILL MONITOR THIS KEY COST COMPONENT. THE FORECAST HAS A CONTINUATION OF THE 1% RETIREMENT CONTRIBUTION FOR THE EMPLOYEE RETIREMENT SYSTEM PER THE COUNCIL'S FUNDING PLAN. THE NEED FOR AN ADDITIONAL 1% FOR THIS UPCOMING YEAR HAS ACTUALLY BEEN DEFERRED DUE TO ERS EARNING MORE THAN 12,000 IN 2006. AND FINALLY WE RECOGNIZE THE IMPORTANT OF TRAINING FOR ALL OUR WORK FORCE, ESPECIALLY FRONT LINE EMPLOYEES, TO KEEP PACE WITH THE TRAINING OPPORTUNITIES THE FORECAST PROVIDES NOMINAL INCREASES IN FUNDING FOR TRAINING FOR THESE FRONT LINE WORKERS. AS I MENTIONED PREVIOUSLY, THE BIG FACTOR IN THE FISCAL YEAR 2008 GAP OF 27.5 MILLION IS THE INCREASE IN THE AMOUNT OF THE FUNDS' COST DRIVERS AS COMPARED TO THE PROJECTION THAT WE PROVIDED YOU LAST APRIL AT THIS TIME, FOR 2008. OVERALL COST DRIVERS INCREASED FROM 36 MILLION TO 54 MILLION, AN INCREASE OF 17.6 MILLION. AND WE CAN TALK ABOUT THESE IN REALLY TWO CATEGORIES, LOOKING AT OUR PUBLIC SAFETY AND THEN LOOKING AT OUR OTHER DEPARTMENTS AND TRANSFERS. AND FOR EACH WE'VE HIGHLIGHTED SOME OF THE MAJOR CHANGES IN EACH OF THESE CATEGORIES. IN THE PUBLIC SAFETY AREA COST DRIVERS INCREASED BY 8.3 MILLION, AGAIN, TO MAINTAIN OUR TWO POINT OFFICERS PER THOUSAND THE FORECAST INCLUDES AN ADDITIONAL 39 OFFICERS. THIS IS TEN MORE POLICE OFFICERS THAN WE HAD ANTICIPATED LAST YEAR AT THIS TIME DUE TO A REVISION OF OUR POPULATION UP BY

5,000, AND AGAIN, THIS IS BASED ON OUR LATEST POPULATION ESTIMATES. THE FORECAST ALSO INCLUDES THE PRACTICE WE BEGAN FOR THE CURRENT FISCAL YEAR OF ENSURING OUR PUBLIC SAFETY DEPARTMENTS HAVING ADEQUATE FUNDING FOR THEIR OVER TIME NISSAN IN NOT HAVING TO HOLD OFF ON THINGS LIKE COMMODITY PURCHASES IN ORDER TO COVER NEEDED COSTS. ADDITIONALLY OVERTIME COSTS WILL GO UP EACH YEAR AS SALARIES INCREASE. THE LAST SEVERAL YEARS FIRE AND ELMS..... EMS DEPARTMENTS HAVE BEEN CARRYING VACANCIES. THEY CAN SEE THAT SAVINGS RESULTS OF THOSE POSITIONS. FIRE HAS MADE HEADWAY ON INCREASING CLASS SIZE AND BRINGING MCCADETS. EMS IS WORKING ON EXPANDING RECRUITING EFFORTS. THESE VACANCIES ARE -- TO FILL THEIR VACANCIES. UNLESS THESE BUDGET..... THUS THE BUDGET SAVINGS ARE DIMINISHING. AN ADDITIONAL \$5.4 MILLION HAS BEEN ADDED TO THE FORECAST FOR '08 TO ADDRESS THESE OVERTIME NEEDS AND THE RESULT OF FILLING MORE VACANCIES.

AND GREG, THAT WAS FLEECE AND FIRE.

POLICE AS WELL, EXACTLY. THESE COST DRIVERS FOR ALL -- THE COST DRIVERS FOR ALL THESE OTHER DEPARTMENTS AS WELL AS THE FUND TRANSFERS INCREASED 9.3 MILLION AS COMPARED TO LAST YEAR'S ESTIMATE, AND LISTED HERE AGAIN ARE SOME OF THE MAJOR CHANGES IN THIS CATEGORY THAT WE SAW AND ILLUSTRATE HIGHLIGHT SOME OF THEM. AGAIN, THERE'S 2.9 MILLION IN ORDER TO MAINTAIN THE STREET PREVENTATIVE MAINTENANCE AT 9%, AND AS I MENTIONED, AND THIS IS A TO REPLACE SOME ONE TIME FUNDING THAT WAS KEEPING US AT THE 8% LEVEL. \$1.8 MILLION MORE FOR THE PROJECTED 15% COST INCREASE FOR HEALTH INSURANCE THAT I MENTIONED EARLIER. THE FORECAST ALSO SHOWS THE 3.5% INCREASE OF \$440,000 TO SOCIAL SERVICE CONTRACTS. THIS IS A CHANGE FROM PRIOR YEAR FORECASTS IN WHICH ADDITIONAL FUNDING WAS ADDED DURING THE BUDGET PROCESS YOU NOT SHOWN AS A COST DRIVER TO THE FORECAST. ANOTHER CHANGE IS \$520,000 TO CONVERT TEMP EMPLOYEES INTO PERMANENT POSITIONS INCLUDING FIVE SECURITY GUARDS IN OUR LIBRARY -- FOR OUR LIBRARIES. THIS IS -- AND THIS IS CONSISTENT WITH OUR STAFFING POLICIES TO PROVIDE

BENEFITS TO ALL OF OUR LONG-TERM EMPLOYEES. AS WE DO EACH BUDGET CYCLE WE WILL CONTINUE TO ANALYZE AND REFINE THESE COST DRIVERS IN ADVANCE OF OUR -- OF OUR PROPOSED BUDGET WORK. AND SO GETTING ON TO OUR THIRD CATEGORY OF EXPENDITURES IN OUR FORECAST IS THE NEW ONE, IS FOR -- FOR '08 IS OUR CORE SERVICE INVESTMENTS. WE HAVE INCLUDED THESE IN THE FORECAST FOR '08 TO ADDRESS WHAT WE BELIEVE ARE CRITICAL NEEDS TO THE ORGANIZATION, UNDERSTANDING THAT THERE WILL BE A NEED FOR DISCUSSION OF THESE INVESTMENTS BEFORE WE PRESENT THE PROPOSED 2008 BUDGET TO YOU. WE HAVE UNDERGONE AN EFFORT TO IDENTIFY THOSE AREAS IN WHICH INVESTMENTS ARE NEEDED TO ADDRESS THE PHENOMENAL GROWTH WE ARE EXPERIENCING IN AUSTIN, WHICH IS IMPACTING OUR CORE SERVICE DELIVERY, OUR CRITICAL INTERNAL CONTROLS AND OUR ABILITY TO ADDRESS COUNCIL PRIORITIES AND INITIATIVES. WE STARTED WITH AN ORIGINAL LIST OF OVER 18 MILLION. THIS FORECAST INCLUDES \$7 MILLION OF THESE INVESTMENTS AND THEY PRIMARILY FALL INTO TWO CATEGORIES, SERVICES IMPACTED BY GROWTH AND INTERNAL CONTROLS. AND FOR BOTH OF THESE AREAS I'D LIKE TO SHARE SOME OF THE HIGHLIGHTS OF THE 7 MILLION. INCLUDED IS AN ADDITIONAL 3 FTE'S TO AUGMENT OUR GRAFFITI EFFORT TO REDUCE OUR TURNAROUND TIME FOR CLEANUPS WHICH -- THE CLEANUPS ARE PROJECTED TO BE OVER 16,000 THIS YEAR, IN GETTING THE TURNAROUND TIME DOWN TO 48 HOURS. YEAR-TO-DATE THERE ARE ABOUT SIX DAYS, ALTHOUGH IN MARCH IT WAS A THREE-DAY TURN AROUND. 21 -- THE FORECAST ALSO INCLUDES 21 POSITIONS IN OUR ONE STOP SHOP AND THIS WILL IMPROVE CUSTOMER WAIT TIME, SHORTEN INSPECTION CLOSE OUT, INCREASE COMMERCIAL BUILDING PLANS REVIEWED WITHIN THE 21 DAYS MAIN DATED AND HELP US TO ATTAIN OUR GOAL COMPLETING 90% OF INSPECTIONS WITHIN 24 HOURS. THERE ARE THREE PLANNERS FOR OUR NEIGHBORHOOD ZONING DEPARTMENT TO DEAL WITH AT THE NOMINAL GROWTH THE CITY IS EXPERIENCING AND ALL THE PROJECTS THAT COME WITH THAT. WALLER DECREE CREEK, NORTH BURNET GATEWAY, I-35 MAKE OVER AND INITIATIVES FOR THE DOWNTOWN PLAN AMONG OTHERS. THE INVESTMENTS HAVE TWO ADDITIONAL PEAK LOAD FOR OUR

EMS TO KEEP UP WITH CALL VOLUME AND MORE EFFICIENTLY DEPLOY UNITS IN THE BUSIEST SECTORS OF TOWN. THESE ADDITIONAL RESOURCES WILL ALLOW EMS TO MAINTAIN THE LEVEL OF 90% LIFE-THREATENING CALLS RESPONDED TO [INAUDIBLE]. MOVING ON TO PARKS. OUR RECENT BOND PROGRAM PROCESS HIGHLIGHTED THE IMPACT OF PRIOR YEAR REDUCTION IN OUR PARKS' PREVENTATIVE MAINTENANCE. BUILDINGS AND FACILITIES BEYOND REPAIR THAT WERE IN NEED OF MAJOR CAPITAL IMPROVEMENTS. THE FORECAST INCLUDES 15 POSITIONS FOR PARKS THAT DUE PREVENTATIVE MAINTENANCE ON OUR FACILITIES, OUR PLAY SCAPES AND HIKE AND BIKE TRIALS. THESE GET UP TO 2002 LEVELS FOR PARKS MAINTENANCE BUT DO NOT ADDRESS THE GROWTH THAT HAS OCCURRED FOR THE LAST SEVERAL YEARS. LIBRARIAN AT \$620,000 FOR LIBRARY MATERIALS. THIS WILL GET US BACK TO 2002 LEVELS AND IMPROVE OUR PER CAPITA SPENDING WHICH IS CURRENTLY \$2.24, THE LOWEST OF ANY OF OUR CITY LIBRARIES. THE OTHER CATEGORY FOR THE INVESTMENT AS THE MANAGER MENTIONED IS IN THE AREA OF INTERNAL CONTROLS. THE AREAS OF HR, FINANCE, IT AND ADMINISTRATION, WERE THE FIRST TO BE CUT EARLIER IN THE DECADE, AND THESE CUTBACKS AND CONTROLS ARE HARD TO MANAGE IN NORMAL YEARS, YET ALONE IN THE RAPID GROWTH THAT WE ARE SEEING RIGHT NOW, SO TO ADDRESS THIS NEED WE HAVE INCLUDED SOME KEY INVESTMENTS IN THIS AREA FOR THE '08 FORECAST. HIGHLIGHTS INCLUDE 3 HRFT'S FOR MUNICIPAL COURT, POLICE AND OUR PARKS DEPARTMENT. THE RECOMMENDED RATIO FOR HR STAFF TO OUR TOTAL DEPARTMENT STAFF IS 1 TO 100 EMPLOYEES, AND EACH OF THESE DEPARTMENTS, MUNICIPALLY COURT, POLICE AND PARK ARE WELL OVER 1 TO 175. TO ENSURE THAT THERE ARE PROPER CONTROLS AND PROCESSES IN PLACE TO MEET EVER INCREASING FINANCIAL RESPONSIBILITIES ARREST MORE COMPLEX BUDGETS AND ACCOUNTING, THERE ARE NINE FINANCIAL AND ACCOUNTING FTE'S FOR OUR POLICE DEPARTMENT, OUR FIRE DEPARTMENT AND OUR PARKS DEPARTMENT. THE INVESTMENTS INCLUDE 8 POSITIONS IN EMS, INCLUDING SIX MEDICS TO HANDLE THE GROWTH IN CALL IN MASS COMMUNICATION CENTER IS PROCESSING AND MORE IMPORTANTLY TO PROVIDE RESPONSIBLE MEDICAL TRIAGE

SERVICES DURING THE DISPATCH PROCESS. AS WELL ON THE FIRESIDE THIS INCLUDES TWO FIRE SFAHER POSITIONS TO KEEP PACE WITH CALL VOLUME. AS WE BEGIN WORKING ON THE PROPOSED BUDGET WE WILL ALSO BE LOOKING TO MAKE INVESTMENTS IN OUR SUPPORT SERVICE DEPARTMENTS, WHO PROVIDE CORPORATE LIKE CONTROLS IN THE KEY AREAS OF FINANCE, HR AND IT. AND AGAIN, THESE INVESTMENTS WE HAVE INCLUDED IN THIS FORECAST ARE WHAT WE BELIEVE ARE CRITICAL NEEDS FOR THE ORGANIZE, BUT WE UNDERSTAND THAT THERE NEEDS TO BE A DISCUSSION OF THESE INVESTMENTS PRIOR TO PRESENTING THE PROPOSED BUDGET TO YOU IN JULY. SO AGAIN, HERE IS A SUMMARY OF THE GENERAL FUND. ALL OF OUR REVENUE CATEGORIES ARE INCREASING, OUR COST DRIVERS WILL BE LEVELING OUT AT HIGHER AMOUNTS. OUR TWO ASSUMPTIONS ABOUT THE TAX RATE BOTH ASSUME LOWERING THE CURRENT TAX RATE FOR '08 WITH THE DIFFERENCE BEING WHETHER WE LOW IT FOR THE EFFECTIVE RATE PLUS ONE PENNY FOR THE BONDS OR TO THE ROLL BACK, AND WE LOOK FORWARD TO HAVING A POLICY DISCUSSION ON THIS TOPIC AMONG OTHER TOPICS, AT THE END OF MAY. SO I JUST WANTED TO QUICKLY TOUCH ON OUR BUDGET STABILIZATION RESERVE, WHICH I TALKED ABOUT QUICKLY IN THE BEGINNING OF THIS PRESENTATION. THIS RESERVE FUND WAS ESTABLISHED IN 2006 AND FOR THE CITY'S FINANCIAL POLICIES AT THE END OF EACH YEAR ANY EXCESS REVENUE OR UNSPENT APPROPRIATION FOR THE GENERAL FUND, AGAIN IN 2007 WE'RE PROJECTING THIS AT 4.1 MILLION BUT WE WILL CONTINUE TO CERTAINLY ANALYZE OUR CYE FOR THIS AS WE MOVE FORWARD IN THE BUDGET PROCESS. THIS ENDING BALANCE IS DEPOSITED INTO THE RESERVE OF WHICH ONE-THIRD IS AVAILABLE IN THE FOLLOWING YEAR FOR CRITICAL NEEDS. AS PART OF THIS FORECAST PROCESS WE HAVE COLLECTED REQUESTS FOR A ONE TIME CRITICAL AND CAPITAL NEEDS, AND HERE IS A PRELIMINARY LIST OF THOSE REQUESTS UP HERE. IT INCLUDES FUNDING FOR VEHICLE REPLACEMENTS, INCLUDING FIRE TRUCKS THAT ARE APPROACHING THEIR TEN-YEAR LIFE SPAN, TECHNOLOGY EQUIPMENT AND UPGRADES, SERVICE ENHANCEMENT PAY, A CONTINUATION OF THE 1% RETIREMENT CONTRIBUTION TO ERS THAT WE DISCUSSED EARLIER, AND ALSO NEEDS FOR OUR

DEPARTMENT, INCLUDING THE TWO AMBULANCES THAT ARE ASSOCIATED WITH THE INVESTMENTS WE REVIEWED, NEW POLICE CARS FOR THE ADDITIONAL POLICE OFFICERS REQUIRED TO MAINTAIN OUR STAFFING RATIO, AND THEN EQUIPMENT AND FURNITURE TO OUR NEW REC CENTER, ROBERTS AND RUST GARCIA REC CENTERS, BUT AS YOU CAN SEE THE PRELIMINARY LIST OF THE REQUESTS THAT WE HAVE GOTTEN IN TOTAL NEARLY \$23 MILLION, ABOUT \$7 MILLION MORE THAN WHAT WE PROJECT TO BE AVAILABLE IN THE STABILIZATION FUND FOR NEXT YEAR AND AS WE MOVE FORWARD TO PREPARING THE PROPOSED 2008 BUDGET WE WILL REVIEW EACH OF THESE REQUESTED ITEMS TO BRING THE TOTAL IN LINE WITH THE AVAILABLE FUNDING AND AGAIN WE'LL ALSO BE LOOKING AT OUR CYE TO SEE IF THAT AVAILABLE FUNDING WILL BE CHANGING AT ALL. SO WITH THAT I'VE CONCLUDED -- WE CONCLUDED GOING OVER THE GENERAL FUND PIECE OF THE FORECAST REVIEW, AND SO I'LL TURN IT BACK OVER TO THE CITY MANAGER WHO WILL WALK YOU THROUGH OUR SECTION ON COUNCIL PRIORITIES.

ALL RIGHT. COUNCIL, IF YOU -- ON FEBRUARY 23, IF YOU REMEMBER, THIS IS WHEN YOU FINISHED SIX MONTHS OR BETTER OF WORK THAT YOU-ALL DID THAT BEGAN ON THE NOVEMBER 2006 RETREAT, WHERE YOU AGREED ON CITY-WIDE STRATEGIC GOALS AND YOU DEVELOPED A WORK PLAN OF KEY COUNCIL INITIATIVES FOR THE NEXT 18 MONTHS AND YOU ORGANIZED THOSE INITIATIVES UNDER THE FOUR NEW CITY-WIDE STRATEGIC GOALS. AND JUST AS A REMINDER, THE FOUR NEW STRATEGIC CITYWIDE GOALS WERE TO SUPPORT AND CREATE A RICH CULTURAL AND SOCIAL COMMUNITY, A VIBRANT URBAN FABRIC, A HEALTHY AND SAFE COMMUNITY AND SUSTAINABLE ECONOMIC DEVELOPMENT AND FINANCIAL HEALTH. THE WORK PLAN INCLUDED 21 COUNCIL PRIORITIES OR INITIATIVES, ALL ORGANIZED UNDER THESE FOUR STRATEGIC GOALS. SO HERE'S A RECAP OF THE 21 COUNCIL INITIATIVES YOU DEVELOPED THAT WERE INTENDED TO BE A BLUEPRINT FOR THE ALLOCATION OF STAFF RESOURCES AND TO GUIDE OUR UPCOMING 2008 BUDGET DISCUSSIONS. UNDER RICH SOCIAL AND CULTURAL COMMUNITY YOU HAD AN OVERALL CATEGORY OF DOWNTOWN QUALITY OF LIFE AS A PRIORITY,

AND THAT INCLUDED INITIATIVES OF THE WALLER CREEK TUNNEL, ENHANCING OVERALL DOWNTOWN CLEANLINESS, ENHANCED CODE ENFORCEMENT AND POLICING, AND THEN THE COMPLETION OF THE DOWNTOWN MASTER PLAN. YOU ALSO HAD AN OVERALL PARKS AND PARK SPACE MAINTENANCE CATEGORY UNDER RICH SOCIAL AND CULTURAL COMMUNITY, AND THAT INCLUDED COUNCIL PRIORITY INITIATIVES SUCH AS IMPROVEMENTS TO THE HIKE AND BIKE TRAIL, INCLUDING LIGHTING AND CONNECTIVITY, ENHANCED INVESTMENTS IN PARK MAINTENANCE AND PARK FACILITIES REPAIR, AND THIS WAS PARTLY A RESPONSE TO THE FACT THAT OUR REPAIR BUDGETS AND MAINTENANCE BUDGETS HAVE BEEN CUT SO HARD DURING THE DOWNTURN THAT IN OUR BONDS WE HAD -- SOME OF OUR FACILITIES WERE TO THE POINT THEY REQUIRED BOND DOLLARS TO REPAIR AS OPPOSED TO ONGOING O AND M. AND FINALLY THE COMPLETION AND IMPLEMENTATION OF THE BARTON SPRINGS POOL MASTER PLAN. UNDER THE VIBRANT AND URBAN FABRIC STRATEGIC GOAL, YOU HAD AN OVERALL CATEGORY OR TASK OF PERFORMING A COMPREHENSIVE FINANCIAL ANALYSIS ON THE IMPACT ON OUR FINANCIAL CAPACITY AND OUR LONG-TERM FINANCIAL HEALTH OF A NUMBER OF TRANSPORTATION AND OTHER RELATED PROJECTS THAT INCLUDED TRANSPORTATION-ORIENTED DEVELOPMENT, COMMUTER RAIL IN THE DOWNTOWN CIRCULATOR, THE SAN ANTONIO RAIL CORRIDOR AND RELATED STATION AREAS, CORRIDOR PLANS, AND A WHOLE HOST OF OTHER RELATED DEVELOPMENTS FUNDING ISSUES SUCH AS INFRASTRUCTURE, PUBLIC SPACES, AFFORDABLE HOUSING AND PARKS. ALSO UNDER THIS CATEGORY YOU HAD AN INITIATIVE OF EXPEDITING THE REDEVELOPMENT OF THE GREEN WATER TREATMENT PLANT AS WELL AS THE TWO TOWN LAKE IN-TAKE STRUCTURES AND YOU HAD A FINAL INITIATIVE TO INCREASE THE ANNUAL STREET MAINTENANCE OF LANE MILES IN OUR COMMUNITY FROM 9% TO THE BEST PRACTICE OF 10%. UNDER THE THIRD STRATEGIC GOAL OF A HEALTHY AND SAFE CITY, YOU HAD THREE DIFFERENT COUNCIL PRIORITIES OR INITIATIVES. ONE WAS TO COMPLETE THE EXTERNAL AUDIT OF POLICE TO MANAGE SUSTAINABLE INCREASES IN COST OVER TIME AS WELL AS TO EVALUATE THE CONSOLIDATION OF POLICE SERVICES.

ANOTHER WAS TO IMPROVE AND TO IMPLEMENT STRUCTURAL WATER CONSERVATION POLICY, AND THE FINAL WAS TO DEVELOP A LONG-TERM LANDFILL PLAN, INCLUDING ECONOMIC DEVELOPMENT AND RECYCLING OPPORTUNITIES. AND THEN UNDER THE FINAL OR FOURTH COUNCIL STRATEGIC CITYWIDE GOAL OF SUSTAINABLE ECONOMIC DEVELOPMENT AND FINANCIAL HEALTH, YOU HAD THE FOUR FINAL COUNCIL PRIORITIES OR INITIATIVES: SUPPORT FOR CUTTING EDGE BUSINESSES, EMERGING TECHNOLOGIES AND AUSTIN'S CREATIVE CLASS, FOCUSING ON SMALL BUSINESS DEVELOPMENT AND SUPPORT FOR WOMEN AND MY ORT.....MINORITY OWNED BUSINESS ENTERPRISES, IMPLEMENTING A CITYWIDE CLIMATE PROTECTION PLAN AND FINALLY FOCUSING ON OUR AFFORDABLE HOUSING INITIATIVE AND THAT INCLUDED IMPLEMENTING DENSITY BONUSES AS A WAY TO ACHIEVE AFFORDABLE HOUSING AS WELL AS IMPLEMENTING THE HOUSING BOND PROGRAM WITH THE FIRST OF ITS KIND, GO BOND PROGRAM THAT GAVE US DOLLARS FOR AFFORDABLE HOUSING. SO COUNCIL, IN SUMMARY, YOU HAD 21 PRIORITY INITIATIVES THAT YOU WANTED US TO USE AS A BLUEPRINT AS WE HELPED DEVELOP THE 2008 BUDGET. WE CURRENTLY HAVE AN EFFORT UNDER WAY FOR EACH OF THE 21 COUNCIL PRIORITY INITIATIVES, AND THIS FORECAST INCLUDES EITHER PARTIAL OR FULL FUNDING FOR EACH, REMEMBERING THAT MANY OF THESE INITIATIVES MAY BE MORE THAN A ONE-YEAR INITIATIVE AND MAY REQUIRE MULTIPLE-YEAR FUNDING. WE WILL CONTINUE TO REFINED THIS INFORMATION FOR A MORE DETAILED POLICY DISCUSSION WITH YOU AS WE GO THROUGH THE PROCESS, AND WE WILL INCLUDE THIS IN OUR POLICY DISCUSSION AT THE END OF MAY ON THE BUDGET. NOW I'M GOING TO TURN IT OVER TO THE FINAL SECTION ON THE FORECAST, TO OUR DEPUTY CHIEF FINANCIAL OFFICER, LESLIE BROWDER, WHO IS GOING TO DISCUSS THE INTERPRET FUND.

THANK YOU. THE LAST SECTION OF OUR PRESENTATION COVERS OUR SIX MAJOR ENTERPRISE FUNDS AND JUST WANTED TO NOTE THAT THE SAME ASSUMPTIONS FOR PERSONNEL COSTS THAT GREG OUT.....OUTLINED EARLIER IN WERE USED TO DEVELOP THEIR PROJECTIONS. THE FIRST SLIDE IS ON AVIATION. PASSENGER TRAFFIC IS A KEY

INDICATOR THAT THE AIRPORT USING TO FORECAST THEIR REVENUE. THE AIRPORT IS PROJECTING OVER THE FORECAST PERIOD THAT TRAFFIC WILL GROW AT ABOUT 3% EACH YEAR, CONSISTENT WITH POPULATION GROWTH IN THE REGION. AIRPORT REVENUE INCLUDES FEES AND CHARGES PAID BY THE AIRLINES AS WELL AS REVENUE FROM PARKING, RENTAL CARS AND FOOD SERVICE CONCESSIONS IN THE TERMINAL BUILDING, JUST TO NAME THE MAJOR COMPONENTS, AND OVERALL THEY ARE PROJECTING THAT TOTAL REVENUE WILL INCREASE BY APPROXIMATELY 3.5% PER YEAR OVER THE FORECAST PERIOD. THE FORECAST FOR EXPENDITURES INCLUDES COSTS INCREASES ASSOCIATED WITH ALL SECURITY MANDATES THAT HAVE BEEN HANDED DOWN TO US SINCE SEPTEMBER 11, AS WELL AS FUNDING FOR BUILDING AND EQUIPMENT MAINTENANCE. AND FINALLY THE SURPLUS OF REVENUE OVER REQUIREMENTS IS SET ASIDE ANNUALLY IN THE AIRPORT CAPITAL FUND AS REQUIRED BY THEIR BOND COVENANTS AND WILL BE NEEDED TO IMPROVE OR EXPAND THE AIRPORT IN THE FUTURE BASED ON THE RESULTS OF PLANNING EFFORTS THAT ARE CURRENTLY UNDER WAY. MOVING ON TO THE CONVENTION CENTER, JUST WANTED TO NOTE THAT HOTEL BED TAX ACCOUNTS FOR ABOUT 60% OF TOTAL CONVENTION CENTER REVENUE AND THAT DOES INCLUDE THE 2% VENUE TAX THAT WAS PASSED BY VOTERS IN 1998 TO FINANCE THE EXPANSION OF THE CONVENTION CENTER. OUR HOTEL TAX COLLECTION RECENT STRONG. IN 2006 OUR COLLECTIONS WERE UP 22% OVER 2005, AND OUR CURRENT COLLECTIONS THIS YEAR ARE UP ABOUT 17% SO FAR. OUR RENTAL CAR TAX IS ALSO DOING VERY WELL. IT WAS UP 27% IN 2006 COMPARED TO 2005, AND IT'S ALSO UP AGAIN THIS YEAR AS WELL. THIS TAX IS THE PRIMARY FUNDING SOURCE THAT WE USE TO PAY OFF THE LOAN FROM THE CITY'S INVESTMENT POOL FOR THE CONSTRUCTION OF TOWN LAKE PARK, AND JUST WANTED TO NOTE THAT EVEN WITH THE INCREASES WE HAVE MENTIONED HERE, WE ESTIMATE THAT THE LOAN WILL NOT BE PAID OFF FOR ANOTHER FOUR TO FIVE YEARS, AND GIVEN THAT, THE TAX WILL NOT BE AVAILABLE YET FOR THE FUNDING OF OTHER PROJECTS. GOING FORWARD WE'VE PROJECTED MODERATE GROWTH IN REVENUE AT THE CONVENTION CENTER AS WELL AS FOR THE HOTEL TAX

REVENUE, HAVING EXPERIENCED SUCH STEEP GROWTH RECENTLY. ON THE EXPENDITURE SIDE AT THE CONVENTION CENTER THEY PLAN TO CONTINUE INVESTING IN TECHNOLOGY. THIS WILL ENHANCE THEIR FACILITY AMENITIES AND THE SERVICES THAT THEY HAVE AVAILABLE FOR CONVENTION EERS. JUST TO MENTION THEY'RE SEEN AS ONE OF THE PREMIERE PLACES IN CONFERENCE, ESPECIALLY HIGH-TECH CONFERENCE AND THE A GOOD COMAMPL OF THAT IS WORLD INFORMATION CONGRESS ON TECHNOLOGY THAT WAS HELD HERE JUST THIS PAST YEAR. AND THEN FINALLY WANTED TO NOTE THAT THE TOTAL NUMBER OF BOOKSINGS AT THE CONVENTION CENTER HAVE INCREASED 17% COMPARED TO LAST YEAR AND ALSO THAT THE NUMBER OF VISITORS HAS ALMOST DOUBLED, GOING FROM APPROXIMATELY 300,000 VISITORS TO OVER 500,000, CLOSE TO 515,000. ON TO THE DRAINAGE FUND, WE ARE NOT PROJECTING ANY RATE INCREASES FOR THE DRAINAGE UTILITY FUND OVER THE FORECAST PERIOD. OUR LAST INCREASE WAS IN 2006, AND THAT WAS PART OF A FIVE-YEAR COST OF SERVICE PLANMENT WE WERE IN THE FINAL YEAR IN 2006. IN THE EXPENDITURE CATEGORY WE DO EXPECT TO CONTINUE WITH WATERSHED PROTECTION EFFORTS FROM THE MASTER PLAN THAT WAS COMPLETED IN 2001. AT THAT TIME THE MASTER PLAN WAS ESTIMATED TO COST APPROXIMATELY 800 MILLION. THE DEPARTMENT HAS BEEN LOOKING AT THOSE COSTS AND THEY ESTIMATE THAT IN TODAY'S DOLLARS IT WOULD BE CLOSER TO 1.2 BILLION IN TERMS OF TOTAL CAPITAL COST. AND JUST WANTED TO NOTE THAT SOME OF THOSE IMPROVEMENTS WILL BE FUNDED FROM THE TRANSFER OF CURRENT REVENUES FROM THE DRAINAGE FUND TO THE CAPITAL IMPROVEMENTS PROGRAM, AND THERE WILL ALSO BE AVAILABLE FUNDING FOR THE 2006 BOND PROGRAM AND [INAUDIBLE] FUNDS OF 95 MILLION WERE APPROVED FOR DRAINAGE PROJECTS NEW MEXICO IN THAT PACKAGE. ON TO SOLID WASTE. ON THE REVENUE SIDE THE PAY AS YOU THROW PROGRAM WHICH STARTED IN 1997 HAS NOT HAD A RATE INCREASE SINCE ITS START. OVERALL WE'RE PROJECTING THAT BASED REVENUE, AND THIS WOULD NOT INCLUDE A RATE INCREASE, BUT ON THE AVERAGE IT'S EXPECTED TO GROW ABOUT 3% ANNUALLY. IN THE EXPENDITURE CATEGORY THE FORECAST ASSUMES THAT

WE WILL IMPLEMENT OUR SINGLE STREAM RECYCLING PROGRAM DURING THE FORECAST PERIOD AND THAT WE WILL ALSO CLOSE THE FARM ROAD 812 LANDFILL, AND WE'LL BE COMING BACK TO YOU WITH A LITTLE MORE DETAIL ABOUT THESE EFFORTS WHEN WE RETURN IN MAY FOR OUR POLICY DISCUSSION AND OUR ANALYSIS. AS WE MENTIONED IN LAST YEAR'S FORECAST, WE'VE BEEN SEEING SIGNIFICANT INCREASES IN FUEL AND OTHER COMMODITY PRICES JUST OVER THE PAST FEW YEARS, AND THIS HAS GOTTEN US TO A POINT WHERE A RATE INCREASE MAY BE NECESSARY FOR SOLID WASTE IN 2009. WE WILL CONTINUE TO MONITOR THIS, AND AS WE GET CLOSER TO 2009 WE'LL HAVE A BETTER IDEA OF WHAT THE LEVEL OF RATES THAT WILL BE NEEDED TO COVER OUR COST OF OPERATIONS. THIS IS NO CHANGE FROM THE PRIOR YEAR FORECAST. WE ESTIMATED THE SAME TIMING LAST YEAR. AUSTIN ENERGY, MOVING ON TO THE NEXT SLIDE. AUSTIN ENERGY HAS PROJECTED ADDITIONAL DEBT SERVICE OVER THE FORECAST PERIOD TO FUND THEIR FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM. THAT'S CURRENTLY ESTIMATED AT ABOUT \$921 MILLION, AND JUST WANTED TO NOTE THAT THE BULK OF THESE PROJECTS ARE ASSOCIATED WITH DISTRIBUTION AND TRANSMISSION. ALTHOUGH AUSTIN ENERGY'S CAPITAL IMPROVEMENTS PROGRAM HAS INCREASED OVER THE YEARS, THEY'VE BEEN ABLE TO REDUCE THE AMOUNT OF OUTSTANDING REVENUE BOND DEBT SINCE 1998 THROUGH THEIR ONGOING REFUNDING EFFORTS AND SEASONED WITH BOND RESERVE MONEY SO THEY'VE BEEN MANAGING THEIR CAPITAL IMPROVEMENT COSTS VERY WELL. AUSTIN ENERGY IS PROJECTING THAT A RATE INCREASE MAY BE NEEDED IN THE OUT YEARS OF THE FORECAST, PERHAPS IN 2011, AND LAST YEAR WE ACTUALLY ESTIMATED A RATE INCREASE POTENTIALLY IN 2010, SO THEY'VE BEEN ABLE TO MANAGE THAT AND DEFER THAT PERHAPS ANOTHER YEAR FURTHER. THE LAST FUND THAT WE'LL BE COVERING IS THE AUSTIN WATER UTILITY, AND LIKE AUSTIN ENERGY, THEY HAVE EXPERIENCED -- OR THEY'VE PROJECTED ADDITIONAL DEBT SERVICE OVER THE FORECAST PERIOD TO FUND THEIR FIVE-YEAR CAPITAL IMPROVEMENT PLAN, AND THAT FIVE-YEAR PLAN IS CURRENTLY ESTIMATED AT ABOUT 1.3 BILLION. THE BULK OF THE PROJECTS ARE ASSOCIATED WITH TREATMENT PLANT

IMPROVEMENTS, EXTENSIONS AND IMPROVEMENTS FOR THE SOUTHEAST AND THE NORTH EAST SERVICE AREAS. THEY'RE EXPERIENCING A LOT OF GROWTH DEMAND IN THOSE AREAS, IMPROVEMENTS TO THE RECLAIMED WATER SYSTEM AND JUST GENERAL REHABILITATION OF AGING INFRASTRUCTURE. THE NEXT SLIDE LOOKS AT THEIR PROJECTED O AND M FUNDING FOR THE FORECAST PERIOD. THEY HAVE INCLUDED SOME ADDITIONAL FUNDING IN SOME NEW AREAS, NOTABLY IN WATER CONSERVATION, AND THAT INCLUDES FUNDING TO SUPPORT IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE COUNCIL'S WATER CONSERVATION TASK FORCE. THEY'VE INCLUDED ADDITIONAL FUNDS FOR ENVIRONMENTAL PROTECTION PLANS AND FINALLY REPAIR CONTRACTS TO IMPROVE WATER LEAK AND MAIN BREAK RESPONSE TIMES... LOOKING AT AUSTIN WATER UTILITIES' COMBINED RATE PLAN, WE'RE SHOWING YOU HERE WHAT THEY'RE PROJECTING THROUGHOUT THE FORECAST PERIOD AND ALSO COMPARING THAT TO WHAT WAS REPORTED TO YOU LAST YEAR IN THE FORECAST. THE UTILITY ORIGINALLY PROJECTED A COMBINED RATE OF 7.2% IN '08 AND THEN 6% IN THE TWO FOLLOWING YEARS WITH NO RATE INCREASE IN 2011 AND 2012. BASED ON THE FACTORS THAT WE JUST DISCUSSED IN TERMS OF THEIR CAPITAL PLAN AND THEIR INCREASED O AND M COSTS, THEY ARE CURRENTLY ESTIMATING A COMBINED RATE THAT WOULD INCREASE 9.8% IN 2008, 7% IN THE NEXT TWO YEARS AND AGAIN NO RATE INCREASE IN 2011 AND 2012. THIS NEXT SLIDE IS OUR LAST SLIDE ON THE ENTERPRISE FUNDS, AND IT IS BASICALLY A BAR CHART THAT SHOWS WHAT A RESIDENT IN AUSTIN CURRENTLY PAYS MONTHLY FOR WATER AND WASTEWATER COMPARED TO OTHER CITIES IN OUR AREA, OTHER CITIES IN THE STATE AND A FEW PEER CITIES OUTSIDE THE STATE OF TEXAS. IT'S BASED ON AVERAGE RESIDENTIAL USAGE, 8500 GALLONS OF WATER ON A MONTHLY BASIS AND 5,000 GALLONS OF WASTEWATER. AUSTIN IS A ABOUT \$54 RIGHT NOW. WE'RE ABOVE SAN ANTONIO BUT WE'RE BELOW CORPUS CHRISTI, AND WE'RE ALSO BELOW SEVERAL CITIES IN OUR AREA, INCLUDING SAN MARCOS, CEDAR PARK, PFLUGERVILLE AND GEORGETOWN. WITH THE COMBINED RATE INCREASE THAT WE MENTIONED FOR 2008, THAT WOULD BRING THE \$54 AMOUNT ON A MONTHLY BASIS UP BY

SOMEWHERE BETWEEN 5 AND \$6 PERHAPS MOVING US SOMEWHERE BETWEEN CORPUS CHRISTI AND GEORGETOWN BUT ALSO WANTED TO NOTE THAT WITH THAT THERE ARE LIKELY SOME LARGE RATE INCREASES THAT MANY OF THE UTILITIES ON THIS CHART MAY BE FACING IN THEIR FUTURE, ESPECIALLY THOSE WHO HAVE AGING INFRASTRUCTURE SIMILAR TO AUSTIN'S. SO AFTER EVERYTHING SHAKES OUT, OUR RELATIVE POSITION ON THE BAR COULD REMAIN UNCHANGED. THAT CONCLUDES THE ENTERPRISE SECTION AND WITH THAT I'LL TURN IT BACK TO THE BUDGET OFFICER AND THE CITY MANAGER FOR WRAP-UP.

SO I THINK, COUNCIL, WHAT YOU SEE NOW AS WE CLOSE IS JUST TAKING A LOOK AT SOME OF THE KEY UPCOMING BUDGET DATES THAT WE HAVE. BEGINNING TODAY WE WILL START OUR PROCESS FOR ANSWERING YOUR BUDGET QUESTIONS, AND GREG, MAYBE YOU CAN EXPLAIN HOW THAT PROCESS WORKS AND WHERE PEOPLE CAN FIND ANSWERS PUBLICLY TO THE BUDGET QUESTIONS THAT ARE ASKED AND ANSWERED.

SURE. ON THE CITY OF AUSTIN WEB SITE UNDER THE BUDGET, CI.AUSTIN BACK SLASH BUDGET, THERE'S A SECTION FOR BUDGET QUESTIONS. IT'S A VERY -- WE'VE UPDATED THE MODEL THAT WE'VE USED IT'S VERY INTERACTIVE, YOU CAN SEARCH FOR QUESTIONS BY DEPARTMENT, BY COUNCIL MEMBER, AND SO WE WILL HAVE THAT UP AND RUNNING, AND THE WAY WE ANSWER QUESTIONS IS ANY QUESTIONS THAT WE'LL GET HERE TODAY OR ANY QUESTIONS THAT YOU SUBMIT TO US IN WRITING WE WILL GET TURNED AROUND ANN AS QUICKLY AS POSSIBLE WORKING WITH THE DEPARTMENTS AND GETTING A RESPONSE BACK OUT TO YOU AS WELL AS POSTING ON THE WEB AND DISTRIBUTING TO EVERYBODY.

ALL QUESTIONS GET ROUTED THROUGH THE BUDGET OFFICE.

THROUGH THE BUDGET OFFICE.

AND YOUR AVERAGE OAR YOU'RE TRYING TO DO A TURN

AROUND OF THREE OR FOUR DAYS?

ABOUT FOUR DAYS, YEAH, AND ONCE WE GET THEM DONE AND WE CAN GET THEM, YOU KNOW, LOOKED AT, WE TURN THEM AROUND AS QUICKLY AS WE CAN.

WE MAKE SURE THAT ALL QUESTIONS GET SENT OUT TO ALL THE COUNCIL OFFICES AND ANSWERED AND PUT ON THE WEB PAGE AND WE WILL ALSO BE INCORPORATING CITIZEN QUESTIONS AND ANSWERS THAT WE'LL BE COLLECTING THROUGH THE PUBLIC HEARINGS AND A VARIETY OF OTHER PUBLIC DISCUSSIONS. THEY'LL GET INCORPORATED ALONG WITH THE COUNCIL Q AND A UP ON THE WEB PAGE. THE NEXT KEY DATE WILL BE THE POLICY DISCUSSION THAT WE'D LIKE TO HAVE WITH THE COUNCIL THAT WILL GIVE US SOME FURTHER GUIDANCE AS WE MOVE TOWARD THE JULY 26 PROPOSED BUDGET PRESENTATION. AND WITH THAT WE'LL JUST OPEN UP FOR QUESTIONS.

MAYOR WYNN: THANK YOU, CITY MANAGER. I GUESS MY FIRST QUESTION IS, IS THIS FINANCIAL FORECAST NOW AVAILABLE TO THE PUBLIC AS WELL? DO WE HAVE IT ON THE WEB PAGE?

IF IT IS NOT AVAILABLE RIGHT NOW IT WILL BE WITHIN THE NEXT 15 MINUTES.

MAYOR WYNN: WELL, COUNCIL, IF YOU DON'T MIND, MY RECOMMENDATION IS SINCE WE'RE JUST -- WE'RE A LITTLE PAST NOON AND WE HAVE CITIZENS WHO HAVE COME DOWN HERE AS THEY DO EACH LUNCH HOUR TO SPEAK TO US, MY INSTINCT IS GO AHEAD AND TAKE UP THOSE CITIZEN COMMUNICATION COMMENTS AND THEN WE'LL GAUGE, YOU KNOW, HOW MUCH WE WANT TO, YOU KNOW, HAVE QUESTIONS AND ANALYSIS ABOUT THE FIVE-YEAR FORECAST UP HERE ON THE DAIS. WE HAVE SO MUCH INFORMATION TO ABSORB, OFTENTIMES WE END UP DOING A BETTER JOB WITH A LOT OF QUESTIONS AT A LATER TIME. BUT SO WITHOUT OBJECTION THEN WE WILL GO -- THANK YOU VERY MUCH, STAFF. VERY WELL DONE, VERY WELL ORGANIZED, LOTS OF INFORMATION AND I THINK IT'S VERY APPROPRIATE FOR US TO BE DOING THIS PUBLICLY.

WITHOUT OBJECTION, THEN COUNCIL WILL GO NOW TO OUR CITIZEN COMMUNICATION. AND WE HAVE ABOUT 10 FOLKS WHO HAVE SIGNED UP WISHING TO ADDRESS US. WE'LL NOW LET THEM DO THAT. OUR FIRST SPEAKER IS MR. JAMES TINSLEY. JAMES TINSLEY, TO BE FOLLOWED BY MARY PATRICK. WELCOME, MS. PATRICK. YOU CAN APPROACH EITHER PODIUM. YOU CAN APPROACH EITHER PODIUM. WE'LL TRY HIM LATER. HE MIGHT BE --

OKAY. [INAUDIBLE]

MAYOR WYNN: THAT OR PERHAPS AV SYSTEM COULD DISPLAY IT ON THE SCREEN.

MAYOR WYNN: OKAY. MS. PATRICK. YOU HAVE THREE MINCE MINUTES, YOU'LL BE FOLLOWED BY LIZ VEGA.

I LIVE IN THE NORTH FIELD NEIGHBORHOOD ASSOCIATION. NORTH FIELD IS BOUNDED BY 51ST STREET ON THE SOUTH, LAMAR ON THE WEST, KEEN IG LANE ON THE NORTH AND THE AIRPORT ON THE EAST. I'M HERE ADVOCATING FOR MYSELF AND MY NEIGHBORS. WHAT I'M SHARING WITH YOU SHOW A VERY LARGE STRUCTURE THAT I CALL THE MONSTER. IT IS RIGHT BEHIND MY HOUSE AND BEHIND MY NEIGHBOR'S HOUSE. IT'S JUST ONE OF MANY VERY LARGE STRUCTURES IN MY NEIGHBORHOOD AND MY NEIGHBORHOOD WAS GIFTED WITH MANY OF THE DREADED SUPER TUBES FOR THE LAST SEVERAL YEARS. MY NEIGHBORS AND I REFER TO THESE HUGE STRUCTURES AS MINI OR STEALTH DORMS. SINCE EARLY 2006 IN MY ATTEMPT TO DISCOVER HOW AND WHY MY MONSTER WAS AND IS OKAY, I'VE BEEN TOLD MANY THINGS, INCLUDING, ONE, DUPLEXES ARE LEGAL IN YOUR NEIGHBORHOOD. MY UNDERSTANDING IS THAT THE BUILDER OF THE MONSTER IS GOING TO ATTACH THE NEW STRUCTURE TO THE OLD, OLD HOUSE IN THE FRONT TO MAKE A LEGAL DUPLEX. THE BUILDER ALSO TOLD ME, LADY, THIS IS ALL ABOUT MONEY. WE DON'T REALLY CARE ABOUT BEING A LONG-STANDING RESIDENT AND IF YOU DON'T LIKE IT MOVE TO FLORIDA. AND THEN FROM THE CITY OF AUSTIN STAFF MEMBER, THEY TOLD ME, DENSIFICATION IS PART OF THIS CITY'S VISION. WELL, I'M AWARE OF THE CITY'S VISION AND THAT INCLUDES DENSIFICATION. IT'S A WORTHY VISION. HOWEVER, IT'S ONE

THING TO BUILD HIGH RISE CONDOS DOWNTOWN AND PACK THEM FULL OF EVIDENTLY VERY WEALTHY PEOPLE, WHO CHOOSE TO LIVE THERE. IT IS ANOTHER THING ENTIRELY FOR PEOPLE NOT TO HAVE A CHOICE ABOUT LARGE MULTIPLE-PERSON MINI DORMS BEING BUILT ALL OVER OUR NEIGHBORHOOD OR YOUR NEIGHBORHOOD OR NEXT DOOR TO YOU OR NEXT DOOR TO MY NEIGHBORS. WHEN YOU LIVE IN A VERY MODEST NEIGHBORHOOD, A VERY MODEST SINGLE-FAMILY HOME WITH A VERY MODEST SMALL YARD. SO THE ISSUE HERE IS THAT WE, MY NEIGHBORS AND I, DID NOT AND DO NOT CHOOSE TO LIVE IN A HIGH DENSITY NEIGHBORHOOD, A HIGH DENSITY APARTMENT OR CONDO BUILDING. WE CHOSE AND DO CHOOSE TO LIVE IN A MODEST SINGLE-FAMILY HOME, MAYBE WITH A NICE SINGLE-FAMILY DUPLEX NEXT TO US. THIS MONSTER AND ITS RELATIVES FORCE US TO LIVE IN A HIGH DENSITY ENVIRONMENT. SO WHAT SAY DO WE HAVE HERE? IS THE MONSTER BUILDER CORRECT? , IT'S ALL ABOUT MONEY, NO ONE CARES ABOUT THE LONG-TERM HOMEOWNER RESIDENT IN YOUR NEIGHBORHOOD? DO WE HAVE THE RIGHT TO KEEP OUR NEIGHBORHOOD SMALL, QUIET AND FAMILY ORIENTED? IS THE CITY OF AUSTIN AT ALL CONCERNED ABOUT THE AVERAGE MODEST CENTRAL CITY NEIGHBORHOOD? AUSTIN IS A BEAUTIFUL CITY WITH LOVELY LITTLE NEIGHBORHOODS. ARE THESE THE KIND OF STRUCTURES, POORLY BUILT, BIG AND UGLY THAT WE WANT TO SEE IN OUR CENTRAL CITY NEIGHBORHOODS? IS THIS WHAT WE WANT OUR CITY TO LOOK LIKE? HOW CAN WE WORK TOGETHER TO MAINTAIN THE INTEGRITY AND BEAUTY OF THESE SMALL MODEST CENTRAL CITY NEIGHBORHOODS. THANK YOU.

THANK YOU, MS. PATRICK AND NOW I'LL RECOGNIZE COUNCIL MEMBER MCCracken.

I GUESS THE QUESTION I HAVE FOR STAFF IS FOR STARTERS, IS THIS ONE OF THE STRUCTURES THAT GET SLIPPED IN BEFORE THE MANSION ORDINANCE WENT INTO EFFECT? I'M --

I'M HOPING THAT MAYBE STEVE -- STEVE, DO YOU HAVE SOME INFORMATION ON THIS ADDRESS?

MY NAME IS STEVE WILL KIN SON WITH WATERSHED

PROTECTION. THIS WAS PERMITTED IN SEPTEMBER OF 2005, SO IT PREDATES THE NEW REGULATIONS.

I THINK ONE OF THE THINGS, MS. PATRICK, THAT YOU'RE SEEING IS WHY WE DID THIS IN THE FIRST PLACE, AND, IN FACT, THIS COUNCIL HAS I THINK VERY DECISIVELY SAID THAT OUR POLICY ON DENSIFICATION IS TO PUT IT ON THE CORRIDORS AND IN DOWNTOWN THROUGH THINGS LIKE OUR DOWNTOWN REDEVELOPMENT EFFORTS AND THE DMU OVERLAY AND AT THE SAME TIME AS PART OF THAT POLICY IS TO PROTECT SINGLE-FAMILY NEIGHBORHOODS. THIS COUNCIL DOES NOT BELIEVE THAT THE APPROPRIATE PLACE TO PUT THE DENSITIES IS INSIDE OF SINGLE-FAMILY NEIGHBORHOODS. THIS IS WHY WE HAD THE MANSION ORDINANCE BECAUSE THINGS LIKE YOU AND YOUR NEIGHBORS --

I APPRECIATE IT.

MCCRACKEN: WE ARE ALL VERY SORRY ABOUT WHAT HAPPENED TO YOU AND YOUR NEIGHBORS, AND YOUR EXPERIENCE IS WHY WE DID THE ORDINANCE IN THE FIRST PLACE.

MAY I SAY ONE THING?

MAYOR WYNN: YES, BRIEFLY,.

THIS IS JUST ONE EXAMPLE OF NEW STRUCTURES STILL GOING UP IN MY NEIGHBORHOOD.

MAYOR WYNN: NO, MA'AM, BUT THE LAW IS AS WE POINT OUT -- THE LAW IS ONCE A PERMIT IS ISSUED, AND THEY WERE ISSUED ACCORDING TO THE LAW AT THE TIME, BUT WE HAVE NO DISCRETION WHATSOEVER TO STOP THOSE. THIS COUNCIL TOOK, AS COUNCIL MEMBER MCCracken POINTED OUT, SOME VERY DISIE I HAVE.....I..DISIESIVE ACTION, CONTROVERSIAL ACTION, AND ARE CURRENTLY SPENDING A LOT OF TIME, EFFORT AND MONEY AT THE LEGISLATURE TRYING TO DEFEND THAT ACTION FOR THIS VERY REASON.

AND WE APPRECIATE IT VERY MUCH.

WE DO EMMA THIES AND APPRECIATE THE CONCERN.

AND WE APPRECIATE IT.

BY CHANCE, BY CHANCE DID JAMES TINSLEY COME BACK TO THE ROOM? HOW ABOUT LIZ VEGA? LIZ VEGA, TO BE FOLLOWED BY JIMMY CASTRO. WELCOME, JIMMY, AND YOU'LL BE FOLLOWED BY DON BENNETT.

THANK YOU. GOOD AFTERNOON, MAYOR WYNN, COUNCIL MEMBERS. MY NAME IS JIMMY CASTRO AND I'M HERE TO SPEAK ON MY OWN BEHALF. THIS IS ABOUT THE HISTORY OF CINCO DE MAYO. CINCO DE MAYO THE FIFTH OF MAY INVOLVE THE HISTORY AND DESTINIES OF BOTH THE UNITED STATES AND MEXICO AND THEIR LEADERS WERE ABRAHAM LINCOLN AND BENITO JUAREZ. IN 1852 SOLDIERS CAME FROM FRANCE AND THEIR PLAN WAS TO CAPTURE MEXICO CITY AND THE REST OF THE COUNTRY WOULD HAVE SURRENDERED. ON MAY 5, 1862, 186,210,000 FRENCH ARMY SOLDIERS ARMED WITH CANNONS AND RIFLES TOOK ON AN ILL-EQUIPPED INDIANS ARMED ONLY WITH PRIDE AND MAKE SURE THEY DON'T. MANY HONORABLE MEXICAN FARM WORKERS DIED SO MEXICO COULD REMAIN INDEPENDENT. THE MEXICAN SOLDIERS KNEW THEY HAD TO FIGHT FOR ALL THEIR WORTH. IF THEY LOST THEY KNEW THEY'D BECOME PART OF FRANCE. THIS, THE MEXICAN FARMERS, WOULD NOT TOLERATE. ON THIS DAY, MAY 5, 1862, THE LEADER AND FORCES WERE VICTORIOUS.....VICTORIOUS IN THEIR FIGHT. ON THE 5TH OF MAY. THE CITY IS NOW CALLED PUEBLA DE CARRANZA IN HONOR OF THIS VICTORY. THE FORCES WERE RUSHED TO THE CITY TO MAKE SURE THE EXPANSE GOT ALL THE WEAPONS AND AMMUNITION THEY NEEDED TO EXPEL THE FRENCH. IN GRATITUDE THOUSANDS OF MEXICANS CROSSED THE BORDER AFTER PEARL HARBOR TO JOIN THE U.S. ARMED FORCES. MEXICANS, NEVER FORGET WHO THEIR FRIENDS ARE AND NEITHER DO AMERICANS. [IN SPANISH] THAT'S WHY CINCO DE MAYO IS SUCH A PARTY, A PARTY THAT CELEBRATES FREEDOM AND LIBERTY, BUT ALSO CINCO DE MAYO IS A FIESTA. THIS IS WHY WE CELEBRATE CINCO DE MAYO. [IN SPANISH] FOR THE CHILDREN,. [IN SPANISH] , FOR THE HISTORY, FOR THE FOOD,. [IN SPANISH] , BECAUSE WE'RE ALL NORTH

AMERICANS. [IN SPANISH] THANK YOU, MAYOR WYNN.

MAYOR WYNN: THANK YOU, MR. CASTRO. DON BENNETT?
WELCOME, MR. BENNETT. YOU'LL HAVE THREE MINUTES AND
YOU'LL BE FOLLOWED BY LATRISHA LOVE.

THANK YOU, MAYOR AND COUNCIL. MY NAME IS DON
BENNETT. I'M A MEMBER OF THE CHURCH OF CHRIST. I HAVE
BEEN AN EVANGELIST AND MINISTER OF THE GOSPEL OF
JESUS CHRIST FOR OVER 50 YEARS. FOR THE PAST 23
YEARS I HOSTED AND PRODUCED THE GOSPEL TRUTH, A
BIBLE TEACHING BROADCAST ON AUSTIN ACCESS
TELEVISION. I NO LONGER HOST AND PRODUCE THE GOSPEL
TRUTH ON PUBLIC ACCESS TELEVISION DUE TO AN
UNPRECEDENTED DENIAL BY PUBLIC ACCESS TELEVISION
KNOWN AS THE PAC, TO ACCEPT MY FEES TO RENEW MY
SERIES AND PRODUCE ID. THIS IS THE SECOND YEAR OF
SERVING ON THE ELECTED PRODUCERS' COUNCIL, THE PC. I
WAS CHOSEN AFTER THIS LAST ELECTION BY MY PEERS TO
BE THE P.C. LIAISON TO THE PAC BOARD OF DIRECTORS.
THE REQUEST THAT I AM GOING TO MAKE TO THIS -- OF THIS
COUNCIL IS THE MAJORITY VIEW OF THE PRODUCERS'
COUNCIL. I REQUEST, NUMBER ONE, THAT YOU NOT -- THAT
YOU NOT APPROVE THE TECHNOLOGY AND
TELECOMMUNICATIONS COMMISSION RECOMMENDATION TO
PURCHASE A MOBILE PRODUCTION VAN TO BE USED BY PAC.
INSTEAD USE THE FUNDS TO PURCHASE EQUIPMENT FOR
THE PRODUCTION OF SHOWS AT THE ACCESS STUDIO. NEW
AUDIO EQUIPMENT, SWITCHING EQUIPMENT, LIGHTS, TO
PRODUCERS DON'T HAVE TO CLIMB LADDERS, CURTAINS, TO
PRODUCERS DON'T HAVE TO HIDE THE RUST AND THE
TEARS, MODERN AND AUTOMATED STUDIO LIKE THIS ONE.
NUMBER TWO, THAT YOU NOT EXTEND OR RENEW THE
CITY'S CONTRACT WITH THE PAC TO MANAGE AUSTIN
COMMUNITY TELEVISION FOR A LOT OF REASONS I DON'T
HAVE TIME TO SHARE HERE. NUMBER THREE, THAT THE PAC
COMPLIES WITH THE LAW GFERG THE OPEN MEETINGS,
OPEN RECORDS ACT, AND MAKE AVAILABLE ALL THE
FINANCIAL RECORDS, REPORTS AND COMPLETE AUDIT THAT
I HAVE REQUESTED IN WRITING. THIS PAC ADMINISTRATION
IS THE WORST THAT I HAVE WITNESSED DURING THE 23
YEARS THAT I WAS A PRODUCER, IT HAS DONE MUCH HARM
BY ITS ILL ADVISED POLICIES AND PROCEDURES TO STIFLE

PRODUCTION AND FREE SPEECH. PUBLIC ACCESS TELEVISION IS A VITAL RESOURCE IN AUSTIN. DON'T LET THE PAC DESTROY IT. THANKS.

MAYOR WYNN: THANK YOU, MR. BENNETT. AND DO MAKE SURE THAT YOU ACTUALLY GIVE US, YOU KNOW, A COPY OF THOSE RECOMMENDATIONS AND WE WILL MAKE SURE THAT SOMEHOW THEY'RE ROUTED THROUGH OUR APPROPRIATE COMMISSION. THANK YOU, SIR. OUR NEXT SPEAKER IS LATRISHA LOVE. LATRISHA LOVE, SIGNED UP TO ADDRESS US, AS DID DEBRA SHAW-BOATNER, DEBRA SHAW-BOATNER, AND TYRONE GORDON. TYRONE GORDON. JOHN GOAL STONE. JOHN GOLD STONE. AND JENNIFER VANCE. JENNIFER VANCE. A NUMBER OF FOLKS THAT SIGNED UP GENERICALLY WAS TO BE DISCUSSED AS AN EAST AUSTIN SUMMER EVENT THAT PERHAPS THEY DECIDED NOT TO COME ADDRESS US. SO COUNCIL, THAT THEN -- IF THOSE FOLKS AREN'T HERE, THAT CONCLUDES OUR GENERAL CITIZEN COMMUNICATION. TAKES US TO 12:30 AND COUNCIL, NOW MY INSTINCT IS FOR US TO HAVE SOME TIME TO GRAB A BITE TO EAT, AND THEN MAYBE EVEN CONTEMPLATE FURTHER DISCUSSIONS OR COMMENTS OR QUESTIONS ABOUT THE FIVE-YEAR FORECAST, THAT WE CAN GO BACK INTO CLOSED SESSION. WE HAVE A COUPLE ITEMS TO TAKE UP IN CLOSED SESSION WHILE WE EAT AND PERHAPS WE COME BACK THIS AFTERNOON AFTER THAT LUNCH BREAK AND CONTINUE DISCUSSION IF THERE IS ANY ON THE FIVE-YEAR FORECAST. AGAIN, WE ONLY HAVE ONE DISCUSSION ITEM TO TAKE UP PRIOR TO OUR 4:00 ZONING CASES, THAT BEING THE WATER CONSERVATION TASK FORCE PRESENTATION AND THEN ACTION. SO MY INSTINCT IS WE'LL HAVE ANOTHER HOUR OR MORE AT LEAST THAT WE COULD DISCUSS THE FIVE-YEAR FORECAST AFTER OUR LUNCH BREAK. SO WITHOUT OBJECTION, WE ARE NOW GOING INTO CLOSE SECTION 551.07 OF LOCAL MEETINGS ACT TO DISCUSS POTENTIALLY AGENDA ITEM 41 CONCERNING THIS CURRENT LEGISLATIVE SESSION, 43, REGARDING THE EXPANSION, LEGAL ISSUES RELATED TO EXPANSION OF THE LLRICH WATER TREATMENT PLANT AND THE ASSOCIATED CONTRACT WITH THE CONTRACTOR, AND WE MAY ALSO TAKE UP PURSUANT TO SECTION 551.072 OF OPEN MEETINGS ACT, AGENDA ITEM 44, A REALTY..... REAL

ESTATE MATTER RELATED TO PROPERTY IN EASTERN TRAVIS COUNTY. WE ARE NOW IN CLOSED SESSION. I DON'T ANTICIPATE US COMING BACK OUT UNTIL PROBABLY 2:00 OR SO, FOR US TO TAKE UP THE WATER CONSERVATION TASK FORCE ITEM AND PERHAPS OPEN DISCUSSION REGARDING THE FIVE-YEAR FORECAST. WE ARE NOW IN CLOSED SESSION. THANK YOU.

Mayor Wynn: THERE BEING A QUORUM PRESENT, AT THIS TIME I'LL CALL BACK TO ORDER THIS MEETING OF THE AUSTIN CITY COUNCIL. WE'VE BEEN RECESSED THE LAST FEW MINUTES, HAVING COMPLETED OUR EXECUTIVE SESSION CLOSED SESSION AGENDA ITEMS FOR THE AFTERNOON A FEW MINUTES AGO. OUR ONE DISCUSSION ITEM LEFT FROM THIS MORNING'S AGENDA PRIOR TO GOING TO THE ZONING CASES THIS AFTERNOON IS ITEM NUMBER 29, A RESOLUTION THAT COMES OUT OF OUR WATER CONSERVATION TASKFORCE RECOMMENDATIONS. WE'LL HAVE A BRIEF STAFF PRESENTATION HERE IN A COUPLE OF MINUTES, BUT FIRST I'D LIKE TO RECOGNIZE OUR COLLEAGUE LEE LEFFINGWELL, WHO NOT ONLY CHAIRED THE WATER CONSERVATION TASKFORCE, BUT JUST A FEW WEEK AGO WAS RECOGNIZED BY THE TEXAS CHAPTER OF THE AMERICAN WATER WORKS ASSOCIATION, FAR AND AWAY THE SINGLE LARGEST ORGANIZATION IN THE U.S. WHO MADE UP OF REPRESENTATIVES IN THE WATER CONSERVATION PROFESSIONAL ARENA GAVE COUNCILMEMBER LEFFINGWELL AN AWARD FOR BEING THE CONSERVATIONIST OF THE YEAR BASED ON FUNDAMENTALLY THIS WORK THAT HAS COME OUT OF HIS TASKFORCE. PLEASE JOIN ME IN CONGRATULATING COUNCILMEMBER LEFFINGWELL AND I'LL TURN THE MICROPHONE OVER TO HIM. [APPLAUSE]

Leffingwell: THANK YOU, MAYOR. I WASN'T SURE IF YOU WERE GOING TO SAY I WAS GIVEN THE AWARD FOR CONSERVATIONIST OF THE YEAR OR WHAT. I WANT TO THANK THE PEOPLE WHO WORKED VERY HARD OVER THE PAST YEAR ON THE TASKFORCE AND IN SUPPORT OF IT. FIRST OF ALL, MAYOR WYNN, COUNCILMEMBER COLE, PLANNING COMMISSIONER CHRIS RILEY, WATER AND WASTEWATER COMMISSIONER MICHAEL WARNER, ENVIRONMENTAL BOARD MEMBER DAVE ANDERSON AND

RESOURCE MANAGEMENT COMMISSIONER CHRIS HERBERT. AND I ALSO WANT TO THANK OUR WATER CONSERVATION DEPARTMENT STAFF. TONY GREG ACTUALLY LED THE EFFORT, BUT HE HAS NOW RETIRED AND GONE TO JORDAN, I UNDERSTAND. I ALSO WANT TO THANK -- AND DAN STRIEWB WHO WILL BE PRESENTING THE RECOMMENDATIONS IN JUST A FEW MINUTES AND ALSO BILL HOFFMAN AND AMANDA DEWEISS. THANK TO YOU GUYS. I GUESS I SHOULD ALSO RECOGNIZE A MAN WHO DIDN'T ACTUALLY WORK ON THE PROGRAM, BUT WILL BE WORKING TO IMPLEMENT IN THE FUTURE AND THE ASSISTANT DISTRICTER OVER THERE, FORMER COUNCILMEMBER LEFFINGWELL SLUSHER -- FORMER COUNCILMEMBER SLUSHER. THANK FOR BEING HERE. FINALLY, I WANT TO THANK ALL THE STAKEHOLDERS AND OTHERS WHO PROVIDED INPUT AT ONE OR MORE OF OUR EIGHT PUBLIC HEARINGS THAT THE TASKFORCE CONDUCTED DURING THE PROCESS. THE WORK OF THIS TASKFORCE, AS WAS JUST MENTIONED, HAS ALREADY RECEIVED NATIONAL RECOGNITION AND I BELIEVE FIRMLY PLACES AUSTIN IN A POSITION OF NATIONAL LEADERSHIP IN WHAT I BELIEVE WILL BECOME A CRITICAL ISSUE IN THE FUTURE, NOT ONLY IN TEXAS, BUT IN THE NATION, AND THAT'S CONSERVATION OF WATER RESOURCES. SO NOT ONLY IS THERE AN OBVIOUS ENVIRONMENTAL BENEFIT FOR WATER CONSERVATION, BUT THE PLAN WILL ALSO SAVE US A LOT OF MONEY BY DELAYING NEW WATER TREATMENT INFRASTRUCTURE AND BY DELAYING THE REQUIREMENT TO PAY FOR RAW WATER FROM THE LCRA WHEN OUR CONSUMPTION LEVEL REACHES 201,000-ACRE FEET A YEAR. NEW INFRASTRUCTURE COSTS THREE TIMES AS MUCH AS THE COST OF CONSERVATION. AND ALSO A REDUCED NEED FOR TREATED WATER AND WASTEWATER REDUCES ENERGY CONSUMPTION, A WHOLE LOT OF ENERGY CONSUMPTION, SO THAT HELPS SIGNIFICANTLY IN OUR NEW EFFORT TO REDUCE GREENHOUSE GAS EMISSIONS. THESE RECOMMENDATIONS ARE BALANCED. THEY ASK SOMETHING OF EVERYONE IN OUR COMMUNITY AND THEY'RE NOT OVERLY BURDENSOME ON ANY PART OF T THE MEASURES FOCUS ON MORE EFFICIENT USE OF WATER. IN SOME CASES ELIMINATION OR REDUCTION OF WASTE. AND NOT ON ANY MAJOR REQUIRED CHANGE IN THE WAY WE LOOK OR FEEL AS A COMMUNITY. FINALLY THE SAVING BRING DIKSES ARE

QUANTIFIABLE AND SUSTAINABLE AND FORM THE BASIS FOR ACCURATE CONSUMPTION FORECAST. THE CITY AUDITOR HAS EXAMINED THE METHODOLOGY AND RESULTS ON THE OUR REQUEST, BY THE WAY, AND HAS REPORTED THAT THE PREDICTIONS ARE RELIABLE. SO WITH THAT SAID, IF ANYONE ELSE WOULD LIKE TO MAKE A STATEMENT AT YOUR DISCRETION AFTER THAT, WE WOULD LIKE TO GET YOUR FAVORITE THING, POWERPOINT PRESENTATION FROM THE WATER UTILITY. DAN, DID YOU WANT TO COME UP AND GO AHEAD AND GET STARTED?

Mayor Wynn: WE HAVE A COUPLE OF CITIZENS WHO WOULD HIKE TO ADDRESS US. IT SEEMS APPROPRIATE TO HAVE THE STAFF PRESENTATION FIRST AND THEN WE'LL TAKE SOME CITIZEN FEEDBACK. WELCOME.

GOOD AFTERNOON, MAYOR AND COUNCILMEMBER. MY NAME IS DAN STRUBE. I'M THE ACT MANAGER FOR THE WATER CONSERVATION FROM THE WATER UTILITY. I'M GOING TO GO OVER WHAT THE TASKFORCE CAME UP WITH HER. FIRST I'LL START WITH A BIT OF BACKGROUND. TASKFORCE GOALS SET BY COUNCIL LAST SUMMER TO REDUCE PEAK DAY WATER USE BY ONE PERCENT A YEAR FOR THE NEXT 10 YEARS BEGINNING THIS YEAR. IT COMES UP TO APPROXIMATELY 25 MILLION GALLONS A DAY SAVING. THE TASKFORCE WAS TASKED WITH PRODUCING THE POLICY DOCUMENT THAT YOU HAVE IN FRONT OF YOU FOR CONSIDERATION AND ADOPTION. THE POLICY DOCUMENT IS GOING TO BE A GUIDELINE FOR STAFF TO GO FOSHTH AND IMPLEMENT THESE POLICIES, GO FORTH AND AMEND CITY CODE AND THE TECHNICAL MANUELS TO IMPLEMENT THEM. THE TASKFORCE LOOKED AT CONSERVATION IN THREE DIFFERENT AREAS. WE LOOKED AT INDOOR MEASURES, OUTDOOR MEASURES AND THINGS THAT THE CITY AND UTILITY CAN DO. WE'RE GOING TO START WITH THE INDOOR MEASURES. FIRST, PLUMBING FIXTURE RETROFIT. THERE ARE A LOT OF TOILETS OUT THIS THAT ARE OLD, LARGE CAPACITY TOILETS. THIS MEASURE WAS DESIGNED TO EXCEL RATE THE REPLACEMENT. WITH COMMERCIAL AND MULTI-FAMILY PROPERTIES, THEY HAVE BEEN -- THE RECOMMENDATION IS TO GIVE THEM UNTIL THE END OF 2011 TO REPLACE THOSE TOILETS. FOR SINGLE-FAMILY RESIDENTIAL PROPERTIES, THE AGREEMENT REACH IN

CONJUNCTION WITH THE BOARD OF REALTORS WAS TO SET A DATE FOR THE SENT OF 2009 FOR THOSE PROPERTIES TO REPLACE THE TOILETS, BRING THEM UP TO THE CURRENT PLUMBING CODE, BUT THE ENFORCEMENT THERE WOULD BE UPON NOTIFICATION OF THE SALE OF THE PROPERTY. THAT WAY WHEN A SELLER IS PREPARING THEIR HOME FOR SALE, FIXING IT UP, GOING THROUGH THE TYPICAL THING THAT A SELLER WILL DO, ONE OF THE ITEMS THAT THEY WILL NEED TO MAKE SURE OF IS THAT THEIR PLUMBING FIXTURES ARE UP TO THE CODE. SUBMEETERRING. STUDIES HAVE SHOWN THAT TENANTS IN MULTI-FAMILY PROPERTIES THAT ACTUALLY PAY FOR THEIR WATER BILL DIRECTLY THROUGH METERED WATER USE 15% LESS WATER THAN THOSE THAT DON'T. THIS WOULD REQUIRE THAT ALL NEW PROPERTIES ACTUALLY BUILD THEIR 10 -- BILLION THEIR TENANTS FOR THE WATER THEY USE, EITHER USING PRIVATELY OWNED SUBMETERS OR CITY OWNED DIRECT METERS. THIS WOULD ALSO APPLY TO MIXED USE PROPERTIES SO THAT IN A STRIP MALL THE LAUNDRY MATT NEXT DOOR TO THE RESTAURANT, EACH OF THOSE WOULD BE PAYING FOR THEIR OWN WATER USE INSTEAD OF PAYING FOR EACH OTHER'S WATER USE. PLUMBING CODE CHANGES. THESE CHANGES WOULD REQUIRE ITEMS THAT ARE ALREADY AVAILABLE AND IN WIDESPREAD USE. THIS IS JUST MAKING SURE THAT THE NEWLY INSTALLED EQUIPMENT IS GOING TO BE EFFICIENT. NO MAJOR EARTH SHAKING CHANGES HERE. WITH COOLER TOWER EFFICIENCY REQUIREMENTS,, THESE RIRNLTS ARE TO MAKE SURE THAT THE EQUIPMENT INSTALLED HAVE WHAT IT NEEDS TO BE SO THAT IT CAN BE OPERATED EFFICIENTLY. THE VAST MAJORITY OF LARGE COOLING TOWERS AND MANY OF THE SMALL COOLING TOWERS ALREADY GOING IN HAVE THIS EQUIPMENT. THIS WOULD JUST MAKE SURE THAT ALL OF THEM DO, INCLUDING THE ONE THAT ARE ALREADY INSTALLED. THE COST HERE IS NOT SIGNIFICANT. THE PAY BACK PERIOD EVEN FOR A SMALL TOWER IS LESS THAN A YEAR. (INDISCERNIBLE) EFFICIENCIES STANDARDS -- CAR WASH EFFICIENCY STANDARD. THIS IS FOR EXISTING EQUIPMENT. IT DOES NOT REQUIRE REPLACEMENT OF EQUIPMENT, IT JUST REQUIRES THAT THE EQUIPMENT BE SET SO THAT IT IS RUN EFFICIENTLY. THERE IS ONE EQUIPMENT REQUIREMENT HERE AND THAT IS WITH THE HAND WAND NOZZLE SET TO

BE NO MORE THAN THREE GALLONS A MINUTE. THERE IS NO COST DIFFERENCE THERE BETWEEN THE THREE GALLONS PER MINUTE ONES AND ONES THAT USE MUCH MORE. THEY RUN OUT RATHER QUICKLY AND WHEN THEY NEED REPLACING WE WANT THEM REPLACED WITH THE LOWER GALLON ONES. CLOTHES WASHING STANDARDS. THEY HAVE SO FAR DECLINED TO SET ANY STANDARDS FOR THE LARGER COMMERCIAL COIN OPERATED MACHINES. THESE MACHINES ARE BECOMING INCREASINGLY PREVALENT IN WASHATERIAS AROUND TOWN. THEY ARE AVAILABLE IN A WIDE RANGE OF EFFICIENCY, BUT WHAT THIS DOES IS JUST SETS A BASELINE EFFICIENCY STANDARDS SO THAT THE MACHINES BEING INSTALLED ARE ON THE EFFICIENT RANGE OF THAT. NOW I'M GOING TO SPEAK ABOUT THE OUTDOOR RECOMMENDATIONS. I WANT TO FIRST -- FIRST THE RECOMMENDATIONS ARE FORGIVING COMMERCIAL MULTI-FAMILY PROPERTIES TWO WATERING DAYS A WEEK YEAR-ROUND. IF HAVE YOU A MULTI-FAMILY PROPERTY, YOU WOULD BE WATERING ON TUESDAYS AND FRIDAYS AND THAT WOULD BE THE SAME WHETHER IT'S JULY OR DECEMBER. ALSO PROHIBIT AUTOMATIC IRRIGATION BETWEEN 10:00 A.M. AND 7:00 P.M. THERE'S NO REASON TO WATER IN THE MIDDLE OF THE DAY. IT'S WHEN THE EVAPORATION IS THE HIGHEST, YOU LOSE THE MOST AMOUNT OF WATER TO EVAPORATION. ALSO WOULD REQUIRE RAIN SHUTOFFS ON ALL EXISTING IRRIGATION SYSTEMS. STAGE ONE REGULATIONS ARE WHEN THE-- WHAT THE CITY GOES INTO EVERY YEAR BETWEEN MAY FIRST AND SEPTEMBER 30TH. CURRENTLY WE GO INTO A VOLUNTEER FIVE-DAY WATERING SCHEDULE. THIS WOULD GIVE RESIDENTIAL PROPERTIES WITH AUTOMATIC IRRIGATION SYSTEMS TWO WATERING DAYS A WEEK, MUCH LIKE THE COMMERCIAL SYSTEMS. IT WOULD ALSO PROHIBIT OUTDOOR WATERING OF ALL SORTS OTHER THAN HAND WATERING BETWEEN 10:00 A.M. AND 7:00 P.M. SO THAT THE HOSE END SPRINKLERS, THE COUPLING SPLERZ THAT ARE USED ON LARGE ATHLETIC FIELDS WOULDN'T BE OUT THERE WATERING IN THE MIDDLE OF THE HEAT IN THE MIDDLE OF THE SUMMER. NEW LANDSCAPING IRRIGATION STANDARDS. FOR RESIDENCES, RIGHT NOW THE ONLY REQUIREMENT FOR IRRIGATION STANDARDS IS THAT THEY HAVE A BACK FLOW PREVENTER. THIS WOULD EXPAND UPON THAT, SET

SOME EFFICIENCY STANDARDS SO THAT THE SYSTEMS GOING IN WOULD BE ABLE TO BE OPERATED PROPERLY. THERE IS ONE ITEM IN THESE STANDARDS THAT STAFF HAS SOME CONCERNS ABOUT. AFTER THE FINAL RECOMMENDATIONS WERE PASSED BY THE TASKFORCE, STAFF FOUND THAT THE IRRIGATION SUBMETER THAT WOULD ALLOW HOMEOWNERS TO KNOW HOW MUCH WATER WAS BEING USED BY THEIR IRRIGATION SYSTEM BE, THE COST FIGURE THAT WE HAD ORIGINALLY GOTTEN WERE FOUND TO BE MUCH LOWER THAN WHAT WE FOUND OUT LATER. INSTEAD OF BEING BETWEEN 100 AND \$200, WE WERE GETTING FIGURE OF BETWEEN 5 AND \$700. WE RECOMMEND THAT COUNCIL REVISIT THIS RECOMMENDATION. FOR SOIL DEPTH FOR NEW HOMES, THIS WOULD APPLY TO HOME THAT HAVE VERY LITTLE SOIL DEPTH. IT'S REALLY FOR THOSE HOMES OVER ON THE WEST SIDE OF TOWN WHERE BUILDERS GO IN, PUT IN LAND SKYPE VERY MINIMAL SOIL DEPTH, REQUIRING THAT THE LANDSCAPE RECEIVE -- LANDSCAPE RECEIVE TREM US AMOUNTS OF WATERING, PARTICULARLY DURING THE SUMMER. THE BEST WAY TO CAPTURE RAINWATER AND HOLD IT ON THE WATER IS WITH SOIL DEPTH. THIS ALSO ENSURES THAT THE TURF GRASS HAS A SUFFICIENT AMOUNT OF SOIL TO GROW HEALTHY -- GROW HEALTHY ROOT ZONES. FINALLY, THE RECOMMENDATION WOULD REQUIRE NEW TURF INSTALLATIONS TO BE DORMANT SI REQUIREMENT. THIS IS PIGGYBACKING ON A STUDY BY THE SAN ANTONIO WATER SYSTEM AND TEXAS A&M WHERE THEY LOOKED AT DROUGHT TOLERANCE OF TURF GRASSES. WE WANT LOW WATER USE TURF GRASSES INSTALLED HERE IN AUSTIN. COMMERCIAL MULTI-FAMILY. THEY ALREADY HAVE SOME IRRIGATION STANDARDS. WE WANT TO BRING THEM UP TO THE SAME STANDARDS THAT WOULD BE REQUIRED FOR RESIDENTIAL SYSTEMS. ALSO, WE WOULD LIKE TO SEE A MINIMUM OF EIGHT INCH OF SOIL DEPTH, MEANING THE CITY'S COMPOSITION SPECIFICATIONS AND ALSO THE TURF GRASS REQUIREMENTS WOULD APPLY THERE AS WELL. LANDSCAPE OPTION, THERE IS FOR HOME BUILDERS WHO OFFER LANDSCAPE OPTIONS FOR NEW HOMES. IF THEY WERE OFFERING A LANDSCAPE OPTION, THEY WOULD BE REQUIRED TO OFFER AS AN OPTION, LANDSCAPES THAT ARE WATER WISE. NATIVE AND ADAPTIVE PLANTS, CURVE TURF

GRASS, THING THAT ARE APPROPRIATE TO OUR CLIMATE. BUYERS WOULD NOT BE REQUIRED TO CHOOSE THIS, BUT IT WOULD BE AN OPTION FOR THOSE THAT WANT TO DO LESS WATERING. IRRIGATION SYSTEM ANALYSES. FOR LARGE SYSTEM PROPERTIES AND THOSE THAT ARE HIGH WATER USERS, THIS WOULD REQUIRE THEM TO HAVE AN IRRIGATION AUDIT AT LEAST ONCE EVERY THREE YEARS. GO OUT, TAKE A LOOK AT THE SYSTEM, MAKE SURE IT'S RUNNING EFFICIENTLY AND IS IN GOOD REPAIR. THIS WOULD ALSO APPLY TO HIGH VOLUME RESIDENTIAL CUSTOMERS. THOSE CUSTOMERS THAT USE OVER 35,000..... 35,000 GALLONS IN A MONTH FOR TWO CONSECUTIVE YEARS. NOW I'M GOING TO MOVE TO THING THAT THE CITY AND THE UTILITY CAN DO. CURRENTLY THE UTILITY HAS A LEAK DETECTION CONTRACT LOOKING AT PIPES AS PART OF THE CITY'S DISTRIBUTION SYSTEM. THIS IS A YEAR TO YEAR CONTRACT. THE TASKFORCE WOULD LIKE TO SEE THIS CONTRACT CONTINUE TO BE FUNDED. RECLAIMED WATER. THE RECLAIMED WATER PROJECT HAS A NUMBER OF PROJECTS THAT ARE ON THE CIP BUDGET. UNFORTUNATELY, THEY HAVE BEEN SCHEDULED BACK BEYOND THE FIVE-YEAR PLANNING HORIZON. THE TASKFORCE WOULD LIKE TO SEE THESE BROUGHT WITHIN THE FIVE-YEAR FUNDING HORIZON SO THEY DO GET FUNDED AND BUILT. THESE RESULT IN IMMEDIATE REDUCTION IN PEAK DAY WATER USE AND DEMAND. ALSO, THE TASKFORCE WOULD LIKE TO REQUIRE NEW CUSTOMERS WITH ACCESS TO RECLAIMED WATER TO USE THAT RECLAIMED WATER FOR EITHER -- FOR THEIR IRRELEVANT.....IRRIGATION AND COOLING TOWER NEEDS. WATER UTILITY RATES. THE TASKFORCE RECOMMEND THAT A FIFTH TIER BE ADDED FOR RESIDENTIAL CUSTOMERS. CURRENTLY RESIDENTIAL CUSTOMERS HAVE FOUR-BLOCK RATE TIERS SO AS YOU USE MORE WATER YOU PAY A HIGHER RATE. THE WATER UTILITY IS IN THE PROCESS OF BIDDING A CONTRACT FOR A COST OF SERVICE STUDY. AS PART OF THAT COST OF SERVICE STUDY, THE TASKFORCE WOULD LIKE TO SEE THEM LOOK AT WHERE TO SET THE RATE FOR THAT FIFTH TIER. ALSO WOULD LIKE TO LOOK AT SETTING IRRIGATION RATES FOR COMMERCIAL AND MULTI-FAMILY PROPERTIES. THOSE PROPERTIES THAT HAVE IRRIGATION METERS, THEY PAY THE SAME AMOUNT FOR THEIR INDOOR WATER AS THEY DO

DO FOR THEIR OUTDOOR WATER. IF YOU'RE A SINGLE-FAMILY RESIDENT, AS YOU USE A LOT OF IRRIGATION WATER, THAT PUMPS YOU INTO THE HIGHER TIERS, YOU END UP PAYING ROUGHLY TWICE AS MUCH FOR THE WATER FOR IRRIGATION AS YOU DO THE COMMERCIAL AND MULTI-FAMILY PROPERTIES. THERE'S AN INEQUITY THERE. WE'D LIKE TO BE ABLE TO SEND THE SIGNAL TO THOSE PROPERTIES THAT YES, INDEED, IRRIGATION WATER IS DEAR. MODIFICATION OF UTILITY BILLS. THE TOIRS WOULD LIKE TO SEE SOME MORE -- THE TASKFORCE WOULD LIKE TO SEE MORE AND BETTER INFORMATION ADDED TO THE UTILITY BILLS, PARTICULARLY IN THE FORM OF A GRAPH THAT WOULD SHOW A CUSTOMER'S HISTORIC USE OVER THE PAST YEAR SO THAT THEY CAN LOOK AND SEE WHERE YOU ARE AS OPPOSED TO WHERE YOU WERE LAST YEAR, SEE HOW YOUR TRENDS ALSO. TRENDS ARE. ALSO SEE WHERE YOU STAND IN COMPARISON TO A CITYWIDE AVERAGE. WHOLESAL CUSTOMERS. THESE ARE STEPS THAT THE UTILITY HAS ALREADY BEGUN TO TAKE. THE UTILITY HAS ALREADY SENT OUT LETTERS TO CUSTOMER THAT DON'T REQUIRE WHOLESAL CONSERVATION ASKING THEM TO IMPLEMENT WATER CONSERVATION MEASURES. MORE IMPORTANTLY FOR NEW AMENDED AND RENEWED CONTRACTS, THE TASKFORCE WOULD LIKE TO THEE THESE CONTRACTS INCLUDE CONSERVATION MEASURES THAT ARE COMPARABLE TO WHAT THE CITY IS REQUIRING. CITY FACILITIES. IT DOES US NO GOOD TO GO OUT AND TELL PEOPLE THAT THEY NEED TO BE MORE EFFICIENT IF THE CITY ISN'T EFFICIENT AS WELL. WITH CITY FACILITIES THAT ARE BEING BUILT FOR LEAD VERSION, THAT PROCESS, THE BUILDERS PICK FROM A MENU OF DIFFERENT CONSERVATION MEASURES, DIFFERENT EFFICIENCY MEASURES. WE WOULD JUST LIKE TO SEE THAT SOME OF THOSE MEASURES THAT THEY CHOOSE ARE FOR WATER CONSERVATION. ATHLETIC FIELDS. THE CITY PAYS FOR IRRIGATION ON A LOT OF ATHLETIC FIELDS THAT IT DOES NOT CONTROL WHEN THE IRRIGATION SYSTEM IS USED. THIS IS PRIMARILY FOR DIFFERENT ATHLETIC ASSOCIATIONS AROUND TOWN. THIS RELIGIOUS..... RECOMMENDATION FOR SET A BUDGET FOR THOSE LOCATIONS SO THAT THEY COULD WATER -- PUT DOWN ENOUGH WATER FOR THE PLANTS TO SURVIVE AND EVEN THRIVE. BASICALLY REPLACE

THE EVAP POE TRANS PIER RATION RATE, BUT ANYTHING ABOVE THAT AMOUNT, THOSE THAT ARE RUNNING THE SYSTEM WOULD BE RESPONSIBLE FOR PAYING FOR THAT WATER. FURTHER, IT WOULD ZERO OUT THAT BUDGET DURING THE WINTER MONTHS WHERE THE TURF GRASS HAS GONE DORMANT AND DOES NOT NEED IRRIGATION. FINALLY, THERE IS A PERFORMANCE CONTRACT BEING RUN THROUGH AUSTIN ENERGY RIGHT NOW LOOKING AT CITY FACILITIES. THE TASKFORCE WOULD LOOK TO SEE THE ITEMS THAT THEY ARE GOING TO IDENTIFY FUNDED. THESE WOULD INCLUDE IMPROVING COOLING TOWER OPERATIONS, COMPLETING THE TOILET RETROFIT FOR ALL CITY FACILITIES AND INSTALLING WEATHER BASED CONTROLLERS AT CITY ATS LET TICK FIELDS. ATHLETIC FEELS. CURRENTLY CITY CODE REQUIRES THAT ANY NEW HOMES BUILT WITH WHERE THE STATIC WATER PRESSURE SUPPLIED TO THAT HOME IS OVER 80 PSI HAVE A PRESSURE REDUCTION VALVE INSTALLED. THIS WOULD LOW THAT DOWN TO 65 PSI. BY COMPARISON, THE UTILITY'S GOAL FOR DELIVERY PRESSURE IS 50 PSI. 65 IS MORE THAN SUFFICIENT. IN ADDITION, THERE ARE A NUMBER OF PROPERTIES OUT AROUND TOWN THAT HAVE GREATER THAN 80 PSI PRESSURE DUE TO A NUMBER OF FACTORS. THE UTILITY WOULD LIKE TO BE ABLE TO OFFER A REBATE TO HELP THOSE CUSTOMERS REDUCE THEIR PRESSURE BY INSTALLING PRESSURE REDUCTION VALVES. WATER CONSERVATION STAFF HAS ALREADY BEGUN WORKING ON ALTERNATE WATER SOURCES. WE'VE BEEN MEETING WITH WATERSHED PROTECTION STAFF ON BEST WAYS TO REUSE STORM WATER. WE'VE ALSO BEEN WORKING WITH THE DEVELOPMENT AND REVIEW STAFF ON DRAFTING A NEW CHAPTER TO THE PLUMBING CODE THAT WOULD HAVE LANGUAGE ON HOW TO USE NON-POTABLE WATER. THIS INCLUDES GRAY WATER, REUSE WATER, RAINWATER, GROUNDWATER. TELL PEOPLE HOW TO DO IT CORRECTLY. AND NONE OF THESE ITEMS WORK WITHOUT EDUCATION. THE TASKFORCE RECOMMENDED A BROAD PUBLIC EDUCATION PROGRAM, BUILDING A WATER CONSERVATION BRAND THAT'S READILY IDENTIFIABLE, RAISING THE PROFILE OF THE PROGRAM AND GETTING THE WORD OUT TO FOLKS OVER THE SUMMER MONTHS WHEN THE PEAK DAY DEMANDS ARE THE GREATEST. IF ALL OF THESE MEASURES

ARE ADOPTED AND IMPLEMENTED, WE EXPECT THE SAVINGS TO RUN BETWEEN 32 AND 33 MILLION GALLONS A DAY. ABOVE 25 MILLION GALLONS A DAY GOAL OF THE TASKFORCE, BUT THE EXTRA IS RECOMMENDED TO PROVIDE ASSURANCE THAT WE'RE GOING TO MEET THAT 25 MILLION-GALLON A DAY GOAL. THANK YOU VERY MUCH.

Mayor Wynn: THANK YOU. QUESTIONS OF STAFF, COUNCIL, BEFORE WE TAKE SOME CITIZEN COMMENT? IF NOT, THEN WE'LL GO TO THAT CITIZEN FEEDBACK. WE HAVE A HANDFUL OF FOLKS WHO SIGNED UP EARLIER WISHING TO SPEAK, IF THEY'RE STILL HERE. LET'S SEE. OUR FIRST SIGNED UP SPEAKER IS BILL KNIGHT. BILL, WELCOME. APPRECIATE YOUR PATIENCE. YOU WILL HAVE THREE MINUTES AND BE FOLLOWED BY JENNIFER WALKER.

GOOD AFTERNOON, MAYOR WYNN AND COUNCILMEMBERS. I'M BILL KNIGHT WITH THE AUSTIN LAWN SPLER ASSOCIATION. I'M -- SPLILLER ASSOCIATION. I'M PRESIDENT OF THAT. I'M ALSO THE TEXAS TURF ASSOCIATION REPRESENTATIVE FROM AUSTIN. WE SUPPORT THIS AND WE FEEL THAT IT WOULD GO A LONG WAY TO SAVE WATER IN AUSTIN. AND WE WOULD JUST LIKE TO REALLY BE A PART AND ACTIVE PARTICIPANT IN THE RULES PROCESS WHEN THAT COMES ABOUT. THANK YOU.

Mayor Wynn: THANK YOU FOR YOUR PARTICIPATION. JENNIFER WALKER? EITHER ONE? CLOSEST ONE. WELCOME BE. YOU WILL HAVE THREE MINUTES AND BE FOLLOWED BY COLIN CLARK, WHO WILL BE FOLLOWED BY ROY WHALEY.

GOOD AFTERNOON, MY NAME IS JENNIFER WALKER. I'M HERE REPRESENTING THE LONE STAR CHAPTER OF THE SIERRA CLUB. I'M HERE TODAY TO SHOW MY SUPPORT FOR THE WATER CONSERVATION TASKFORCE RECOMMENDATIONS ON BEHALF OF THE SIERRA CLUB. WE AT THE SIERRA CLUB WORK AT THE STATE AND LOCAL LEVEL FOR SOUND ENVIRONMENTAL POLICIES. ONE OF OUR PRIORITIES IS THE EFFICIENT USE OF WATER RESOURCES. USING WATER RESOURCES EFFICIENTLY HELPS PROTECT THE STATE'S NATURAL RESOURCES AND SAVES MONEY. AUSTIN HAS A GROWING POPULATION AND A FINITE WATER SUPPLY. IN LIGHT OF THIS, THE ONLY RESPONSIBLE THING

TO DO IS TO ENSURE THAT WE USE OUR WATER RESOURCES EFFICIENTLY. THE RECOMMENDATIONS FROM THE WATER CONSERVATION TASKFORCE GUARANTEE THAT AUSTIN IS WELL ON ITS WAY TO MEETING THIS GOAL. AND ALSO THE GOAL OF THE CLIMATE PROTECTION PLAN AS WELL, PART OF THAT. THESE REPRESENTATIONS WILL SAVE THREE TIMES THE AMOUNT OF WATER THAT THE CITY HAS SAVED PREVIOUSLY THROUGH ITS CONSERVATION PROGRAM. CONSERVE BEING WATER HELPS THE ENVIRONMENT BECAUSE AUSTIN'S WATER SUPPLY COMES FROM THE COLORADO RIVER. BY USING LESS WATER MORE WILL BE AVAILABLE FOR THE NATURAL ENVIRONMENT AND OUR NEIGHBORS DOWNSTREAM. AND I'D JUST HIKE TO SAY THAT WE LOOK FORWARD TO WORKING WITH THE CONSERVATION STAFF AND WITH COUNCILMEMBER LEFFINGWELL ON THE IMPLEMENTATION OF THESE RECOMMENDATIONS. IF YOU'LL APPROVE THEM TODAY. AND I ALSO WANTED TO THANK COUNCILMEMBER LEFFINGWELL FOR HIS LEADERSHIP ON THIS ISSUE. THANKS.

Mayor Wynn: THANK YOU. COLIN CLARK.

Leffingwell: CAN I SAY THANK YOU FOR THE KIND WORDS? AND ALSO I PROMISE I'LL PUT YOU TO WORK VERY SOON ON WHAT YOU WANT TO DO.

Mayor Wynn: I SAW COLIN EARLIER WHO SIGNED UP WISH TO GO SPEAK IN FAVOR. ROY WHALEY, WELCOME BACK. YOU WILL HAVE THREE MINUTES AND BE FOLLOWED BY BILL BUNCH WHO WILL BE FOLLOWED BY PAUL ROBINS.

HOWDY Y'ALL. MY NAME'S ROY WHALEY. I SERVE AS THE VICE-CHAIR OF THE LOCAL CHAPTER OF THE SIERRA CLUB. I WANT TO SAY THANK YOU TO COUNCILMEMBER LEFFINGWELL FOR HEADING THIS UP AND ALSO TO THE MAYOR AND COUNCILMEMBER COLE FOR DOING SUCH GOOD WORK ON THIS. ALSO THE STAFF, I KNOW THEY'VE PUT A LOT OF TIME INTO IT. AND ALSO ANDY MARMOTT, I KNOW YOU WORKED HARD ON THIS TOO. THE LOCAL CHAPTER DOES INDEED ENDORSE THIS, AND BELIEVE THAT IT GOWNG TO..... GOING TO BE VERY -- HAVE A HIGH IMPACT ON CONSERVATION, AND IT MAKES GOOD ECONOMIC SENSE ALSO. WE APPRECIATE THAT. THERE ARE

THOSE THAT HAVE DOUBTS AS TO WHETHER OR NOT CONSERVATION WORKS. I CAN'T HELP BUT THINK THAT IF WE FOLLOWED THE CONSERVE BEVATION RECOMMENDATIONS REGARDING OIL IN THE 70'S THAT WE'D BE LIVING IN A DIFFERENT WORLD TODAY. AND SO I CERTAINLY HOPE TO SEE THAT THIS WILL HELP A LOT. THE ONE THING I WOULD SAY, I KNOW THAT THE CITY'S ALREADY WORKOGTHIS, BUT PER.... PERCEPTION MEAN SO MUCH AND I UNDERSTAND YOU'RE WORKING ON CHANGING THE RESPONSE TIME FOR THE PRIORITY LEAD FOR -- A PRIORITY LIST FOR CITY WATER LEAKS. AND TO GET PEOPLE TO BUY INTO THIS, THEY NEED TO SEE THIS IS ACT ODD QUICKLY WHEN THEY SEE WATER RUNNING DOWN THE STREET AND IT'S NOT TAKEN CARE OF IN A MATTER OF DAYS. THEN THEY TEND TO THINK WHY SHOULD ISAAC FIES WHEN THEY WASTE SO MUCH. SO I UNDERSTAND YOU'RE WORKOGTHAT AND WILL CONTINUE WORKING ON THAT. I BELIEVE VERY MUCH IN CONSERVATION. I BELIEVE CONSERVATION WORKS AND I THINK IT WILL SAVE US A LOT OF MONEY. I BELIEVE CONSERVATION WORKS SO MUCH THAT WE SHOULD BE ABLE TO DELAY CONSTRUCTION ON WATER TREATMENT PLANT NUMBER 4 UNTIL WE'RE ABLE TO FIND A SOLUTION. I DON'T THINK THAT WOULD BE TALKING ABOUT WATER ISSUES IN AUSTIN IF I DIDN'T BRING UP WTP 4. SO WATER IS A LIMITED RESOURCE. I DON'T THINK THE RESOURCES OF THIS CITY ARE LIMITED. I THINK THAT WE HAVE AN UNLIMITED AMOUNT OF CREATIVITY HERE IN THE CITY AND WITH THE COUNCIL -- WITH THE COUNTY. AND PEOPLE HAVE GOODWILL. SO I'M HOPING THAT WE WILL REVISIT WATER TREATMENT PLANT NUMBER 4 BEING ON THE BULL CREEK WATERSHED AND THAT WE'LL BE ABLE TO PULL THAT OFF OF THERE BECAUSE IT HAS ABSOLUTELY NO BUSINESS BEING THERE. SO I BELIEVE WATER CONSERVE CONSERVATION IS GOING TO GIVE US TIME TO DEAL WITH WITH THAT. SO ONCE AGAIN, THANKS, EVERYBODY. AND I LOOK FORWARD TO WORKING ON THIS, BUT NOT AS MUCH AS JENNIFER DOES. THANKS VERY MUCH. [LAUGHTER]

Mayor Wynn: BILL BUNCH, WHO I SAW EARLIER, SIGNED UP WISH TO GO SPEAK. WELCOME. YOU WILL HAVE THREE MINUTES AND BE FOLLOWED BY PAUL ROB BIBZ. ROBBINS.

THANK YOU, MAYOR AND COUNCILMEMBER. I JUST HANDED

YOU THE FIRST DOCUMENT AS OUR BASIC SUMMARY, TWO PAGER, ON WHAT WE WOULD LIKE TO SEE YOU DO IN ADDITION TO WHAT YOU'RE PROPOSING TO DO BECAUSE WE DON'T THINK IT TAKES OUR WATER RESOURCES AS SERIOUSLY AS THEY SHOULD BE TAKEN. THE NEXT DOCUMENT IS A DOCUMENT THAT WE GAVE TO THE WATER CONSERVATION TASKFORCE, WHICH PROVIDES SOME ADDITIONAL DETAIL TO THE TWO PAGER. THEN THE THIRD DOCUMENT I HANDED YOU WAS A BRIEF STATEMENT OPPOSING ZONING ITEMS LATER ON THE DOCKET. WE WANTED TO DO THAT BY PROFICIENCY'S SAKE. RATHER THAN GO INTO THE DETAILS HERE, I WANTED TO TRY TO JUST TELL YOU A STORY ABOUT A GOOD FRIEND OF MINE WHO I CARE VERY DEEPLY ABOUT. BUT SHE DRINKS TOO MUCH. SHE'S BEEN DRINKING MORE AND MORE, TOO. AND IT'S REALLY GETTING TO BE A PROBLEM. SHE DRINKS TOO MUCH ALL THE TIME, BUT A COUPLE OF DAYS OUT OF THE YEAR, SHE REALLY IS A MESS. SOME OF US DO THAT AT HALLOWEEN OR AT NEW YEAR'S EVE, BUT SHE TEND TO DO IT IN THE HOT SUMMER MONTHS WHEN SHE'S REALLY THIRSTY. AND IT IS A SIGHT TO BE SEEN. SO I FINALLY FELT LIKE, YOU KNOW, I'VE GOT TO TALK TO HER. THERE'S A PROBLEM HERE. AS WONDERFUL AS SHE IS, AS RESPONSIBLE AS SHE IS, FUN LOVING, SHE'S WEIRD, NOT TOO WEIRD. WEIRD IN A BUSINESS FRIENDLY KIND OF WAY. AND I SAID YOU'VE GOT TO DO SOMETHING ABOUT THIS, AND SHE SAID OKAY, BILL. AND IT'S NOT JUST ME, OTHER FOLKS TOLD HER THAT. SHE SAID YEP, I'LL GET SOME REAL HELP FROM SOME FRIENDS OF MINE WHO ARE PROFESSIONALS. DON'T WORRY ABOUT IT. SO SHE DID THAT AND CAME BACK AND I SAID, SO WHAT'S THE PLAN? ARE WE MOVING TOWARDS DEALING WITH THIS VERY SERIOUS DRINKING PROBLEM? SHE SAID WE'VE GOT TO TOGETHER. I'M ON MY WAY TO REDUCING. AND I SAID, SO WHAT'S THE PLAN? SHE SAID, WELL, YOU KNOW, I USUALLY DRINK ABOUT A LITER OF TEQUILA WHEN I REALLY GO FOR IT, AND I DRINK TOO MUCH, SO I'M GOING TO DRINK ONE PERCENT LESS. EVERY TIME I REALLY GO FOR IT, I'M GOING TO DRINK ONE PERCENT LESS, STARTING THIS YEAR. THEN NEXT YEAR I'LL DRINK ONE PERCENT LESS. AND MY FRIENDS ALL AGREED THIS IS A GREAT PLAN AND I'M RIGHT ON MY WAY TO HEALTH AND FITNESS. AND I SAID, LET ME SEE IF I GET THIS STRAIGHT. SO

NEXT TIME YOU'RE OUT THERE TYING ONE ON, YOU'RE GOING TO DRINK 990-MILLILITERS INSTEAD OF A WHOLE LITER OF TEQUILA. AND SHE SAID YEAH, THAT'S THE PLAN. AND SHE SAID, I EVEN GOT AN AWARD FOR THIS AS BEST STEP TOWARDS SOBRIETY. AS YOU MIGHT THINK AND MIGHT GATHER, SHE'S GOT A WAYS TO GO BEFORE SHE FACES RESPONSIBLE DRINKING.

Mayor Wynn: PLEASE CONCLUDE. YOUR TIME HAS EXPIRED.

OKAY. THANK YOU. THAT'S IT.

Mayor Wynn: THANK YOU VERY MUCH. THE NEXT SPEAKER IS PAUL ROBBINS. WELCOME. YOU WILL HAVE THREE MINUTES.

MAYOR, COUNCIL, CITIZENS OF AUSTIN, I'M PAUL ROBBINS, AN ENVIRONMENTAL ACTIVIST AND CONSUMER ADVOCATE. FIRST, THIS IS A GOOD PLAN. I'D LIKE TO COMMEND THE STAFF WHO WORK SO HARD ON IT. EYE LIKE TO COMMEND LEE LEFFINGWELL WHO HAS SPONSORED AND PUSHED FOR THIS. THE SECOND THING IS THAT THERE IS THIS DINE SORE IN THE ROOM. IT'S CALLED WATER TREATMENT PLANT 4. THIS WATER CONSERVATION CAN AND SHOULD POSTPONE A NEW WATER TREATMENT PLANT. AND WHAT I'M ASKING FOR THE COUNCIL, I'M ASKING FOR TWO THINGS. FIRST, I WOULD LIKE A COST COMPARISON. HOW MUCH WILL THE CONSERVATION PLAN THAT WAS JUST PRESENTED COST THE AVERAGE PERSON ON THEIR BILL PER MONTH? AND THEN I'D LIKE TO KNOW THE SAME THING FOR WATER TREATMENT PLANT 4. I HAVE PERSONALLY ASKED FOR CHECK ECONOMIC INFORMATION FROM THE WATER DEPARTMENT ON THE COST OF WATER TREATMENT PLANT 4 ON THE AVERAGE HOUSEHOLD. I ASKED FOR THIS SOMETIME IN EARLY FEBRUARY. I STILL DO NOT HAVE AN ANSWER. SECOND THING IS I'D LIKE TO ASK -- I'D LIKE TO BE THE FIRST TO ASK -- I'D LIKE TO BE -- I'D LIKE TO BE THE FIRST TO ASK THAT A REFERENDUM ON WATER TREATMENT PLANT 4 BE HELD. THIS IS WHAT'S CALLED FOR IN THE CITY CHARTER. IT'S CALLED ECONOMIC SELF-DETERMINATION. THANK YOU.

Mayor Wynn: THANK YOU, MR. ROBBINS. SO COUNCIL, THAT CONCLUDES OUR CITIZEN TESTIMONY FOR THIS ITEM

NUMBER 29. COMMENTS, QUESTIONS FROM STAFF AND/OR
ON THE PROPOSAL? COUNCILMEMBER LEFFINGWELL.

Leffingwell: WELL, I GUESS I'M READY TO MAKE A MOTION IF THERE'S NOBODY ELSE THAT WANTS TO SPEAK. BEFORE I DO, WHEN I WAS OPENING THIS ITEM I OVERLOOKED ON MY NOTES A COUPLE OF PEOPLE THAT REALLY DESERVE THANKS OVER AND ABOVE EVERYBODY BE ELSE REALLY. AND FIRST IS MY AIDE, ANNIE MORMON, WHO WAS MENTIONED EARLIER. BUT A PERSON ON YOUR STAFF, MATT WATSON, REALLY HAD A BIG PART IN THIS IN HIS ENERGY AND EXPERTISE, ESPECIALLY SINCE HE HAD JUST COME OVER FROM THE WATER UTILITY CONSERVATION DEPARTMENT TO YOUR STAFF, WAS INVALUABLE. SO I WANT TO THANK YOU VERY MUCH, MATT, I APPRECIATE IT. SO I WOULD MOVE TO APPROVE THE RESOLUTION WITH A -- A SOMEWHAT LENGTHY SET OF AMENDMENTS. AND I PASSED OUT A LIST OF THESE. I'M NOT GOING TO READ THEM ALL UNLESS THE LAW DEPARTMENT THINKS I SHOULD. I CAN PASS THEM TO YOU IN WRITING, BUT I DO WANT TO BRIEFLY SUMMARIZE WHAT THEY SAY. MOST OF THEM ARE SIMPLY CLARIFICATION AND TECHNICAL EDITS, BUT THE FIRST ONE IS SUBSTANTIVE. IT'S SECTION 1-N-1 RELATING TO PLUMBING FIXTURE RETROFITS. AND WHAT WE -- WHAT THE AMENDMENT DOES IS DLEELT THE REQUIREMENT TO HAVE THIS DONE BY 2009 AND HAVE IT ONLY ENFORCED AT TIME OF RESALE FOR EXISTING HOMES. THE REASON FOR THIS IS AN ARTIFICIAL DEADLINE OF 2009 IS UNENFORCEABLE AND THIS WILL ESSENTIALLY ACCOMPLISH THE SAME PURPOSE WITHOUT MAKING LAW VIOLATORS OF A GREAT NUMBER OF OUR POPULATION. SO THAT -- AT THE SAME TIME I WOULD LIKE TO ADD A STATEMENT TO THAT POLICY EXPRESSING THAT SOMEONE WHO CHOOSES TO REPLACE THEIR WATER APPLIANCES BEFORE THE SALE OF THEIR PROPERTY CAN OBTAIN A CERTIFICATE OF COMPLIANCE AT ANY TIME FROM THE WATER UTILITY, AND ONCE IT'S CLASSIFIED AS COMPLIANT IT WILL BE ENTERED INTO A DATABASE AND NOT SUBJECT TO ANY FURTHER INSPECTIONS. THE SECOND SECTION, 1-N-2 REQUIRING THE USE OF SUBMETERS OR UTILITY METERS TO BILL FOR WATER. THE PURPOSE OF THIS AMENDMENT IS TO CLARIFY THAT IN MIXED USE PROPERTIES COMPRISED OF BOTH COMMERCIAL AND RESIDENTIAL

CONDO UNITS, THE SUBMETERING WILL BE REQUIRED ONLY FOR THE COMMERCIAL UNITS AND NOT FOR THE CONDO UNITS. AND THERE IS A SUGGESTION ABOUT HOW TO REDRAFT THE LAST TWO SENTENCES. SECOND PARAGRAPH OF 1-N-2. THE NEXT IS SECTION OU-1, TO EXPAND WATER USE MANAGEMENT ORDINANCE TO LIMIT FREQUENCY, TIMING AND METHOD OF OUTDOOR WATERING. AND THIS CLARIFIES THAT THE RETROFIT REQUIREMENT FOR RAIN SHUTOFF DEVICES APPLIES TO COMMERCIAL AND MULTI-FAMILY AND NOT TO SINGLE-FAMILY. THAT WAS THE INTENT. AND IT'S JUST THE LANGUAGE THE WAY IT'S WRITTEN COULD BE CONFUSING, SO THIS CLARIFIES THAT. SECTION OU-2, TO REQUIRE NEW RESIDENTIAL IRRIGATION SYSTEMS TO MEET DESIGN STANDARDS AND PERMITTING REQUIREMENTS. THE PURPOSE OF THIS IS TO ELIMINATE THE REQUIREMENT FOR IRRIGATION SUBMETERS AND INSTEAD PROVIDE INCENTIVES OR REBASE. I JUST WANT TO DELETE PARAGRAPH NUMBER 4 AND REPLACE WITH A STATEMENT THAT IRRIGATION SUBMETERS FOR REDOUTS FOR CUSTOMER MONITORING WILL BE ENCOURAGED, BUT NOT REQUIRED. AND THE REASON FOR THIS IS DURING OUR DELIBERATIONS, OF COURSE, WE WERE CONSCIOUS OF THE COST OF THESE TYPES OF NEW EQUIPMENT THAT WOULD HAVE TO BE INSTALLED, AND OUR INFORMATION AT THE TIME WAS SUBSTANTIALLY DIFFERENT FROM WHAT WE'VE LEARNED SUBSEQUENTLY THE COST OF THESE SUBMETERS COULD BE UP TO SIX TIMES WHAT WE ORIGINALLY THOUGHT. SO THE DMEKS ONE -- THE NEXT PARAGRAPH IS TO SECTION OU-3-2, COMMERCIAL LANDSCAPES. AND THIS IS JUST CLARIFICATION. AND DAN STRUBE SPOKE ABOUT IT DURING HIS PRESENTATION THAT THE DORMANT TURF GRASSES REQUIREMENT SHOULD BE ONLY LOW WATER USE SPECIES. AND THAT'S NOT CURRENTLY IN THE POLICY DOCUMENT, BUT EVERYBODY UNDERSTANDS THAT THAT'S WHAT WE'RE TALKING ABOUT. THE SAME THING IN OU-4 AND OU-5. AND SECTION OU-4, THIS IS A CLARIFICATION, THE TITLE REFERS TO VOLUME HOME BUILDERS AND THE INTENT WAS THIS APPLIED TO ALL HOME BUILDERS, SO WE STRIKE THE WORD VOLUME. SECTION OU DSH 5, AGAIN THE SAME THING, APPLIES TO STRIKING THE WORD VOLUME TO ENSURE THAT IT APPLIES TO ALL NEW HOMES. AND THE LAST AMENDMENT IS A NEW SECTION WHICH IS ALLOWS FOR THE CREATION OF

A WATER CONSERVATION CITIZENS ADVISORY GROUP AND THE CITIZENS ADVISORY GROUP WILL BE ESTABLISHED TO INCLUDE LARGE YIEWRTSZ, EXPERTS IN THE FIELD OF WATER CONSERVATION AND OTHER ADVISORS AS THE COUNCIL DEEMS APPROPRIATE AND IF THE COUNCIL BE WILLING TO GIVE ME THE DISCRETION TO SELECT THAT GROUP, I WOULD DO SO AND MEET WITH THEM ON A QUARTERLY BASIS TO REVIEW WATER CONSERVATION EFFORTS AND RESULTS AND RECOMMENDED CHANGES OR ADJUSTMENTS AND PRESENT THEIR REPORTS AND FINDINGS TO THE RESOURCE MANAGEMENT COMMISSION. AND I WILL FURNISH THIS IN WRITING TO THE CLIRK, AND THAT'S MY MOTION.

Mayor Wynn: MOTION BY COUNCILMEMBER LEFFINGWELL THAT I WILL SECOND. COMMENTS? COUNCILMEMBER KIM.

Kim: THANK YOU, COUNCILMEMBER LEFFINGWELL, FOR YOUR WORK AND FOR COUNCILMEMBER LEFFINGWELL AND MAYOR WYNN AND THE TASKFORCE MEMBERS ON THIS. I THINK IT'S REALLY IMPORTANT FOR OUR COMMUNITY AN FOR US TO TAKE THE NEXT STEPS TO CONSERVE WATER AND TO ALSO PUT THAT INTO OUR BUDGET IN TERMS OF FIXING LEAKS, PREVENTING LEGS, AND JUST BEING A GOOD STEWARD OF THE ENVIRONMENT. I DO HAVE A QUESTION ABOUT ONE OF THE AMENDMENTS REGARDING WHEN THE RETROFITS WILL BE REQUIRED. MY UNDERSTANDING IS THAT THE REAL.....REALTORS ARE PARTICULARLY SENSITIVE ABOUT DELAYING SALES BECAUSE RETROFITS WERE REQUIRED BEFORE THE SALES COULD MOVE FORWARD. I UNDERSTAND WHEN HAVE YOU A BUYER AND SELLER AND YOU HAVE AN INTEREST RATE THAT'S LOCK AND YOU HAVE TO MAKE THAT DEAL HAPPEN OR ELSE YOU WILL LOSE YOUR INTEREST OR SOME SORT OF -- THE ENTIRE TRANSACTION. WHAT IS THE PROCESS FOR SOMEONE WHO WANTS TO SELL THEIR HOME AND THEY HAVEN'T MADE THE RETROFITS? IS THAT ONE WAY OF -- IS THERE A WAY FOR THEM TO ALLOW THE BUYER TO MAKE THOSE RETROFITS WITHIN A CERTAIN PERIOD OF TIME AFTER THE SALE OR DO THEY HAVE TO DO THE RETROFITS BEFORE THE SALE?

Mayor Wynn: IF I CAN, COUNCILMEMBER, I'LL HOP IN. WE HAVE TALKED ABOUT -- IN FACT, WE'VE TALK ABOUT THIS

CONCEPT AS PART OF THE CLIMATE PROTECTION PLAN AS WE START TO ESTABLISH MINIMUM ENERGY EFFICIENCY STANDARDS FOR HOMES AS WELL IS TO HAVE THE ABILITY FOR THE RESPONSIBILITY FOR THE RETROFIT TRANSFERRED FROM THE SELLER TO THE BUYER UPON AGREEMENT BY BOTH PARTIES AND FOR STAFF TO COME UP WITH AN APPROPRIATE-- AND WORKING WITH THE BOARD OF REALTORS AND OTHERS TO COME UP WITH THE APPROPRIATE PROCESSOR MECHANISM FOR WHAT WILL THEN BE A TIMELY ENFORCEMENT BY THE CITY ON THAT NEW HOMEOWNER. SO TO NOT IMPEDE THE TRANSACTION AT ALL, BUT HAVE THE SELLER HAVE THE ABILITY TO TRANSFER THE ABILITY ON TO THE BUYER SO AS TO NOT COMPLICATE THE TIMING OF A SALE.

Kim: OKAY. I WANTED TO MAKE SURE THAT WAS THE CASE. THANK YOU SO MUCH.

Mayor Wynn: A MOTION AND A SECOND ON THE TABLE TO APPROVE THIS AMENDED WATER CONSERVATION POLICY. HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Mayor Wynn: OPPOSED? MOTION PASSES ON A VOTE OF SEVEN TO ZERO. CONGRATULATIONS, COUNCILMEMBER LEFFINGWELL. THANK YOU SO STAFF. SO COUNCIL, THAT TAKES US TO OUR 4:00 O'CLOCK ZONING CASES. WE'RE NOT THAT FAR BEHIND ACTUALLY. AND WE'LL WELCOME MR. GREG GUERNSEY.

GOOD AFTERNOON, MAYOR AND COUNCIL, MY NAME IS GREG GUERNSEY WITH THE NEIGHBORHOOD PLANNING AND ZONING DEPARTMENT. LET ME WALK THROUGH OUR ITEMS THAT WE HAVE THIS AFTERNOON AT 4:00 O'CLOCK FOR ZONING ORDINANCE AND RESTRICTIVE COVENANTS WHERE THE HEARING HAVE BEEN CLOSED. THIS IS TO ESTABLISH THE OFFICE MIXED USE DESIGNATION ON THIS PROPERTY AND THE FUTURE LAND USE MAP. A RELATED ITEM IS ITEM 46, C-14-06-0160 FOR THE SAME PROPERTY AND THIS IS TORY ZONE THE PROPERTY FROM FAMILY RESIDENCE NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING TO LIMITED OFFICE MIXED USE CONDITIONAL OVERLAY

NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING. AND THESE ARE BOTH READY, 45 AND 46, FOR CONSENT APPROVAL ON SECOND AND THIRD READINGS. ITEM NUMBER 47 IS CASE C-14-06-0203, THE CULLEN ZONING AT 9006..... 9006 CULLEN AVENUE. THIS IS A REZONING REQUEST WITH FROM INTERIM RURAL RESIDENCE DISTRICT ZONING TO COMMUNITY COMMERCIAL CONDITIONAL OVERLAY COMBINING DISTRICT ZONING. AND THIS IS READY FOR CONSENT APPROVAL ON SECOND AND THIRD READING. 'A RELATED ITEM IS ITEM 48, CASE C-14-06-0204, SLAUGHTER LANE ZONING AT 160 SLAUGHTER LANE. THIS IS A REQUEST FROM INTERIM RURAL RESIDENCE OR IRR DISTRICT ZONE TO GO COMMUNITY COMMERCIAL CONDITIONAL OVERLAY COMBINING DISTRICT ZONING. THIS IS ALSO READY FOR CONSENT APPROVAL ON SECOND AND THIRD READINGS. ITEM NUMBER BE 49 IS CASE C-14-06-0231 FOR THE PROPERTY LOCATED AT 7219 MO MOWINKEL DRIVE. THIS IS A PROPERTY LOCATED IN WILLIAMSON CREEK WATERSHED IN THE BARTON SPRINGS ZONE AND IS A REZONING REQUEST FROM RURAL RESIDENCE DISTRICT ZONING TO SINGLE-FAMILY RESIDENCE LARGE LOT CONDITIONAL OVERLAY COMBINING DISTRICT ZONING. THIS IS FOR CONSENT APPROVAL ON SECOND AND THIRD READINGS. ITEM NUMBER 50 IS CASE C 814-06-0109 KNOWN AS THE LAKE SHORE P.U.D. MAYOR, WE'D LIKE TO DISCUSS THIS BRIEFLY TO R. TO CLARIFY SOME ITEMS ON THAT. SO THOSE ARE THE ITEMS FOR CONSENT AND THE HEARING CLOSED AT THIS TIME.

Mayor Wynn: THANK YOU. SO COUNCIL, THE PROPOSED CONSENT AGENDA ON THESE CASES WHERE WE'VE ALREADY CLOSED THE PUBLIC HEARING WILL BE TO APPROVE ON SECOND AND THIRD READING THE FOLLOWING FIVE ITEMS, 45, 46, 47, 48 AND 49. AGAIN, 45 THROUGH 49, APPEARED ON SECOND AND THIRD READING. I'LL ENTERTAIN THAT MOTION. MOTION MADE BY COUNCILMEMBER MARTINEZ, SECONDED BY COUNCILMEMBER LEFFINGWELL TO APPROVE THE CONSENT AGENDA AS READ. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Mayor Wynn: OPPOSED? MOTION PASSES ON A VOTE OF

SEVEN TO ZERO.

THANK YOU, MAYOR. LET ME GO ON AND OFFER THE
CONSENT ITEMS FOR THE 4:00 O'CLOCK ZONING AND
NEIGHBORHOOD PLAN AMENDMENTS. THIS IS WHERE WE
ARE SCHEDULED FOR PUBLIC HEARING AND POSSIBLE
ACTION TODAY. THE FIRST ONE UNDER CONSENT WOULD BE
ITEM NUMBER 51. THIS IS CASE C-14-07-004 FOR BURGER
KING SHELL FOOD STORE ON SCOFIELD RIDGE PARKWAY
LOCATED AT 13205 BURNET ROAD. THE APPLICANT IS
REQUESTING A POSTPONEMENT. IT IS THE FIRST REQUEST
FOR A POSTPONEMENT. TO JUNE 7TH. AGAIN, THAT'S ITEM
51, A POSTPONEMENT REQUEST BY THE APPLICANT. ITEM
NUMBER 52 IS CASE NPA-06-0009.02, LOS ABOGADOS. THIS IS
FOR THE PROPERTY LOCATED AT 1214 EAST SEVENTH
STREET. THIS IS A NEIGHBORHOOD PLAN AMENDMENT. AND
THE RELATED ITEM, ITEM 53, WHICH IS CASE C-14-06-0162
AND CASE C 14 H-07-0002, AGAIN FOR THAT SAME PROPERTY
WHICH IS A REZONING REQUEST, STAFF IS REQUESTING A
POSTPONEMENT OF THESE TWO ITEMS, ITEMS 52 AND 53, TO
YOUR MAY 24TH MEETING. ITEM NUMBER 54 IS A DISCUSSION
POSTPONEMENT ITEM. THIS IS CASE C-14-07-BE 0013, THE
CASWELL LOFTS AT 25-2 NORTH LAMAR BOULEVARD. ITEM
NUMBER 55 IS CASE C-14-07-0011, LAMAR MANCHACA MIXED
USE FOR THE PROPERTY LOCATED AT 2711-2715 SOUTH
LAMAR AND 2803-2901 MANCHACA. STAFF IS REQUESTING A
POSTPONEMENT OF THIS CASE TO MAY 17TH. THE PLANNING
COMMISSION IS SCHEDULED TO TAKE ACTION ON THIS CASE
ON MAY EIGHTH, SO STAFF IS ASKING FOR A
POSTPONEMENT OF THIS ITEM TO MAY 17TH. ITEM NUMBER
56 IS CASE C FOREIGN H-06-054 I. THE APPLICANT HAS
REQUESTED A POSTPONEMENT OF THIS CASE TO AUGUST
9TH. AND THAT IS THEIR FIRST REQUEST. ITEMS NUMBER 57,
58 AND 59, THESE ARE THE.. MCCOMIS ESTATE PROPERTIES
LOCATED ALONG BEN GARZA LANE. THESE ITEMS ARE
DISCUSSION ITEM NUMBER 60, C-14-07-ON 015, THE VILLAGE
AT WALNUT WEEK FOR THE PROPERTY AT 2217 PARK BEND
DRIVE. THIS IS A REZONING REQUEST FROM MULTI-FAMILY
RESIDENCE LOW DENSITY CONDITIONAL OVERLAY
COMBINING DISTRICT ZONING TO GENERAL OFFICE MIXED
USE COMBINING DISTRICT ZONING. THE ZONING AND
PLATTING COMMISSION WAS TO GRANT THE GENERAL

OFFICE MIXED USE CONDITIONAL OVERLAY COMBINING DISTRICT ZONING, AND THIS IS READY FOR CONSENT APPROVAL ON ALL THREE READING. ITEM NUMBER 61 IS CASE C-14-07-0021 FOR THE PROPERTY LOCATED AT 5308 NUK NUCKOLS CROSSING ROAD. THIS IS A REQUEST FROM NEIGHBORHOOD COMMERCIAL NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING TO COMMUNITY COMMERCIAL NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING. THE PLANNING COMMISSION RECOMMENDED TO GRANT THE COMMUNITY COMMERCIAL MIX BED USE CONDITIONAL OVERLAY NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING AND THIS IS READY FOR CONSENT APPROVAL ON ALL THREE READINGS. ITEM NUMBER 62 IS CASE C-14-07-0027, LIMERICK AVENUE ZONING CASE. THIS IS AT 12500 LIMERICK AVENUE. THIS IS A REQUEST FROM A SINGLE RESIDENCE STANDARD LOT TO NEIGHBORHOOD OFFICE DISTRICT ZONING. THE PLANNING COMMISSION RECOMMENDATION WAS TO GRANT THE NEIGHBORHOOD OFFICE MIXED USE OR NO-MU COMBINING DISTRICT ZONING AND THIS IS READY FOR CONSENT APPROVAL ON ALL THREE READINGS. ITEM NUMBER 63 IS CASE C-14-07-0028 KNOWN AS THE STAUBACH RETAIL PARMER PROPERTY. THIS IS A REZONING REQUEST FROM NEIGHBORHOOD OFFICE AND COMMUNITY COMMERCIAL CONDITIONAL OVERLAY COMBINING DISTRICT ZONING TO COMMUNITY COMMERCIAL CONDITIONAL OVERLAY COMBINING DISTRICT ZONING. THE PLANNING COMMISSION RECOMMENDED TO GRANT THE COMMUNITY COMMERCIAL CONDITIONAL OVERLAY COMBINING DISTRICT ZONING. THIS WOULD BE READY FOR ALL THREE READINGS TODAY, HOWEVER THE APPLICANT'S AGENT IS HERE AND WOULD LIKE TO SPEAK TO THE DELETING TWO USES THAT WERE PROHIBITED BY THE PLANNING COMMISSION. IF YOU LIKE, BE WE CAN DO THESE ON CONSENT AND TO ADD THOSE TWO USES BACK OR WE CAN DISCUSS THIS ITEM. WHATEVER YOUR PREFERENCE WOULD BE BE.

..

Mayor Wynn: MY INSTINCT IS WE CAN DO THAT AS PART OF THE CONSENT AGENCY.

Dunkerley: AND WHAT ARE THE TWO USES.

FOOD SALES. THIS WOULD ALLOW THE SALE OF GROCERY TYPE PRODUCTS FROM THE FACILITY. COULD ALSO INCLUDE THE SALE OF BEER AND WINE SO LONG AS THEY DON'T EXCEED 50%.

Dunkerley: AND GENERAL RETAIL SALES.

AND GENERAL RETAIL SALES. COULD ALLOW A FURNITURE STORE, AUTO PART SALE, FLOOR AND CARPETING SALES. THEN LET ME CONTINUE. ITEM NUMBER 64 IS CASE C 814-98-0001-03, KNOWN AS WINE STYLES AT ARBOR TRAILS. THIS IS FOR THE PROPERTY LOCATED AT 4301 WEST WILLIAM CANNON DRIEVMNT THIS IS A REQUEST FROM PLANNED IEWNLT DEVELOPMENT TO THE SAME ZONING DISTRICT TO CHANGE A CONDITION OF ZONING. AND THE PURPOSE OF THIS WAS TO ALLOW A COCKTAIL LOUNGE. THE PLANNING COMMISSION RECOMMENDATION WAS TO GRANT THE REQUEST AND THIS IS READY FOR CONSENT APPROVAL ON ALL THREE READINGS. 65 IS CASE C 814-04-0055.01, THE TRACT TC 2 MUELLER P.U.D. THIS IS A REZONING REQUEST WITH FROM PLANNED UNIT DEVELOPMENT TO PLANNED UNIT DEVELOPMENT P.U.D. DISTRICT ZONING TO CHANGE A CONDITION OF THE ZONING. THE PFK RECOMMENDATION WAS TO GRANT THE MANTED UNIT DEVELOPMENT ZONING AND THIS IS READY FOR CONSENT ON ALL THREE READINGS. MOISTURE MAYOR COUNCIL, OUR PROPOSED --

Mayor Wynn: COUNCIL, OUR PROPOSED CONSENT AGENDA WILL BE TO POSTPONE ITEM 51 TO JUNE SEVENTH, 2007. TO POSTPONE ITEMS 52 AND 53 TO MAY 24TH, 2007. TO POSTPONE ITEM 55 TO MAY 17TH, 2007. POSTPONING FUM 56 TO AUGUST 9TH, 2007. TO CLOSE THE PUBLIC HEARING AND APPROVE ON ALL THREE READINGS ITEMS 60, 61, 62, 63, 64 AND 65, NOTING ON ITEM NUMBER 63 THAT THE REQUESTED TWO USES TO BE DELETED FROM THE PROHIBITED LIST OF USES. I'LL ENTERTAIN THAT MOTION.

Dunkerley: I MOVE APPROVAL.

Mayor Wynn: MOTION BY MAYOR PRO TEM, SECONDED BY COUNCILMEMBER MCCracken TO APPROVE THE CONSENT

AGENDA AS READ. FURTHER COMMENTS? HEARING NONE,
ALL THOSE IN FAVOR PLEASE SAY AYE.

OPPOSED? MOTION PASSES ON A VOTE OF SEVEN TO ZERO.
MR. GUERNSEY, MY INSTINCT IS WE COULD TAKE UP ITEM
NUMBER 54, THE DISCUSSION ABOUT THE POSTPONEMENT I
SUSPECT ON ITEM 54... 54 PRIOR TO GOING BACK TO ITEM 50.

VERY GOOD, MAYOR. ITEM NUMBER 54 IS CASE C-14--07-0013,
KNOWN AS THE CASWELL LOFTS FOR THE PROPERTY AT
2202 NORTH LAMAR BOULEVARD AND 2209 SHOAL CREEK
BOULEVARD. WE HAVE A POSTPONEMENT REQUEST THAT
WAS RECEIVED FROM A MARY SANCHEZ. SHE HAS
REQUESTED THE POSTPONEMENT OF THIS ITEM TO JUNE
7TH..TH. I'M AWARE THAT THE AGENT FOR THE APPLICANT
ON THIS CASE IS OPPOSED TO A POSTPONEMENT TO THIS
LENGTH OF TIME. I DON'T KNOW IF MARY SANCHEZ IS HERE.

SHE APPEARS TO BE. WELCOME BE.

SHE IS HERE. SO PERHAPS YOU WOULD LIKE TO HEAR FROM
BOTH SIDES OF THE POSTPONEMENT REQUEST.

Mayor Wynn: WHY DON'T WE HEAR FROM MS. SANCHEZ FIRST
SINCE SHE'S MAKING THE REQUEST. MARY? OR AGENT --
SPEAKER FOR MARY. WELCOME. AGAIN, OUR DISCUSSION
HERE IS JUST ON THE LENGTH OF THE POSTPONEMENT.

RIGHT. GOOD EVENING, MAYOR WYNN AND CITY
COUNCILMEMBERS. MY NAME IS MATT MALLET AND I'M A
MEMBER BE OF THE WEST UNIVERSITY NEIGHBORHOOD.
OUR NEIGHBORHOOD WOULD LIKE TO ASK FOR A
POSTPONEMENT OF THIS UNTIL JUNE SEVENTH. WITHOUT
THE POSTPONEMENT YOU WOULD BE ASKED FOR MAKE A
CHOICE TODAY BETWEEN A DEVELOPER WHO IS IN GOOD
STANDING WITH THE CITY AND OUR NEIGHBORHOOD, WHICH
HAS A LONG HISTORY OF COMPROMISE AND COOPERATION.
FURTHERMORE, WE BELIEVE THAT THE SOLUTION
PRESENTED BY THE DEVELOPER AT THIS TIME DOES NOT
REPRESENT THE ONLY RECOMMEND I DO THE PROBLEM. WE
WOULD LIKE MORE TIME TO EXPLORE OTHER AVENUES.
[ONE MOMENT, PLEASE, FOR CHANGE IN CAPTIONERS] MY
NAME IS DAVID HARTMAN, AGENT WITH THE SMITH

ROBERTSON LAW FIRM. DEVELOPING CASUAL LOSS, MY CLIENT -- CASWELL LOT OFS, MY CLIENT HAS BEEN CONSTRUCTING SINCE OCTOBER. WE HAVE A DOZEN OR SO CONTRACTS SCHEDULED TO CLOSE ON OUR ABOUT MAY 21. OBVIOUSLY THE OPPOSITION ON THE PLANTRONICS COMMISSION FOR A COUPLE WEEKS UNDER VERY SIMILAR SITUATION AND SIMILAR ARGUMENTS AND AT THAT TIME THE PLANNING COMMISSION BE WOUND UP HEARING THEIR ARGUMENTS AND ON THE MERITS APPROVED THE ZONING CASE 9-0. WE HAVE SUPPORT AND 30-PLUS RESIDENTS HAVE SIGNED IN SUPPORT OF THE ACTUAL, ON THE MERITS, ABOUT GETTING TO THE MERITS AND IN ESSENCE WE BELIEVE THAT THE OPPOSITION DOES WANT TO VISIT FROM A MEDIATION STANDPOINT THERE IS NOTHING LIKE TIME TO FORCE THAT TO OCCUR FROM THEIR SIDE BUT I'M NOT GOING TO SPEAK TO THEIR SIDE. FROM OUR SIDE, WE HAVE CONTRACTUAL OBLIGATIONS THAT ARE FORCING US TO FIX IT AND LIMIT IT TO MAY 17 AND WE APPRECIATE THE COUNCIL'S CONSIDERATION.

QUESTIONS OF EITHER PARTY? COUNCIL? COMMENTS?

MCCRACKEN:

MCCRACKEN: CRACK

MCCRACKEN: MY UNDERSTANDING IS THERE IS A DISCOVERY OF A DIFFERENCE IN HEIGHT AND THE APPLICANT HAS, I GUESS, GONE TO THE DEVELOPING NEIGHBORHOOD ASSOCIATION AT THE TIME LAST FALL TO DISCUSS IF THE NEIGHBORHOOD ASSOCIATION HAD ACTUALLY REQUESTED THIS, DO THEY KEEP THE FIVE FEET DIVIDE AND BUILD IN LANDSCAPING BUFFERS AND OTHER IMPROVEMENT SO WE HAVE NEIGHBORHOOD ASSOCIATIONS, THE ONE RECOGNIZED BY THE CITY, ANY APPLICANT WORKING SINCE LAST OCTOBER AND I'M NOW CONCERNED WE ARE NOW HERE IN MAY AND IN FACT, WE'VE HAD A NEGOTIATION WE ENCOURAGE AND EXPECT BETWEEN DEVELOPMENT REPRESENTATIVES AND NEIGHBORHOOD REPRESENTATIVES HAS OCCURRED AND EVERYTHING HAS BEEN DONE THE RIGHT WAY. I UNDERSTAND THERE MAY BE DISAGREEMENT WITHIN THE NEIGHBORHOOD HAD A HAS LEFT THE NEIGHBORHOOD

ASSOCIATION BUT I DO HAVE A LOT OF CONCERN ABOUT EXTENDING THIS TO JUNE 7 WHEN THIS, THE NEIGHBORHOOD PERSPECTIVE AND THE DEVELOPER PERSPECTIVE THEY WERE DOING IT THE WAY WE ASKED THEM TO DO IT SO MY PREFERENCE IS WE HAVE THIS BROUGHT UP IN OUR NEXT MEETING.

A MOTION BY COUNCIL MEMBER McCRACKEN TO MOST POINT ITEM 54 UNTIL MAY.

SECOND.

MAYOR WYNN: FURTHER COMMENTS? WE EMPHASIZE AND UNDERSTAND THERE IS PROBABLY NOT UNANIMITY IN NEIGHBORS WITH A RELATIVELY COMPLICATED CASE LIKE THIS BUT MY PERSONAL PERSPECTIVE IS I HAVE APPLAUDED THE BUILDER/DEVELOPER IN THIS CASE FOR HAVING STOPPED CONSTRUCTION WHEN DID HE TO ALLOW THE OPPORTUNITY, THIS MONTH LENGTH, THE OPPORTUNITY FOR THERE TO BE AS MUCH COMMON GROUND AS PRACTICAL AND TWO WEEKS IS NOT AN INSIGNIFICANT DELAY, FRANKLY, WITH YOU KNOW, A LOT OF, YOU KNOW, FINANCIAL IMPLICATIONS IN IMPLICATIONS IN CASE AND INSTINCT AND PERCEPTION OF THE PARTIES AT HAND IS A LOT OF DISCUSSION CAN OCCUR WITHIN THOSE TWO WEEKS FOR US TO HAVE SOME ADDITIONAL FEEDBACK PRIOR TO TAKING ACTION ON MAY 17. COUNCIL MEMBER LEFFINGWELL.

LEFFINGWELL: I AGREE WITH THAT AND I HAVE A CONCERN ABOUT THE STATUS OF THE PARTY REQUESTING THE POSTPONEMENT. I UNDERSTAND THEY ARE NOT THE NEIGHBORHOOD ASSOCIATION BUT IT IS ONE OR MAYBE TWO OR THREE PEOPLE IN THE NEIGHBORHOOD AND I'M CONCERNED ABOUT SETTING THAT PRECEDENT BECAUSE WE COULD WORK OUR WAY THROUGH A NEIGHBORHOOD BY ONES AND TWOS AND THREES AND THERE COULD BE A LOT OF DELAYS, SO I THINK, I AGREE WITH COUNCIL MEMBER McCRACKEN THAT THE DEVELOPER BUILDER HAS SHOWN GOOD FAITH SO FAR AND NEGOTIATED WITH WHAT HE PERCEIVED TO BE THE NEIGHBORHOOD ASSOCIATION AND IT IS BENDING OVER BACKWARDS TO GRANT THE DELAY BUT I DON'T THINK IT SHOULD BE ANY LONGER THAN TWO WEEKS

SO I SUPPORT THE MAY 17.

MAYOR WYNN: AGAIN, MOTION. MAYOR PROTELL.

I ALSO SUPPORT THE MAY 17. THIS ISSUE IS A PRIVATE RESTRICTIVE COULD HAVENANT AND I BELIEVE -- COVENANT AND I BELIEVE THE DEVELOPER HAS BEEN WORKING WITH THE PARTIES OF THAT AGREEMENT AND TO THAT EXTENT I THINK THOSE WERE THE PARTIES HE NEEDS TO WORK WITH SO FOR THE NEXT TWO WEEKS IF THERE ARE OTHER FOLKS THAT WANT TO COME IN AND VISIT WITH THEM, WE HAVE TIME AND PRESS THE DISCUSSIONS INTO TWO WEEKS RATHER THAN SIX WEEKS SO I WILL BE SUPPORTING THAT SINCE I SECONDED IT.

MAYOR WYNN: A MOTION AND SECOND ON THE TABLE TO POSTPONE ITEM 54 TO OUR NEXT MEETING WHICH IS TWO WEEKS, MAY 17, 2007. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR, PLEASE SAY AYE. AYE. OPPOSED. POSTPONE MEANT PASSES ON A VOTE OF 7-0. THANK YOU VERY MUCH. UP NEXT, ITEM NUMBER 50.

THANK YOU, MAYOR. ITEM NUMBER 50 IS C814-06-0109 KNOWN AS THE LAKE SHORE PLANNING DEVELOPMENT OR PUD. A ZONING REQUEST FROM MULTI FAMILY RESIDENTS, MEDIUM DEFENSIVE-NEIGHBORHOOD PLAN COMBINING DISTRICT ZONING TO PLANNED UNIT DEVELOPMENT PLAN PUD-NP DISTRICT ZONING AND FIRST "READER'S DIGEST" WAS APPROVED ON APRIL 12,-0. I SAY THAT ONLY BECAUSE I WANT TO MAKE SURE THE RECORD REFLECTS THAT BECAUSE IT WAS NOT CORRECTLY POSTED ON THE AGENDA. WE WANT TO BRING THIS FORWARD BASED ON YOUR FIRST READING ACTION. AND WANTED TO LET YOU KNOW THAT THERE IS ONE PORTION OF YOUR ACTION TAKEN AT FIRST READING THAT HAS BEEN REMOVED FROM THE ORDINANCE AND FROM THE BACK UP THAT IS PRESENTED. AND THIS HAD TO DO WITH AN AFFORDABILITY HOUSING COMPONENT, AT THIS POINT I WILL DEFER TO THE ASSISTANT STATE ATTORNEY MARTY TERRY AND SHE CAN EXPOUND ON THAT WYNN MS. TERRY.

THANK YOU. IT WAS MOVED TO PROHIBIT INCLUSION REQUIREMENT OF AFFORDABILITY BUT ORDINANCE AMONG

OTHER THINGS AND I APOLOGIZE TO THE COUNCIL, I DIDN'T CATCH THAT MOTION WHEN IT WAS MADE THE FIRST TIME OUT.

MAYOR WYNN: NOR I.

SO WE TOOK THE LIBERTY TO REMOVE THAT SO WE WOULD BE IN COMPLIANCE WITH THE LOCAL GOVERNMENT CODE AND SO --

THAT IS PRETTY BOLD OF YOU MISTER RE.

I APOLOGIZE -- BOLD OF YOU MISS TERRY.

I APOLOGIZE. I PROMISE YOU, WE ARE WORKING ON THE ISSUE AND WE WILL BRING YOU SOMETHING FORWARD IN TERMS OF AN INCENTIVE PROGRAM. WE WILL GET YOU WHERE YOU NEED TO BE.

MAYOR AND COUNCIL, THE APPLICANT AGENT IS HERE AND WE MADE HIM AWARE OF THIS TOO AND I THINK HE HAS STATEMENT OR SOMETHING HE WOULD LIKE TO READ TO YOU.

MAYOR WYNN: THAT WOULD BE APPROPRIATE. WELCOME MR. ARMBRUST.

THANK YOU. THIS IS A VERY SHORT LETTER I WOULD LIKE TO READ INTO THE RECORD FROM THE CYPRESS REAL ESTATE ADVISERS. THIS LETTER IS INTENDED TO MEMORIALIZE THE VOLUNTARY OFFER AND COMMITMENT TO OFFER AN AFFORDABILITY COMPONENT. WHILE THE ENTIRE PROJECT IS INTENDED TO SERVE INDIVIDUALS AND FAMILIES THAT CANNOT AFFORD TO LIVE DOWNTOWN BUT WANT TO LIVE IN CLOSE PROXIMITY WE RECOGNIZE THE NEED TO ADDRESS THOSE PEOPLE THAT MAKE LESS THAN THE MEDIAN INCOME. THEREFORE, WE HAVE VOLUNTARILY COMMITTED A MINIMUM OF 20% OF ALL UNITS OFFERED FOR SALE OR RENT ABOVE THE MAXIMUM NUMBER OF UNITS ALLOWED UNDER MF-3 ZONING PRESENTLY IN EFFECT, 716 UNITS, WILL BE PRICED AT A LEVEL OF AFFORDABILITY FOR THOSE EARNING 80% OF THE AUSTIN AREA MEDIAN FAMILIAR FAMILIAR INCOME. WE WILL ASSURE THAT IS BIBBING ON THE PLAN

THROUGH A RESTRICTIVE COVENANT. THANK YOU FOR CONSIDERATION OF THIS PROJECT.

THANK YOU, MR. ARMBRUST. QUESTIONS? COUNCIL MEMBER LEFFINGWELL.

LEFFINGWELL: I HAVE ONE SINCE I WASN'T HERE THE FIRST TIME. I UNDERSTAND THE COMMUNITY IS TO BE TO BE CLOSED BY GATES.

YES, SIR, FOR YOU UP TO SIX YEARS. THE THINKING BEING IS THIS IS THE HIGHEST CRIME AREA OF THE CITY, WITH THE BUSINESS PLAN IS TO OFFER UNITS FOR SALE AND THEY'VE GOT TO BE ABLE TO SELL SAFETY AND THE THINKING IS ONCE ENOUGH UNITS WERE SOLD THERE WILL BE EYES ON THE STREET AND THE GATES CAN COME DOWN BUT WITHOUT THE GATES IT IS GOING TO GUARANTEE A RENTAL COMMUNITY.

COMMUNE COMMUNE.

LEFFINGWELL: YOU HAVE A MAXIMUM SIX YEARS.

SIX YEARS.

LEFFINGWELL: OKAY, THANK YOU.

MAYOR WYNN: FURTHER COMMENTS? QUESTIONS? COUNCIL MEMBER MARTINEZ.

MARTINEZ: I DON'T THINK IF IT WOULD SPEED UP REMOVAL OF THE GATES BUT THIS IS A MIXED USE PROJECT AND IT WILL BE COMMERCIAL EVENTUALLY BUT WE TALKED ABOUT HOW IT WILL BE DIFFICULT TO MAKE A SIGNIFICANT AMOUNT OF COMMERCIAL IN THAT AREA RIGHT NOW BECAUSE THE MARKET IS NOT THERE. SO ONE OF THE THINGS THAT I MENTIONED WAS IN SOME OF THAT COMMERCIAL SPACE, YOU KNOW, LET'S SAY WE MOVE SOME PARKS POLICE OR SOME APP FOLKS AT A SUBSTATION SOMEWHERE DOWN THE LINE. NOT NECESSARILY ANY TIME SOON, COULD THAT OR WOULD THAT BE A TRIGGER MECHANISM TO BRING THE GATES DOWN SOONER AND I WANTED TO ASK MR. ARMBRUST HIS THOUGHTS ON THAT TO SEE WHAT HE

THOUGHT.

MAYOR WYNN: MR. CHARACTER IS NODDING AFFIRMATIVE BACK THERE IF THERE WAS A PUBLIC SAFETY PRESENCE THAT THE GATES, IT WOULD AFFECT THE DATE OF THE GATES, DO THEY COME DOWN SOONER.

MARTINEZ: SO COULD WE ADD AN ANDMENT TO THE PUD THAT WOULD SAY WITHIN A CERTAIN TIME FRAME OF AUSTIN PARKS POLICE OR AUSTIN POLICE DEPARTMENT OCCUPYING A SPACE WITHIN THE SITE THAT THE GATES WOULD COME DOWN? BY MUTUAL AGREEMENT. SOMETHING TO THAT EFFECT.

I APPLAUD THE CONCEPT AND I THINK OBVIOUSLY THE DEVELOPER LIKES THE IDEA OF POLICING PRESENCE THERE. THAT SEEM AS LITTLE UNUSUAL BUT OPPORTUNISTIC PERHAPS.

MARTINEZ: BEFORE THIS CAME UP THIS EVENING THERE WAS SOME DISCUSSION OF THIS, AND WE CAN REVIVE THE LANGUAGE ON ONE OF THE NOTES ON THE FACE OF THE PLANNING AND DEVELOPMENT DOCUMENT, THAT COULD ADDRESS THAT, SAY, WITHIN SIX MONTHS IF THE CITY OPENS A SUBSTATION ALONG LAMONT DRIVE OR ANOTHER LOCATION AGREED TO BY THE CITY AND PROPERTY QUO MAKE THAT HAPPEN A LITTLE QUICKER FOR THE REMOVAL OF THE GATES SO WE COULD EFFECT A CHANGE TO THE NOTE OF THE PLANNING DEVELOPMENT DOCUMENT BEFORE YOU VOTE AND THEN THAT WILL BECOME PART OF THE RECORD.

WE'RE AGREEABLE TO THAT.

YOU KNOW, IT OCCURRED TO ME, MAYOR, THINKING ABOUT IT AND THEY HAVE A RIGHT TO TAKE THE GATE DOWN WHENEVER THEY WANT SO I'M NOT SURE IT IS EVEN NECESSARY. WE CAN STILL LOOK INTO, AS A CITY, CERTAINLY TRYING TO HELP IMPROVE THE PUBLIC SAFETY WITHIN THAT AREA AND IF IT APPROVES, IF IT IMPROVES TO A LEVEL THEY ARE COMFORTABLE WITH, I'M SURE THEY WOULD TAKE THE GATE DOWN SOONER SO I WILL

WITHDRAW THE AMENDMENT AND LEAVE IT AS IS.

VERY GOOD.

FAIR ENOUGH.

MAYOR WYNN: MAYOR PRO TEM.

DO YOU HAVE THE UPDATE ON THE PROPOSED AMENDMENT RELATING TO THE PARKLAND DEDICATION?

I HAVE SOME LANGUAGE THAT I UNDERSTAND THERE HAS BEEN SOME DISCUSSION ABOUT BE PARKLAND, AND I CAN READ THIS INTO THE RECORD.

DUNKERLEY: YES LIKE TO READ THIS INTO THE RECORD AND WHEN MAKE A MOTION WE WOULD BE GLAD TO, WE WILL INCLUDE THAT. DO YOU HAVE THE RIGHT ONE.

DO YOU WANTNY WAIT UNTIL THE MOTION IS ACTUALLY MADE.

DUNKERLEY: LET'S DO THAT.

MAYOR WYNN: FURTHER QUESTIONS, COMMENTS ON THE CASE. COUNCIL? IF NOT, I WILL RECOGNIZE MAY MAY PRO TEM FOR A MOTION.

DUNKERLEY: I MOVE APPROVAL OF THE SECOND AND THIRD READING ON THE LAKESHORE PUD WITH ALL THE OTHER SUGGESTIONS THEY'VE BEEN MADE TODAY BUT I WOULD LIKE TO HAVE YOU READ INTO THE RECORD THE, WITH THESE PROPOSEDDED AMENDMENTS TO THE PARKLAND SECTION OF THE PUD.

REGARDING IT IS MY UNDERSTANDING ON THE DRAFT ORDINANCE THAT HAVE YOU IT WOULD BE DELETE PARK 4 SECTION E AND REPLACE THE LANGUAGE WITH THE FOLLOWING, THAT CHAPTER TER-4, ARTICLE THREE, DIVISION 5, PARK LANDER DEDICATION IN PARENTHESIS IS MOD TIED FOR THE PARK LAND DEDICATION REQUIREMENT IN THE LAKE SHORE PLANNING DEVELOPMENT, ONE, EXCEPT AS PROVIDED IN THIS SECTION THE PAYMENT OF

DEDICATION OF LAND IN THE AMOUNT OF \$650 PER RESIDENTIAL UNIT IS REQUIRED. IF PARK LAND DEDICATION REGULATIONS ARE SUBSEQUENTLY ADOPTED BY THE CITY AND ESTABLISHES THAT PER UNUNAMOUNT THAT IS -- UNIT AMOUNT THAT IS LESS THAN THAN \$50 THE PAYMENT -- \$650 THE PAYMENT AMOUNT IS REDUCED TO THE REGULATIONS. NUMBER TWO, PAYMENT SHALL BE SUBMITTED BEFORE APPROVAL OF AT THE SITE PLAN, THREE, PAGE IS REQUIRED FOR ALL RESIDENTIAL UNITS, INCLUDED ON THE SITE PLAN EXCEPT FOR PAYMENT IS NOT REQUIRED FOR THE FIRST 380 UNITS DEVELOPED ON THE PROPERTY. FOUR, A CREDIT EQUAL TO 50% OF THE PAYMENT THAT IS DUE UNDER THIS SECTION SHALL BE GRANTED FOR EXPENDITURES RELATED TO ON-SITE RECREATIONAL IMPROVEMENTS, FACILITIES AND AMENITIES NONE WITH THE CITY CRY -- IN ACCORDANCE WITH THE CITY CRITERIA EFFECTIVE MAY 14, 2007. ANY PAYMENT IN EXCESS OF THIS CREDIT SHALL BE REIMBURSED BY THE CITY. FIVE, THE CITY SHALL USE PAYMENTS MADE UNDER THIS SECTION FOR PUBLIC PARK AND RECREATIONAL PURPOSES WITHIN ONE MILE OF THE LAKE SHORE PUD. AND SIX, THE FOREGOING SHALL SATISFY ALL CITY OF AUSTIN REQUIREMENTS REGARDING PARK LAND DEDICATION/PAYMENT INSTEAD OF DEDICATION. EXISTING OR FUTURE REQUIREMENTS THAT MAY OTHERWISE BE AMICABLE TO THE PROJECT DO NOT APPLY.

DUNKERLEY: THANK YOU.

MAYOR WYNN: MOTION BY MAYOR PRO TEM. SECOND BY McCRACKEN. INCLUDING THIS AMENDED PARK LAND ISSUES AS READ INTO THE RECORD BY MR. GUERNSEY. COUNCIL MEMBER KIM.

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KIM: I'M NOT GOING TO SUPPORT THE MOTION, I THINK THE DEVELOPMENT IS GOING TO GENERATE TOO MUCH TRAFFIC FOR THIS AREA AND I THINK IF IT HAD MORE MIXED USE AND RETAIL IT WOULD GENERATE LESS TRAFFIC BUT I UNDERSTAND THAT IS NOT GOING TO BE THAT WAY IN THE BEGINNING SO I DON'T BE SUPPORTING THE MOTION.

MAYOR WYNN: UNDERSTOOD. FURTHER COMMENTS,

QUESTIONS. I WOULD JUST LIKE TO SAY I THINK IT IS RELATIVELY OBVIOUS BASED ON THE LANGUAGE MR. GUERNSEY READ INTO THE RECORD BUT I WOULD LIKE TO .COMMEND LAKE SHORE FOR WHAT IS AN OBVIOUS ADDITIONAL COMMITMENT TO OUR PARKS DEPARTMENT, THAT IS ESSENTIALLY WHAT THIS MEANS IS THAT REGARDLESS OF WHETHER THIS COUNCIL ADOPTS, WHAT I HOPE WILL BE AN UP-COMING PARK LAND DEDICATION FEE EXTRAORDINARY AMENDMENT, LAKE SHORE WILL IN FACT, BE PAYING A FEE THAT WOULD BE USED TO IMPROVE OUR PARKS DEPARTMENT, THERE LOCALLY AS WELL AS THE ISSUE OF UP UP 50% OF THOSE EXISTING UNITS AND MY BACK OF THE ENVELOPE MATH IMPLIES THAT THAT COULD BE AS MUCH AS ANOTHER \$250,000 OR SO FOR THE PARKLAND IMPROVEMENT SO IT IS A SUBSTANTIAL COMMITMENT TO OUR PARKS DEPARTMENT, PARKS DEPARTMENT THAT IS IN NEED OF SOME CAPITAL DOLLARS, FRANKLY AND TO THE EXTENT THAT WE ALSO WORK TO BRIDGE THAT MISSING LINK OF THE HIKE AND BIKE TRAIL SYSTEM WE TALKED ABOUT THE LAST COUPLE OF WEEKS THEN THERE COULD BE SOME SUBSTANTIAL OVERALL IMPROVEMENT AND CONNECTIVITY IN THAT PART OF THE CITY SO I APPLAUD THIS AMENDMENT AMENDMENT FORTH BY MAY MAY PRO TEM ACCEPTED BY THE BUILDER DEVELOPER. MOTION AND SECOND ON THE TABLE. SECOND AND THIRD READING. COUNCIL MEMBER MARTINEZ.

MARTINEZ: I COULDN'T AGREE WITH YOU MORE. WE ARE IN A DAY AND AGE WE SEE A LOT OF DEVELOPMENT AND PUSH BACK FROM NEIGHBORHOODED AND MANY CASES IT IS JUSTIFIABLE BUT WHEN YOU SEE DEVELOPER GROW SOMETHING WE HAVEN'T EVEN AS A COUNCIL ADOPTED, THEY ARE WILLING TO ACCEPT PRETTY MUCH WHATEVER WE COME UP WITH MOVING FORWARD, I THINK IT IS A RARE MOVE AND SOMETHING THAT SHOULD BE RECOGNIZED SO I APPRECIATE YOU DOING THAT AND APPRECIATE LAKE SHORE FOR THEIR COMMITMENT.

MAYOR WYNN: COUNCIL MEMBER? MOTION AND SECOND ON THE TABLE TO APPROVE ITEM 50 AS AMENDED. FURTHER COMMENTS? HEARING NONE. ALL THOSE IN MAY HAVE PLEASE SAY AYE. OH-OHED? MOTION PASSES ON A VOTE OF

6-1 WITH COUNCIL MEMBER KIM VOTING NO.

LET ME MOVE ON TO ITEMS 57 AND 58 AND 59. IF COY BEG YOUR INDULGENCE I WILL OFFER THESE ALL THREE AS A GROUP.

MAYOR WYNN: THANK YOU VERY MUCH.

THEY ARE PROPOSED AS A PROJECT, THEY ADJACENT TO EACH OTHER, ACROSS THE STREET OR CONTIGUOUS. ITEM NUMBER 57 IS C14--0-911. THIS IS A REZONING REQUEST FROM SINGLE FAMILY RESIDENT TO COMMUNITY COMMERCIAL MIXED USE CONDITIONAL OVER LAY ACOMPLIAED DISTRICT ZONING. THE PLANNING DISTRICT RECOMMENDATION WAS TO GRANT THE REQUEST FOR COMBINED DISTRICT ZONING. ITEM NUMBER 58 IS C14-06-0197. THE PROPERTY AT 3801 TO 4001 BLOCK OF BEN GARZA LANE. THIS IS A REZONING REQUEST FROM IRR DISTRICT ZONING, DEVELOPMENT DEVELOPMENT SERVE OR DR DISTRICT ZONING FOR MIXED USE OR GR-MU-CO COMBINED DISTRICT ZONING. TO GRANT COMMUNITY COMMERCIAL MIXED USE CONDITIONAL OVER LAY ZONING. ITEM 59 IS C14-06-0199 KNOWN AS THE GARZA ESTATE PROPERTY. THIS IS REZONING REQUEST FROM INTERIM WORLD RESIDENTS OR IRR DISTRICT ZONING OR DR DISTRICT ZONING AND MULTI FAMILY RESIDENTS, LOW DENSITY OR MF-2-CO CONDITIONAL ZONING. THE PLANNING COMMISSION RECOMMENDATION WAS TO GRANT THE GR-MU-CO DISTRICT ZONING. THESE PROPERTIES HAVE VARIOUS ACREAGES, THE PROPERTY AT 3510 AND 4003 BEN GARZA LANE IS APPROXIMATELY 2.35-ACRES OF LAND. AND THE PROPERTY AT 3301 IS 9.245-ACRES OF LAND. AND THE LAST TRACK BEING THE LARGEST AT 3800 TO TO 004 BEN GARZA LANE IS APPROXIMATELY 22.118-ACRES OF LAND. THESE PROPERTIES WERE LOCATED IN THE WILLIAMSON CREEK WATERSHED. THEY ARE LOCATED ALONG THE EXPRESS WAY CORRIDOR, NORTH OF WILLIAM CANNON DRIVE ON THE EAST SIDE. THERE IS DEVELOPMENT LOCATED TO THE SOUTH THAT IS COMMERCIAL IN NATURE. THERE ARE SOME SALES AND SURFACES KNOWN AS THE LOWE'S COMPANY FURTHER TO THE EAST. TO THE WEST YOU HAVE A GROCERY STORE WITH A RANDALL'S GROCERY STORE IN IT AND OTHER RERESHOPS AND NORTH YOU'VE GOT SCATTERED SINGLE

FAMILY RESIDENTIAL AND TRACKS. THE RECOMMENDATION THAT THE PLANNING COMMISSION ACTED UPON DID INCLUDE CONDITIONAL OVER LAYS ON THE PROPERTY THAT WOULD ADDRESS TRIP LIMITS ON THE PROPERTY. AND ALSO HAD PRO BUSINESS OF CERTAIN USE -- PROHIBITION OF CERTAIN USES, AUTO SALES, AUTO WASHING, EXTERMINATING SERVICES, FUNERAL SERVICES, PAWNSHOP SERVICES AND SERVICE STATIONS. IN ADDITION, THE PLANNING COMMISSION HAD A LIMITATION THAT THERE WOULD NOT EXCEED 450 UNITS AND STAND ALONE BUILDINGS AND THIS WAS APPROVED ON CONSENT BY THE PLANNING COMMISSION ON THE 9-0 VOTE. THE OAK HILL ASSOCIATION OF NEIGHBORHOODS WAS IN SUPPORT OF THE ALL THREE REZONING REQUESTS AND STAFF WAS SUPPORTIVE OF THE RECOMMENDATION AS WELL. I THINK AT THIS TIME I WILL JUST NOTE THAT SOME OF THESE TRACTS OF LAND ARE PLATTED LOTS. THAT WOULD NOT BE NECESSARILY SUBJECT TO THE CURRENT WATERSHED REGULATIONS THAT WOULD PROBABLY REQUIRE SOME MORE IN DEPTH REVIEW OF THE APPLICATIONS TO VERIFY THAT FAC THE TRACT THAT IS APPROXIMATELY 9.245-ACRES OF LAND DOES NOT APPEAR TO HAVE ANY GRANDFATHERING CLAIMS AND WOULD BE SUBJECT TO OUR CURRENT WATERSHED REGULATIONS. THAT IS THE PROPERTY LOCATED AT 3801-4001 BLOCK OF BEN GARZA LANE. THIS IS CC 14-06-1097, THE MCCOMIS PROPERTY. THE LAST PROPERTY, IT LOOKS LIKE THAT IT MAY NOT BE SUBJECT TO OUR CURRENT WATERSHED REGULATIONS SO TWO OF THE THREE PARCELS MAY NOT NECESSARILY BE SUBJECT TO OUR CURRENT WATERSHED REGULATIONS WHICH WOULD BE SOS. I THINK AT THIS TIME I WILL PAUSE. I KNOW THAT THERE ARE REPRESENTATIVES HERE, AT LEAST I WAS TOLD EARLIER THEY WOULD BE SPEAKING IN OPPOSITION. THERE IS A REQUEST, THE APPLICANT'S AGENT IS ALSO HERE THAT CAN SPEAK TO THE CASE FOR THEIR INITIAL PRESENTATION.

MAYOR WYNN: THANK YOU. QUESTIONS OF STAFF? COUNCIL? ON THIS COMBINED ITEM 57, 58 AND 59.

RIGHT.

MAYOR WYNN: IF NOT, WHY DON'T WE HEAR FROM THE

AGENT. TYPICALLY WE HAVE A FIVE-MINUTE
AGENT/APPLICANT PRESENTATION PRESS RELEASE ENAND
THEN HEAR FROM FOLKS IN SUPPORT, FOLKS IN
OPPOSITION AND A CHANCE FOR REBUTTAL TWO FOLKS
HERE ONLY TO SPEAK IN OPPOSITION TO ALL THREE OF
THESE. PERHAPS WE HEAR FROM THE AGENT. WELCOME,
YOU WILL HAVE FIVE MINUTES IF YOU NEED IT.

GOOD AFTERNOON MAYOR, COUNCIL MEMBER. MY NAME IS
AMELIA LOPEZ PHELPS AND IT WILL BE A VERY BRIEF
PRESENTATION AND I WILL LEAVE IT OPEN FOR QUESTIONS.
WHAT I DID WANT TO SHARE WITH YOU THAT OUR COMPANY
HAS BEEN REPRESENTING THE MCCOMIS AND GARZA
FAMILY FOR AT LEAST TWO YEARS ON THEIR PROPERTY TO
TRY TO SEE WHAT THEY CAN DO WITH THAT LAND.
UNFORTUNATELY, MR. MCCOMIS AND SOON AFTER MR.
GARZA BOTH PASSED AWAY WITHIN A FEW DAYS OF EACH
OTHER SO THIS PROPERTY WE ARE SPEAKING ABOUT IS
ZONED BY EITHER TRUSTEES ORPTS ESTATE OF BOTH
FAMILIES. , THE OAK HILL NEIGHBORHOOD PLAN AS YOU
KNOW HAS BEEN IN PROCESS FOR QUITE A WHILE AND WE
BEGAN MEETING WITH THE NEIGHBORHOOD ASSOCIATION
WITH OAK HILL AND SPOKE TO THEM ABOUT THIS PROPERTY
EXTENSIVELY. THEY FOLLOWED US THROUGH THE
PROCESS, WE PARTICIPATED AND PRESENTED IT EVERY
CHANCE WE COULD AT ALL THE MEETINGS THAT THE CITY
OF AUSTIN HELD IN OAK HILL AND WE PRESENTED THE CASE
AND THE PROPERTIES TO THE OHAN FOLKS, AT THEIR
NEIGHBORHOOD ASSOCIATION MEETINGS. WE'VE HAD VERY
STRONG SUPPORT. I THINK ONE OF THE INTERESTS THAT
THEY HAD IS THAT THEY FELT THAT GR-MU WITH THE BIG
SHOES WAS A BIG ATTRACTION FOR OAK HILL BECAUSE YOU
KNOW THAT OAK HILL RESIDENTS ARE REALLY PROMOTING
A MIXED USE DEVELOPMENT IN THEIR AREA SO THIS WAS
BASICALLY AN IDEAL SITUATION FOR THESE PROPERTIES.
AND AS YOU CAN SEE AND AS GREG MENTIONED, WE ARE
PRETTY MUCH CROWDED BY -- SURROUNDED BY
COMMERCIAL DEVELOPMENT. THE RESIDENCE THAT IS
EXISTING NOW WHERE MR. MCCOMIS WAS LIVING SO THAT
HOUSE IS VACANT AT THE MOMENT. THE FAMILY IS NOT
LIVING THERE. THE SISTER, WE HAVE THREE DAUGHTERS
AND THEY HAVE THEIR OWN RESIDENTS AWAY FROM THIS

PROPERTY. THE, WHEN WE WENT THROUGH THIS PROCESS WE ALSO STAYED IN VERY CLOSE COMMUNICATION WITH THE CITY STAFF AND OUR REVIEWERS. WE WERE ASKED TO CONSIDER SOME USES THAT WE WOULD PROHIBIT. THEY ALSO ASKED US TO CONSIDER CAPPING THE UNITS, IF MULTIFAMILY -- MULTIFAMILY WAS DEVELOPED AND THAT FOCUSED ON ENVIRONMENTALLY SENSITIVE USES, SUCH AS THE SERVICE STATION, AUTOMOTIVE USES, HIGH TRAFFIC WITH PAWNSHOP, FUNERAL HOME, THINGS OF THAT NATURE. AND THE CLIENT IS VERY SENSITIVE TO ENVIRONMENTAL CONCERNS TO THIS AREA SO BOTH FAMILIES AGREED TO THESE CONDITIONS. CITY STAFF AGREED TO A CONDITIONAL OVER LAY WITH THESE ORDINANCES AND PROVIDED A RESTRICTIVE COVENANTS FOR BOTH TO SIGN AND WE HAD THEM NOTARIZED AND GIVE TO CITY STAFF TODAY. WE WOULD HAVE GIVEN THEM SOONER BUT DUE TO THE COMPLEXITY IT TOOK A WHILE TO GET THEM PREPARED. WE ARE ASKING YOU CONSIDER WHAT EXACTLY IS EXISTING IN THAT AREA AND THE FACT THAT WE HAVE, DOESN'T HAPPEN VERY OFTEN BUT WE PARTICIPATED IN PLANS FOR DAY ONE AND WE DID GO TO PLANNING COMMISSION, TO MY RECALL WE DIDN'T HAVE -- RECOLLECTION WE DIDN'T HAVE ANYONE SPEAK AGAINST THIS PROJECT. WE DID HAVE SUPPORT. WE HAVE COPIES OF LETTERS OF SUPPORT IN YOUR BACK UP MATERIAL BUT WE FEEL WITH THE CONDITIONS THAT THE CITY HAS PROPOSED THAT WE'VE AGREED TO IN A LEGAL DOCUMENT, THAT THE REQUEST IS APPROPRIATE. IT IS THE RESPONSE TO THE SENSITIVE SENSE NATURE OF THE AREA FOR ENVIRONMENTAL ISSUES AND WE WOULD APPRECIATE YOUR SUPPORT ON THAT.

THANK YOU, MISS LOW PEZ. -- MISS LOPEZ. QUESTIONS FOR THE AGENT, COUNCIL? WE HAVE TWO FOLKS SIGNED UP. THEY WROTE THEIR OPPOSITION ALSO. MR. BUNCH IS STILL HERE. WELCOME. YOU WILL HAVE THREE MINUTES.

THANK YOU. WE ARE OPPOSING THESE THREE AS LARGELY INCREASING THE DENSITY OVER THE BARTON SPRINGS ZONE AND GOING BACK TO OUR COMPREHENSIVE PLAN, AUSTIN TOMORROW PLAN, GENERALLY DISCOURAGES INCREASING DENSITY IN THIS INCREDIBLY VULNERABLE WATERSHED. OUR SMART GROWTH POLICIES OF SEEKING

TO STEER DEVELOPMENT INTO OUR DESIRED DEVELOPMENT ZONE AND AWAY FROM OUR DRINKING PROTECTION ZONE. ALSO SUPPORT DENYING ZONING CHANGES THAT INCREASE DENSITY. DENSITY INCREASES ALSO INCREASE POLLUTANT LOADING ON SITE AS WELL AS OFF SITE WITH MORE TRAFFIC. WITH THESE THREE SITES THERE IS THE LAWSUIT SETTLEMENT ON THE ONE, THE LARGER TRACT. BUT THAT DOES NOT GIVE THEM ANY RIGHT TO ZONING CHANGES. AND I THINK YOU SHOULD ASK THE APPLICANT, SINCE AS YOU HEARD FROM STAFF, SOME LACK OF CLARITY AS TO WHETHER IF YOU GRANT THIS, THEY ARE GOING TO BE UNDER SAVE OUR SPRINGS STANDARDS ON ANY OF THESE THREE TRACTS. YOU OUGHT TO AT LEAST ASK THEM, YOU KNOW, WHAT THEIR POSITION IS FOR EACH OF THE TRACTS. AND THAT YOU SHOULD MAKE SURE THAT IF YOU ARE GOING TO GIVE THEM SOMETHING THAT IS ENTIRELY DISCRETIONARY THAT IS GOING TO INCREASE THEIR VALUES, INCREASE TRAFFIC, ET CETERA, THAT AT LEAST THEY ARE COMING IN TO COMPLIANCE WITH CURRENT WATER QUALITY STANDARDS. THANK YOU.

MAYOR WYNN: THANK YOU MR. BUNCH. IS MR. CLARK HERE? THANK YOU. COUNCIL, I SAW THE FOLKS IN OPPOSITION. AGAIN TECHNICALLY NOBODY CAME HERE AND SUPPORTED THIS ZONING CASE. MISS LOPEZ PHELPS YOU CARE TO OFFER A RESPONSE?

MAYOR, COUNCIL MEMBERS. I GUESS IN RESPONSE TO SOME OF THE COMMENTS, I THINK THAT WHAT I STATED EARLIER IN THE PRESENTATION SPEAKS TO THOSE ISSUES. AS MOST OF YOU KNOW OR I THINK ALL OF YOU KNOW, WHEN THIS PROPERTY COMING IN SELECTIVELY OR SEPARATELY FOR A SITE PLAN, THE CITY REVIEWERS AND ENVIRONMENTAL WILL BE REVIEWING ALL OF THESE ITEMS. RIGHT NOW DO WE NOT HAVE A SITE PLAN TURNED IN. WE DON'T HAVE A USE LINED UP AND SO IF THERE IS A QUESTION ABOUT WHAT IS GOING TO GO WHERE AND HOW, I CAN'T GIVE YOU THOSE RESPONSES TODAY BUT I'LL SURE YOU AND I THINK PERHAPS IT WOULD BE BEST IF CITY STAFF SPEAKS TO THIS THAT WHEN IT DOES GET SUBMITTED FOR A SITE PLAN, BUILDING PERMITS, IT IS GOING TO HAVE TO COMPLY WITH ORDINANCES AND PLACES AT THAT PARTICULAR TIME. WE WOULD ASK TO YOU APPROVE IT

WITH THE CONDITIONS THAT YOUR STAFF HAS PRESENTED US TO AND WE HAVE SIGNED OFF ON AND WOULD LET YOU KNOW THAT WHEN THIS PROPERTY DOES COME IN FOR DEVELOPMENT IT WILL BE COMPLYING WITH WHATEVER HAPPENS TO BE IN PLACE THAT THE PARTICULAR TIME. AND I THINK AS FAR AS ANY MORE SPECIFIC RESPONSES OR INFORMATION ABOUT THE DIFFERENT TRACTS BE, IT IS PROBABLY BEST IF THOSE ARE RESPONDED TO BY CITY STAFF. AND WE DO HAVE A ROBERT HERE WHO IS THE ATTORNEY FOR THE MCCOMIS FAMILY AND TWO OF THE THREE DAUGHTERS ARE HERE SO IF THERE IS ANY QUESTIONS HERE, AS FAR AS THEIR ESTATE GOES, THEY CAN PROBABLY RESPOND TO THAT.

MAYOR WYNN: THANK YOU. QUESTIONS AGAIN EFFORTS AGENT? COMMENTS? COUNCIL MEMBER LEFFINGWELL.

LEFFINGWELL: A QUESTION OF STAFFER, IF I COU>NO CARRIERRINGCONNECT 57600 PERMITS THAT WE KNOW OF AND THAT IS THE UNPLATTED PORTION AND THEREFORE WOULD NOT APPEAR TO HAVE IN GRANDFATHERING CLAIMS. SO YOU MENTIONED SOMETHING ABOUT A JUDGE'S ORDER?

YES WYNN ON ONE OF THE TRACTS. COULD YOU SAY THAT AGAIN?

YES, WE WERE IN A LAWSUIT OVER THE GARZA RANCH SUBDIVISION RELATIVE TO A PLAT NOTE THAT WAS PUNT ON THERE IN 1991. WE, STAFF, WE TOOK THE POSITION THAT THAT PLAT NOTE WAS NOT VALID. WE WENT THROUGH A COURT AND LOST. WE APPEALED AND WE LOST IN THE APPELLATE COURT. THE JUDGE'S ORDER BASICALLY SAID THAT BECAUSE GARZA LARGE DEEDED PARK LAND TO THE STAY WE WERE REQUIRED TO ABIDE BY THE NOTE ON THE PLAT REFERENCING THE 1986 REGULATIONS FOR DEVELOPMENT OF THOSE PARCELS.

SO THAT STACK IS TRACK IS CURRENTLY ZONED WHAT?

I CAN WHAT I WROTE DOWN WAS INTERIM RRDR AND MF-2-CO. IS THAT CORRECT GREG?

I GUESS WHAT I'M TRYING TO FIND OUT IS --

THIS TRACT IS MF-2.

SO WHAT I'M TRYING TO UNDERSTAND IS, THE WATER, THEY ARE GRANDFATHERED WITH REGARD TO WATER QUALITY REGULATIONS.

RIGHT.

BUT THAT DOES NOT GUARANTEE ANY SPECIFIC ZONING.

THAT'S CORRECT.

SO I GUESS I'M WONDERING WHAT THE RATIONALE IS FOR RECOMMENDATION OF THE ZONING CHANGE IF IT BEARS ON ON JUDGE'S EXTRAORDINARY NOT.

WELL, I GUESS FROM MY WATERSHED PERSPECTIVE AND GIVEN THE LEGAL REQUIREMENT THAT WE ARE REQUIRED TO FOLLOW, WHETHER IT IS ZONING MF-2 OR SOMETHING ELSE --

THAT IS REALLY NOT YOUR --

IS NOT GOING TO MATTER. I'M NOT TRYING TO GET OUT OF THE QUESTION BUT IT IS NOT GOING TO MAKE A DIFFERENCE FROM A WATERSHED SIDE BUT IT IS MORE OF A ZONING LAND USE ISSUE AND I WOULD GUESS, DEFER TO GREG ON THAT.

OKAY, THANK YOU, THAT IS HELPFUL AND I WILL LET GREG ANSWER THE SECOND PART OF THAT QUESTION.

THE STAFF RECOMMENDED THE LOCATION OF THE REZONING REQUEST AND RECOMMENDED FOR IT BECAUSE IT IS BEING ON AN EXPRESS WAY LOCATED ADJACENT TO A MAJOR ARTERIAL ROADWAY BEING ADJACENT TO EXISTING DEVELOPED, COMMERCIAL USED, SOME BEING MORE INTENSE THAN WHAT THE PROPOSED DEVELOPMENT IS IN LOOKING THAT THE ACTUALLY AS BEING USED THAT WOULD BE APPROPRIATE FOR THIS LOCATION. ON THE PROPERTY.

SO THE REQUESTED ZONING IS MORE INTENSE, OR MORE IMPERVIOUS COVER, ET CETERA, THAN THE CURRENT ZONING, IS THAT CORRECT?

THAT IS CORRECT IT WOULD ALLOW FOR MORE IMPERVIOUS COVER BUT THEN AGAIN IT WOULD BE SUNT TO THE APPLICABLE WATERSHED REGULATIONS OR THE AGREEMENT THAT WAS REACHED THAT MR. MURPHY JUST REFERENCES.

SO YOUR RECOMMENDATION IS BASED SOLELY ON APPROPRIATE LAND USE BASED ON THE TYPE OF ROAD IT IS -- AND WITH NO REGARD FOR THE LAND DEVELOPMENT CODE THAT APPLIES OR MIGHT APPLY?

ACTUALLY, STAFF DID CONSIDER AND I THINK THAT IS A LITTLE BIT WHAT THE APPLICANT WAS REFERENCING, OR APPLICANT/AGENT WAS REFERENCES, THE SERVICE STATIONS AND CAR WASHES, CONCERN WITH POSSIBLE RUN OFF OR SPILLAGE OF CERTAIN PRODUCTS AND THAT IS WHY PART OF THE STAFF'S RECOMMENDATION HAD THOSE USES PROHIBITED. STAFF HAS RUE ROUTINELY RECOMMENDED AGAINST THE SERVICE STATIONS AND CAR WASHES OVER THE RECHARGE ZONE IN MANY CASES AND WE FELT THAT THAT WAS IMPORTANT AND BROUGHT THAT FORWARD SO THAT IS PART OF OUR CONSIDERATION IN MAKING THIS RECOMMENDATION.

SO MF-2 UNDER THE, WHAT IMPERVIOUS COVER WOULD THAT ALLOW.

HANG ON JUST A MOMENT. THE PROPOSED GR WOULD ALLOW UP TO 90% COVER. THE MF-2 WOULD ALLOW UP TO 60%. HOWEVER, IN BOTH OF THOSE CASES, THE WATERSHED IMPRESSUROUS COVER -- IMPRESSUROUS COVER FOR THOSE SUNT TO CURRENT REGULATIONS WOULD BE SUNT TO A MAXIMUM OF 15% BASED ON WHAT MR. MURPHY WAS SAYING EARLIER BECAUSE THEIR RECHARGE ZONE AND SUBJECT TO SOMETHING MORE RESTRICTIVE EXCEPT FOR THAT ONE TRACK THAT WAS PART OF THAT AGREEMENT.

I GUESS I MISUNDERSTOOD. I THOUGHT THIS TRACK WAS

GRAND GRAND PHATTED.

I'M [SPEAKING IN NATIVE TONGUE] ON ALL THE PROPERTY --
I'M I AM SPEAKING ON ALL THE PROPERTIES.

IT WOULD BE UP TO 60% AND FOR GR WOULD BE 90%. AND
PAT WHISPERED IN MY EAR THE WATERSHED IS 60%
IMPERVIOUS THEY WOULD BE SUBJECT TO.

THE ZONING WOULD BE 60% BASED ON THE APPLICABLE
LAND DEVELOPMENT CODE.

6 FOR THE MOBIL FAMILY AND FINGERPRINT AREA IS ALL UP
LANDS IT WOULD BENENT AND THE GROSS WOULD BE THE
SAME, IN THIS CASE THEY WOULD BOTH BE 60.

AND THAT WOULD APPLY IN EITHER ZONING CATEGORY?

THAT WOULD APPLY IN EITHER ZONING CATEGORY.

SO THE AFFECT OF GRANTING A NEW ZONING CATEGORY
WOULD NOT INCREASE THE ALLOWABLE IMPERVE DISCUSS
COVER AT END OF THE DAY.

THAT'S CORRECT IT WOULD BE TRUMPED BY THE
WATERSHED AFTERNOON PREVIOUS LIMITATION.

THANK YOU. I'M SORRY FOR TAKING SO LONG.

MAYOR WYNN: THAT IS FINE. FURTHER FURTHER
QUESTIONS, COMMENTS? STAFF? JUST TO CONFIRM, THE
PLANNING COMMISSION VOTED UNANIMOUSLY FOR THE GR-
MU-CO AND STAFF RECOMMENDATION AS WELL AS OHAN,
ASSOCIATION OF NEIGHBORHOODS ENDORSEMENT AND
SUPPORT.

THAT'S CORRECT. AND THESE ARE, SINCE WE RECEIVED THE
COVENANT THESE ARE READY FOR ALL THREE READINGS
ON EACH ITEM, 57, 5 AND 59. IF YOU VOTE FOR THE
PLANNING COMMISSION RECOMMENDATION.

MAYOR WYNN: THANK YOU. FURTHER QUESTIONS?
COMMENTS? I WILL ENTERTAIN A MOTION ON THIS

COMBINED CASE, 57, 58, 59. MOTION MADE BY COUNCIL MEMBER MARTINEZ TO CLOSE THE PUBLIC HEARING AND APPROVE ALL THREE READINGS. SECONDED BY COUNCIL MEMBER McCRACKEN. AS PRESENTED BY STAFF 57, 58 AND 59. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE. OPPOSED? MOTION PASSES ON A VOTE OF 7-0.

COUNCIL THAT CONCLUDES OR ZONING ITEMS.

MAYOR WYNN: SO COUNCIL, AT THIS TIME, THERE BEING NO MORE ACTION ITEM, AGENDA ITEMS FOR OUR 5:30 BREAK FOR LIVE MUSIC PROCLAMATIONS AND 6:00 POTENTIAL PUBLIC HEARINGS WE WILL RECESS THE CITY COUNCIL MEETING AND RECONVENE SHORTLY AFTER 6:00 P.M. WE ARE NOW IN RECESS. THANK YOU. [APPLAUSE]

THANK YOU, MAYOR. I SUPPOSE IT'S FITTING THAT I'M HERE AT CITY COUNCIL CHAMBERS TALKING ABOUT PRESERVATION OF PIONEER FARMS BECAUSE I REMEMBER FOUR YEARS AGO THE PIONEER FARMS BECAME INDEPENDENT AND THANKS TO SUPPORT OF THE CITY OF AUSTIN AND 200 SOME VOLUNTEERS WE HAVE, I THINK AT THIS POINT MADE THAT A WIN WIN SITUATION. WE HAD MORE THAN 15,000 VISITORS LAST YEAR, AND IT'S NOT JUST PRESERVATION MONTH IN MAY BUT IT'S ALSO PRESERVATION MONTH EVERY MONTH THERE, AND OUR MOTTO IS TO EXPLORE THE PAST AND DISCOVER THE FUTURE AND THAT'S KIND OF WHAT PRESERVATION IS ALL ABOUT. FOR PRESERVATION ACTIVITIES, AT LEAST NEXT WEEK I CAN GIVE YOU A HIGHLIGHT OF PIONEER FARMS. WE ARE IN CONJUNCTION WITH THE AUSTIN CONVENTION VISITORS BUREAU HOSTING SCHOOL STUDENTS, SEVERAL OTHER SCHOOL STUDENTS WHO CAN COME AND SEE HISTORIC FARM STEDZ THAT HAVE BEEN RESTORED, COMES TIEWMD PEOPLE WHO ARE OPERATING THOSE FARM STEDZ JUST LIKE THEY WOULD HAVE BEEN IN THE 1860S, 1870, 1880S AND 1890S. SO PEOPLE WERE ACTUALLY COME AND RELIVE PRESERVATION AND LIFE LIKE IT WAS IN AUSTIN IN THE 1800S. SO THANK YOU VERY MUCH MATTER AND THANK YOU TO THE CITY COUNCIL AND THE MANAGER HERE TOO.

THANK YOU. [APPLAUSE] STEAD

MAYOR WYNN: CAST OF THOUSANDS. SO WE TAKE THE OPPORTUNITY EACH WEEK IN THE CITY COUNCIL MEETING DURING THIS PERIOD AFTER LIVE MUSIC WE HAVE PROCLAMATIONS. OFTENTIMES IT'S TO SAY CONGRATULATIONS AND THANK YOU TO FOLKS LIKE MIKE WARD AND THE PRESERVATIONISTS IN TOWN BUT IT'S ALSO VERY IMPORTANT FOR US AS WE TRY TO HELP PEOPLE RAISE AWARENESS OF CERTAIN ISSUES WE THINK THE COMMUNITY SHOULD BE AWARE OF. I'M ABOUT TO READ ABOUT LYME DISEASE AWARENESS MONTH AND SUZANNE SHAPS WILL TALK TO US ABOUT HOW WE SHOULD ARE MORE AWARE OF IT. AND SOME OF YOU-ALL HAVE HEARD ME TALK ABOUT IN THE CONTEXT OF HOW OUR CLIMATE HAS BEEN CHANGE..... CHANGING, OUR CLOAB HAS BEEN WARMING. PEOPLE THINK ABOUT THE ISSUE ABOUT THE POLARIZED CAPS MELTING AND THE SEA LEVEL RISING AND PART OF THE THREAT AND CHALLENGE OF THE EARLIEST FUNDAMENTAL THREAT THAT WE HAVE SEEN IS THE SPREAD OF BOTH INVASIVE SPECIES BECAUSE OF FEWER FROST DAYS BECAUSE OF WARMER CLIMATE AND ALSO DRAMATIC SPREAD OF INFECTIOUS DISEASES. BECAUSE THE CREATURES THAT CARRY THOSE DISEASES HAS BEEN SPREADING TO PARTS OF THE PLANET WHERE THEY USED TO NOT BE BEFORE. SO DISEASES THAT USED TO BE CONFINED TO RELATIVE SMALL AND REMOTE PARTS OF THE PLANET JUST IN THE PAST TEN YEARS HAVE BEEN SPREADING DRAMATICALLY AND MY SUSPICION IS WHAT HAS BEEN AN FORTUNATE SPREAD OF LYME DISEASE COULD BE TRACKED BACK TO THE CREATURES WHO CARRY THIS DISEASE AND SPREAD THEM TO HUMANS. I'LL READ THE PROCLAMATION AND SHE'LL SAY A FEW WORDS. THE PROCLAMATION READS, EACH MAY THE TEXAS LYME DISEASE ASSOCIATION LAUNCHES AN EDUCATIONAL CAMPAIGN TO HIDE EVEN AWARENESS ABOUT LYME DISEASE AND STEPS THE PUBLIC CAN TAKE TOWARDS PREVENTION, AND WHEREAS LYME DISEASE IS CAUSED BY A TICK BITE AND IS CONTRACTED FROM SPRING THROUGH FALL, WEARING LONG SLEEVE PANTS AND INSECT REPELLANT WITH DEET WHEN AN AREA IS PRONE TO TICS HELPS PROTECT AGAINST LYME DISEASE AND GREATER

PUBLIC AWARENESS IS NEEDED FOR, AND GREATER FISH EDUCATION FOR PROPER TREATMENT SO THAT THE DISEASE DOES NOT ADVANCE TO AN ADVANCED STAGE, WHICH MAY PLU ART.... ARTHRITIS RINGS ART IRREGULARITIES, FACIAL PENNSYLVANIA PARALYSIS AND OTHER STROKE CONDITIONS. I, WILL WYNN, MAYOR OF AUSTIN DO HEREBY BYPRODUCT CLAIM MAY AS LYME WATERNESS MONTH AND ASK SUZANNE TO SAY A FEW WORDS TO HELP THE AWARENESS ABOUT THIS DISEASE. SUZANNE?

THANK YOU, MAYOR WYNN, FOR DECLARING MAY AS LYME DISEASE AWARENESS MONTH AND THEREBY HELPING US TO RAISE AWARENESS ABOUT THE PREVALENCE AND ILLNESS OF TICK BORN I.. ILLNESS IN TEXAS. IT'S A GREATER PROBLEM THAN MOST PEOPLE REALIZE IT. EVERYONE BEHIND ME HAS LYME DISEASE OR IS CLOSE TO SOMEONE WHO DOES AND THIS IS A VERY SMALL PERCENTAGE OF THE PEOPLE IN AUSTIN AND TEXAS WHO ACTUALLY HAVE LYME DISEASE. BETWEEN 1994 AND 2006 AN AVERAGE OF 74 CASES OF LYME DISEASE WAS REPORTED ANNUALLY. CASE REPORTING IS BASED ON THE STRICT SURVEILLANCE CRITERIA SAID BY THE CDC WHICH BY THE CDC'S OWN ESTIMATE MEANS THAT ONLY ABOUT 10% OF CASES ACTUALLY GET REPORTED AND THE NUMBER IS PROBABLY LESS. LYME ADVOCATES BELIEVE THAT MEAN MORE CASES ARE PROBABLY NOT REPORTED BECAUSE THEY ARE SIMPLY NOT DIAGNOSED. BECAUSE LYME DISEASE IS SO COMPLEX AND BECAUSE THERE DO NOT YET EXIST ANY DEFINITIVE TESTS, LYME DISEASE IS FIRST AND FOREMOST A CLINICAL DIAGNOSIS MADE BY A DOCT BASED ON A PATIENT'S SYMPTOMS AND HISTORY. BECAUSE LYME REMAINS LARGELY UNRECOGNIZED IN TEXAS, DOCTORS DO NOT KNOW TO LOOK FOR IT AND PATIENTS DO NOT KNOW TO ASK ABOUT IT, SO MANY DIAGNOSES ARE LIMPLY MISSED. IT IS ALSO NOT UNUSUAL FOR A LYME PATIENT TO BE TOLD IT'S ALL IN YOUR HEAD AND SENT TO A PSYCHIATRIST. NOW, THINK ABOUT THAT FOR A MINUTE. A BACTERIA RELATED TO BUT MUCH MORE POTENT THAT THE BACTERIA THAT CAUSES SIDE OF SIDE OF LUZ IS RUJING IN YOUR ORGANS AND TISSUES AND EVEN YOUR CENTRAL NERVOUS SYSTEM AND A DOCTOR IS SENDING YOU TO A PSYCHIATRIST FOR

ANTIDEPRESSANTS. THIS IS HAPPENING REGULARLY IN TEXAS. AS A RESULT, MOST LYME PATIENT R PATIENTS IN TEXAS ARE FORCED TO TRAVEL OUT OF STATE FOR MEDICAL CARE. MANY OTHERS REMAIN UNTREATED AND EVEN UNDIAGNOSED AND MISDIAGNOSED BECAUSE DOCTORS DO NOT KNOW TO LOOK FOR LYME DISEASE. THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES DESCRIBES LYME AS ENDEMIC TO TEXAS YET MANY PATIENTS ARE STILL TOLD BY THEIR DOCTORS THERE IS NO LYME IN TEXAS. WE ARE WORKING TO CHANGE THAT AND BY DECLARING MAY AS LYME DISEASE AWARENESS MONTH YOU ARE HELPING US TO SPREAD A VERY IMPORTANT MESSAGE. THANK YOU. [APPLAUSE]

THANK YOU.

MAYOR WYNN: THANK YOU, AND GOOD LUCK.

MAYOR WYNN: OKAY. FOR MY LAST FORMAL PROCLAMATION BEFORE WE THEN HAVE SOME DISTINGUISHED SERVICE WARDS FOR CITY EMPLOYEES IN THE AUDIENCE IS REGARDING CHILDREN'S MENTAL HEALTH AWARENESS DAY, AND I'LL SAY THAT I'M VERY PROUD IN THE LAST THREE YEARS THIS COUNCIL AND A PREVIOUS COUNCIL HAS JOINED ME AS WE'VE TRIED TO RAISE THE AWARENESS OF OUR CHALLENGE TO HELPING FOLKS WITH MENTAL ILLNESS IN THIS COMMUNITY AND TRYING TO RAISE THE AWARENESS OF THE ENTIRE COMMUNITY ABOUT HOW PREVALENT IT IS, THE FACT THAT NOT ONLY ONE IN FIVE ADULTS IN THIS COUNTRY WILL DEAL WITH MENTAL HEALTH ISSUES IN SOME FORM OR FASHION, HOW PREVALENT IT IS WITH OUR CHILDREN AND HOW IMPORTANT IT IS FOR US TO BE AWARE OF THAT, PARTICULARLY AS PARENTS. AND SO I'LL READ THE PROCLAMATION AND ARTURO FER NAN DECEMBER WILL TALK TO US REGARDING ISSUES CONCERNING CHILDREN'S MENTAL HEALTH. THE PROCLAMATION READS, MENTAL HEALTH IS ESSENTIAL TO EVERYONE'S OVERALL HEALTH AND EMOTIONAL WELL-BEING, NO MATTER WHAT THEIR AGE. CHILDREN AND YOUTH WHO HAVE MENTAL ILLNESSES CAN RECOVER AND LEAD PRODUCTIVE LIVES AND WHEREAS THIS IS INTENDED TO CALL ATTENTION TO THE DISEASES CHILDREN CAN SUFFER AND TO UNITE COMMUNITY PARTNERS IN, AND WHEREAS PROVIDING A YEAR-ROUND

PROGRAM FOR YOUTH AND CHILDREN WITH MENTAL HEALTH NEEDS IS COST EFFECTIVE AND BENEFICIAL TO OUR RESIDENTS AND FUNDAMENTAL FOR THE FUTURE OF OUR COMMUNITY. SO THEREFORE I, WILL WYNN, MAYOR OF AUSTIN, DO HEREBY PROCLAIM MAY 8, 2007 AS CHILDREN'S MENTAL HEALTH AWARENESS DAY IN AUSTIN AND ASK MR. ARTURO HERNANDEZ TO TALK TO US ABOUT THIS IMPORTANT CAUSE. ARTURO? [APPLAUSE]

I'M NOT AS YOUNG AS I USED TO BE SO I'M GOING TO NEED THESE FOR A SEC. GOOD AFTERNOON. THANK YOU, MAYOR WYNN, THANK YOU CITY COUNCIL. WE KNOW THAT ONE IN FIVE CHILDREN WILL NEED MENTAL HEALTH CARE SERVICES DURING THEIR LIFETIME. WE ALSO KNOW THAT ONE IN TEN CHILDREN WILL SUFFER FROM SERIOUS HE... EMOTIONAL DISTURBANCES AND WE KNOW THAT ONE OUT OF 33 MAY HAVE CLINICAL DEPRESSION. THESE STATISTICS ARE STAGGERING. THAT IS WHY WE AS A COMMUNITY HAVE COME TOGETHER TO MAKE MAY AS MENTAL HEALTH AWARENESS MONTH, NOT ONLY THAT, BUT ON MAY 8 WE ARE CELEBRATING CHILDREN'S MENTAL HEALTH AWARENESS DAY, SIMPLY BECAUSE WE WANT TO BRING AN AWARENESS NOT ONLY TO THE FACT THAT WE ARE IN -- WE HAVE TREMENDOUS NEED IN TERMS OF CHILDREN'S MENTAL HEALTH SERVICES, BUT ALSO BECAUSE WE WANT TO MAKE SURE THAT WE HAVE CHILDREN WITH MENTAL ILLNESS -- WITH MENTAL HEALTH ISSUES THAT ARE THRIVING IN THIS COMMUNITY, NOT ONLY ARE THEY THRIVING BUT ALSO THEIR FAMILIES ARE THRIVING, AND WE'RE VERY PROUD TO, AS PART OF THE COMMUNITY NATIONAL NETWORK, CHILD AND YOUTH PLANL PARTNERSHIP, WHERE WE HAVE 42 ORGANIZATIONS WHICH ARE REPRESENTED BY 75 INDIVIDUALS, FAMILIES, AND COMMUNITY ORGANIZATIONS, HAVE COME TOGETHER TO SUPPORT AND MAKE SURE THAT THE COMMUNITY IS AWARE THAT OUR COMMUNITY -- THAT OUR CHILDREN IN THIS COMMUNITY ARE THRIVING. MAYOR WYNN, WE CERTAINLY WANT TO THANK YOU FOR YOUR LEADERSHIP, ESPECIALLY AS YOU HAVE LED THIS COMMUNITY IN IDENTIFYING MENTAL HEALTH AS A PRIORITY FOR THIS COMMUNITY, AND ALSO WE WANT TO MAKE SURE THAT ALL OF OUR CHILDREN AND OUR FAMILIES IN THIS COMMUNITY ARE KEENLY AWARE THAT THEY HAVE THE

SUPPORT OF THE COMMUNITY AS WE DEAL WITH MENTAL HEALTH ISSUES IN THE COMMUNITY. AND I WOULD LIKE TO THANK YOU -- AND I'D LIKE TO INVITE YOU-ALL THAT ON MAY THE 8TH FROM 10:30 TO 11:30 HERE IN THE SOUTH PLAZA OF THE CITY COUNCIL BUILDING WE ARE GOING TO HAVE OUR CELEBRATION TO ACKNOWLEDGE FAMILIES, TO ACKNOWLEDGE ALL THE SUPPORT, TO ACKNOWLEDGE ALSO THE AWARENESS THAT WE NEED TO CONTINUE THROUGHOUT THIS COMMUNITY. THANK YOU SO MUCH. [APPLAUSE]

MAYOR WYNN: I'M JOINED BY A LONG-TIME CITY EMPLOYEE, LONG-TIME COWORKER AND FRIEND OF OUR CITY MANAGER, KIM PETE PETERSON. I'M GOING TO READ A DISTINGUISHED SERVICE AWARD, THE CITY MANAGER WILL SAY A FEW WORDS ABOUT KIM AND LIKELY I SUSPECT ANOTHER SORT OF GIFT AWARD. THE CITY OF AUSTIN DISTINGUISHED SERVICE AWARD READS. FOR MORE THAN 26 YEARS OF DEDICATED SERVICE TO THE CITIZENS OF AUSTIN IN THE POLICE DEPARTMENT, THE CITY MANAGER'S OFFICE, THE CONVENTION CENTER AND FOR THE PAST 13 YEARS IN THE HUMAN RESOURCES DEPARTMENT, KIM PETERSON IS DESERVING OF PUBLIC ACCLAIM AND RECOGNITION, AS AN EMPLOYEE RELATIONS MANAGER SHE HAS HANDLED PERSONNEL ISSUES, COMPLAINTS AND GRIEVANCES WITH CONSISTENCY AND COMPASSION, IMPROVED THE CITY'S GRIEVANCE PROCESS, DEVELOPED MANY OF OUR PERSONNEL PROCEDURES AND IMPLEMENTED AN INVESTIGATION PROCESS THAT CROSSES DEPARTMENT LINES FOR BETTER COMMUNICATION AND CONSISTENCY. HER COWORKERS WILL MISS HER INFECTIOUS LAUGH, HER WORK ETHIC AND HER INSPIRATION AS A TRI ATHLETE. THIS CERTIFICATE IS PRESENTED WITH OUR ADMIRE ADMIRATION FOR HER SERVICE TO THIS COMMUNITY ON THIS 3RD DAY OF MAY, 2007, FROM THE ENTIRE CITY COUNCIL, THIS DISTINGUISHED SERVICE AWARD FOR MS. KIM PETERSON. [APPLAUSE]

THIS IS BECOMING JUST AN ALL TOO FAMILIAR SCENE UP AT THIS PODIUM AS WE SEE THE RETIREMENT OF REALLY SORT OF THE HEART OF OUR CITY WORK FORCE. KIM AND I HAVE KNOWN EACH OTHER A LONG TIME, 26 YEARS WITH THE CITY. KIM HAS WORKED IN MANY DIFFERENT CITY

DEPARTMENTS, FROM THE POLICE DEPARTMENT TO THE CITY MANAGER'S OFFICE, TO THE CONVENTION CENTER, TO THE HUMAN RESOURCES DEPARTMENT, BUT ALL THROUGH THAT KIM HAS HAD A CENTRAL THEME IN HER SERVICE WITH THE CITY, AND THAT HAS BEEN ABOUT CARING FOR EMPLOYEES. FROM WHEN SHE WORKED ON TQM UNDER FORMER CITY MANAGER CAMILEB BARN NET, TO DAY AS EMPLOYEE RELATIONS OFFICER FOR THE CITY, REALLY WHAT SHE'S DONE IS PROTECT EMPLOYEE RIGHTS, DEVELOPED EMPLOYEES AND CARED FOR EMPLOYEES IN OUR WORK FORCE, AND SO IT'S WITH GREAT PRIDE AND RELUCTANCE THAT WE ACKNOWLEDGE WE ARE LOSING KIM, WHO'S BEEN A TREMENDOUS ASSET IN THIS WORK FORCE AND IS GOING TO BE IRREPLACEABLE TO US. SO KIM IS GIVEN THE TRADITIONAL STREET SIGN WE GIVE OUR FOLKS AND BECAUSE WE'RE HOPING IT'S HAPPY TRAILS, KIM PETERSON TRAIL, 1981.

LOOKS LIKE A TOMB STONE. [LAUGHTER]

THAT'S HOW WE FEEL RIGHT NOW -- OF 2007, KIM, IRREPLACEABLE, UNFORGET..... UNFORGETTABLE, THANK YOU FOR EVERYTHING YOU'VE DONE FOR THE CITY OF AUSTIN. [APPLAUSE]

I KNOW THERE'S A LOT OF RECOGNITION TODAY SO I JUST WANT TO MAKE A BRIEF COMMENT AND THAT IS I WANT TO TELL YOU WHAT I TELL ALL NEW EMPLOYEES WHEN THEY COME TO WORK FOR ME, WHEN THEY FIRST COME TO THE CITY. I TELL THEM THAT THE REALLY, REALLY GOOD THING ABOUT WORKING FOR THE CITY IS THAT WE HAVE A CITY MANAGER AND A MAYOR AND CITY COUNCIL WHO REALLY CARE ABOUT AUSTIN CITY EMPLOYEES. AND THEN IN THE INTEREST OF FULL DISCLOSURE I TELL THEM THAT THE REALLY CHALLENGING THING ABOUT WORKING FOR THE CITY IS YOU HAVE A CITY MANAGER, A MAYOR AND A CITY COUNCIL WHO REALLY, REALLY CARE ABOUT CITY EMPLOYEES, AND THAT MEANS IF YOU'RE IN HUMAN RESOURCES YOU'RE GOING TO BE CHALLENGED EVERY DAY, YOU'RE GOING TO EXPECT TO BE RESPONSIVE AND TAKE CARE OF EMPLOYEES IN THE CITY. SO THANK YOU FOR YOUR COMMITMENT TO CITY EMPLOYEES. IT HAS MADE ALL

THE DIFFERENCE TO ME. THANK YOU. [APPLAUSE]

MAYOR WYNN: OKAY. WELL, WE SAVED THIS BIG ONE FOR LAST, BECAUSE SPEAKING OF CITY EMPLOYEES, AND FABULOUS CITY EMPLOYEES, I'LL TELL YOU, I TELL CITIZENS WHO I DEAL WITH ALL THE TIME HOW FREQUENTLY I FIND MYSELF INTERACTING WITH CITY EMPLOYEES AND THEN -- AND FUNDAMENTALLY SORT OF HALF SHAKING MY HEAD AND SAYING, BY MYSELF WANTING TO ASK, WHY ARE YOU HERE? I MEAN -- AND I SAY THAT WITH ALL DUE RESPECT TO THE ORGANIZATION AND WHAT WE'RE TRYING TO DO AS PUBLIC SERVICE PEOPLE, BECAUSE YOU COULD BE DOING SOMETHING ELSE, PROBABLY GET PAID A LOT MORE MONEY, PERHAPS HAVE A LESS STRESSFUL JOB WHILE YOU DO IT, BUT IT'S AMAZING, YOU KNOW, THE LEVEL OF TALENT, EXPERTISE, THE PASSION THAT I COME ACROSS EVERY SINGLE DAY WITH CITY EMPLOYEES. AND SO THIS PAST WEEK WE'VE -- ALL WEEK, REALLY, WE'VE BEEN CELEBRATING PUBLIC SERVICE RECOGNITION WEEK WITH PARTIES ALL ACROSS THE CITY, AND SO NOW I'LL READ SORT OF OUR FINAL PROCLAMATION AND THEN THE CITY MANAGER WILL STEP UP AND WE HAVE SPECIAL CERTIFICATES THAT WE'LL GIVE TO A SELECT NUMBER OF FABULOUS CITY EMPLOYEES SO WE'LL GO THROUGH SORT OF THE ROSTER AS WE READ AND HAND OUT THESE CERTIFICATES. BUT THE PROCLAMATION READS, HARDWORKING CITY OF AUSTIN EMPLOYEES PROVIDE A NUMBER OF VALUABLE SERVICES TO THE RESIDENTS OF OUR CITY IN THE CENTRAL AREAS, SUCH AS HEALTH, RECREATION, UTILITIES, TRANSPORTATION, LIBRARIES, PLANNING, ZONING, PUBLIC SAFETY, OUR COURTS, AND WHEREAS THEY ARE A CREDIT TO THEIR PEERS WHO WORK IN THE PUBLIC SECTOR TO PROVIDE THE DIVERSE SERVICES DEMANDED BY THE AMERICAN PEOPLE AT THE LOCAL, STATE AND FEDERAL LEVELS, AND WHEREAS THIS WEEK IS AN APPROPRIATE TIME TO EXPRESS OUR APPRECIATION TO CITY EMPLOYEES WHO OFTEN GO UNRECOGNIZED FOR THEIR SERVICE AND THEIR CONTRIBUTIONS TO THE QUALITY OF LIFE IN THIS GREAT CITY. SO THEREFORE I, WILL WYNN, MAYOR OF THE GREAT CITY OF AUSTIN, TEXAS, ALREADY HAVE PROCLAIMED THIS WEEK, MAY 7 TO 13, 2007 AS PUBLIC SERVICE RECOGNITION WEEK AND AGAIN I JUST OFFER MY

SINCERE THANKS AND GRATITUDE TO A BUNCH OF FABULOUS COWORKERS, PEERS, I CONSIDER YOU-ALL, FOR A JOB WELL DONE. SO WITH THAT I'D LIKE TO INTRODUCE AND WELCOME BACK CITY MANAGER WHO WILL START READING OUT THE ROSTERS AND I GUESS I GET TO HAVE THE FUN JOB OF HANDING OUT CERTIFICATES AND SHAKING HANDS.

ALL RIGHT. NOW, BEFORE WE GET STARTED, MY OFFICE PUT TOGETHER A LITTLE VIDEO CLIP, SO WE'VE DONE THIS IN YOUR HONOR, CITY EMPLOYEES. I HAVEN'T HAD A CHANCE TO SEE IT. WE HELPED DESIGN IT. HERE WE GO. (music) SPACE, THE FINAL FRONTIER. THESE ARE THE VOIGHT..... VOYAGES OF THE STAR SHIP ENTERPRISE, ITS MISSION, TO EXPLORE STRANGE NEW WORLDS, SEEK OUT NEW LIFE AND CIVILIZATIONS, TO BOLDLY GO WHERE NO MAN HAS GONE BEFORE. (music). (music)

INTRPS, COME IN. MR. SPOK, COME IN. ENTERPRISE, COME IN. SCOTTY, WHERE IS THAT POWER?

COMING. IF I PUSH THESE TOO HARD IN THE CONDITION THEY'RE IN THEY'RE BLOW APART.

ENGINEERING, THIS IS MR. SCOTT.

YES, SIR.

SCOTTY, PUSH IT RIGHT TO THE EDGE. THIS SHIP HAS GOT TO MANEUVER.

Y.....MANEUVER.

ALL RIGHT, CAPTAIN.

POOR IT ON, SCOTTY.

I DON'T KNOW WHAT WE'RE DOING.

YOU'RE.

YOU'RE MOVING, THE INTERPRET ISN'T. ENTERPRISE ISN'T.

YOU GOT THEM. I HAVE ONE BANK RECHARGED.

STAND BY. [END OF TAPE]

ALL RIGHT. NOW, OH, COME ON, GIVE MY VIDEO AN APPLAUSE. I'VE BEEN TELLING PEOPLE AS WE'VE GONE THROUGH STARTING TO LOOK AT THE BUDGET, THAT HONESTLY WHAT WE'VE DONE OVER THE LAST HANDFUL OF YEARS IS REALLY A LOT LIKE THIS STAR TREK THEME, BECAUSE AFTER WE WENT THROUGH FOUR YEARS OF A DOWNTURN AND LOST OVER 900 POSITIONS IN OUR ORGANIZATION AND OVER 25% OF OUR BUDGET, THE FACES OF THE EMPLOYEES THAT YOU'RE ABOUT TO SEE, THEY'RE SCOTTY, ALL RIGHT? THEY'RE MIRACLE WORKERS, BELEAGUERED ENGINEERS OF THE STARSHIP ENTERPRISE, THAT WHEN WE SAY WE'VE GOT TO HAVE WARP SPEED NOW, SCOTTY SOMEHOW ALWAYS DELIVERS, AND THEY DELIVER REGARDLESS OF WHAT RESOURCES THEY HAVE, NO MATTER HOW HARD IT IS, SOMEHOW ALWAYS RIGHT AT THE 9TH HOUR THEY THEY PULL OUT THAT WARP 10 SPEED AND THAT'S OUR CITY EMPLOYEES. YOU'VE DONE IT WITH LEAN TIMES, WITH VERY FEW RESOURCES, BY BEING CREATIVE, INNOVATIVE, RESOURCEFUL. WE COULDN'T HAVE ASKED FOR MORE AND THE FOLKS THAT YOU'RE GOING TO SEE FROM THESE 36 DEPARTMENTS AND OFFICES THAT REPRESENT -- THESE ARE THE FACES OF... OF THE EMPLOYEES WHO REPRESENT THIS WORK FORCE ARE THE BEST OF THE BEST. THEY'RE OUR SCOTTIES AND I'M SO PROUD OF EACH AND EVERY ONE OF YOU AND AS WE GET STARTED WE'RE GOING TO START OFF WITH AUSTIN ENERGY AND MONIQUE AUSTIN. MONIQUE, ARE YOU HERE? [APPLAUSE]

AND THEN THE AUSTIN WATER UTILITY, JAIME? DID I GET IT RIDE? AIF VACATION, LEROY HAR HARGROVE. [APPLAUSE] CITY AUDITOR, SHARI MILLS. THE CITY CLERK, MARY YANEZ. [APPLAUSE] COMMUNITY CARE SERVICES, POQETA HUDSON. [APPLAUSE] FROM OUR CONVENTION CENTER, REGINA SALINAS. REGINA. THERE WE GO. [APPLAUSE] AND OUR DOWNTOWN AUSTIN COMMUNITY COURT, EDGAR VENTURE. EDGAR. [APPLAUSE] FROM ECONOMIC GROWTH AND REDEVELOPMENT SERVICES WE HAVE VEHICLE..... VICKI VALDEZ. [APPLAUSE] FROM EMERGENCY MEDICAL

SERVICES, SHEVRA CHEEKS. [APPLAUSE] OH, THIS IS A GOOD ONE, FINANCIAL SERVICES DEPARTMENT, THE BUDGET OFFICE, THIS IS A MAN WE COULDN'T DO WITHOUT, BILL RANSOM NELSON. WHERE ARE YOU, BILL? [APPLAUSE] BUILDING SERVICES, I HAVEN'T SEEN THIS GENTLEMAN IN A LONG TIME, KURRI FRANK. [APPLAUSE] CONTROLLER'S OFFICE, CHRISTIE FENTON. CHRISTIE. [APPLAUSE] CHRISTIE ALSO SERVES ON OUR EMPLOYEE WORK FORCE COMMITTEE. OUT OF FINANCIAL SERVICES DEPARTMENT, COMMUNICATION AND TECHNOLOGY MANAGEMENT, JOHN VIRGINIA LAY..... VALEJO. THERE WE GO. [APPLAUSE] FROM FLEET SERVICES RAY RAYMOND UBARRA. RAYMOND? [APPLAUSE] RAYMOND HAS A SPECIAL PLACE IN EVERYBODY'S HEART HERE AT CITY HALL. IN OUR PURCHASING DEPARTMENT, JULIA RAMIREZ. JULY....JULIA, WHERE ARE YOU? THERE WE GO. [APPLAUSE] FROM TELECOM AND REGULATORY AFFAIRS, ROY DONE..... ROY DUNLAP. ROY? FROM OUR TREASURY OFFICE, EVELYN HERRIN. EVELYN? [APPLAUSE] FROM OUR FIRE DEPARTMENT JAMES DOYLE. THERE WE GO, JAMES. [APPLAUSE] FROM HEALTH AND HUMAN SERVICES, SHERRI LYLE. THERE, SHERRI. [APPLAUSE] FROM OUR HUMAN RESOURCES DEPARTMENT, TRACY BOSQUE. TRACY? THERE WE GO. [APPLAUSE] AND WHAT WOULD IT BE WITHOUT A LAWYER, FROM OUR LAW DEPARTMENT, WHERE IS MARTY TERRY? COME ON, MARTY. I'D SAY SHOW US YOUR SOCKS, MARTY, BUT I'M AFRAID YOU WILL. FROM OUR LIBRARY DEPARTMENT, MICHELLE LEE. MICHELLE? [APPLAUSE] FROM MANAGEMENT SERVICES, ANOTHER PERSON VERY CLOSE TO OUR HEART HERE, MARY PRETTY. WHERE IS MARY? [APPLAUSE] FROM MUNICIPAL COURT, JASON RYAN. JASON? THERE WE GO. FROM NEIGHBORHOOD HOUSE..... HOUSING AND COMMUNITY DEVELOPMENT VIRGINIA RIEJOS. VIRGINIA? [APPLAUSE] FROM NEIGHBORHOOD PLANNING AND ZONING, BETH WILSON. BETH? [APPLAUSE] FROM THE OFFICE OF POLICE MONITOR, CRYSTAL THOMPSON HILL. CRYSTAL? [APPLAUSE] FROM THE PARKS AND RECREATION DEPARTMENT A GOLD METAL DEPARTMENT, WE HAVE SIMONE POLLARD. SIMONE? THERE WE GO. AND FROM OUR POLICE DEPARTMENT, MARTHA ZAROTTI. MARTHA? THERE YOU GO. [APPLAUSE] FROM PUBLIC INFORMATION OFFICE, REBECCA JIELO. [APPLAUSE] FROM OUR PUBLIC SAFETY AND

EMERGENCY MANAGEMENT DEPARTMENT, SCOTT HAWKINS. SCOTT? FROM PUBLIC WORKS, MARY LOU OCHOA. MARY LOU? [APPLAUSE] NOW, HERE'S A DEPARTMENT THAT HAD TO PICK TWO PEOPLE. LEAVE IT TO SMALL AND MINORITY BUSINESS RESOURCES, WE HAVE TWO PEOPLE, MARGARET CASTILLO AND STELLA RICHARDSON KINLY. COME ON DOWN. [APPLAUSE] FROM SOLID WASTE SERVICES, LAPRIS HABIT. LAPRIS? [APPLAUSE] AND FINALLY, WATERSHED PROTECTION AND DEVELOPMENT REVIEW, BOND HARPER. BOND? [APPLAUSE] AND THERE YOU HAVE IT. YOUR CITY EMPLOYEES. LET'S GIVE THEM A ROUND OF APPLAUSE. [APPLAUSE]

LET'S DOUBLE UP. LET'S TAKE A PHOTO. COMPREHENSIVE PLAN PLAN PLANNING BLANK.....

MAYOR WYNN: GREAT JOB. THANK YOU SO MUCH.
[APPLAUSE]

MAYOR WYNN: THERE BEING A QUORUM PRESENT AT THIS TIME I'LL CALL BACK TO ORDER THIS MEETING OF THE AUSTIN CITY COUNCIL. WE'VE BEEN IN RECESS NOW FOR A LITTLE OVER AN HOUR OR SO. TECHNICALLY WE HAVE A COUPLE OF PUBLIC HEARING ITEMS STILL TO TAKE UP, ALTHOUGH I THINK WE'RE GOING TO BE POSTPONING TWO OF THEM BUT I WOULD LIKE TO SAY THAT APPARENTLY COUNCIL EARLIER AS PART OF OUR CONSENT AGENDA WE APPROVED AN ITEM, I BELIEVE ITEM NO. 62, THE LIMERICK AVENUE ZONING CASE. AGAIN, IT WAS ON CONSENT AGENDA BECAUSE THERE SEEMINGLY WAS NO OPPOSITION AND HAD STAFF AND COMMISSION RECOMMENDATION, ET CETERA. TWO CITIZENS HAD COME DOWN HERE TO SPEAK, I BELIEVE IN OPPOSITION. THEY WEREN'T FAMILIAR WITH THE SIGN-UP PROCESS AND SO STAFF DIDN'T RECOGNIZE ANY OPPOSITION SO WE APPROVED IT ON CONSENT AGENDA. I WOULD LIKE TO GIVE THESE TWO CITIZENS A CHANCE TO ADDRESS THIS WHILE WE'RE STILL HERE IN SESSION TODAY, AND THEN IN THEORY, BASED ON THEIR TESTIMONY, THE COUNCIL MAY WANT TO TAKE ANOTHER FORM OF ACTION TONIGHT, BUT WE'LL SEE. SO I GUESS I'D LIKE TO RECOGNIZE MR. GREG GUERNSEY WHO COULD HELP US TALK -- REMIND US OF THE CASE AND THEN WE'LL TAKE

SOME TESTIMONY FROM SOME CITIZENS.

VERY GOOD, MAYOR. MAYOR AND COUNCIL, LET ME READ IN THE RECORD AGAIN ITEM NO. 62. THIS IS CASE C 14-07-0027. MONARCH AVENUE ZONING CASE, 12,500 LIMERICK AVENUE. THIS IS A REZONING REQUEST FROM A SINGLE-FAMILY RESIDENCE, SF-2 DISTRICT ZONING TO NEIGHBORHOOD OFFICE, NO DISTRICT ZONING. THE ZONING AND PLANNING COMMISSION RECOMMENDATION WAS TO GRANT NEIGHBORHOOD OFFICE, MIXED USE OR MONU COMBINING DISTRICT ZONING ON THE PROPERTY. THE PROPERTY IS APPROXIMATELY .263 ACRES OF LAND AND IT'S LOCATED AT THE INTERSECTION, THE NORTHWEST CORNER OF LIMERICK AND PARMER LANE. THIS IS JUST DOWN THE STREET FROM ANOTHER ITEM THAT WE HAD EARLIER ON THIS EVENING. THE STAFF RECOMMENDATION WAS TO GRANT THE NOMU OR NEIGHBORHOOD OFFICE MIXED USE DISTRICT ZONING AND THE ZONING AND PLANNING COMMISSION DID CONCUR WITH THAT. THE SURROUNDING PROPERTY TO THE WEST IS USED AS A DENTAL CLINIC AND IS CURRENTLY ZONED LO-CO, WHICH IS AN OFFICE ZONING. TO THE NORTH SF-2 AND SF-2 AND SINGLE-FAMILY HOMES AND TO THE EAST IS SF-2 AND SINGLE-FAMILY HOMES. SOUTH ACROSS PARMER LANE IS CURRENTLY ZONED NO AND -- NO AND OFFICE AND RESIDENTIAL USES, N. NLR, ZONED TRACT OF LAND. AT THIS TIME I'LL PAUSE AND WE HAVE TWO CITIZENS THAT WOULD LIKE TO SPEAK TO THIS ITEM, THE AGENT FOR THE APPLICANT IS NOT PRESENT AT THIS TIME SO I JUST WANT TO REMIND YOU OF THAT. THANK YOU.

MAYOR WYNN: THANK YOU, MR. GUERNSEY. SO AGAIN, COUNCIL, MY INSTINCT HERE IS TO HAVE THE TESTIMONY FROM OUR TWO CITIZENS AND THEN WE COULD HAVE QUESTIONS, COMMENTS AND POTENTIAL ACTION, IF NEED BE. WELCOME, PLEASE STATE YOUR NAME FOR THE RECORD AND YOU'LL HAVE THREE MINUTES.

THANK YOU, MY NAME IS LORI LADONO. I LIVE ON LIMERICK AVENUE. THRAWNG FOR LETTING US SPEAK. I APOLOGIZE WE DIDN'T UNDERSTAND THE PROCESS EARLIER. I AM HERE TO OPPOSE THIS REZONING. I LIVE 6 HOUSES DOWN FROM THIS PROPERTY. IT IS CURRENTLY A DUPLEX. OUR NEIGHBORHOOD IS A VERY FAMILY ORIENTED

NEIGHBORHOOD WITH LOTS OF CHILDREN. THE AREA WHERE THIS THIS HOUSE IS, THIS DUPLEX IS, THE STREET IN FRONT OF IT IS 39 FEET WIDE. IT IS OUR UNDERSTANDING THAT THE REZONING REQUIRED IT TO BE 40 FEET WIDE, AND ALSO WITHIN HALF A BLOCK OF IT THE STREET THEN NARROWS TO BE 30 FEET WIDE, SO IT IS A SMALL STREET, A NARROW STREET AND WE DON'T REALLY WANT ANY EXTRA TRAFFIC ON IT AND WE THINK IT WOULD POSE SOME SAFETY ISSUES FOR ALL THE CHILDREN, AND WE ALREADY HAVE LOTS OF TRAFFIC ISSUES ON THAT STREET AS WELL. WE ALSO THINK THIS WILL NEGATIVELY AFFECT OUR PROPERTY VALUES. THANK YOU.

MAYOR WYNN: THANK YOU. QUESTIONS FOR OUR CITIZEN, COUNCIL? THANK YOU, MA'AM. AND THE SECOND PERSON? AGAIN, PLEASE STATE YOUR NAME FOR THE RECORD AND YOU'LL HAVE UP TO THREE MINUTES.

THANK YOU. MY NAME IS NATIONAL STAGGER. I LIVE AT 12508 LIMERICK. I APOLOGIZE FOR NOT BEING FAMILIAR BO YOUR PROTOCOL. OTHERWISE I WOULD HAVE SIGNED IN EARLIER. BASICALLY I WANT TO ECHO WHAT SHE SAID. OUR STREET -- THE STREETS ADJACENT THAT HAVE COMMERCIALLY ZONED PROPERTIES ARE 40 FEET WIDE AND THEY'RE ALSO 40 FEET WIDE FOR THE LENGTH OF THE STREET. OUR STREET IS THE ONLY STREET REALLY ON THAT SIDE OF PARMER THAT IS 30 FEET WIDE. IT'S 40 -- IT'S NOT QUITE 40 FEET AT THE VERY ENTRANCE WHERE PARMER LANE IS BUT AS SOON AS YOU TURN ON TO THE STREET IT NARROWS TO 30 FEET AND THERE'S A LOT OF PEOPLE THAT PARK ON THE ROAD ALL THE TIME AND DURING RUSH HOUR PEOPLE ARE ALWAYS CUTTING THROUGH BETWEEN PARMER AND LAMP LIGHT VILLAGE AND SPEEDING DOWN THE ROAD ALREADY, AND I THINK THAT IF IT'S REZONED I THINK IT WOULD BE AFFECT THE PROPERTY VALUE NEGATIVELY, PLUS IT IS ALSO GOING TO CREATE PROBLEMS WITH PEOPLE PARKING ON THE STREET AND I THINK REALLY THE ONLY THING I WOULD ASK IS IF WE COULD MAYBE POSTPONE YOUR VOTE A LITTLE BIT LONGER, I COULD BRING SOME OF THE OTHER NEIGHBORS HERE. I THINK THAT EVERYONE ASSUMED THAT BY FILLING IN OUR SHEET THAT WE WERE -- AND SENDING IT BACK, THEY HAD BASICALLY SPOKEN. I DON'T THINK ANYONE REALLY REALIZED THAT

THEY NEEDED TO COME DOWN HERE TO SPEAK ABOUT IT. SO IF WE COULD POSTPONE IT A LITTLE BIT I'M SURE A LOT MORE PEOPLE WOULD SHOW UP MAYBE AND HAVE SOME INPUT: THANK YOU.

MAYOR WYNN: THANK YOU, MR. SEGGER. QUESTIONS FOR MR. SEGGER? MAYOR PRO TEM?

DUNKERLEY: THE WIDTH OF THE STREET? IS IT THE CUT THROUGH TRAFFIC OR THE SPEED OF THE TRAFFIC?

MY BIGGEST OBJECTION FOR ME PERSONALLY IS THAT I THINK IT'S GOING TO NEGATIVELY AFFECT THE PROPERTY VALUES. THERE'S ALREADY A VACANT COMMERCIAL PROPERTY AT THE END OF THE OTHER STREET THAT'S BEEN VACANT FOR TWO AND A HALF YEARS, AND NOW THEY WANT TO MAKE ANOTHER COMMERCIAL PROPERTY AND I'M SURE -- YOU KNOW, THAT NEIGHBORHOOD IS KIND OF A LOWER MIDDLE CLASS INCOME AND EVERYWHERE THERE'S COMMERCIAL PROPERTY THERE'S ALWAYS TRASH AND PEOPLE WATERING, AND I'M CONCERNED FOR MY PROPERTY VALUE ON THE SELFISH END, AND ON THE OTHER HAND, AS TECHNICALITY THE STREET ON ONLY 30 FEET WIDE. AS SOON AS YOU TURN ONTO IT'S ONLY 30 FEET WIDE AND THERE'S A LOT OF PEOPLE THAT HAVE NUMEROUS OCCUPANTS IN THEIR HOUSE AND PEOPLE PARKING ON THE STREET ALL THE TIME.

CITY MANAGER, I WONDER IF THE PROPERTY THAT HE'S TALKING ABOUT THAT'S BASICALLY VACANT AND KIND OF TRASHED UP DOWN AT THE END OF THE CORRIDOR?

WELL, THE CONVENIENCE STORE IS, YOU KNOW, FREQUENTLY TRASHED UP JUST BECAUSE THERE'S A LOT OF TRAFFIC AND, YOU KNOW, PEOPLE THROWING THEIR WRAPPERS ON THE STREET, AND I WOULD DEFINITELY BE CONCERNED AS TO WHAT KIND OF BUSINESS THEY PLAN ON MOVING IN THERE.

DUNKERLEY: I JUST THOUGHT IF THERE..... THERE WAS A CODE ENFORCEMENT ISSUE YOU MIGHT WANT TO CHECK OUT --

WE CAN DO THAT.

THAT WOULD BE GREAT. AND LIKE THE STREET WIDTH, I TRIED TO LOOK IT UP ON-LINE TO SEE WHAT THE -- YOU KNOW, HOW LONG THE STREET HAD TO BE 40 FEET WIDE FOR, AND I COULDN'T FIND IT ANYWHERE. I'M SURE THERE IS SOME SORT OF STIPULATION THAT IT NEEDS TO BE 40 FEET WIDE FOR A QUARTER MILE OR HOWEVER FAR THE STREET.

WE CAN TAKE A LOOK AT ALL THE CODE ENFORCEMENT ISSUES AND MAKE SURE THAT IT'S PROACHT OUT.....APPROPRIATE OUT THERE.

MR. LEFFINGWELL?

I BELIEVE THE ZONING IS NO, NOMU? THE APPROVED ZONING?

THAT'S WHAT WE APPROVED.

SO YOU SAID YOU DIDN'T KNOW WHAT KIND OF BUSINESS WOULD MOVE IN THERE. MAYBE MR. GUERNSEY COULD EDUCATE US ON THAT.

COUNCIL MEMBER, THE NOMU CATEGORY WOULD ALLOW AN ADMINISTRATIVE BUSINESS OFFICE LIKE AN INSURANCE AGENT OFFICE OR A TRAVEL AGENT OFFICE, THAT WOULD BE A FORM OF ADMINISTRATIVE BUSINESS OFFICE. IT WOULD NOT ALLOW A MEDICAL OFFICE, THOUGH. YOU COULD NOT HAVE ANOTHER DENTAL OFFICE OR A DOCTORS' OFFICE. I WOULD ALLOW A PROFESSIONAL OFFICE, SOMEBODY LIKE AN ENGINEER OR AN ATTORNEY, COULD OFFICE OUT OF THAT PROPERTY. THE MU WOULD ALLOW FOR THE PROPERTY TO BE CONTINUED TO BE USED AS A RESIDENCE. SIZE OF PROPERTY IS SOMEWHAT LIMITING SO IT WOULD BE DOUBTFUL THEY COULD EVEN GET A MULTIFAMILY USE OF THE PROPERTY, BUT IT COULD STILL BE USED -- THE DUPLEX AS IT IS OR SINGLE-FAMILY DWELLING, OR THEY COULD HAVE A SINGLE-FAMILY HOME AND A GARAGE APARTMENT, POSSIBLY TO THE REAR. I THINK THE ISSUE THAT CAME UP ABOUT THE TRASH THAT WAS JUST DOWN THE STREET WAS THE OTHER ZONING CASE I WAS REFERRING TO A LITTLE EARLIER TONIGHT THAT

I THINK IS AT THE [INAUDIBLE] TRAIL, IS THAT THE BUILDING THAT YOU MIGHT BE TALKING ABOUT?

YES.

AND THAT PROPERTY YOU JUST ZONED THIS EVENING TO GR TO ALLOW A FEW MORE USES. SO THERE MAY BE A REDEVELOPMENT OF THAT PROPERTY ADJACENT TO THE CITY FIRE STATION IN THE FUTURE BECAUSE THEY JUST CAME IN AND ASKED FOR THE REZONING OF THAT TO ADD SOME MORE USES TO MAKE THAT PROPERTY MORE VIABLE, IN THEIR OPINION.

LEFFINGWELL: BUT MR. GUERNSEY, THE CATEGORY NO, NEIGHBORHOOD OFFICE, IS SORT OF DESIGNED TO FIT IN, IN OR ADJACENT TO NEIGHBORHOODS?

THAT'S CORRECT.

CATEGORY.

IT'S A TRANSITION DISTRICT THAT WOULD GO FROM RESIDENTIAL TO A MORE INTENSE COMMERCIAL DISTRICT, AND WE -- THE CODE WOULD RECOGNIZE THAT.

LEFFINGWELL: REMIND ME -- [INAUDIBLE]

YEAH, AND IF THE PROPERTY WERE TO BE REDEVELOPED AS A COMMERCIAL USE, THEN THEY WOULD HAVE TO MEET THE ADEQUATE SETBACK REQUIREMENTS. THEY WOULD ALSO BE SUBJECT TO WHAT'S CALLED EXATABILITY STANDARDS. THEY MAY HAVE TO HAVE ADDITIONAL SETBACKS FROM THE RESIDENTIAL PROPERTIES TO THE NORTH AND THAT WOULD BE AT THE TIME THAT THEY WOULD ACTUALLY REDEVELOP THE PROPERTY. IF THEY WOULD GET THE ZONING TODAY AND NOT DEVELOP THE PROPERTY, THE DEVELOPMENT THAT YOU'D SEE JUST COULD REMAIN THE WAY IT IS.

WOULD THEY HAVE TO PROVIDE ADDITIONAL PARKING?

THEY WOULD HAVE PROVIDE PARKING TO ACCOMMODATE -- IF THEY THEY WOULD HAVE TO PROVIDE PARKING AND IT

WOULD HAVE TO SETBACK FROM THE RESIDENTIAL HOMES FROM A GREATER DISTANCE THAN IT WOULD BE IN A COMMERCIAL AREA. SO THEY MAY HAVE TO HAVE THE PARKING SET BACK FURTHER. THEY WOULD HAVE TO HAVE THE DUMPSTERS SETBACK. THE DUMPSTERS WOULD HAVE TO BE SCREENED. ANY KIND OF EXTERIOR LIGHTING THAT THEY MAY HAVE IN THE PARKING LOT WOULD HAVE TO BE SHIELDED FROM THE NEIGHBORHOOD. THEY COULD NOT USE REFLECT GLASS. THOSE ARE SOME OF THE THINGS THEY WOULD HAVE TO DO IF THEY WERE TO DEVELOP THIS PROPERTY AS A COMMERCIAL USE.

MAYOR WYNN: THANK YOU, MR. GUERNSEY. IT CAME TO US ON THE CONSENT AGENDA BECAUSE OBVIOUSLY IT MUST HAVE HAD STAFF RECOMMENDATION, STAFF AND YOUR ALL'S -- ANALYZING THESE ISSUES THAT AUTHORIZE IT TO BE A NEIGHBORHOOD OFFICE COMPLIANT DEVELOPMENT, IT WOULD HAVE TO GO THROUGH SITE PLAN APPROVAL, HAVE OFF STREET PARKING, HAVE THE APPROPRIATE EXAT..... COMPATIBILITY SETBACKS BECAUSE IT IS ADJACENT TO SINGLE-FAMILY.

DEVELOP IT AS AN OFFICE BECAUSE IT WOULD TRIGGER THE ADDITIONAL PARKING AND TRIGGER ALL THAT ADDITIONAL REQUIREMENTS.

IT WENT TO THE BUILDING AND PLANNING COMMISSION?

THE ZONING AND PLANNING COMMISSION GRANT VOTED TO GRANT THE MONU ZONING. ACTUALLY ON CONSENT I DON'T BELIEVE ANY OF THE NEIGHBORS WERE PRESENT BUT THEY DID, IF YOU LOOK IN THE BACKUP, RAISE CONCERNS AND THERE ARE SEVERAL NOTICES THAT WERE SENT BACK TO US ABOUT CONCERNS ABOUT PARKING ON THE STREET AND CUT-THROUGH TRAFFIC COMING DOWN LIMERICK AVENUE. AND THAT WAS NOT ONLY ECHOED BY THE TWO CITIZENS HERE TODAY BUT OTHERS THAT HAD MAILED IN THEIR COMMENTS, AND IN REFERENCE TO PROPERTY VALUE DEVALUATION AS WELL.

SO COUNCIL, OBVIOUSLY, OUR -- I APOLOGIZE TO THE CITIZENS WHO DIDN'T UNDERSTAND THE SIGN-UP SYSTEM AND STAFF NOR I RECOGNIZED ANYBODY HERE IN

OPPOSITION, BUT EARLIER, YOU KNOW, WE DID APPROVE THE CASE AND AGENT AND OR THE APPLICANT HAVE GONE HOME. SO I'M HESITANT TO TATTOO MUCH ADDITIONAL SORT OF ANALYSIS OF THE CASE WITHOUT HAVING THEM HERE JUST TO TELL US ABOUT THEIR PLANS OR THEIR RATIONALE FOR THE APPLICATION TO BEGIN WITH. AT THE SAME TIME IT'S UNFORTUNATE THAT SOME CITIZENS WOULD HAVE WANTED TO GIVE SOME FEEDBACK INTO THE PROCESS. AND OFTENTIMES WHAT WILL HAPPEN WITH NEIGHBORS IN POTENTIAL OPPOSITION, AS THEY UNDERSTAND THE TECHNICALITIES OF WHAT THEN THE PROPERTY WOULD HAVE TO COMPLY WITH OR GO THROUGH IN ORDER TO BE DEVELOPED FOR THAT NEW ZONING CASE, OFTENTIMES SOME, MAYBE NOT ALL, OF THEIR WORRIES GET -- GET LESSENED A LITTLE BIT BY UNDERSTANDING WHAT WOULD BE THE SITE PLAN APPROVAL PROCEDURES AND THE COMPATIBILITY STANDARDS, ET CETERA. SO, YOU KNOW, MY INSTINCT IS AT MOST WE COULD CONSIDER RECONSIDERING THE ITEM AND SIMPLY DO A POSTPONEMENT TO ALLOW FOR A TRUE, YOU KNOW, HEARING, WHICH WE DON'T CONDUCT, ESPECIALLY AS YOU KNOW WITH CONSENTED ITEMS. AT THE SAME TIME, THIS COMES TO US WITH UNANIMOUS SUPPORT OF BOTH THE COMMISSION AND STAFF RECOMMENDATION, AND THAT'S USUALLY, YOU KNOW, A SIGNIFICANT STATEMENT AND HURDLE, FRANKLY, FOR FOLKS IN OPPOSITION. SO I'M OPEN TO SUGGESTIONS OR COMMENTS.

MY ONLY QUESTION WOULD BE --

MAYOR WYNN: SOMEBODY -- IF SOMEBODY ASKS A QUESTION YOU'RE WELCOME TO ADDRESS IT. WELL, SO I GUESS THIS IS AN OPPORTUNITY TO MAKE A MOTION TO RECONSIDER OUR EARLIER ACTION ON ITEM NO. 62, THAT BEING THE PUBLIC HEARING ON THIS LIMERICK AVENUE ZONING CASE.

MAYOR, IF I COULD MAKE A COMMENT, I AGREE WITH YOUR -- I LEGALLY AGREE WITH YOUR ASSESSMENT. IF COUNCIL DOES MOVE AND VOTE TO RECONSIDER, MY ADVICE WOULD BE THEY BE POSTPONED AND THERE WOULD BE NO REAL CONSIDERATION AT THIS MEETING.

MAYOR WYNN: SO NOT HEARING A MOTION, THEN WE WILL

NOT RECONSIDER THE CASE, AND MY HOPE IS PERHAPS MR. GUERNSEY, IF YOU COULD GET SOME CONTACT INFORMATION FROM THESE TWO CITIZENS, WE COULD DO OUR BEST TO -- YOU KNOW, TO GIVE THEM THE INFORMATION ABOUT WHAT WOULD BE THE NEXT STEPS IF THIS PROPERTY WERE TO BECOME DEVELOPED FOR A NEIGHBORHOOD OFFICE.

GUERNSEY: WE CAN ALSO HAVE THE APPLICANT CONTACT THE TWO CITIZENS TO DISCUSS THE CONCERNS AND MAYBE THERE'S SOME THINGS THAT CAN BE ADDRESSED ABOUT THE FUTURE PLANS OF THE PROPERTY AND CAN BE ADDRESSED BY THE APPLICANT TO THE TWO CITIZENS THAT MIGHT ALLAY SOME OF -- ANY CONCERNS THEY MAY HAVE. AND ALSO GET THE ADDRESS TO CONFIRM THAT THE PRODUCT THE PROPERTY -- THE TRASH THAT WAS DISCUSSED EARLIER, THAT THAT WAS INDEED THE PROPERTY THAT I THINK WE DISCUSSED EARLIER TODAY AT THE CORNER OF TOMINET AND PARMER LANE, ADJACENT TO THE FIRE STATION.

MAYOR WYNN: THANK YOU ALL. I APOLOGIZE FOR THE LACK OF COORDINATION, BUT I'M CONFIDENT THAT YOU'LL FEEL BETTER AS YOU LEARN MORE ABOUT THE PROCESS. OKAY. SO COUNCIL, THAT TAKES US TO OUR POTENTIAL THREE PUBLIC HEARINGS, ITEM 66, 67, 68, ALTHOUGH EARLIER CHANGES AND CORRECTIONS, I ANNOUNCED THAT STAFF WOULD BE RECOMMENDING THAT TWO OF THESE PUBLIC HEARINGS BE POSTPONED. WE CAN NOW TAKE UP THAT RECOMMENDATION FROM STAFF AND POTENTIAL POSTPONEMENT. MR. GUERNSEY? YES?

GUERNSEY: THAT'S CORRECT, ITEM NO. 66 AND 67, THESE ARE RELATED TO THE UNIVERSITY HILLS/WINDSOR PARK COMBINED PLANNING HEARINGS AND THESE ITEM ARE REQUESTED TO BE POSTPONED TO THE 24TH. THE PLANNING COMMISSION HAS NOT YET ACTED ON THESE ITEMS.

MAYOR WYNN: COUNCIL MEMBERS, ANY RECOMMENDATION FROM STAFF TO POSTPONE ITEMS 66 AND 67 FOR THREE WEEKS TO MAY 24, 2007, MOVED BY COUNCIL MEMBER MCCracken. SECONDED BY COUNCIL MEMBER

LEFFINGWELL. FURTHER COMMENTS? HEARING NONE, ALL THOSE FAVOR PLEASE SAY AYE.

AYE.

MOTION TO POSTPONE PASSES ON A VOTE 7-0.

THEY CAN ITEM NO. 68, CONDUCT A PUBLIC HEARING REGARDING A PROPOSED STRATEGIC PARTNERSHIP AGREEMENT, OR SPA, BETWEEN THE CITY AND LOST CREEK MUNICIPAL UTILITY DISTRICT CONSISTING OF APPROXIMATELY 788 ACRES OF LAND IN TRAVIS COUNTY WEST OF THE TEXAS HIGHWAY OF THE INTERSECTION OF LOST CREEK BOULEVARD AND CAPITAL OF TEXAS HIGHWAY. AND MAYOR, I DON'T BELIEVE WE HAVE ANY SPEAKERS REGARDING THIS ITEM.

MAYOR WYNN: WE DO NOT, MR. GUERNSEY.

THIS EVENING.

MAYOR WYNN: PERHAPS -- BRIEF STAFF PRESENTATION AS TO WHAT THESE AGREEMENTS EVEN ARE, SO THOSE FOLKS WHO ARE WONDERING WHY WE HAD POSTED THIS HEARING TO BEGIN WITH.

LET ME JUST HIT A COUPLE HIEMENTS. AGAIN, THIS IS THE LOST CREEK UTILITY DISTRICT, AND IN DECEMBER OF 2005 THE CITY INITIATED STATUTORY THREE-YEAR MUNICIPAL ANNEXATION PROCESS -- PROCESS, AND IN ACCORDANCE WITH THAT STATE MANDATED PROCESS, THE MUD FILED A WRITTEN REQUEST FOR NEGOTIATION OF A STRATEGIC PARTNERSHIP AGREEMENT, OR SPA AGREEMENT. THE PROPOSED AGREEMENT WOULD ALLOW THE CITY TO ANNEX THE COMMERCIAL AREAS THAT ARE ALONG CAPITAL OF TEXAS HIGHWAY FOR FULL PURPOSE ANNEXATION AS OF DECEMBER 31, 2007, FULL PURPOSE ANNEXATION OF THE RESIDENTIAL PROPERTIES AND THE LOST CREEK COUNTRY CLUB, AND THE SOLUTION OF THE MUD WILL BE DEFERRED UNTIL DECEMBER 21 OF 3015, UPON -- PART 3 WOULD BE UPON EXECUTION OF THE SPA, THE CITY WOULD REQUIRE LOST CREEK MUD, WASTEWATER AND RECLAIMED WATER OR TREATED EFFLUENT, INFRASTRUCTURE, THAT UNTIL THE

ANNEXATION OF THE RESIDENTIAL PROPERTY THE CITY WOULD EXTEND THE PROVISION FOR WHOLESAL WATER SERVICE TO THE MUD AND THE MUD WOULD CONTINUE TO MANAGE AND OPERATE THE UTILITY SYSTEMS, INCLUDING THE CONTINUOUS TREATMENT AT THE WASTEWATER TREATMENT PLANT. ASSESSMENT WOULD BE PERFORMED BY THE CITY, IDENTIFYING ANY REPAIRS OR IMPROVEMENTS THAT ARE CONSIDERED MAINTENANCE ITEMS. THOSE WOULD BE COMPLETED BY THE MUD BY DECEMBER 31 OF 2012. ALSO THAT THE MUD WOULD AGREE TO PAY AN ANNUAL PAYMENT BEGINNING IN THE YEAR DECEMBER 31, 2008 THROUGH DECEMBER 31 OF 2014 IN CONSIDERATION FOR ANY UNFUNDED FULL PURPOSE MUNICIPAL SERVICES PROVIDED UPON ANNEXATION AND CURRENT BENEFITS AND SERVICES FROM THE CORPORATE CITY LIMITS. THE CITY -- OR THE MUD WOULD ALSO AGREE TO SEEK OR SUPPORT ANY LITIGATION TO INCORPORATE ALL OR A PORTION OF ITSELF AND NOT USE ANY LITIGATION OR LEGISLATIVE PROCESS TO CHALLENGE THE SPA OR TO RESOLVE ANY DISPUTES RELATED TO THE AGREED ANNEXATION PROCESS OR THE SERVICE PLAN. AND THAT'S A GENERAL SUMMARY OF THE DOCUMENT. AND WE DO HAVE COPIES AVAILABLE BEHIND ME. IF THERE WERE ANY CITIZENS HERE, THEY COULD GET A COPY.

MAYOR WYNN: THANK YOU, MR. GUERNSEY. QUESTIONS OF STAFF? COUNCIL? AGAIN, ARE THERE ANY CITIZENS WHO WOULD LIKE TO ADDRESS THIS ON THIS PUBLIC HEARING, ITEM 68, THE STRATEGIC PARTNERSHIP AGREEMENT AS PROPOSED BETWEEN THE CITY AND THE LOST CREEK MUD? THEN HEARING NONE AND HEARING NO QUESTIONS OF STAFF, OR COMMENTS --

GUERNSEY: I JUST WANT TO SAY THAT WE WILL HAVE ANOTHER HEARING ON THE 17TH --

MAYOR WYNN: SO WE'RE NOT -- WE'RE POSTING IT FOR PUBLIC TESTIMONY.

GUERNSEY: THEY'LL HAVE ANOTHER OPPORTUNITY ON THE 17TH.

MAYOR WYNN: THANK YOU, MR. GUERNSEY. COUNCIL, WITH

THERE BEING NO TESTIMONY TO BE RECEIVED FOR THIS
PUBLIC HEARING AND THERE BEING NO MORE ITEMS
BEFORE THE COUNCIL, WE STAND ADJOURNED. IT IS 6:44
P.M. THANK YOU AND HAVE A SAFE EVENING.

End of Council Session Closed Caption Log