

Closed Caption Log, Council Meeting, 08/25/11

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Mayor Leffingwell: Good morning. I'm austin mayor lee leffingwell. We begin today with the invocation from peg syverson, resident teacher and director, appamada buddhist center. Please rise.

Mayor and city councilmembers and citizens, the buddhist taught all is burning and this is the summer we may believe it. The world is burning. What can be done to quench it. Neighborhoods are burning. Political factions are burning. What can be done to govern with reason and vision. Children are burning. What can be done to teach and guide them well. The jobless are burning. What can be done to provide meaningful work for all. The elderly are burning. What can be done to draw on their wisdom. The afflicted are burning. What can be done to comfort and care for them. Teachers are burning. What can be done to help our schools flourish. Corporations are burning. What can be done about their single-minded devotion to profit over all. Our bodies are burning. What can be done about the wildfires of passion. Our minds are burning. What can be done about our delusion and confusion. Our hearts are burning. What can be done about our pain and grief for the world. Our relationships are burning. What can be done to speak the truth from a place of compassion. Your life is burning. How can you use its fire before the fuel is gone. Whatever you can do today, do that with an open heart and a spacious mind and with mindful, energetic care. This is the cool, refreshing rain we can provide for a burning world.

Mayor Leffingwell: Amen. Please be seated. A quorum is present so I'll call this meeting of the austin city council to order on thursday, august 25, 2011, at 10:10 a.m. We're meeting in council chambers austin city hall, 301 west second street, austin, texas. Before I begin with the changes and corrections today which will lead into the consent agenda, I want to say that as you all are aware, at the last meeting we resumed our practice of limiting speakers on the consent agenda to speak on three items unless that item was pulled by a councilmember separately. The legal advice that I've been given and the attorney is willing to speak on that if anybody has a desire to speak on that, but I just wanted to make sure no one on the council had an objection today to continuing with that procedure. Is there any objection? Hearing none, I'll ask the clerk to clear the speaker list to limit each speaker to no more than three items that have not been pulled by council, and hopefully you will get that done by the time I get through the rest of it. You can't speak from the gallery. That comment was for the council. Councilmember morrison.

Morrison: I would like to ask the attorney to explain the legal opinion and perspective on limiting [inaudible].

Sure, councilmember morrison. I think what you are referring to is the ability of the council to set its own rules relating to speakers at a public meeting. The open meetings act, of course, as you know governs public meetings, the date, time, place and subject matter that you are going to be talking about at your meeting. But there have been several texas court opinions and attorney general opinions that say the open meetings act does not grant the public a right to speak at your meetings. So under those interpretations, you have also decided that you are going to allow speakers on certain items at your meeting, and under those rules you have provided limits on how many items a person can pull off your consent agenda. has also said you can do that. You can set reasonable local rules about how people will be allowed to speak as long as they are not arbitrary. And it is my opinion that the rules the council

has adopted are not arbitrary in limiting the number of items that a person can pull off the consent agenda. I will also note that there are specific state laws that speak to public hearings and those are distinguishable from items that are on your consent agenda. Things like the budget hearing, the tax rate hearing, annexation, zoning hearings, specific state laws mandate that the public be allowed to speak at those hearings. We have a few of those today. But the rule that you are enforcing only relates to your consent agenda and I don't find that the council has done anything that is not allowed by law in limiting how many items a person can pull off the consent agenda.

Mayor Leffingwell: I'll now read the changes and corrections to today's agenda. Item number 10, remove the british spelling and insert the american english h-o-n-o-r-e-e-s. On items 12 and 13, those are withdrawn. On item number 72, delete the word world following conjunction with and add the word -- after the word of delete the word world. So it reads of food day. On item number 73, add as a third co-sponsor councilmember chris riley. On item number 82, correct the spelling of the name nathaniel so that -- insert the h so it reads-n-a-t-h-a-n-i-e-l. Item number 115, just as an advisory, we can't take this , but we expect to postpone that item at 4:00 p.m. Our time certain items for 30, a resource management commission water conservation and reuse briefing, and a presentation and discussion regarding options and related administration costs for a may or november 2012 election. 00 noon we'll have our general citizens communication and the following names have been ronnie reeferseed speaking on peace, freedom, fluoride and the kill grid. Mona gonzalez will speak on support for children and families in dove springs. Carol anne rose kennedy will speak on police brutality, and those are in addition to the speakers already signed up. we'll have a discussion and possible action on bond sales, and I would like to ask staff to let me know as soon as possible if that item is time sensitive, i know it usually is, that we'll have to get to it pretty quickly after 2:00 p.m. also zoning matters. our public hearings. 30, live music and proclamations. Marsha ball will be the primary musician, although will will be a tribute to austin being the live music capital of the world. The consent agenda is items 1 through 83. The following items have been pulled off consent by councilmembers and others. Item number 83 is pulled by mayor pro tem sheryl cole. Items 14, 15, 16, 17 and 18 are pulled by the law department for brief presentations. Item 66, that's our board and commission appointments. It's pulled by councilmember bill spelman. And item 78, 79, 80 and 81, those are our personnel items pulled by me self mayor lee leffingwell. So I would ask the clerk if we're in a position now to go through the consent agenda. We'll have a brief pause while we rework. So I guess we're ready to take a stab at this. The consent agenda again is items 1 through 83. I've already gone through the items that have been pulled off by councilmembers, but add item number 9 to that list pulled by councilmember riley. And the following items are 1, 2, 3, 6, 9, 13, 19, 32, 36, 40, 70, and 74. Find out if I made any mistakes on that. Councilmember spelman.

Spelman: At one point we had a procedure that we would hear speakers if there were only one speaker on an item, hear the speaker first before we actually passed the consent agenda. Are we going to hold off on those items in future --

Mayor Leffingwell: All of these have any speakers are pulled off the consent agenda.

Spelman: That's going to be our practice going forward.

Mayor Leffingwell: Yes. Councilmember morrison.

Morrison: Could you repeat those numbers a little more slowly?

Mayor Leffingwell: How slowly?

Morrison: Slow enough for me to mark them.

Mayor Leffingwell: 1 potato, 3, 6, 9, 13, 19, 32, 36, 40, 70, 74. Is that okay?

Morrison: Thank you. That was great.

Mayor Leffingwell: I'll entertain a motion to approve the consent agenda. Councilmember spelman.

Spelman: I will move in a moment, but I believe 13 has been withdrawn and we need not pull it for speakers. 13 Has a speaker on a withdrawn item.

Mayor Leffingwell: That is correct. So 12 and 13 as noted previously in changes and corrections are withdrawn so we'll not take public testimony on that.

Spelman: I move approval of the consent agenda.

Mayor Leffingwell: Councilm spelman moves approval, seconded by councilmember cole.

Tovo: I need to recuse myself on item 11 on the health and human services agenda. I have filed a conflicts of interest disclosure as well as an affidavit for today's item as well.

Mayor Leffingwell: Thank you, councilmember. Show councilmember tovo recused on item number 11. Motion and second on the table. All those in favor please say aye. Opposed. Passes on a vote of 7-0. We have a couple of items that have been pulled off by councilmembers that I think, without objection, we should go to pretty quickly. First is item number 66, which is our board and commission appointments pulled by councilmember spelman. And the reason it's pulled is because the list is incomplete and there has been a desire expressed by -- could I ask you to hold it down as you depart the chambers so we can keep going here? The list of appointments is incomplete and some of the councilmembers have expressed a desire to make those remaining appointments in a collaborative way. I don't know how that's going to work but we're going to give it a shot here. So what I will do is I will read off the appointments already made and those remaining councilmembers who have not made appointments can then engage in a colloquy to the point the remaining appointments. First is to the 2012 charter revision commission, david butts is replacing margaret minacouchi. Delia garcia, richard jung, fred McGee, councilmember morrison. Susan moffett, councilmember morrison, kathleen israel, councilmember martinez. To the african-american resource advisory commission, clifford gillard, councilmember morrison, austin mayor's committee for people with disabilities, chip ho, councilmember tovo. The building and standards commission, stacy caplowitz, councilmember tovo. Construction advisory committee suzanne list, camarilla. Downtown commission kevin foster. Electric utility commission, councilmember tovo. Environmental board, marisa per perales, councilmember martinez. Mechanical, plumbing and solar , councilmember tovo. Planning commission jean stevens, councilmember tovo. Public safety commission mike levy, councilmember riley. Residential design and pom pat built commission, missy bledsoe, councilmember morrison. Robert mueller municipal airport plan implementation advisory committee, we've got to do something about that name, jerry perkins, councilmember tovo. Urban transportation commission, richard mechanical kennan, councilmember tovo. The following waive, approve residence requirement of the city code for tasha McCARTER'S SERVICE ON THE Electric board. So I believe councilmembers who have appoint remaining are councilmember tovo -- this is to the charter commission, councilmember riley, and councilmember spelman. Is there anyone else who has remaining appointments on the charter revision commission? Hearing none, councilmember spelman, this is your procedure so I will yield the floor to you to begin this process.

Spelman: The original recommendation, mayor, that i had was actually made rather flippantly. I was somewhat surprised to find that there was interest among other councilmembers in doing it that way. In view of the fact that other councilmembers have -- regardless of what they told me the other day, decided to just plain make appointments, maybe it makes sense for the -- councilmember tovo and riley and I should discuss in advance who we think we would like to appoint and to be sure that we're comfortable with those five appointments in view of our need of getting geographic diversity since they have a lot to consider and we want to be sure that it is really a representative body of the entire city. I'm

happy to go first if you want me to. If you guys want to go first, feel free. Okay. Appointments I have for this barring any need for judgment would be glories lindsay jones and anne kitchen. Dolores lindsay jones lives in great hills, recently retired from dell. Is a certified internal auditor and mba but I'm not going to hold it against her and is president of the black mba association. I think she would be an excellent representative of the majority of austin's black population who is not living in predominantly minority areas. The other person I would nominate is anne kitchen, a former state representative. I think we all know anne and i think anne would do a terrific job.

Mayor Leffingwell: So this process is sometimes draft procedure, and councilmember spelman picked diane lindsay jones and anne kitchens as nominees.

Spelman: Dolores lindsay jones. This is provisional. I would like to hear what everybody else would like to do.

Mayor Leffingwell: Who is next. Councilmember tovo.

Tovo: Mayor, I have draft pick and I propose to nominate fred lewis who is an attorney who has served on previous charter review commissions and he lives in the northwest so i think he thisly geographic diversity in addition to a great deal of expertise.

Mayor Leffingwell: Tentatively councilmember tovo nominate fred lewis. Councilmember riley.

Riley: Mayor, I would nominate ted sist who is in the several area and has been involved in matters related to [inaudible]. And then I'm just trying to make an assessment about the balance that we've got on the remainder and I think one issue just in -- well, I think the other one is [inaudible]. And so I just propose to put her back on. She is an attorney who lives in the northwest area and is skilled at facilitating conflict resolution in multi-part settings and law school.

Mayor Leffingwell: Okay, so we have tentative nominations by all three remaining councilmembers. I believe that's all whave. Would anyone like to change their nominations?

Cole: Mayor.

Mayor Leffingwell: Mayor pro tem. You are not in this draft.

Cole: No, I'm not in the draft, but I would like to be clear on the entire committee. So I would simply request that we start with -- well, with myself or councilmember riley and list all of our appointments and let's write them down just to make sure nobody really wants to be in the draft. I have nominated -- I have nominated nelson linder who lives northeast, and also former senator gonzlo barrientos who lives south central.

Mayor Leffingwell: So noted and those were approved last week so they won't be on the list for approval this week. Last week I also nominated ken rigsby and fred cantu and those were approved last week. So I believe we have the entire list at this point in time. And I would just add to what was approved last week and what has been already read into the record as nominees, i would add the following, fred lewis by councilmember tovo, ted sist and margaret minimumacuchi and dolores jones and anne kitchens. I'll entertain a motion on item 66. Councilmember morrison moves approval. Councilmember riley seconds. All in favor say aye. Opposed say no. Passes on a vote of 7-0. And we're done. So now at the request of mayor pro tem, we have a-who may have to leave due to a family situation during the day. I know she has special interest in item number 82, so without objection, council, i would like to call up item 82. The floor is yours, councilmember.

Cole: I do believe we have some speakers.

Mayor Leffingwell: We do. Coal cole okay.

Mayor Leffingwell: Do you want to hold off until we hear from speakers?

Cole: Yes.

Mayor Leffingwell: First speaker is heather fazio and donating time is matthew binder. In the chamber? Raise your hand please. Not here. Heather fazio here? She is. So heather will have up to six minutes.

Item 82, good morning, council, mayor. I am glad that we're revisiting this issue. I am grateful that the council has the opportunity to right the wrong that they did not once but twice last year with this family and the tragedy they've gone through. That's all. Thank you.

Mayor Leffingwell: Next speaker is antonio bigger. Antonio bigger. Is also for, and you have three minutes.

Thank you, council, mayor. I just wanted to thank you all for bringing this back up on to the agenda item. This happened in my neighborhood around the corner. I feel very badly for the family. I've experienced what they've gone through personally in a different situation. But I really am glad that you guys are revisiting this issue and it means a lot to our neighbor know that our city will stand behind the wrongdoing that occurred. We lost the city attorney. We lost a lot of face, a lot lotof faith in you guys and hopefully this settlement will bring closure and we can look forward to healing and I hope that everybody up here will continue to work for better relations within the community and addressing police brutality. Thank you.

Mayor Leffingwell: Next speaker is antonio bigger. That was you. Excuse me. George clark is signed up for questions if there are any, as , reverend parker is willing to answer questions if you have any. John bush is signed up against not wish to go speak. Those are all the speakers that we have. You signed up not wishing to speak but you are welcome to come up and speak.

Good many afternoon, my name is john bush, texans for accountable government. I just wanted to state that i support this motion and I hope you will pass it. It's unfortunate to see this was not taken care of before due to political reasons in large part. I understand the -- the police officers association was really putting pressure against moving this forward. And I also understand the police officers association did a lot of work to bundle money for some campaigns of people on the dais. So I hate to see that it's political, but it's good to see that we have a shift in the council and that we are revisiting this issue and i hope in the future you guys are not above admitting fault and revisiting issues now that we do have a new council makeup. Hopefully they will be more adjustable and this example just further illustrates that when it comes down to it, government is force and you guys are empowering the police department. There's another item for tasers which we'll get to later. But it's absolutely imperative that not only the community keep the police accountable but you guys are keeping them accountable as elected representatives. We hope we can move this nasty chapter behind us here in austin and we hope it never happens again, but if it does happen again it's handled better next time. Thank you. [Applause]

Mayor Leffingwell: Now those are all the speakers that we have. Mayor pro tem.

Cole: Thank you, mayor. Sometimes in our community we face issues that we wish were easier, and then we realize the challenge was put there to make us stronger, wiser and even better. This has been costly for the city and will continue to be costly if we take it to trial. But more importantly it is risky. We do not know if we go to trial if we will receive a zero verdict or if we will receive a multi-million dollar verdict. We simply do not know. And based on the information that we currently have, I do not think that

this is a risk that we should take. This has been traumatic upon the sanders family. It has been difficult on our police officers. And most importantly, it has stretched the very fabric of unity and trust of our community. I believe that it is time for closure. Move approval, mayor.

Mayor Leffingwell: Excuse me, mayor pro tem, the motion was to approve item 82?

Cole: Yes.

Mayor Leffingwell: Seconded by councilmember tovo. Any comments? I will just say that I will not be supporting the motion. And you know, we dealt with this approximately a year ago, reviewed all the facts, got numerous briefings. Based on the fact information that I received at that time i voted not to approve it then. Nothing has changed so I will continue to vote against it because I believe it's in the best interest of the community. I could go into more detail but I don't think that's appropriate. Everything has already been said so I will oppose the motion. Anything else? Councilmember riley.

Riley: Well, it has been about a year since we visited this and many things have not changed. The issue remains an open sensitive issue for many, the family and community await closure, but some things have closed. In particular we are in a position to achieve close our the sara smith case, item 15 on our agenda today. That was ongoing concern a year ago even though the suit had not been filed, we knew there was a claim out there likely to be filed and there was a concern that settling sanders at that time would have an impact on the resolution of the smith case. We are now ready to put that -- put the whole case behind us. In addition to that, over the course of the past year we've been going through a very difficult process related to our social service contracts and it's become more apparent that ever that the needs in this community vastly exceed our ability to provide -- to meet them on our own. We have got to work with the community collaboratively in order to address the very deep rooted underlying problems that face our whole community and particularly the problems identified by the african-american resource advisory commission in its report last year. Persistent problems that continue to affect the african-american community in particular and that weigh on our entire city. In order to address those problems meaningfully we are going to have to work hard collaborative with the whole community and in order to do that I'm persuaded we are going to have to put old wounds behind us and move forward as a community and working hard to address the problems in a more significant way than we ever have in the past. I'm very hopeful about our effort in that regard. I look forward to continuing to work with folks in the community to address these issues and I think that resolving this case is a first step in the right direction, so I will be supporting the motion.

Mayor Leffingwell: Other comments? Councilmember tovo.

Tovo: I was glad to co-sponsor this and I really have very little to add to what mayor pro tem had to say, but I just wanted to say that I do believe settling the suit is in the best interests of the city. It's the best way, in my belief, to protect the city's financial intense as well as begin the difficult process of community healing and begin to close this wound, as my colleagues have said. I understand and I respect that many in the community don't share this view and i respect my colleagues who will vote differently today. This is a very difficult decision. It's been a very tragic and difficult episode for our community. And there are no easy answers, but I do believe bringing closure to this legal issue will certainly not assuage the family's grief, but bringing closure will also not heal the community's wounds but I hope it will start us on that difficult and intensive path of community healing.

Mayor Leffingwell: Other communities? All in favor of the motion say aye. Opposed say no. That passes on a vote of 5-2 with councilmember martinez and yours truly mayor leffingwell voting no. So now, council, we'll try to work our way through a bit of this consent agenda before we go to our morning briefing. First is item number 1, which is the minutes of the august 16th work session. The speaker is ronnie jimery, who is neutral.

Does this work? Can I speak? This is odd, mayor. You've gone back on your understanding of how i

pronounce my name. I guess I can call you mayor pooh-pooh head.

Mayor Leffingwell: I put down what you wrote on your sign-in sheet. Don't argue with me. I want to caution you to be respectful and be in accordance with --

you pronounce your name.

I expect you to maintain decorum. I'll turn off your mike so you can hear me. Do not make vulgarian obscene comments. I ask to avoid that.

My name is ronnie reeferseed. And I reject your decision to not allow me to speak as to my name. I mean, who do you think that you have the right to do that? Can I just call you anything? I already mentioned one possibility. It's kind of a nasty word so I won't say it again, but it's just the same concept. It's personal respect. This is how I choose to pronounce my name. Everybody else can understand that. Why you think just because I sign my name, that's how it's technically spelled. When people ask how do you pronounce your name, I choose to pronounce it ronnie reeferseed or whatever.

Mayor Leffingwell: Okay, that's it. Mr. reeferseed, step back. Your time has expired.

My three minutes?

Mayor Leffingwell: Your time is over.

I request a copy of said minutes for number 1.

Mayor Leffingwell: Your time has expired. We'll entertain a motion on item 1, council. Councilmember martinez moves approval. Seconded by councilmember riley. All those in favor please say aye. Passes on a vote of 7-0. We'll now go to item 2. We have a number of people signed up to speak. Councilmember spelman.

Spelman: I understand mayor pro tem cole has a few things to say about item 2 but she's been pulled away from the dais. If we could skip this for a few minutes.

Mayor Leffingwell: I didn't see her but thank you for reminding me. Councilmember martinez requests that we go directly to item 70. Is there any objection from the council? Then we will do that. Number of speakers, peter signhart signed up against. Peter steinhart. Is peter in the chamber? Not in the chamber. Robin cravey in the chamber? Okay. Donating time mary ann nealy. Don't see her. Steve barnic. Steve is here. Karen hayden. I saw an arm raised but that wasn't karen. If, so only one of your time donators is here so you have up to six minutes, robin.

Thank you, mayor. Robin cavey, president of barton springs pool. Thank you for all of your support over the years for barton springs pool and the master plan. Since the founding of friends of barton springs pool in 2006, council has been very steadfast in their support and we really very much appreciate it. From the very first council cleans the pool day in 2006 to the most recent council cleans the pool day just a couple weeks ago, y'all have been there for us and you've supported the process that we've gone to -- gone through. And I might mention that at that council cleans the pool day just a few weeks ago, we brought in close to 100 volunteers to clean the pool. The pool is in deplorable shape when friends of barton springs pool started up. And the city seemed unable to take action. And it seems like they were just -- the city was just waiting for someone to advocate for the pool because we came in, our approach has consistently been constructive, wanting to work with members of the staff and work with the council and work with the public and we've really been able to set a positive tone and work forward. The barton springs pool master plan grew out of a commitment to restore the pool to its rightful glory. This gorgeous flowing spring should be kept beautiful and clean and healthy. It's a gift of eons and should be set off by

public facilities that do justice to its grandeur. Its natural life should be thoughtfully nurtured. And the swimmers who continue the age-old tradition of bathing in its waters should have a great experience and the facility should be adequate to serve them. The master plan really is the process -- is the product of a very long and thorough public process and I would be glad to talk about that public process, but I can tell you it has been long and thorough and members of friends of barton springs pool typically go to two or three public meetings a week -- or a month to talk about various aspects of the master plan and the short-term projects. Now, some people have called for slowing things down and i know my friends in the staff will not take offense when i say that asking a city department to go slow is like asking a cow to chew its cud. You will get results. But the barton springs master plan really was conceived to do several things. It was conceived first to improve water quality in the pool. It was also conceived to -- to improve the flow regime through the pool. It was conceived also to improve the facilities, to to renovate the major bath house and also it was conceived to improve the grounds around the pool. So those are the things that have been working through the process and that's what we have been trying to get accomplished. It's a very, very laborious job trying to get those things accomplished. To -- to do that, you have another item on your agenda today which is I think item number 32, which is to approve a study, a hydro dynamic modeling study to bring -- to figure out how water moves through the pool. That study is actually the culmination of some other studies that -- and the purpose of all of those studies are to understand how to improve the flow regime through the pool. When we first started working on the barton springs master plan, one of the things we found was that the dam during flood times stops sediment and flood debris. And so what we wanted to do was figure out a way to let the flood debris go on through the pool. And it was thought that maybe altering the dam would allow -- by extending the gates all the way to the bottom of the pool, would allow that to happen. But we soon realized that we didn't have enough information, enough knowledge to make that change and so a series of studies was done, was approved and has been done. A study of the dam which turned up -- the purpose of the study of the dam was to find out if it was solid enough to take these modifications. It turned out that there's some cracks in the dam which are needing repair. So that is something that we're going to have to take on. Another study was a -- shooting the topography. And so we had to shoot the topography in order to understand the flow to provide a good baseline for the hydro dynamic modeling study. So that was done except in the deep end of the pool we had all this flood debris accolade so we had to get the flood debris out so the topography there could be figured out, could be shot in order to give that good baseline information to the hydro dynamic modeling study so they could get a true picture of how water flows through the pool. This is probably more information about that one little item than maybe you want to know, but as y'all have noticed when we come through and brief you in your offices, this is a plan that has a lot of parts. [Buzzer sounding] I'm beeping.

Mayor Leffingwell: You know what that means. That means your time has expired.

Yes. So let me just ask you please to approve this resolution. We are ready to move forward working with the staff and working with the public process and we appreciate y'all's help with that.

Mayor Leffingwell: Thank you, robin. Let me just say on a personal note I appreciate the work you have done for long period of time on this project and it's beginning to yield some very good results now. I want to personally thank you. I realize thanks enough is the fact you are president for life of friends of barton springs. All right. Thank you.

Thank you very much.

Mayor Leffingwell: Next is bill bunch. Donating time is pat broadnack is here so you have up to -- they are signed up against and you have up to six minutes.

Thank you, mayor, members of council, bill bunch for save our springs alliance. I'm here regrettably to speak against this resolution as really being a little premature and also overreaching. The council has an approved resolution on record addressing the master plan. And what it calls for is using the plan as a reference for ideas rather than as an endorsement for action. And certainly not endorsement for bond

funding. Which this resolution speaks to. As you know, the plan has been extremely contentious. There are some good ideas in there, ideas we support, but there are other ones that are rather silly and some that are actually damaging. I think most of you are well aware there's been way too much fighting over implementing the first projects right out of the gate. I mean staff and some community members wanted to chop down 23 heritage trees at the pool. That was a huge fight. And that was phase 1 in what was vied basically as a massive makeover of the springs. And the community fundamentally opposes that approach of a makeover purchased forward by one architecture firm. Largely written before there was any public input. Instead of an approach that engages the community up front, figures out what's fixed -- or what's not broken so that we don't try to fix those, what's right about the pool, preserve those, enhance those, and address some immediate needs. And that vision is not there. It's particularly unfortunate what's proposed for the back side or thought about for the back side, which is basically redeveloping the south side more or less in the image of the front side. Right now we have a wonderful situation where one side is more or less developed much like a municipal pool facility. The other side is more like a swim in the creek. You are going out for a swim in the creek. And that should be preserved - that experience should be preserved and enhanced. It shouldn't be destroyed by buildings, a bath house, paved trails, building a new fence that maybe we don't need. Those are my ideas. But I'm prepared to be overruled on those if there's an honest process where we look at several choices and we engage the community in evaluating several different choices rather than being handed one choice and said and then we all have to shoot at it. And that's basically where we are. So I hope you will step back from this. Leave bond funding for the future. And then perhaps most important, there's virtually nothing in this plan for water quality. And in fact to the extent there's big money in it, bond funding in it, it could be taking away money, competing directly with the money we need to protect flows so the presentation aren't pumped dry and -- springs aren't pumped dry and protect the quality of the flows by continuing what the community started years ago which you have recently supported which we so much thank you for and acquiring more watershed lands. There's others that are fine, that people are fine with, like some of the improvements that are moving forward around the front gate. But this resolution before you is too overreaching, it's premature, and it seems to commit to you funding projects that we really don't have a description for or community support for either. Thank you.

Mayor Leffingwell: Next speaker is Michael Fossum. Michael Fossum in the chamber? Michael is not here, signed up against. Suella Vega not in the chamber, signed up against. John Beall. John has signed up for. And when you get here, John, you'll have three minutes.

Thank you Mayor and Council. My name is John Beall. I'm going to primarily address the process that we've been participating in. It has followed those necessary steps for making a public decision. We -- they initially were informal and then a joint environmental board and parks board was formed that began to have meetings twice a month, then it was once a month, and now it's about every other month. And as we've gone through this process where everybody had an opportunity to express their opinion, we have gradually had a better and better picture emerge of exactly what needs to be done. We have found one thing after another that has deteriorated to the point that we could have a catastrophe. For example, the leaks in the bypass tunnel. It is possible that a -- our next huge flood would see that bypass tunnel float up and end up as debris in Lady Bird Lake. That is -- that is a worst case scenario. Then the cracks in the dam. The trees that have the potential of toppling over. The deterioration of the bath house. So all of these things have been discussed in our process which has been a very thorough process and I support this resolution and I urge you because we have been able to preserve Barton Springs, the springs still flow. We have made Central Texas rich. And we need to improve it because it will continue to attract the kind of people that we want. Thank you very much.

Mayor Leffingwell: Thank you, John. Jonathan Beall. I suspect that's the same person, so -- oh, your son is here? Jonathan Beall. Is Jonathan in the chamber? Don't see him. Charlie McCabe. Charlie signed up for and you have three minutes.

Thank you, Mayor and Council. Charlie McCabe from the Austin Parks Foundation. I want to reinforce the fact the Parks Foundation directors voted to subpoena the master plan several years ago and were involved in the process. We've tried to put our money where our mouth is, raised \$114,000 for tree work

either planting, removal or treating of some of the heritage trees that other speakers have mentioned. We've sweated it out this spring and summer working on basic removal projects as well as mulching and we have pleased to see the plan move forward. Thanks for your support.

Mayor Leffingwell: Thank you. Thomas webber. Thomas webber in the chamber? Thomas also signed up for. And those are all the speakers that we have wishing to speak. Clay dafoe signed up neutral not wishing to speak as april rose is for, not wishing to speak, as is ralph winsrer. Those are all the speakers that we have. Councilmember martinez.

Martinez: Thanks, mayor. This item was brought to us by the friends of barton springs, but obviously there are many other stakeholders that certainly have been involved with the pool and with the conversations leading up to the improvements that are being discussed. And so with that we did add language to the resolution to absolutely include any and all stakeholders and a better public input process that includes everyone that wants to be at the table. There was no intent to exclude anyone. It was brought to us by the friends of barton springs and so that's why their name was in the resolution. But this only reaffirms what council already acted upon in january of 2009, we adopted the master plan. That master plan has not changed. It's been discussed and there has been disagreements, but i firmly believe that, you know, the council action was to approve the master plan and move forward with the process of making improvements to the pool. We've seen some of those improvements and we've had good discussion to stop some projects that maybe could have harmed the pool. Obviously that's just my opinion, but I certainly believe that the tree discussion proved to be very fruitful and we were able to save a lot of trees as opposed to remove them. We still have an issue of safety we have to address so that conversation will continue moving forward. So all -- all my intention was with this resolution was simply to reaffirm that commitment, show our support for all of the stakeholders, but more specifically the friends of barton springs pool who are there every week volunteer, cleaning the pool and will continue to do so. I would just urge that we support this, the nonbinding resolution just asking the city manager to reaffirm our commitment, and he is aware of the resolution, has been made aware of the resolution all along and we shared copies with him prior to filing this resolution. So I would move approval.

Mayor Leffingwell: Councilmember martinez moves to approve item number 70 and I will second. Further comment? Councilmember morrison.

Morrison: Thank you. Certainly we are fortunate to live in this city that has barton springs. We all love barton springs. And I think that's indicated by the over 600,000 people that have visited barton springs since october 1 of this year. It's a pretty amazing place. And I appreciate the effort that the friends of barton springs have done. It been fun working with them on council cleans the pool days and I'm able to appreciate the work when I go down and swim there on the weekends as do a lot of other folks. When we addressed this back in january of 2009, there was controversy at that point, and in fact what we adopted, and I'm reading from resolution 2009-0015028 and I want to pass that out to my colleagues up here, but because it was acknowledged that we wanted to move forward on really getting through some of the short-term projects but that there was still a lot of work to be done to figure out exactly which of the long-term projects and how they would look were prepare, the be it resolved is the council -- the city council accepts the plan as a resource for short-term projects and concepts for possible future long-term projects which would require extensive public input and stakeholders, boards and commissions and city council. And then it goes on to say that the joint subcommittee of the environmental board and the parks and rec board should continue in oversight capacity cravey has acknowledged to work through the short-term projects as implemented and long-term projects as they are considered in the future. So my concern about this resolution -- or what I would like to suggest we do in this resolution is I would be much more comfortable if we were to make it clear that we're still in that process of clarifying and deciding on exactly what the long-term projects are going to be and what they are going to look like, acknowledge that we still have some work in that regard. And so I know that this is an effort, and I appreciate the effort to sort of really move us forward, and I thought that it really might make sense if we could ask instead of sort of generally saying let's complete this since there are so many open questions, that we could develop a concept of developing an implementation plan so we could get through the

controversial items and then we could figure out what exactly it is we need to look at funding for. So I have some language that I think might accomplish that that would amend this motion that -- or the resolution that we're looking at. So I want to propose this as an amendment, a friendly amendment, perhaps. And that is in the last whereas -- excuse me, in the first be it resolved where it says that the city council affirms its support, I wanted to add to clarify as per 2009-on 115-028. And then to add some language to actually ask staff to work with the stakeholders process that we have set up to come to an implementation plan, to work through those controversies so that in the third be it further resolved it says the city manager is directed to work with and receive input from community groups, and this is where I wanted to suggest some modifications. And the joint subcommittee of the environmental board and the parks and rec board to consider long-term projects, to develop a draft implementation plan, and to bring the draft implementation plan to council for approval. And then so that gets in the idea of let's get through this, let's figure it out, let's have council put its final stamp on what it's going to be, and then the last be it further resolved just to reference that implementation plan for funding would read: The city manager is directed to consider including the implementation plan for additional funding in the next bond election. I have this language --

Mayor Leffing Friendly amendment -- I'm a second on it so I will say that I won't accept it as a friendly amendment. We've been going through this process for four or five years at least. Tons of public input, tons of presentations before the boards and commissions. And in the meantime Barton Springs continues to suffer. And there's some projects that are really becoming time critical such as the bypass tunnel. And that not only affects the quality of Barton Springs, but it potentially affects Barton Springs and the surrounding springs as a haven for endangered species. Cravey remarked if there were a flood, seems remote now, but if there were a flood, that bypass tunnel is already leaking and it's in such a shape that that storm water could invade the adjacent springs, which is a main habitat for the salamander. So there are time critical things. Some work has already been done. You know, I'm certainly in favor of the public process, but you can't overdo it. And I think in four or five years we're rapidly approaching that point. So I'm going to support the motion as written, so I would not accept the friendly amendment.

Morrison: Mayor, just to clarify what I've done does in no way change the language of one of the be it further resolves, but direct the city manager to ensure the projects and plans currently in process -- in progress are completed in an expeditious manner which I would include the bypass tunnel. So this is really to capture where are the controversies, let's move forward, get through them, make a decision and then we would know what we need to fund in a bond election.

Mayor Leffingwell: Councilmember Martinez.

Martinez: You know, I don't want to gerrymander your amendment, but I think your reference to the '09 resolution in the first be it resolved captures everything else you are trying to add in the language. The '09 resolution specifically speaks to that and I don't see why you are being so duplicative. If you want to reference the '09 resolution, I don't think I would have a wish that more in the second to last be it resolved there is a reference to completing projects in the plan, so I was concerned that that was suggesting that we were affirming support to complete all the projects -- to complete the plan as written.

Mayor Leffingwell: Councilmember Part Mart.

Martinez: It says to complete the elements of the Barton Springs pool master plan. It doesn't say projects.

Morrison: I'm reading --

Mayor Leffingwell: Councilmember Morrison.

Morrison: Let's see. I'm reading the second to last be it further resolved, the city manager is directed to work with and receive input from community groups in order to complete projects in the plan. Do I have an old version?

Martinez: Yes, and that's what I was referring to when i moved approval was we added language to this to try to clean up the issues and concerns that people raised.

Morrison: Is that in backup? I apologize. I didn't -- pardon me? It is in backup?

Martinez: I don't know. We submitted it.

Spelman: It's not on the computer.

Morrison: I don't have a copy, so that's some of the confusion, I guess. Do we -- could I hear the language then?

Spelman: Do you have a paper copy?

More than happy to share it. I thought we got it posted in late backup. Mayor, do you mind if I read the resolves?

Mayor Leffingwell: Councilmember martinez.

Martinez: Be it resolved by the city council of the city of austin that city council affirms its support for the barton springs master plan and the value of community input during implementation. Be it further resolved the city manager is directed to ensure those projects currently in progress are completed in an expedient manner. council member?

Thank you. City manager is directed to continue to take input from the public, friends of barton springs pool and other community groups to complete the elements of the barton springs master plan -- pool master plan. The director is directed to consider improving the plan for funding and future bond elections.

Tovo: okay. Thank you. So to clarify the languages, to complete the elements of the plan, not to complete elements of the plan.

That's right. would you be amenable to dropping the "the" before elements? Because to me that could suggest closing down options of certain elements rather than all of the elements. So I think if we drop "the," then I think we've got a solution that may work. Thanks. Thanks for rereading that.

Mayor Leffingwell: okay. Council member tovo, could you explain to me what you're trying to accomplish with this friendly amendment?

Tovo: sure. It seems to me we had a discussion about whether -- whether we are endorsing the plan and every element in it here today or whether we're allowing for a public process to further refine some of those recommendations for the long-term goals, and i think, from what i understood from council member martinez, that the public process would yield additional information and perhaps revision to some of elements, but yet the language said -- let's see, "to complete the elements in " it was very definitive. And so I'm just suggesting that we instead change it to "to complete elements in the " so pretty small change, just dropping the," but I think it takes it from being definitive to allowing some room for revision in that. do you accept that council member? and the clerk is getting copies for everyone. and

you do accept?

Martinez: I do. I will accept as well. What price -- furs discussion? All in -- further discussion in all in favor say aye.

Aye. opposed say no? Passes on a vote of 7-0. [Applause] we'll take up a couple of quick items before we go to one of our morning briefings. These are items that have very few speakers signed up, item 9 has actually one speaker signed up, john bush. Is john bush in the chamber?

The 1992 document agenda 21 suppressed documents, which essentially would like to bring about the elimination of private property, implement controls from city, state and federal government, which are rather intrusive, but one of the intrusive things that we see taking place here in the city of austin with sustainability, sustainability development, smart growth, regional planning, envision central texas, the grant money recently took to participate in a national program to keep track of sustainability indicators, what often happens with central planning is monies are directed to areas where there is not necessarily a market for growth at the particular time. We see this happening with the plaza saltillo expansion. We see this happening with the comprehensive plan, monies, energies, efforts, building projects are being directed to areas on the east side of austin, where we all know many of the economically disadvantaged reside, and whenever you bring in monies, or whenever you set up a capital area texas sustainability consortium, or there's another item that's earlier in the agenda, perhaps we'll be able to speak on it earlier, it also deals with sustainable development and central planning, you create unnatural growth, which has a tendency to drive property taxes up in the, area, which has a tendency to make it more difficult for working class family to put food on the table, pay the bills, put their kids through college. So I'll keep reminding you of. Be aware, every time you incentivize growth in areas that there's not a natural market for growth, you create an environment whereby you are creating a -- what's the word -- i forget the word, whenever a run-down area is bumped up and revitalized, gentry fiization, yes, thank you, you -- gentrification, you create an area where gentrification take place, and the side effect is the property taxes on the homes in the area go up, because now we have a fancy plaza saltillo set up, they're building condos all around. So be aware as poor working class families continue to vacate austin and continue to move even further eastward than they did with the original comprehensive plan, which segregated the city, it falls on your shoulders whenever you incentivize unnatural growth through smart unsustainable programs. You pride yourself in the three es, environment, economy, and equity, be aware by pushing that you're simultaneously creating a situation of social inequity. Thank you. [Applause] entert entert ain a motion on item no. 9.

So moved. council member martinez -- ronnie is signed up against, not speaking. Council member martinez moves approval. mayor, I'll second but I would like to -- council member riley? I would like to ask a question of staff on this. This is a very exciting project that relates to 9 million grant that was received by a whole consortium led by capital area council government in cooperation with the city of austin and other regional partners. It was a very competitive grant. A lot of folks across the country were very excited about this, and austin was very lucky to be the recipient, and then there is lots of very interesting work on the horizon. As we've talked about the potential applications for this project, one issue that came up is there's such a multitude of sites that could use some additional sustainability, some sustainable development. There are places like oak hill where we've known for a long time that development is going to be happening and it's just a question of how it could take shape, and we know that some additional planning work is needed. And so questions have arisen, well, why wouldn't -- why wouldn't this place or that place be a suitable candidate for funding for planning. So I just wanted to ask -- give kevin johns an opportunity to address the process that we went through in making this -- the recommendation for this particular demonstration site project, and kevin, if you could in your response, speak specifically to the oak hill questions, since we know oak hill continues to be an issue -- an area that needs some additional planning and it would be helpful if you could help us understand why oak hill isn't being recommended for funding on this item.

Thank you. Kevin johns, director of economic growth, redevelopment services i also have with me greg

kahlo, who is the project manager for part of the sustainable program, which is the ibm analytic tool. We're very excited about the potential to use the high-speed computer to begin to implement plans to come up with business logic so that we can inform the mayor and council and stakeholders about what the opportunities are and what the return on investment is so there are clearer choices, and that's a particularly important issue when it comes to the scarce dollars that we have today. The planning director, economic development director, transportation director, sustainability officer, housing director, all of us and our staff have had discussions on the first potential use of it, and i have to say the first potential use because once the tool is designed, the first projects will be trying to design the tool and make it effective. After that it can be used at large on a large number of projects in the city. So specifically we were looking at where would be the most logical projects to start with in the city, and we did look at oak hill as one of the -- as one of the options. The oak hill option has certain limitations. First, there is no existing plan for the initial part of the project. The neighborhoods have done planning work, so it's hard to implement a plan when you haven't done the planning work. Secondly, from speaking with the community representative, we were told that it would be about \$250,000 to do the plan, and I think that's probably very accurate. I think that might even be conservative, to develop an implementation plan, a strategic plan, for an area with so many sensitive issues, with sustainability issues, with the fact that it's a confluence of the dot effort of the 27 neighborhoods, of the old-time commercial development, and that it's in an area that has restricted development controls. And so with the price tag of \$250,000 minimum investment, we elected not to recommend that as the first project because that would absorb over half of the dollars that capcog has to fund regional trial projects, but we would be enthusiastic if we had given council direction to look at that as a second or third project to initiate, because I think the high-speed computer would provide some analytic analysis that would tell us what not to do, what investment not to make, as well as what to make. So we tried to make a very thoughtful analysis for the first use of the tool, but in this case that was too expensive to do now, plus it didn't have the plan in place that would really make the tool effective. So I hope that gives a little background.

Riley: sure. So the matter of timing and the scarcity of -- no resources at this time, we're just in no position to under take that effort with this pot of money.

At this time. it certainly would be my hope that the tool could be used to the benefit of plans in oak hill and elsewhere once we're through process.

I agree. Thank you.

Riley: okay. Thank you. all in favor of the motion say aye.

Aye.

Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. Council, we have about 30-some odd minutes left. We do have two morning briefings. The attorney is here for the briefing and discussion regarding options and related administration costs for a may 2012 election. I'd like to go to that briefing first since we pay them by the hour, and we'll be bound over lunch otherwise. Welcome. mayor, council, good morning. I'm here to discuss with you and bring a little bit more information in our continuing discussion of may versus november 2012 elections. We began the briefing last month and have continued it. We have previously discussed with you in executive session questions of primarily legal risk with respect to various options that are to be considered by council, that you've indicated you're interested in. Today's discussion is primarily about cost estimations for may 2012 elec various guises and comparing that to the likely cost of a november 2012 election. Council passed resolution 201-20-8046 and asked staff to identify options for may and november 2012 elections and then to evaluate each option's cost, and that's primarily what I'm going to talk about today. The options that we looked at were for a may 2012 elections in a couple of versions. One would be in relying on travis county and williamson county to provide what amount to turnkey services for those elections. You will recall that when senate bill 100 was passed, it contains a provision that provides that in may of even-numbered years, counties are no longer required to provide election services to public entities that have elections

in that month. , And the initial response of many of the large urban counties was that they would not be in a position to provide election services for entities with may even numbered year elections, primarily because senate bill 100 also changed several other items. It was in response, primarily, to the federal military and overseas voting act, which required larger amount of time than state law had built in or the time between party primary and party runoff elections. And the problem that was presented was that the party runoff elections occurs about ten days after the may uniform election date under state law. Counties were concerned that at the did not have enough equipment to provide election services for what amounted to contemporaneous elections. Many of the urban counties, including travis county and williamson county, have since reconsidered their initial position and have determined that under certain circumstances they would be in a position to provide may of even-numbered year, in particular may of 2012, election services for the city and for certain other entities within their jurisdictions. And so one of our cost estimations was to estimate the probable cost of having the county -- having both the counties conduct turnkey election services in may of 2012. For travis county there is almost enough equipment, according to the county clerk's office, for them to provide the main primary election, the primary runoff election, should there be one, the main city general election, and a city runoff election, should there be one. But there's a little bit of an equipment shortfall. And so this option would require the city to make a one-time purchase of a certain number of machines, not a complete set of voting machines, by which I mean not a set of voting machines for all 190 likely polling places, but a subset of those. And those costs are built into the estimate for a county-assisted election in may of 2012. The other option that was considered for may election was the cost for the city to run the election by itself with no county assistance other than some limited assistance as necessary from the county voter registration office. There were two options within that option that we explored. One was to hire a consult with election experience to provide that consultation, experience and also primarily some training and organizational effort. We used as our paradigm for that cost estimate an estimated quote from hart intergraphic, which is the equipment supplier for travis county, and also has substantial experience in actually running elections, both in this country and in europe. The other variation was to look at cost estimate to the city going it totally alone, that is, hiring its own staff, including supervisory and organizational staff and conducting all of its own training. So those are the basic elements that we looked at. And all of this was designed in substantial part to give us a baseline for comparing those costs to the costs that we would estimate primarily based on experience with the two counties for a move to a november 2012 election. That is, to have the city's election conducted in concert with the november state general election. I'm going to start by telling you what the answers to these things are and then providing you some summary detail for each of the options we looked at. For the county-assisted option, we have assumed that all polling locations in travis county, all 190 of them, would be serviced. The other sub-option, if you will, that the county clerk presented to you, I think when she discussed this in public earlier in the month, was for what I will call a paired down election in travis county. Instead of the whole 190 polling locations, she used an example where only 165 polling locations would be used. There is a cost difference, of course, and in particular there's a cost difference because additional equipment would be required to be purchased for the larger number of precincts option, but it's not in the scheme of things a huge monetary difference. There is an additional complication when talking about the costing for a may 2012 election. Travis county has a policy of -- and it may be my word and not the county clerk's word -- of locking down equipment that has been used in an election if there is what's called an election contest. An election contest doesn't refe the race itself, but instead the candidate who is unhappy with the result, and alleges, among other things, perhaps, that miscounts were made, the machines were not financialing properly or other errors were made. Instances election contests almost involve an exam of the voter data but sometimes physical examinations of the machines themselves and in sort of an in-between state, an examination of the increases recorded on e -- of the information record order a machine. So courts often require that the machines that were used in an election that has an election contest be, in effect, sequestered for examination by the two opposing parties. Travis county in response to that has a general internal policy that they will lock down machines used in an election if there's an election contest. So the other variation that could happen is that some of the travis county machines, a substantial number of them, might get taken out of commission, out of the ability to be used for the austin may 2012 general election, should that happen. In order, then, to have the election go forward, it could be necessary, and this would primarily, I think, come up in the context of a runoff election -- it could be possible that the city, in order to have that runoff election, would have to purchase

a full complement of election machines for all of the precincts that would be used in the runoff election, and for the worst-case scenario we have assumed for costing purposes all 190 election precincts in travis county and all 19 election precincts in williamson county would be used in a runoff. So the numbers you're looking at in the slide are for two versions of a may 2012 county-assisted election. Again, assuming all polling locations -- and I should say also assuming that no cost sharing with other entities is included, or, for instance, austin independent school district, or austin community college to elect to remain with may even numbered year elections, there is the possibility of perhaps some significant cost sharing there, including, I would guess, with the purchase of that equipment and the other election costs, but that is as yet an unknown, and even were, for instance, austin to elect to stay in may, they have single-member districts, and so their elections wouldn't necessarily result in may of even numbered years in district wide elections. So the cost sharing is hard to estimate. And because we are presenting worst-case scenarios, we have not tried to factor that in. For a may 2012 election and a runoff election in all 190 travis county and all 19 williamson county precincts, including the purchase of the necessary equipment and building in the possibility that the runoff election would require the purchase of an entire set of election equipment, the number we came up with is about 87 million to run those two elections. For comparison, if there is a runoff election but no election election contest, so the complete set of additional equipment would not have to be purchased, that number drops to about 2.1 million. For comparison, if the county assists -- both counties assist in a november 2012 election, since they're already holding a general election, we believe that the number for the 2012 november election and the possibility of a citywide runoff would total about a million dollars. These numbers for november are based on prior november election experience with [inaudible]. The major alternative is a city run election, where the city does it all, does not rely on either county except for their voter registration departments, and the case where the city would hire a consultant to assist it, in this case based on, as I've said, from hart intercity, to provide a full complement of equipment, the city would buy a full complement of equipment for all 190 travis county voting locations and all 19 williamson county voting locations and including a possible runoff, but not here, additional purchase for the runoff equipment, the additional cost is about \$6.8 million. If the city were to go it totally alone and not hire hart or another consultant, our estimate is slightly 4 million, 4, again, having purchased a full complement of equipment for 190 vote precincts in travis county and 19 in williamson, and assuming additional -- and no purchase necessary, what that means is the city election would not have an election contest that would require the lockdown of the first set of equipment that were used. I will say that the fact that that number appears to be smaller may be misleading. Staff has indicated that there are a couple of considerations that are hard to estimate the costs for. If the city is going to do substantial amounts of hiring and training, that process could have to start earlier than we had estimated, and in most cases acquisition of equipment, acquisition and hiring of staff, training, all of those services would have to go through the normal purchasing process, which might require that the process start earlier than we have estimated. So that number, in fact, may be misleadingly lower than the consultant-only number. And let me remark also at this point that running an election is an extraordinarily complicated thing. You have to worry not only about staff and election judges and the main equipment, but you have to worry about things like having laptops and computer hook-ups at every polling location, arranging for cell phone communications, worrying about training, worrying about storage of the equipment that you've just purchased and finding warehouse space, which could be a long-term investment, and so on. And one of the lessons in discussing this with folks who have conducted elections is that the process itself and the running smoothly of the process itself requires folks that have had experience running elections. So it would be my personal remark that of all of these options, if you decided to run a city election yourself, you would do well to consider, even if it costs slightly more, hiring a consultant that has election experience that knows how to run the details and the planning for an election, rather than trying to hire staff and do internal training and take on those duties. These are a little more bruises of the individual options that I've just described. The first one is for a travis county-assisted election, also williamson county, in a -- what I call pared-down mode, and that would be the situation where fewer than all 190 voting places in travis county would be used, and for instance in this example 165 polling locations. And these numbers are based on the numbers that dana gave the council at her public briefing. For the main may 2012 election, we estimate a cost of about a million dollars. Were there a runoff, the possible maximum cost could also include, as I've said earlier, the purchase of a full complement of election equipment for all of the election precincts, 165 of them, and in that event a runoff election would be very

expensive, at about \$3.2 million in addition. For williamson county, which has indicated to us that it has both adequate staff and an adequate number of voting machines of all kinds, and by the way, it uses a different set of voting equipment than travis county does, the election cost that we've quoted here is \$15,000 each for the main may election and for a runoff. That number itself may be low. It is based on an invoice for the last runoff election last june, in which as nearly as I can tell the city was the only election entity in williamson county at that time, in the 19 election precincts. This number does strike several of the members of the staff as being potentially low, but it is the number we had. The total estimated cost on those bases for an election and a runoff in may 2012 assisted by the county with a pared-down presence in travis county would be about 4.2 million. Compare that with the full travis county coverage of all 190 polling places, same set of considerations, same possibility that there is an lexicon test that means the purchase of a full complement of equipment for a runoff and the number goes up to about \$4.87 million. The first option we looked at for the city, in effect, running the election itself was with a consultant. As I said earlier, based on a hart estimated quote for travis county services alone, which we scaled up to include the 19 election precincts in williamson county, and assuming one full complement of election equipment being purchased for the main election but not having to do it again for the runoff election, you come up with a total of 83 million, and you'll notice here, contrary to some numbers that I had shown a few of you previously, we are not using the \$15,000 estimates for williamson county. Instead, to really give you an apples type of a comparison, we looked at estimating the costs for the 19 election precincts in williamson county on the same basis as evaluating the costs in travis county, that is, having to buy equipment for those 19 election precincts, having to pay fees for the consulting and hiring additional staff and equipment, delivery trucks and so on and so forth, to take care of that additional 19 election precincts. And I'll point o a convenient thing. There are 190 election precincts that rely on -- and 19 in williamson county, it's exactly 10% more, so that's basically where those numbers come from. Same kind of scenario, but this time without hiring hart or another consultant, the numbers, as I've said earlier, are very close to the same, slightly less, 6.46 million. That may be a false discount. The possibility of having additional costs, and in particular having costs that run longer for staff and so on, having to start earlier in ramping up to get prepared and get trained may change that number. But it's ballpark the same number. In comparison, the numbers for november 2012, assuming county assistance, is after all the state general election, uniform election date. The estimates for trrveg for all 190 election precincts being used in the city, would be about half a million dollars, for travis county, and roughly the same number for a runoff. Williamson county, we've used the familiar \$15,000 number. Here that number is probably safer as an estimate because it is the general election in november. There will clearly be additional entities, including the county itself, with which to share those costs, so we feel confident that that \$15,000 number there is reasonably reliable. The total cost for main election in november and a runoff election, about a million, slightly over, for comparison purposes. It is immediately clear that county-assisted solutions and in november are much cheaper than either of the city go-it-alone estimates or even the worst-case possibility for the may elections, even county-assisted, again, primarily depending on whether or not there were an lexicon test that required the purchase of a full complement of equipment for the runoff. I've given you those comparison numbers. This is the same slide you saw earlier that summarizes what I've just explained, and you can see immediately that the two county-assisted may options, one with the purchase of runoff election equipment and one without, are about twice to four times, almost five times, the cost of a november county-assisted election, and both of the city-run options are substantially more expensive than either of those. One final point to make is that dubois has reported to you and it may have slipped notice, is that in 2013 the county is going to assist whether or not to replace its existing election equipment. If they do so, it is -- and the city were to purchase any equipment, either for a county-assisted may election or in the worst-case scenario, full complement for a runoff election, the likelihood that that equipment would be useful in travis county again starts to get small. In other words, it might be a one-time, one-time use purchase. You would have the opportunity, perhaps, to sell it rather than storing it indefinitely, but the other possibility that exists is that you would literally use it for your may 2012 elections and not again. That concludes my briefing. Are there questions? Questi questi ons anyone? Council member morrison. thank you for that laying out all the options there. Just one question. Can you describe, should the council decide that november is the way we want to go, what the process is for making that happen? I believe we do that by resolution. Is that correct?

We have touched on this before, and it is complicated, regardless of how clearly we try to answer it. Senate bill 100 gives jurisdictions with may elections the opportunity to do a number of things purportedly by resolution, one of which would be to change from a may to a november date. There is a question whether or not a home rule city, such as austin, and this applies to general law cities as well, can, without an approving vote in a home rule cities case, approving a vote, given a charter amendment, can make that change by resolution. And we have discussed the legal pros and cons and the legal risks of making that decision on that basis. I don't want to repeat that here in public. If you want to talk about it again. I am reminded by sabina romero that we will touch on that again, the legal risks of those decisions in a subsequent executive session before your decision, or at least your nominal decision date. But there is at least one discussion as to whether sb 100 means what it says. in terms of timing, I presume -- well, there is sort of some need to make this decision one way or another soon. Can you comment on that?

Whatever change you make would of course have to be precleared under section 5 of the voting rights act, presumably by the department of justice. Doj gets minimum of 60 days to consider a change, so when you count backwards from candidates' sign-up for a may election, which is in early february, you see that very quickly you need to make a decision in the fall, perhaps late fall. The more lead time the better. The other practical aspect is it would decide to stay with a may election and should you decide to run it yourself and not with travis county and williamson county assistance, the ramp-up time probably also has to begin earlier rather than later, perhaps as early as the beginning of the year and maybe even a little bit before that for planning purposes. If you were to rely on the counties to provide may election services, I would think that in order to make sure equipment is available, because remember, for that option, travis county does not have full complement of equipment for the may 2012 election. You'd have to buy some. You'd want to go ahead and do that as soon as possible, I would think. Other jurisdictions in the state are facing the same kind of dilemma, and if many of them decide to stay in may and their counties do not feel they have enough election equipment to cover both the party primaries and party primary runoff and a may uniform date election, there will be a scramble for equipment. So the practical advice would be sooner is good. sooner is good and soon is probably important.

Yes.

Cole: mayor? i would suggest there's another practical consideration too, besides machinery, it's called people, people who might be anticipating running in may. I mean, the normal -- the normal time ahead of an election that people can make that decision is six months, which puts us basically november -- early november of this year. So I don't know if that needs to be -- if we need to back up. The -- the optimum thing would be to back up from that date 60 days to get the dog approval. We're already -- doj approval. We're already in that time frame, I think, pretty close. So your phrase, "sooner rather than later," has more emphatic meaning viewed in that context, I would think.

I would agree. so i think as soon as possible would be a more appropriate statement, and especially in view of the fact that other local jurisdictions, particularly acc and alls independent school district -- austin independent school district, are kind of waiting with bated breath on our decision as well.

I think there is some of that. Both of those jurisdictions are having the same conversations internally that you are having, i understand -- but what we do has not only practical but in some cases legal effects on what they do.

That's correct. Aisd under school law in the state has to pair with either a city or a junior college in its jurisdiction when it has elections.

Mayor leffingwell: right.

There is some disconnect or lack of congruence, if you will, about the precise coincidence of their periodic elections and the city's periodic elections, but they do overlap in may 2012. Sabina romero has

reminded me to remind you that the fundraising window for a 2012 election begins on may 1, and -- so i really think it would be unfair to any potential candidates to do a may election and not have that window open by the earliest possible time. I don't want to be -- i don't want to refer to me personally. I could possibly be in that boat, but certainly a lot of people would be affected by that. And so -- so the bottom line is, with a move to november, aisd, for example, would have to have either the city of austin or acc agree to go to november. They couldn't -- are you saying they couldn't do it if --

the law technically requires a school district to pair with a city or a junior college that is at least in part within the school district's jurisdiction. It could be one of the big entities, the city or acc, but it could also be a smaller city. could be west lake hills?

Yes. The problem there is finding a partner, if you will -- well, I mean, that's technically possible, but that would be extremely problematic, i would think.

I should also say that the school districts may also pair with a county, but the counties' general elections are always november, so there's no problem with them moving to november. The problem is with them moving to may they have to find -- i didn't know that. So that answers the question. Aisd can move to november in any case.

Correct. Anythi anythi ng further? mayor, I have a couple questions. mayor pro tem? when we talk about the need to preclear if we change from may to november, do you have any estimate of how long that process takes?

Assuming that sabina romero makes me stay up all night writing the submission, we could get the writing of it done fairly quickly. As I said earlier, the department of justice by internal rule and by statute has 60 days to consider a preclearance submission. There is a device, however, where they can get a second 60-day period by asking for additional information. My guess is that if sb 100, which itself has to be pre-cleared, and I think the state has already submitted the general preclearance for the statute. I don't think pre-clearance has been obtained, but assuming that sb 100 itself is pre-cleared, I would not think that it was a big obstacle, in other words, a conscientious pre-clearance, for the city to make a change to november, certainly. The individual issues about how the city were to conduct a may election would also have to be pre-cleared, not just the -- stay in mae --

why is that?

Stay in may is not a change.

Let me ask you to back up a second because you lost me there. If our election per our charter says may, why would the may election have to be pre-cleared? Is that because of senate bill 100?

Section 5 of the voting rights act requires that any change of any kind to a voting practice, procedure or standard must be pre-cleared before implemented. If you change the manner in which you do a may election, that new procedure, that new manner of conducting the election will have to be pre-cleared. well, what would be the new manner that we're considering if we keep our existing date?

The manner would be the city conducting the election instead of travis county. Were you to stay with travis county, I think it's possible that there would not have to be a pre-clearance. so if we stay with travis county, as we have done in the past, and follow our charter for may 2012, we should in all likelihood not have to go through pre-clearance because you just said that pre-clearance could take up to 120 days. Am I right or what am I miss something.

It could take up to 120. The likelihood that doj would ask for additional information under those circumstances I would think is small, but it's not zero. So I'm thinking more likely that for planning

purposes you would look at 60 days and maybe a little bit more buffer. When they do ask for the additional 60 days, they don't often use the entirety of it, because at that point we get on the phone, we go to washington, we encourage them to expedite their consideration, and they often do. They are not insensitive to deadlines. I would have to think carefully about the travis county options that we have outlined before committing unequivocally to answer your question and say no pre-clearance would be required for staying in may for travis county, but i think that's the right answer.

Cole: okay. And so that's one option. And then if we chose to go to november, then we are looking at a 60-day pre-clearance, and you said a little buffer. Are you saying two weeks? Three weeks? Or --

well, you would go to november of -- we're now talking about november of 2012 -- yeah, I'm trying to figure out -- because we haven't had this discussion about timing, and the mayor brought it up specifically when we're thinking if the election -- election cycle -- I mean, fundraising cycle starts november 1, and we are not teeing it up for council consideration until november 22, we are really -- well, we've passed the date that we have to go to justice. I mean, we've pretty much already done that. And so I'm trying to get --

the november 1 date, as i understand it, for fundraising would be for staying in may. It does not have -- wouldn't have anything to do with going to november 2012 elections. That date would be sometime in 2012. So I guess what I'm saying is that for counties, which have primary elections sign-up, which under sb 100 starts on november 12 of this year, there's a hurry-up for them, even though it's a november 2012 election that the primaries would be for. For cities your sign-up period for a november election will be sometime next -- late summer or fall.

And council member, let me just say, maybe sabina romero can come up. There are some times when we do have to go to justice for pre-clearance for our may election. So sabina, can you maybe talk about some of those instances where we've had to do that in the past so that council member can get an idea what that might look like.

Sabina romero. We pre-clear every one of the city elections because in every election there is always a change, at least to a polling place. Maybe a church that we used the last time isn't becomes available. Even those changes are something that we bring to do j's attention. So that's to say we go through the process with every single election. And we traditionally go through that quite smoothly because a movement of polling places does not usually, as sid was saying, necessitate the full 60 days. In this case if we were to stay with may, I agree with sid completely, that depending on what option you choose, it may be a very straightforward pre-clearance, as we've done in the past just based on polling place locations. We may assess the -- let's say you go with teaming with the counties but we know we're going to have to make machine purchases. We know there's going to be new processes and procedures to accommodate sb 100. We would definitely talk more with doj about what aspects of those changes may to them trigger a more -- a more lengthy review. So some of it is unknown. Our experience has been wonderful with the doj, depending on what you choose, we will work with them to make sure that we're submitting everything about our new process that they may want.

Cole: okay. it seems to me that all the time crunch problems come with a possible may election. no -- there are no -- with the november election there are no time crunch problems.

Correct, but the november time frame for an election, we would certainly immediately submit that decision to doj to let them know on september 22 our council chose to exercise sb 100, assuming it's precleared. As sid mentioned, the legislative process pre-clearance. And we'd get some feedback from them almost immediately about whether they had concerns.

Mayor?

Tell me if you have additional comments on that. let me see if i can simplify this. If we seek

preclearance on change, they may say fine, make it. They may say no. If we decide for example, we wanted to hold an election in november and we seek pre-clearance immediately, they'd probably say fine, go ahead and hold it in november, in which case we got pre-clearance a month before we needed to, but they might say, no, you can't do that, in which case we need to know that immediately so that we can hold the election in may. So either way we need to know now what we're going to do. Is that accurate?

I think that's a good summation of our best estimates right now.

Spelman: okay. When is the next time where we have a regularly scheduled council meeting? You mentioned the 22nd of september. That is the earliest date that we could do this?

The decision is on the september 22 agenda at this time with an executive session preceding. so we have an executive session preceding and then a regular item, which would invite public comment in our usual way. We don't have a public hearing typically scheduled but of course we always accept public comment on this issue. Is there anything else, given that this is a fundamental right and an important change that we're at least considering making in a fundamental right of our citizens, it seems to me it might be worthwhile for us to engage in some more public contact to be sure everybody understood that we were going to be making this decision on the 22nd of september. Is there anything we can do to make sure everybody knows about this?

Just for clarification, were you talking about communication to the public or an actual meeting where we have comment? well, we're actually having comment next -- at the next regularly scheduled meeting on the 22nd, that's what we're scheduled to do. I'm just suggesting it might be a good idea for us to find some means of assuring that everybody knows what we're talking about doing so nobody can come back and say, well, wait a minute, you guys gave yourselves six months longer on your terms and didn't tell us in advance. I wouldn't want anybody to say that or you spent \$4 million of my money by holding an election in may and didn't tell news advance. I would not want anybody to feel blindsided by any decision we made.

Council member, are you looking for some guidance, i guess, on that citizens get to sign up on the agenda? Are you looking for us to suggest something else? well, I'm asking, sabina was there -- I was asking because sabina was there but I was asking because it seems to me it was at least in part a legal question and not simply a public information office question. We're dealing with a fundamental right of citizens here, which is considerably more important, I think, than the average agenda item. I wonder whether there is any -- from a legal point of view, if there's anything that you believe would be useful or necessary for us to do to ensure that the citizenry understood we were dealing with a fundamental right next public city council meeting? [Applause]

I don't know of any legal issues with us. I think, as sabina and sid mentioned, the council would be invoking its right under state-initiated legislation. I mean we're happy to explore other ways of notifying the public, but i don't know of any legal mandate that we have to notify the public that you're going to change your election date. The legislature has changed election dates many times in the past by narrowing the number of election dates and senate bill 100 is just another legislative measure where they've done that. So I'm just not aware of anything that requires any heightened notice, but we're happy to explore any suggestions that you might have to give the public more notice. But from a legal perspective, it's something that's been done before.

Spelman: okay. I feel better. Thank you. mayor, I have a follow-up question.

Mayor leffingwell: okay. And we are already 12 minutes late for citizens communication.

Cole: they're quick. I just want to follow up with the city attorney. He said the legislature has changed our date for elections numerous times, but have they ever done that that run -- where we have a

problem with our charter?

Not with the city of austin. What I said was that the legislature has moved uniform election dates. Governmental bodies in the state generally can only, you know, conduct their elections on what they call uniform election dates. So there have been other cities in the state where the legislature, going back many years, there used to be up to five or six uniform election dates. They narrowed it to four and now they're narrowing it to two. So impacting the city of austin, I'm not aware of us being impacted by the change in uniform election date. My point was that the legislature has done this before, and we would be -- or the council would be just exercising, if they chose to, their authority that the legislature has granted them under senate bill 100 if you choose to do that. And because the legislature grants you that authority, i just said I'm not aware of any additional notice you have to give to the public that you might be moving your election date. and does senate bill 100, in giving us the authority, give us the authority to extend our term specifically?

Well, I wasn't speaking to terms. I was speaking to election dates, but I think yes.

Yes.

I think you can exercise all of the authority that the legislature has granted, remembering that in executive session, and we'll talk to you about this again, the legal issues that that raises.

Cole: okay. Sid, I just have one follow-up question for you. I noticed that in the november runoff you did not provide us numbers for an election contest. Why was that? Does that not happen in november? In a county assisted --

yeah, if we go to november, there is no reason to consider running your own election. You are, of course, free to do that, but the county will be running a general -- a countywide general election on that day anyway. It's a state uniform general election date. They have enough equipment to do that. The problem arises in may because there are two separate elections going on roughly at the same time. The party primaries do not occur on the same date as the city's may 2012 election would occur, and the two runoffs don't coincide either. There are two parallel elections plus possible runoffs, and they do not have enough equipment to do all four of those elections, and were there, in addition to that, an lexicon test in one of those -- an election contest in one of those elections that locked down that chunk of equipment, there would be an equipment shortfall. Because the problem arises in may, not november. let me back up because you said in an election contest is when one of the candidates actually challenges the election. And my question is in november, if one of the candidates for city council challenges the election, are you saying -- what happens, do we still not have an election contest or is there simply enough machines to cover that?

My understanding is that travis county has said they face this possibility all the time, every election they run, and they have said they are equipped to deal with it. Now, whether in detail that means that they absolutely positively have a total duplicate set of equipment, I don't know, but they do have the confidence that they can deal with that situation.

Cole: okay. So it's just not a contingency we need to plan for.

Correct.

Cole: okay. Thank you. I believe it's very quick. Could you just comment on the option, whether we even have an option of paper ballots?

No. [Applause] no, you couldn't comment, or no, we don't have the option.

It's a nice thought, but under federal law we are too large to use paper ballots.

Morrison: thank you.

Mayor Jefferingwell: okay. Thank you very much. We'll -- more to come. Now we'll go to our general citizens communications, and just advisory to those of you who are waiting for this morning's items. After -- immediately after citizens communications we'll go into executive session, hour to two hours, it's hard to say. We have several items that we have to cover, and then 00 we have some items that we have to do, for example, bond sales on the dot at 2:00. So just to give you a feel what to expect, we're going to be not taking up anything else for at least an hour and a half, maybe longer. So Laura Presley is our first speaker. Dangers of fluoridation. [Applause]

Thank you, Mayor, and Council members, for allowing fluoride free Austin and Texans for accountable government to continuously come to you and talk about fluoridation. We have a formal demand pending in front of the Council which relates to the health warning on the water bills as it relates to the fluoride drug that we are using in our water. What's shown up on the screen right now -- I'll wait till everybody is ready. So what's shown on the screen right -- shown on the screen is the material safety data sheet for the F6 drug that's being put into our water supply. This was changed in May of this month, and what it does, it puts a warning, a health warning that was not there previously. Can you go to the next slide? And I've handed each one of you guys that, and you've gotten it previously. If you look at this warning, and I don't want to read the whole thing but look at the major items, prolonged or repeated overexposure to fluoride compounds may cause fluorosis. Skip down and it defines fluorosis as mottled discoloration of the enamel of the teeth. If exposure occurs -- exposure occurs during enamel formation. If exposure occurs during the enamel formation. This is not a warning for workers at the plant or chemical handlers. This is a warning for handlers at the plant. This is a warning for children. Children aren't working at the plant. This should be a bit alarming to everyone. So this supplier is now putting a warning for children. We are asking, and we're actually demanding that the City Council put this warning on to the water bill to our end users. [Applause] This medication is being put into our water without our consent. There's no dose control, and it's being used as a drug and it's not classified as a drug. The FDA has never classified this as a drug, as a fact. So we have a question, what's it going to take to put this warning -- go to the next slide, please. We have given the Council -- this is examples of fluorosis that this warning is talking about, and I would -- I'm pretty sure these people with these teeth are not working at the chemical plant. I'm pretty sure of that. Next. So this is the warning that we're asking. Can we get a response from the Council on what the next steps to get this on to the bill. We would like to also meet with each one of the members. We've met with Mayor Pro Tem Sheryl Cole. We've met with member Chris Riley and also Mike Martinez. I want to say thank you. We have meetings set up. We need a response to this.

Cole: thank you, Laura. [Applause] Next we have Ray Olneck. Come on down, Ray.

Good afternoon, Mayor and Council members. I'd like to read a quote from the late former Mayor, Roy Butler, which appeared in the Austin Citizen, August 19, 1971 quote, for every question raised about fluoride's effectiveness in promoting dental health, there seems to be another question about [inaudible] upon health in general and this difference of opinion extends very deeply into the medical profession itself. Where the rights of individuals are involved, regardless of whether they are in the majority or the minority, I am reluctant to override -- overrule those rights, especially when there is no critical requirement for the public health. [Applause] and so for this reason, I have serious problems with the issue, and while I am not prepared to say at this moment whether I am going to vote for or against, I am probably leaning in the direction of not being able to vote for fluoridation at this time, end quote. Mayor Butler understood the issues, the shaky underpinnings, the denial of freedom of choice. Yet later that year when City Council took a vote, he voted with the majority. Why, knowing how he felt, likely based on a nonbinding referendum that the Council called in September just a month after he had publicly expressed his reservations, in which the voters approved water fluoridation by a small margin. It was a referendum the Council had no legal power to introduce, though they might not have known that at the

time. The law was clarified in 1990 by the texas secretary of state. Since nothing else has changed, it would be as illegal to hold a nonbinding referendum on fluoridation today as it was in 1971. I'm offering into the record some recent corresponds between myself and the city's legal department, and I'm sure there are some council members who will be happy to hear that we agree with them on something. If city council can't initiate reverenda, you can support the placing of a warning on the water bill, as laura refers to, that states plainly the dangers that our fluoride supplier mosaic has freely admitted to to both adults and children, serious damage to bones and teeth and other things. It would be a commendable first step toward ending a practice of mass medication with a non-fda approved drug that's gone on far too long. You might also want to keep your eyes on a lawsuit currently going forward in california that addresses the non-fda approved status of fluorosilicic acid and we previously provided you some information on that. In conclusion, we would like to know how we can set up a face-time meeting with someone in the legal department. Thank you.

Thank you. [Applause] next we have john scottish.

[Inaudible]

cole: okay. Sorry, it's wrong on the --

I'm -- this is the first I'm I've spoken to you. You-all look very healthy to me, I'm glad to see.

Thank you.

I was blessed to grow up in a country with some of the finest water that fell out of the skies and we could drink out of the streams when I was a child. Responsible for the popularity of scotch whiskey in the world, which sells quite well in this country. I would hypothetically call myself a 13-year-old texan. I've lived here 1 years, a born again texan and very proud to be. So as a 13-year-old texan I'm having a little bit of trouble understanding why anyone would put fluoride in my drinking water. I'm not -- I'm not a religious person. I don't believe in organized religion, and when I hear people quote god it annoys me a little bit but I'm going to be one of them for a minute. If god had wanted us to drink fluoride, he would have put it in the rain and saved a lot of people a lot of money. So I've come up with a wee idea for you. I've heard various -- how much the cows will pay for fluoride in the water. I'll make you a deal. For half of whatever you're paying for whoever puts the fluoride in the water, I'll take over the fluoridation, I'll bottle the fluoride, set up a stall here in city hall where I can be seen and you-all see that there's nothing untoward going on, and I'll give you half of what I make selling the fluoride to anyone who wants it. So I think you'd be saving a few dollars, yeah? That's all I've got to say. [Cheers and applause]

mayor leffingwell: dr. Bl bl oom? Fluoridation is the topic, three minutes.

The general consensus of the council is to abide by the ada and cdc recommendations on the fluoridation issue. A few important mentionings from them sticks out and dumb found me why it doesn't cause the council to stir in its seats. Fluoride is only predominantly beneficial when applied topically or don't use fluoridated water in infant formula, and if a benefit for ingesting fluoride existed, it would be for teeth not yet erupted from the gums. So what about the rest of us. The adult majority drinking this with no purpose. There's a lot of money being wasted on this useless program all over. I've said this before and so have others. I know you have hours and hours of other city issue stuff that dwarfs my measly -- dwarfs my measly three minutes. That's why I come back hoping and hoping to sink it in. I was a little naive to think the resistance would be this strong from you. I really am surprised, not one of you has at least stood up and recognized this reality. The spirit of austin does not stop at my doorstep, nor other people here. This fluoridation is an issue with involvement by the council would be important for the people. It would be the spirit that we all know about. It seems austin's leaders shouldn't be so quiet about this. So who are you? Do you even really care? Really. Floor sill I can acid should be -- should be an easily acfiesed budget cut. As a lesson we learn science and technology can help guide our common sense. Years and decades and generations go by and we learn. Now, of course, a little while back the

hhs special meeting and debate occurred, why morrison was absent, randi was gone a couple weeks later, and martinez, you had to leave early that day. Director wong had his big pile/papers and spoke from one source, dominating one. That ball didn't even roll. It didn't even wobble. I'm just getting a little tired of seeing how the world works in which some big businesses make billions off of suffering people and sell lies to shove useless junk into our bodies, and that's exactly what this issue boils down to. Money, money, big money. I mean, sometimes I can see the reason for your hesitation on health and dental reasons, but almost a year that I've been doing this, I just don't see why there's reasons to be so quiet and so resisting. It's just crazy that we've let this go on as long as it has, even one more day longer. [Applause] next speaker is stacy d. hock. [Applause] topic is fluoride in austin's water, and you have three minutes.

Hi, thank you very much, I'm glad to be here. it's nothing, don't worry about it.

Thank you. And I've been in an austin citizen for three years now, originally from chicago, and I like austin a lot better. I've known about the dangers of fluoride for about the last, oh, 20 years, but it's always been on the fringe, and just upon my reading and investigating, it seems to be much more mainstream now and that it's just not safe to put in our water. One -- there was all these secondary reasons, but i think the first reason is that they're proving now that fluoride is effective topically but not internally, and I think once you know that then everything else is sort of a moot point. They keep coming up with more and more research -- i think, really, in the next couple years they're going to come up with research that's going to prove once and for all that fluoride is really a health hazard to citizens, and I'm really proud of austin that you guys are addressing this issue. I know new york and san diego are two other large cities that are doing it as well. I would love it so much if austin got the fluoride out of the water and just showed this whole country this spunky little city is going to go, we're going to take care of our citizens. [Applause] I think it would take a lot of political courage only in that this kind of harkens back to the entire country who's been doing this for over 50 years is it could show that people could take this as mistrusting our government even more, and i think, you know, science advances, ainge, you know, at one point people thought that the sun went around the earth. I think the science is coming up with now is going to prove that it's a mistake to put it in there, to put the water in there. So I guess I just want to say, I would just be really proud if austin took the steps to protect its citizens and, you know, keep austin weird. I think we should keep austin sane and keep austin healthy. Thank you very much for your time. [Applause] thank you. Ronnie reeferseed, peas, reefer, fluoride and the kill grad. reeferseed, you've been warned once today about proper decorum. That was your last warning.

Thank you, sir, I'm ronnie reeferseed. Okay. I'll stop there.

Mayor leffingwell: okay. You will stop there.

But for weekly -- you will stop. Step back.

No way -- your time is up.

I didn't make a sound -- we're not going to let him do this. Look, call one aa a6 99 news to find out for weekly update to subscribe to american free press and for weekly updates --

ronnie, come on, step away. Ronnie, come on.

What did I do? What am I doing?

[Inaudible]

what is happening? mona gonzaless -- there will be order in the chamber or we'll clear the chamber. Is

mona gonzales in the chamber? Sir, sit down and be quiet or you're next.

Oh, big man. that's your last warning. Mona gonzales? Mona gonzales is not here. Carolannerose kennedy? Topic is police brutality. [Applause]

hi you-all. Thanks for having me. Police brutality is on the next agenda. I have got to talk about the austin transportation department today. They are awesome, texas. I'm going to it had the -- i could talk for three hours, but -- and this concerns the budget. They gave me -- I asked -- carol ann? Citizens communication is time for you to address the council.

Oh, I'm sorry. I'm sorry.

Mayor leffingwell: okay.

Okay. The austin transportation department, back in may i called 311 in the middle of the night -- that's when i do a lot of my business, and I put in a request for three signs in front of me house. Blind sign, deaf sign and 13-mile speed limit sign, coming and going in front of my house. My case -- 311 passed this over to the austin transportation department. My case got closed. I opened it a third time, i think in july, and oh, my god, two engineers came to my house at my request, stayed an hour with me, and they gave me some incredible signs. They created signs for me. They said the speed limit 13 is out of the question, the federales say no. Uuuuh! But they gave me new signs with a refltion you can see from a mile -- reflection you can see from a mile away, a diamond and a wheelchair, wheelchair for handicap, and underneath that one sign that says, deaf and blind. It's working. It's been two weeks tomorrow. I sit in front of -- in my front yard watching these idiots fly by my house for 11 years, and oh, my god, it's working. They're crawling past my house. They're crawling. It's awesome. It's working, and I have pointed out to the austin transportation department four things that they have been wasting money, and this is for the budget, don't give them a penny for 2012. Make them use correctly what you've already given them, especially in the sign department. How much -- oh, 25 seconds. I've got my son's father is blind and deaf. He works in the front yard building furniture. My son works in my front yard hiring people, in my front yard. This has been going on for 11 years. I hire people, kids, to work for me at my house. I got blind kids that live in the neighborhood, deaf friends that live in the neighborhood that come visit me. Ah! thank you.

You're welcome.

> Are all the folks we have signed up to speak, so without objection the city council will go into closed session to take up -- three items. Pursuant to -- -- carol ann, your time has expired. 071 of the government code the city council will consult with legal council regarding the following three items: Item 89, discuss legal issues -- excuse me, the following one item, item 89 to discuss illegal issues wealth related to the deputy clerk position, and pursuant to 574 of the government code the council will consider the following item, item 90 to discuss employment, duties, compensation, benefits for the city manager, city auditor, city clerk and municipal court clerk. Items 86, 87 and 88 are withdrawn from the agenda. Is there any objection to going into executive session on the items announced? Hearing none, the council will now go into executive session. So we are bringing this forward for a discussion item and public comment today and we'll take future action to approve it.

Spelman: When the r.f.p. Was set out the utility established a letter of intent with two winning bidders; is that correct?

Yes.

Spelman: And we need to take action before the letters of intent expire.

We've got letters of intent until the middle of september. Although we've had conversations with those parties about the fact we may need a little more time. As long as we are in the september time frame, the parties are continuing to discuss that with us. We can't go into october. That would be a more difficult challenge, I think.

Spelman: Briefly, why is october a danger zone?

These are projects to be constructed and we also have federal production tax credits. As of today those credits would expire at the end of 2012. So to construct a project and get materials delivered on the site it's important they have a contract so they can proceed.

Spelman: So they can't even get started until they have a contract.

That's correct.

Spelman: And currently the letters of intent are scheduled to expire in the middle of september.

September 15 is our current date.

Spelman: That sounds as though we ought to try to execute these contracts before september 15.

We kind of feel we've got verbal commitments by them to and discussions as to proposal, september 22 date will work but sooner is -- certainty is always a good thing.

Spelman: I understand that. I understand we do not have a regularly scheduled council MEETING UNTIL THE 22nd, However.

That's right.

Spelman: Is there in our policy which requires two looks at any large power contract. Is there a requirement that one of -- either or both of those looks have to be a regularly scheduled council meeting or could they be at special called meetings or meetings called for some other purpose?

My belief -- I don't know if karen would like to offer comments. This is a resolution offered by city council so it -- council resolutions can always be amended by council.

Mayor Leffingwell: My understanding is september 22nd was the recommended date by staff to come back. Is that correct?

Based on the fact that this was a scheduled council date, that's right. That's the only scheduled regular council meeting in the month of september.

Mayor Leffingwell: Excuse me for interrupting.

Spelman: Mayor, I understand and I agree if we can get duke and map to agree with 22nd of september date for the letter of intent to expire, that would be perfectly okay. I'm just concerned if we haven't gotten anything in writing from either of them they may decide they would have to pull the letter and go off with some other purchaser of power and wonder whether or not this would be possible for us to bring this up between now and the 15th so we could be absolutely clear we're under the wire and we're meeting everybody's concerns. Is this something which we can do?

I'm sure you could put it on a special called meeting. I don't think the resolution said regularly scheduled

council meeting.

It just said before council.

Just before council. You could put the item on a special called meeting or you have meetings scheduled to only deal with the adoption of the budget.

Mayor Leffingwell: We can certainly --

I will leave that to your discretion as to which one you select.

Spelman: The reason for our adopting the policy in the first place is to be sure that the public had a lot of information and some time to chew over that information and come to a conclusion as to whether this was a good deal, particularly since we're talking about a very large contract over a very long period. It's my understanding that the staff is going to actually prepare a report sometime in the next week or so which could be made available to the public to look at which would cover the main points of the contract that would not be proprietary. So that they could make a decision for themselves as to whether or not this is a good idea and to weigh in at the appropriate time. Do we have a sense for how long it would take for us to produce that report?

The reports will probably be based upon the resolution as well which describes the information we will make pickup before these contracts are executed. We've made both of those available through the euc agendas and those are available to anyone that would like them. We can add additional content but all of the information is provided in that report that was required by the resolution and that's been out since july.

Spelman: Okay. So if anyone is interested in knowing the full details of this, there will not be any more details at least not forthcoming from austin energy UNTIL THE 15th. It's all out there now.

Right.

Spelman: Mayor, it seems to me it would be prudent to have a special called meeting or take this up at one of our special called meetings. We have had very little public nealy has suggested this has been out to the public for some time. I believe you had a recommendation from the public utility committee.

That's right. They were very much in proceeding with the contracts. They approved them.

Spelman: Lee to five kilowatt hour is good and the lock-in is --

we were very pleased to the responses to the proposal. Very good pricing and sets us up for being able to meet our goals of our 35% renewables and maintain affordability.

Spelman: Have you or anyone on staff heard objections to this?

We have not heard any direct objections to date neither at the meeting or any written -- we've certainly heard things but we've not been approached by anybody objecting.

Mayor Leffingwell: I dofoe's general objection to a 25 years contract but without adjustment for inflation i think he would probably change his mind. good, I understand the city manager wanted to participate in the writing of that -- that report for the public to take a look at. Is there a positive but of getting that report out by the 8th?

I think that's completely doable.

Spelman: Mayor, it seems to be prudent to have a special called meeting on or about september 15th to make sure we've gotten in on the wire. I'm not sure [inaudible] yet.

Mayor Leffingwell: May i suggest that you can make that determination in a week when you get the report and there will be plenty of time for councilmembers to assess and meet to discuss whether we need to do that.

Spelman: If we don't need to have a special called meeting, I would just as soon not do it.

It gives us time to discuss the extensions as well.

Spelman: Thank you, appreciate it.

Mayor Leffingwell: And i would just like to say I also agree that the sort of chance we -- early christmas as far as I'm concerned. And this is going to give us a big boost in efforts for renewable energy without, you know, having to pay an arm and leg for it. In fact, if I understand, it's going to be as cheap or cheaper than anything we have waiting in the wings or anything we have right now.

This is well within our -- looking forward in our forecast and considering these opportunities, we see they will have a very favorable impact on the customers. They won't add any costs beyond what we were expecting and could be favorable.

Mayor Leffingwell: Councilmember riley.

Riley: I understand the utility has been look at a third wind contract. Could you give us an update on where that stands in comparison with these contracts?

That third contract, as we reviewed these opportunities and as we said they are very attractive, fixed price, so we've gun negotiating a third to see if we could bring that forward. And I believe we have our letter of intent with them back as well so we are beginning the process of trying to see if we can work through with that one as well.

Riley: So if we -- is there any way to bring the schedule on that contract in line with the schedule on these two?

That's our hope is that we can perhaps bring forward all at the same time. So ideally we'll need some more time to firm that up and we can bring that forward as a single rca, providing the information in this upcoming report that was discussed that we're going to be providing information on these first two contracts, we can integrate the third opportunity into that and I'll have to check with counsel, but I believe we'll have an opportunity to bring that third contract also forward to the electric utility commission if we stick to the 22nd date and try to bring them in together.

Riley: Are you saying if we set a special called MEETING BEFORE THE 22nd, YOU Might not be able to meet that date?

We'll just have to look and review that. What we want to call release of that information. We haven't brought forward the details on that. We can look closely at that and see if we can.

Riley: Thanks.

Mayor Leffingwell: Okay. Motion on the table with a second is to approve negotiation only of items 2 and 3. Come back at a date to be determined. All those in favor please say aye. Opposed? That passes on a vote of 6-0 with mayor pro tem off the dais. Council, we have a time sensitive series of items. Discussion and possible action on bond sales, items 911 through 97. And mr. newman. These go on sale today in just a few minutes, as i understand.

Yes, sir. We're ready to go. We won't keep you long. Good afternoon, mayor and council, bill newman, public financial management and financial aid visor for the city. If you would allow me to approach the dais I would like to give out some books.

Reporter: Give them to councilmember riley and he will pass them down.

Good afternoon, dennis whaley with pmm. I want to talk about our bond sales. We had four competitive bond sales this morning. Two for public improvement bonds, certificates of obligation, and some contractual obligations. Page 2 of the public improvement bonds are for voter authorized projects. The certificates of obligation were for various projects that didn't have voter approved bonds, and the contractual obligation are for equipment purchases. Page 3 would be a description of the sale. Jeff acted as bond counsel. Pfm as fa and I would like to thank staff for the many hours they put in to make these sales a success. Page 5, ratings. City of austin at all three of its ratings affirmed at aaa which is the highest possible bond rating. Some of the highlights, healthy economy, healthy reserves, conservative management and prudent fiscal and debt policies, moderate overall debt levels, experienced management team. Something to note, city of austin is rated aaa by s&p so you are rated higher than the u.s. government. The next page is some market commentary. And we would go back to page 8 to show the results of your bond sales. The public improvement bonds had 12 bids, which is outstanding. Lots of market interest in the city of austin's bonds. Morgan keegan won at 3.87%. To the right are the taxable public improvement bonds. You had five bids. These are once again 20 years. Southwest securities won these bonds at an average bid of 4%. Basically an average rate of 4%. The certificates of obligation on page 9 brought 12 bids. The winning bid was rw baird as about 4%. Those were 30-year bonds. And the contractual obligation had eight bids. Hush inson shocky won that. This was a very short note, about five years. 1.54%. In addition to the competitive sales we had items 95 and 96 pertaining to refunding bonds. There's two series of refunding bonds and we're requesting a parameter sale which is the council would approve us going out in the next two to three weeks to sell bonds as long as we meet the city's financial parameters of four and a quarter savings we stand [inaudible]. At this point the estimated savings on that sale would be 8% or we would save about \$6.7 million. And that would be about two or three weeks from now. With that, I'd be happy to answer any questions. I think you had some outstanding --

Mayor Leffingwell: I would like to congratulate everyone involved, yourself,man for giving us excellent bond advice over i don't know how many years now, 20 or so, but I'd also like to congratulate our staff, the city manager who has led us through some very difficult times. I bet tre's not too many cities in the united states after the last two or three careers that can say that they have aaa -- an aaa bond rating. I don't know that for sure, that's my guess. You probably have more information on that. The city manager and his entire staff, in particular ledly brouder, art and so many others. I don't want to overlook anybody, but I think it's an out standing notable achievement, on great effort on everybody's part and I just want to take this opportunity to recognize that and I think there's a pretty good bet I'll be supporting these items. When the time comes. Councilmember martinez.

Martinez: Are we allowed to approve these items all at with us?

Mayor Leffingwell: Yes.

Martinez: So moved.

Mayor Leffingwell: Councilmember.

Martinez: Makes a motion, seconded by councilmember spelman. Is there any other comment? All in favor say aye. Opposed say no. Passes on a vote of 6-0 with mayor pro tem cole off the dais. Congratulations everybody.

Thank you, congratulations.

Mayor Leffingwell: Go forth and sell those bonds. Technical correction on the last item, that was 91 through 96. Yes. 91 -- City clerk, city clerk, correction, that was 91 through 96 that we approved. Item number 6. Two speakers. Clay dafoe signed you have against.

Good afternoon, ladies and gentlemen, citizens. I love you here in austin, texas. I have a lot of respect for our citizens. Item 6, let's read it. I like 6, as you can tell. This is an austin water utility item. Approve a resolution appointing five new individuals to the stakeholders' group of the executive management committee of the austin lcra water partnership in accordance with the supplemental water supply agreement between city of austin and lcra. Now, council, could you please define the word stakeholder for me? Someone, please? Well, I'll define it if you won't. Stakeholder sounds like there's some interest that puts you above other people. That's what it implies to me. I'm looking definition. I can't find one. I like the term citizens and often stakeholders replaces citizens. I think it's meant to exclude people so I want to find out what you mean by stakeholders. If you define it, feel free to interrupt. Five new individuals to the stakeholders group of executive management committee. I'm not sure how that committee works. I know lcra has been around for many, many years when they start damming the colorado river, this started with a federal project, a new deal, roosevelt program supported by the likes of former president johnson from this area, central texas. I'm against it. I think you should be jealous of power. Why do we need five new individuals on this group, council? I want an explanation. Why do we need five new individuals. I just don't know enough bit. I'm a citizen, I'm trying to participate and ask more questions. I'm trying to -- how can i serve you? That's what I'm asking. I'm asking how can I help this city be the best city in america? I've lived in texas a long time and I came back because i care about austin. I said austin is the number one place to be. I'm trying to participate and the mayor is breaking rules and not letting me speak on items. I would be happy to show you the statutes and discuss with the city attorneys but it is absurd to say citizens can only participate --

Mayor Leffingwell: You are getting off subject.

Of all items.

Mayor Leffingwell: Your time is going to be -- no, you get back to the item now.

Yes, sir. Number 6, terrible idea. Why are you doing this, mayor? I would like you to get to the item. Please tell me why are we doing this. And this is not meant as an insult at all, mr. mayor. I'm asking a serious question and I'm ignored and laughed at and I'm tired.

Mayor Leffingwell: You have to talk on this subject or your time will be ended. It just about ended anyway.

I'm sorry?

Mayor Leffingwell: Your time is just about over but you have to talk on this subject.

I'm on topic because it's all related.

I think this is a terrible idea. I instruct ---

Mayor Leffingwell: Your time has expired. [Buzzer sounding] the other speaker is not in the chamber. Those are all the speakers we have on item 6. I'll entertain a motion on item 6. Councilmember spelman moves approved. Councilmember riley second. Discussion? All in favor say aye. Opposed say no. Passes on a vote 6-on with mayor pro tem cole off the dais.

Mayor.

Mayor Leffingwell: Hold on just a second. Item 13.

Martinez: That's been withdrawn.

Mayor Leffingwell: That's been withdrawn. Take it off the -- is that correct, city clerk? Thank you. Let's go to item 19. Plea speakers signed up. Clay dafoe is signed up against. And you have three minutes.

Number 19. Good afternoon again, ladies and gentlemen, and I'd like to stick to the items, but I'm being forced to talk about other things because they are not letting me talk about the items. mayor, I'm going into the specifics. I look hardcore at what is being written, what is being said. I've worked in a law firm. These things matter. You can't just give them a cursory glance. This will approve a resolution authorizing the city manager to apply for grant funding of up to \$3 million from the u.s. Department of housing and urban development, another lbj project, lyndon baines johnson started this. Office of sustainable housing and communities for the fiscal year 2011 community planning grant program to assist in developing the city owned tract known as colony park. Now, colony park, if you don't know, is off loyola lane on the way if you drive out of downtown east towards walter long lake. I've been out there. It is a growing area of the city. It used to be very rural and now it's getting suburbanized and urbanized which is fine, that's going to happen. It develop-begannicly. I don't think this resolution is organic. This is applying for grant funding from our national government in washington. I've told you guys you need to be jealous of power last week and I'm going to echo the same -- the same sentiment today. Why is the city trying to develop colony park? Why don't let a private business if the demand is really there. I think this is another power grab from the federal government. You want something from us, you are going to have to give us something back. You scratch my back, I'll scratch yours. That's what they are saying with possibly giving this grant for 3 million. It's not at that stage yet, you are just applying, but i think austin should be a self-sufficient city, mayor, that can support itself on its own two feet because the national bush has described, john bush, is going bankrupt, it's not going to be there for this grant money and these people are not going to have homes, it's going to be a half finished project. I've looked up mortgages, I've mortgages and it's a mess. Freddie mac and freddie mac it's a mess and put a huge burden on the austin taxpayer to fund a project where there is no demand. If there was demand, why hasn't coolly park this already been done through private business. Why does the government have to do it, council. Why do we have to apply tore this grant? Anyone? Well, I hope you would be more astute because this is \$3 million. 57600

good afternoon, council. My name is john -- john bush.

Mayor Leffingwell: John, that's it for you too. Next time your time is going to be expired when you do that.

Is that a warning? Zilker park that is a warning.

This particular item i think the city council and all city governments have a tendency to rely on federal grant funds and I think the obvious reason is because you are able to get moneys for projects without having to increase tax revenue which helps to keep you in office. Not necessary [inaudible] but we need to remember that again it was mentioned earlier as it was a joke that the s&p downgraded the united

states debt rating, credit rating and, you know, we're out here shelling out more money, committing more tax dollars from future generations. And if we don't watch out, we're going to be in the same situation as the united states government. Even if we do keep a tight fiscal house here, which isn't the case [inaudible] we're still committing so much moneys to hiring 50 new officers we just did. We're taking federal moneys to build housing projects when there isn't a national incentive for growth which i spoke about creates unnatural growth, causes gentrification in the area. You guys have to be careful if you set up all these projects in order to continue to freight you are going to fine soon as the dollar texans to deteriorate and the federal and national economy continues to decline that you are going to be left holding the bill, and again you are not going to want to force tax increases in order to cover this stuff. Venezuela just pulled out 50 tons of guns -- gold from european banks. They are about to do quantitative 3. Millions of federal funds is not always good-bye there and if we don't get our fiscal house in order and become more self-sufficient, I worry there's going to be programs, people without homes because they are dependent on federal money, officers without jobs and you guys are going to be left with the blame. So it's an early warning. I know everything is cozy down here and we seem to be recession proof but it's going to hit us. I have a feeling you guys are creating a bubble in the solar energy market. If there was natural demanned, if you are creating a bubble and all bubbles burst just like with the dot-com bubble in city of austin which caused us a lot of pain. Don't forget to think about -- I know some of you may not be elected in office five to ten years down the road, it's possible the federal government isn't going to be able to funding us and that we're going to burst the bubbles we're creating through unnatural growth. [Applause]

Mayor Leffingwell: I will -- susana almanza also signed up in favor but not wishing to speak and those are all the speakers that we have. I'll entertain a motion on item 19. Councilmember morrison moves approval. Seconded by councilmember.

Martinez:. Discussion? All in favor say aye. Opposed say no. Passes to a vote of 6-0 with mayor pro tem cole off the dais. We have several items that require presentations from the law department. We go to item 14. Followed by 15, 167, 17, 18.

Good afternoon. Mayor and mayor pro tem, councilmembers, I'm gordon doughman, city attorney. I'm here to recommend and approve an agreement to settle a claim in connection with construction defects and damage in the robert mueller section 5 subdivision development. If you'll recall we discussed the proposed settlement agreement in executive session ON TUESDAY, AUGUST 23rd. The agreement contains the following terms. The city will receive \$186,202 from pacific indemnity, rodman surety and rodman's insurance company for the defective work and resulting damage. The law department recommends settlement pursuant to [inaudible].

Mayor Leffingwell: We have no speakers signed up to speak. Entertain a motion on item 14. Councilmember.

Martinez: Moves approval, councilmember spelman seconds. Discussion? All those in favor please say aye. Opposed say no. Passes on a vote of 6-0 with mayor pro tem off the dais. Item 15.

Ann morgan from the law department. We discussed this case AUGUST 18th. It's a civil rights case that involves a former -- plaintiff allegations on may 11, 2001 the officer violated the constitution rights and that the city's policy caused this violation. The settlement agreement, the city will pay [inaudible] in exchange for the payment, plaintiff and lawyers will dismiss their lawsuit against the city with prejudice and release the city [inaudible].

Mayor Leffingwell: Thank you. Questions. I'll entertain a motion on item 15. Any discussion? Councilmember martinez.

Martinez: Real briefly, i was opposed to the sanders settlement and stated my position why. And I'm generally opposed to this settlement in principle, but because of the facts surrounding going to trial and

what it would cost and because of the low amount of the settlement terms, I will support the motion before us. But I just wanted to put that on the record as to why I'm supporting this motion. I think that it would cost us in excess of \$175,000 to prepare for trial and based on what we've already spent up to this point in negotiations. So I'll support this settlement motion.

Mayor Leffingwell: Agreed. Any further discussion? All in favor say aye. Opposed say no. Passes on a vote of 6-0 with mayor pro tem off the die cross. 16.

16, 17 And 18 are related and I would like to start with item 17.

Mayor Leffingwell: Absolutely.

This is the recommendation that you approve a settlement in the civil rights lawsuit concerning emergency responders for equality versus Kerr. We discussed this case this executive session on AUGUST 18th. The case involves employment decisions made at the fire department. [Inaudible]. The settlement has the general terms of payment of 8.

Thousand dollars, will be divided roughly half will go to two individual firefighters, Greg Nye and Don Smith and at more than half will go to attorneys for fees and cost. The city has agreed we will not discriminate based on race and we will not use race or ethnicity on any charts and the city has agreed to provide two hours of EEO training [inaudible]. The plaintiffs have agreed they will dismiss with prejudice and release the city from any claims that were or could have been brought had this lawsuit. We recommend you approve the settlement.

Mayor Leffingwell: Any questions of staff? Council, this is item 17. If item 17 is approved, items 16 and 18 will be withdrawn. Councilmember Martinez moves approval. Councilmember Spelman seconds. Is there any discussion? Councilmember Martinez.

Martinez: I wanted to ask I guess law or maybe the city manager, I don't know who, when we approve settlements like this, so today this is our third settlement approval, we're approaching around \$2 million in settlement numbers today. Where does that come from in the city's budget?

The liability reserve fund. Each defendant puts money into the liability reserve and that money is [inaudible].

Martinez: Bring that forward does the money come from to create the reserve fund?

Each department puts money into a liability reserve fund every year.

Martinez: When do we get a report on the liability reserve fund and the balance and expenditures and -- does that come with the budget?

Mayor Leffingwell: City manager.

I believe that would be accounted for in the monthly financial reports that council gets, and I'm not sure about this, ed?

Mayor Leffingwell: Can --

city budget officer. The liability reserve fund, as the attorney had mentioned, is one of the city funds that receives contributions based upon prior year claims experience from the various city operating departments and city operating funds and payments are expended based upon claims that occur during

the career. We do provide monthly reports on status of those expenditures for that fund and for other funds.

Martinez: Is there a committee that get these reports? Is audit and finance involved in that?

That is not one of the funds the audit finance committee has asked to bring to them on a quarterly basis. Limited to the general fund, austin water utility.

Martinez: Maybe, I don't want to belabor this but i think we ought to add a little more process to this because i think folks are going to start to question and we need to be able to answer those questions as to where all these funds are coming from when we do these settlement cases.

Mayor Leffingwell: City manager wants to you repeat.

Martinez: I would like to continue this conversation as to what is the process for creating these funds. Is there a council sub is he subcommittee?

Speaking to that, I would be happy to do that.

Martinez: Thanks.

Mayor Leffingwell: Motion on the table for approval of 17. All those in favor please say aye. Opposed. Passes 6-0. Item 16 and 18 are now withdrawn. Hearing no objection. Item 32. Speakers on item 32. First speaker is robin cravey. All these speakers-excuse me, robin, you are signed up only if there are questions. Did you want to speak is this you have to because somebody donated time to you. Steve barnic here? Well, looks like you only have three minutes.

I won't need all that. Thank you. I spoke briefly about this project this morning. This is the hydro dynamic modeling study to study the flow of water through barton springs pool in times of low flow and in times of high flow. And the purpose of this is to enable us, enable the staff and the planners to figure out if by making changes to the dams, both the upstream dam and the downstream dam, we can improve flow through the pool in order to reduce the amount of flood debris trapped during floods and also to make a better, more stream-like habitat for the salamander instead of the sort of pond-like habitat that we have thousand. Particularly in times of low flow. So that's the purpose of this study. We're very excited to see it go forward and urge your approval.

Mayor Leffingwell: Thank you.

Thank you.

Mayor Leffingwell: We have several speakers also signed up for but not wishing to speak. Clay dafoe, jonathan beall, ralph webster, you are signed up not wish to go speak. City clerk, have the allotted three times been used by mr. dafoe? In that case those are all the speakers that we have. I'll entertain a motion on item 32. Councilmember morrison moves approval, councilmember sell man seconds. All those in favor please say aye. Opposed. Passes on a vote of 6-0 with mayor pro tem off the dais. Item 36. Several speakers. Heather fazio. Heather fazio is not in the chamber. Steven sheftall. Donating time is matthew binder. Is matthew in the chamber? Not in the chamber, so steven you have up to three minutes and you are signed up neutral.

Ladies and gentlemen, i stand before you today to address plans for the austin police department to spend up \$600,000 of tax dollars in order to equip themselves with top of the line electrotorture devices called tasers. This is the first time I've spoken to council and it will be the last. I intended to stand up and protest this gross displacement of funding but I've changed my mind. The purchase of had equipment

sends a clear message. That message is that government never was based to will of the people. It was instead based on the monopoly of force and the demand we pae on ns submit. I saw that the voices of protest fall on deaf ears and cold showered. I've seen the concerns of the people ignored so many times that despite being an eagle scout holding a degree in criminal justice and wanting my whole life to be in the field of public service, I no longer believe in government, including the constitutional gov swore to uphold and defend. When I raised my hand and swore I do I thought I was willing to give up everything to defend the freedoms we in this nation so deeply cherish. I must confe I an oath breaker. I can no longer uphold the constitution because it is already dead. It goes to a by gone era when a man lived free. When I look and see the lights of a police car about to pull me over, I no longer think of it as an inconvenience but a test of survival. A man or woman in all black with a belt openly displayed wearing combat boots and a military hair cut approaches my window and tries to get around the fourth amount in order to charge me with something so he or she can keep their job. This is a far cry from men and women who called themselves peace officers. Today we live in a brave new world where the constitution receives mere lip service from those who swore to protect it and it is relegated to performing the job of toilet paper. I can see the truth and it has set me free. I have you and everyone else in government to thank for it. I do not intend to physically resist you as violence is a last resort of the stupid and incompetent. I'm a peaceful man man and believe in a peaceful and prosper rouse world. Prosperous world. May god bless you and forgive you. [Applause]

Mayor Leffingwell: Antonio bigger. Antonio signed up against and you have three minutes.

Thank you, mayor and council. This item is to approve up to \$600,000, over mafia a million dollars to purchase tasers for the austin police department. I look at this as an obvious tradeoff with the nathaniel sanders settlement. I say you passed one, you passed the other. I'm opposed to this. I think this is pre-judicial electrocution. If you look back in 2003, 2004 when we were actually be studied for our use of tasers in the national justice institute, they found as you openly give more access to tasers, life saving goes up. However, it's been totally misconstrued and we're seeing deaths across the nation all over the united states from tasers. I brought a video so y'all can see what's happening around the united states. This one is in fullerton, california. Since you guys want to make this look like california all the time, I thought this would be great, great case in poin, and if you could cue that up. This is a story about kelly thomas. He was handcuffed and tased and it caused a tremendous stir. As you see, you continue to give these kind of deadly weapons to our police department to be used, you are going to see more and more lawsuits against you. You are going to see more settlements come about, and frankly it's going to be much worse for the community relations. This was intended to be used to disarm people with weapons when it first was initiated. Now it's being used for pain compliance. And I think that if you guys are going to pass this today or even vote on it, I would highly recommend that you walk outside today and ask some of these officers to tase you so you know what you are voting on today. And with that I'll let y'all watch the end of this film and hopefully you all will vote no. [Applause]

Mayor Leffingwell: Those are all the speakers that we have. I'm going to ask you to sit down.

[Inaudible]

Mayor Leffingwell: I'm asking to you sit down. I'm asking you to be escorted from the chambers.

[Inaudible].

Mayor? --

Mayor Leffingwell: Councilmember tovo.

Tovo: The city attorney -- I'll let you take it away.

The code and the rules say that of course you can sign up on any item. However, we have limits, as i said earlier, relating to the consent agenda that says that you cannot participate in pulling more than three items and that means speaking on three items. So you can sign up on as many items as you would like; however, the limits imposed only allow you to speak on three of those that are on the consent agenda.

And mayor?

Mayor Leffingwell: Okay, we'll go to -- mayor, I just want to clarify one thing with the city attorney. As you said in your comments to me, even if there are other speakers who have signed up on a particular consent agenda, the limit still applies overall.

Correct. That's the way we have interpreted this provision before. It's not unusual for us to interpret it that way. I think it's a reasonable interpretation and it's been interpreted that way before.

Mayor Leffingwell: And i would add further, correct me if I am wrong, but these rules can be modified or waived at any time by the city council and this morning before we began dealing with the consent agenda, which do not legally require public hearing, the entire council agreed to use this methodology to determine who speaks on these items.

Correct.

Mayor Leffingwell: Okay. So where were we? Motion and second on item 36. Yeah. Motion on item 36.

Spelman: Move approval, mayor, but I have a question.

Mayor Leffingwell: Councilmember spelman and let's get a second. Seconded by councilmember martinez. Special springfield, missouri martinez.

Spelman: I have a question. Is there somebody who could speak to the substance of this item? Maybe later, clay, not just yet. Is there somebody from the police department that could talk about -- there she is. Afternoon, chief.

Good day, sir.

Spelman: Have we had experience with using tasers in the a.p.d. before? We have experience, do we not?

Yes, we do. I'm sorry, I didn't understand. I couldn't hear you.

Spelman: I've got my legal face on all this talk about the constitution. Let me get real. We've been using tasers for how many years?

About ten years, sir.

Spelman: I know there's some police departments which different police departments have had very different experiences with tasers. Comment on what ours has been.

Our experience is tasers have decreased critical incidents had we not had them. We do not use them as a substitute for our duty weapon. We use them as an additional tool to decrease the violence and the incident that we're addressing at the time.

Spelman: By critical incident, could you explain that?

If a suspect shoots at an officer.

Spelman: Do we collect information on whether an officer shoots it or not?

Yes, sir, part of response to resistance.

Spelman: So has there been any effect of taser use on the number of times the officers have had to draw a weapon?

I do not have that weapon, but I can tell you the city of austin has one of the lowest rates of critical incidents for a city of our size.

Spelman: We have a low rate of critical incidence. That went down after we began using tasers about ten years ago.

I don't have that information special springfield, missouri i -- i thought I was restating what you told me. How do we know it has reduced the rate?

The information that we collect where if we had not had the taser we would have been forced to draw our duty weapon. And that's what you are referring to yes, and that's part of a response to resistance.

Spelman: So somebody goes back to -- does a post post-mortem and determined they would have to draw their duty weapons more often this the tasers not been available.

That's correct. Because the only other weapon available.

Spelman: How often does this happen per year? How often per year has someone not had to draw a duty weapon because a taser is used?

Multiple times. I wasn't prepared to get the data to you today.

Spelman: From your point of view, \$600,000 is actually buying an alternative weapon which is almost always less than lethal and which has reduced to some extent the number of critical incidents in the a.p.d.

Yes, sir.

Spelman: Thank you, ma'am.

Mayor Leffingwell: Anything further? Motion is on the table. All in favor say aye. Opposed. Passes on a vote of 6-0 with the mayor pro tem off the dais. Item 40. Speaker is john bush, who is not in the chamber. Two other speakers signed up against and neutral, not wishing to speak or not -- eligible to speak. Motion by councilmember martinez for approval. Seconded by councilmember tovo. All in favor say aye. Opposed say no. Passes on a vote of 6-0 with mayor pro tem off the dais. Item 74 has one born signed up to speak. Gus pena. Gus is not in the chamber. Councilmember martinez moves approval. Councilmember morrison second. Discussion? All those in favor please say aye. Pods say no. Passes on a vote of 6-0 with the mayor pro tem off the guy I can't say. -- Off the dais. If I can get my computer to work -- item number 78. Sorry, my computer is just slow. One speaker signed up, john bush, who is not in the chamber. Let me -- let's hold on this. Councilmember cole had requested, she said she would be back at 3:30. Let's hold off if there is no objection. I believe the only item on the

consent agenda remaining is 83. So far speakers. 83 several speakers. Heather Fazio does not wish to speak. Okay, all the speakers are signed up against and they are either not speaking or wishing to donate time which there's no one to donate to. So those are all the speakers that we have. Councilmember Martinez moves approval. Second by Councilmember Spelman. Discussion? All those in favor please say aye. Opposed say no. Passes on a vote of 5-0 with Councilmember Tovo and Mayor Pro Tem Cole off the dais. I think, Council, now we can go to our morning briefing on water conservation by the Resource Management Commission.

Good afternoon, Mayor, Councilmembers. I'm Leo Dillman, chair of the Resource Management Commission and with me is Chris Herbert, former chair of the Resource Management Commission. We came to talk to you about the state of water conservation measures and implementation within the city. We would like to recognize that Austin has a long history, the Council has a long history of supporting water conservation in the city. I did a real quick look on the city's database and found 111 ordinances related to water conservation dating back to 1982 and 98 resolutions dating back to 1978. I think it's a particularly pertinent topic with the drought we're undergoing right now and -- go ahead, Chris, next slide. There we go. We would like to break our presentation into four parts. One of them is to discuss conservation goals and plans and particularly the most recent goals starting in 2006 to 2007 and up at the present time. We want to talk about the drought contingency plan and how we would like to recommend moving forward with that and then overall recommendations as it comes to water conservation. And finally, we've got some Paul Robbins will be presenting some input he has previously presented to us on some of the measures that Austin Water Utility has performed to date. Really the most recent goals, we've got two goals that we want to speak about in are the most relevant and I think what we've seen the most activity on in the last year. Item number 1, reduce peak water use by 1% per year was first adopted by resolution by Council, resolution number 2007-1206-007 in December of 2007. That resolution also established the Citizens Water Conservation Implementation Task Force. Item number 2 is more recent. It's a resolution passed by Council on May 13, 2010, resolution 201-0513 and that was to reduce use to 140 gallons per capita by 2020. What we want to address today is that these conservation measures need to be addressed in a plan that has measurable and targeted programs. Things that we can monitor on an annual basis that we can see that we're making progress for much like we do with Austin Energy on the energy efficiency programs. We've got 800 -- if you look towards the generation plan, we have 800-megawatt efficiency goals and we track it year to year to make sure we're making progress that's reasonable and appropriate toward that goal. If you look at the basis for any successful plan, it incorporates the elements of planning implementation, monitoring compliance and replanning where we need to have corrective action. And so that's some of the items that we would like to see and some of the recommendations we'll be addressing later. At this point I want to turn it over to Chris to go through some of the past history on some of those plans.

As some of you know, we worked, Mayor, on this 2007 water task force and it was -- it was a very public discussion with a lot of staff support at the time. We talked very openly with all the folks that came to those meetings about savings assumptions. We talked about hardships. We made agreements to pass certain ordinances, and those ordinances made up the largest amount of savings that we've seen in conservation since then. The community very openly embraced those changes and have responded to those requests by us over the last few years. There are remaining issues that have not yet been addressed or were left to be addressed by the water utility, and at the end of that task force the implementation task force was put together in order to help to provide stakeholder input, continuing as they implemented the rest of those recommendations and move forward with those recommendations. I think that you are all familiar with this history because we worked together on a lot of that, but I think in between there they left -- there was a miscommunication maybe, but there was very little information shared back through the RMC back to the Council. And so in 2009 we had asked them to come and address what they were doing to implement those recommendations, and that group, the Citizens Task Force instead wanted to expand their efforts to look at other more creative efforts or other recommendation for other programs. So again the Council directed us to report progress in 2010, which we reported that there were still several measures of the 2007 plan that have yet to be addressed. So in July of 2010 when we brought that report, it was presented to you, those significant portions should have been addressed and maybe wrapped into future planning, but one of the recommendations that came

out of the citizens task force, the second citizens task force, was that -- that it could be all wrapped together in a new plan. Well, when we talked to the staff the staff at the water utility said that they didn't really support some of those recommendations. They felt that they were based on inappropriate assumptions and that because the turnover in the staff, I think we lost some of the information shared in the stakeholder meetings earlier in 2006. And so again, you know, at 2010 we're still looking at the most significant savings came from the ordinances that we passed as members of that task force back in 2007. So after the citizens task force recommended -- made recommendations, they also recommended that you incorporate their recommendations with the 2007 leftover recommendations and come up with a plan. And the council voted to adopt the recommended goal that they used at 140 gallons per capita per day by 2020. But left with the question of what would it take to reach 140. And that was addressed back to water utility.

I think the concern with the 140 report is as it was presented -- or as it was first proposed in may of 2010, we requested the water utility to include us in the planning process for that 140 plan. We felt like we had some things to offer. We had participated in the water implementation task force. And what I would like to differentiate is yes, we participated in the recommendations for the task force, former commissioner amy hardberger was an active member of that commission. We felt like there was a lot of really good ideas, in fact, almost too many ideas. And I think as we send our recommendations forward to council, we said it really made sense to have a more formal vetting process on pulling all of those myriad of ideas together to form this 140 plan. I think we offered that many times throughout the next six months and were declined on a number of occasions and ended up hearing the 140 plan offer council heard the 140 plan and felt much the same way as the mayor did with some of the measures were draconian in nature. There were a lot of things that required code changes, water use changes, investments, a lot of additional staff, fee changes, and really one of the things that I felt was different was there was an emphasis -- a deemphasis on incentives and bigger emphasis on enforcement. Our feelings on the plan as it currently stands is it hasn't been thoroughly vetted. I think the ideas while there's some good ideas there and they build upon some of the successes of the water utility, I think there is a -- a lack of measurable annual goals in the plan. There's a lack of process and oversight on how we're achieving those goals as we go through the ten years for the water conservation plan, and therefore we really feel like it deserves some additional review. One of the things that I think that -- that's interesting is we continue to hear, you know, being a pipeline for citizen advocacy you know, we hear a lot of the folks come in and talk about their concerns about transparency. And I guess that's my biggest concern in the 140 plan is lack of transparency in the actual development of that plan. We would like to have more of a role in overseeing the program progress and being able to evaluate success in its implementation. I think there's some things that need to happen to improve that transparency such as changes in reporting and bench marking, open reviews of cost effectiveness. I think there's been a lot of effective programs, but very little ability to see how cost effective those programs are. I think pipe replacement is a big ticket item that we need to consider seriously and whether or not we've allocated the resources for that. When you look at 10% of lost water in the system, that's a very large component of water that's lost. The study of potential for reclaimed water is another one we would like to see more emphasis placed on. When you look at our sister city san antonio, they've the largest reclaimed water system in the united states and has a very robust program and we would like to see leveraging of that experience in those programs that they've got. Finally we would like to just see a little more programmatic planning that allows for that stakeholder input, whether that's from the rmc, the environmental board, the water and wastewater board and even some of the citizen advocates that are out there.

Mayor Leffingwell: Could I ask for a point of clarification. I'm sorry to interrupt. I thought I heard you say that the water loss in the system was 10%.

Yes, sir. Unaccounted for water is -- accounts for 10 to 11% is what we've been reported.

Mayor Leffingwell: Not all that is due to --

not all of that is due to leaks.

Mayor Leffingwell: So what other factors would account?

Other kinds of things. Leaks is a fairly large cone entertain a motion.

Mayor Leffingwell: Meter inaccuracy.

Meter inaccuracy. Some of it is illegal water usage at the fire hydrants. There's several things. mayor, that -- that we've seen out of all the programs that have come in front of us, I believe that the leak detection program is one of the most successful programs that we've seen there with the water utility. While, you know, it may not satisfy a lot of people in the amount of pipes they've replaced or leaks they've detected, they have been very aggressive and done a good job.

Mayor Leffingwell: I recall from our days on the water conservation task force the numbers stuck in my head that estimated leakage was 12 , which sounds like a lot but it's actually more like 5% than 10%.

And actually to that -- to that thought, the pipe replacement program is actually in addition to some of the other planned replacements and they are working currently on a plan to evaluate all the different leaks -- or all the pipes in the city for leaks and they are replacing them as they locate leaks.

Mayor Leffingwell: Yeah.

So little a big task, bus they are in the process of making -- planning around that and they are doing a much better job.

Mayor Leffingwell: Putting in perspective, if we replaced every pipe in the city, it would save us 5%.

No, there would be no reason to do that.

Mayor Leffingwell: Yeah.

That's true. Not to mention the traffic problems because most of the pipes that are the old ones, the cast iron ones I believe are mostly downtown so I don't believe we want to replace them right away.

Mayor Leffingwell: About 600 miles of cast iron or steel pipe out of about 3500 total. You don't know that all these -- even if 600 miles need to be replaced because there are ways to inspect them and tell if they theodosia to need to bereplaced.

Quite a bit of that cast iron pipe is in the downtown district, it makes for fairly difficult --

Mayor Leffingwell: I'm sorry. Go ahead.

There are some -- before i get into the drought plan, there are some recommendations that clearly have not been addressed yet. The soil depth which we had a lot of discussion around for new homes has not been resolved or passed for new construction. We don't have an active business or community -- commercial and institutional program going on with any kind of outreach that's targeted that we were hoping for. There's no restaurant water conservation programs right now. There's no targeted hospitality or hotel programs, which we've talked about on a number of occasions. You know, commercial clothes washers are supposed to go through a new standards review and an up grade in 2013. There's a big opportunity for us to get ahead of that curve and incent those folks. There's several other areas where we passed submetering for residential properties and yet we don't know how many of those properties

are using those submeters to build their customers. And so if they put in submeters but don't use them for billing purposes, it's clearly avoiding part of the issue that we were trying to address. And that hasn't even been evaluated or identified at this point. There were also over 900 properties that were identified that had over an acre of irrigation, and we suggested on that task force that those folks have to go through an audit every three years to make sure they didn't have leaking going in those large irrigation systems. I believe that has not yet been addressed. And so there's quite a few areas. And we summarized them, but I think what Leah is saying is what we haven't had is a lot of good information feedback from the water utility in terms of where they are going, where they are planning, where their budget is being spent on these programs, and we would like to see more interaction with the water utility to identify that so that we can better assess it and provide you with real data. I'm going to go on and talk for a few minutes on the drought plan. The drought plan is submitted -- and I don't remember if it's every four or every five years. It's required by TCEQ along with a conservation plan. The last time it was up for review it was brought to us as a finished product that we were not satisfied with at the RMC and we were told there was no time to review it at that time and that we should go ahead and pass it because TCEQ had a deadline and if we didn't get it into their hands in time we would miss the deadline. I felt like that was not a good answer and that there were definitely some considerations in the targets and some of the other information that was put into that drought plan. And so the RMC actually edited and wrote, it's in my handwriting, it says we're going to pass this with the understanding that will be reviewed with us and updated to look at those triggers and so on in the next calendar year. Well, two calendar years have passed and that has not happened. We have asked for it. There has not been a review. The triggers have not changed. We've had two of the worst droughts in history, and I think that there are some things that we could do in the drought plan that would -- that would help to alleviate times like we're going through this year. Several actions, it could be added triggers that could be better supported with the data. It's more than just lake management. I think we can have multiple stages where we allow our consumers, our citizens to be responsive as the drought gets worse through the year rather than waiting until September and then in situating them in a decision like it's really desperate and real going into stage 2 is the first stage of restriction.

Mayor Leffingwell: You say we're going into stage 2 which is the first stage of restriction. Actually we're in year round what other people call stage 2. I noted that Pflugerville announced yesterday they were going to stage 2 drought restrictions, which limited outdoor watering to two days a week. And similar with other suburban cities around the area. That's what we've been doing all the time. Stage 2 for us is once a week. So stage 2 to different people is different things.

That's right.

Mayor Leffingwell: And so with regard to that, I think we have to keep the city of Austin in context in that, number 1, we have the strongest -- we're the first in line for water, but yet we're subordinate to ourselves to other folks who use water out of the basin who are not doing what we're doing and we are by far not the largest user of water on the Colorado River. So I think that any drought contingency plan that imposes severe restrictions should also address severe restrictions, users downstream of us, agriculture uses, three and a half to four times what we use, their contracts are all interruptible as opposed to ours that are firm. So I think just to be equitable, we should talk about all the uses from the Colorado basin, not just the city of Austin, which uses 7% of the total.

but I think it's similar to, you know -- I would imagine that if I asked everybody on the council if you can tell me how many thousand gallons you used the last month on your water bill, you were provided that information, but there are very few citizens who can tell you how many gallons they're using. So having that information out there is not necessarily enough to get to where we're going. So I will address stage 1 just briefly. We've talked about it. It is the normal summer restriction, we've adopted as a year-round -- or not as year-round but as a summer restriction for the two-day a week watering. We've talked about doing it as a year-round. I think that the sophisticated customers in Austin can easily do more, and if anything -- I mean, if Llano goes dry we could be selling them our water and trucking it out there if we have excess, so I don't see just ignoring the fact that we're in this drought is appropriate. The stage 2 restrictions are not really great. We are going to once-a-week watering. Restaurants will offer water only

on request. Charity car washes are prohibited, but the other car washes are running all the time. Outdoor fountains are restricted, but apparently that doesn't apply to state agencies or property, which is a whole lot of fountains in this town, so I think that's another place that we might want to look at. take that up with rick perry.

[Chuckle]

I'll leave that up to you, chris.

I'll take care of it. Okay. [Laughter] no problem. I know where he lives.

To sum things up, we've got some recommendations on going forward that really we enjoy a really good relationship with some of the departments within the city, probably less so with the water utility. We'd like to see that change going forward. We'd like to see a review of the drought plan and the triggers and the stages, just at least open the dialogue to understand, you know, how we might get better on that. That's fully supported by all of the commissioners, and, in fact, if commissioner creasenick could have been here today I'm sure he would have support eloquently about the drought triggers he's concerned about. The other thing, we'd like to see analysis of updated -- and annual targets for conservation. That's one thing that we don't have. We see the amount of participation and some assumed water conservation savings, but we don't see actual annual targets and how they're getting us towards the goal. We know that there's going to be some additional code or ordinance changes to be able to implement some of the measures that are in the various plans, and those need to happen as well. There's specific programs that we feel like -- I think chris alluded to earlier, that we feel like have not necessarily been neglected but maybe have not had the attention paid to them that they should, and those are -- for consumer classes, like hotel, restaurants, the hospitality industry, hospitals, and those kinds of folks. We'd like to see a lot more transparency. I think if one thing I could say that I've noticed as I've gotten into this -- into the process of city government is that where we lack transparency is often where we end up in trouble on issues within the city, and so the more transparent we are to the public, the better off we are in solving some of those problems. We'd like to see some discussions about the proposed sustainability fee that the water utility has discussed on the rates, and make sure that those are consistent with the same kinds of discussions that we're having on the energy side with austin energy. And then we'd like to see some more study on -- on the cost of service for reclaimed water. There's a lot of things that are lacking in that program, or at least that we've been made aware of. And finally like we said earlier, there's a serious discussion that we need to have about pipeline replacement and are we allocating the resources that we need for pipelines. The last thing we have on the agenda is really the community assessment of -- you know, that we've heard, and I'll just go quickly over some of these bullets. We've heard from not only paul, who's going to be here in a minute to talk about his assessment, but we've heard from other folks that served on the citizens water implementation task force, and that their recommendations were misinterpreted by the utility. We see a heavy reliance on voluntary programs with no tracking or evaluation criteria. , And we've also heard that there's little to no discussion on the drought, as has been seen in the media. I think the first thing that a lot of folks in town heard if they hadn't already driven by lake travis that we were going into stage 2 on september 8, and there's a lot of consternation that we hadn't seen anything on the media before. So that --

we'll be available for questions. I can I think we'll go ahead and let paul have his presentation [inaudible] thank you very much.

Council, does this have an automatic -- what do i push to citizens of austin, council, i'm paul robbins. I'm an environmental activist and couple consumer activist. I helped start the city's PROGRAM IN THE 18980s SO I Have a -- 1980s so aif long-standing interest in what happens to austin's water programs. At my expense I conducted an audit to measure the progress and lack of progress. I'm here to present this, it's called read it and wee of you in the listening audience it's at environmental directory.info. Now, first a review of existing demand-side management programs. The irrigation audit program, where austin water utility claims most of its peak savings has flawed estimates. Using real-world consumption

data, predicted savings would have to be 79 to 90% of summer irrigation use, and these savings would have to last for a full three years, and this is highly unlikely for an education program that does not replace equipment. The toilet rebate program has cost the average residential rate payer \$13 over the past two years, and people receiving these units are paying none of the direct cost. In the past two years about 2,000 tons of used porcelain have been land filled. The commercial rebate program, which is the most cost-effective, has had no full-time staff in over three years, even though one-third of water comes from this sector. Staff has proposed to repair this problem by spending \$2,825,000 per year -- \$825,000 per year to hire commercial auditors to find or assess new savings, but they cannot even estimate how many audits this amount of money will pay for. This seems to be throwing money after a problem. For the same amount of funding one could hire ten or more in-house engineers. The clothes washer rebate program almost completely ignores the commercial sector. Now, regarding the 2007 water conservation task force report, proposing 14 new water saving ideas, 12 have not been implemented to any great degree or are wholly insufficient in their predicted savings. Only 7 can be considered in any way successful, and only two of these 7 have any cogent estimates for savings. Some would argue that the task force wasn't supposed to save all of this at once. Instead of saving 10% of peak demand, it was only supposed to save 1% of peak demand per year. However, two former staff people, no longer at the utility, told me that several task force measures were begun immediately in 2007 but stopped in 2008 because they were ordered to stop by the new director, and the momentum was never reestablished when that director left. And this is a chart showing the various 19 specific savings measures of the task force, and you can see only two of them have studies and about nine of them have not been implemented, another 3 aren't doing very well of those that have been implemented. Now, one program I'll speak sort of well about is the mandatory two-day-per-week watering ordinance. It's Austin's best peak-saving program, but it is hurt by a lack of enforcement staff, lack of citations and lack of education money. I'll get into this a little deeper later. Well, actually I can give you some of it now. For the first nine months of the year inspectors were in the field less than 7% of the time. For July and early August inspectors appeared to be in the field 16% of their working time. 5% of this year's advertising budget will be spent on this ordinance. 5%? Probably most of it going to the stage 2 restrictions starting in September, not for what's currently going on. And I personally observed rampant noncompliance with this ordinance. I would wager to say if there was a statistically valid poll done, many people in Austin do not even know this law exists. At current -- another recommendation of the task force was for water main rehabilitation and replacement at the current rate of water rehabilitation it could take centuries to replace the existing infrastructure. Even repairing the most critical cast iron pipe will take 72 years, and that assumes a ramp-up to a repair rate that has probably never existed in the city's history. Actually, if one looks at the record, leaks in Austin 2% of total water use that comes from the utility. It does change from year to year, but that's what it was recently. Before someone interjects that you don't fix it till it's broke, let me ask, is there anyone here that believes a pipe laid in Austin's expansive clay soils is going to last 900 because in 2010 we had 3600, 37 miles of pipe, and we replaced four of them. One can argue about what an intelligent rate of replacement is, but I don't believe we're there yet. Progressive rate -- how do I go back? Hmmm. Go back one more. Okay. Progressive rate structures for commercial and multifamily buildings have been delayed for a utility building system that's being modernized. Meanwhile San Antonio implemented similar rates in a billing system that is over 30 years old. It should be noted that the proposed sustainability fee, a fixed cost of \$6 per month, whether or not a customer uses more water, flies in the face of rate strategy. This new charge will undo part of the savings that has probably occurred over the last -- over the last several years because of rate changes in the residential sector. Go back one slide, please. And use another water conservation task force program was expanding reclaimed water. Using reclaimed water could displace as much as 30 million gallons of peak day use by 2020. The majority of a new water treatment plant. However, there is no cost-effectiveness study that is cost of service study to show how this strategy can work, even as Austin spends half a billion dollars on a new plant. Greenhouse gas emissions. The utility is one of the largest users of energy in Austin, using 2% of the electricity city's electric grid. It emits large amounts of greenhouse gases yet it has no conservation planning in place, even though it spends about 16 million a year in electricity, and the utility has delayed its city councilman date to buy renewable energy until the proverbial last minute. Now, I'd like to introduce other aspects of my review. A major failing of -- on the part of water conservation programs is the lack of new program development. At the last meeting I pointed out that some of -- excuse me -- to the resource

management commission I have pointed out that some of the current programs were reaching saturation and new programs need to be developed in order to continue or expand savings. In main this is not happening. The water utility seems resistant to new program ideas, even ones that it has developed in-house. Let me give you three examples. The first -- first the utility came before the resource management commission a year ago -- well, actually may of last year, with a great program to save water in hotels and motels. This section of commercial use consumes 15% of commercial water use nationwide. It is a large local consumer as well, but we don't know how much because the utilities has not done a consumption analysis. This program was modeled after a successful hotel program in southwest florida that saved 177 million gallons a year of water and 423 lodging properties. For whatever reasons this good idea was never implemented. Still another idea that the utility had was to analyze the economics of smart meters. As you all know, these have been universally adapted in austin energy's service area. These devices remotely measure demand-side use saving both money for labor as well as money on billing disputes. It also saves on water theft, and it helps conserve water. A pilot study in dubuque, iowa showed a 7% decrease in residential consumption by use of these meters. However, due to falling revenues, the water utility cancelled a study. The same lack of revenues has not deterred construction of the new treatment plant. Another idea was proposed by on local commercial irrigation company that installed high tech equipment that remotely tracks whether soil moisture and leakage, proposed a program that awarded rebates for water usage below an agreed upon baseline. The utility would pay nothing if no savings were produced. The concept was based on a pilot in san diego and would -- and would have been open to any qualifying irrigator. Instead of considering a pilot program, the utility wrote a memo decrying the concept. Unfortunately, the memo was so unfounded that it improperly characterized the technology involved and even made inaccurate statements about some of the programs that the water utility itself is implementing. There is a matter of the water utility's new 140 plan, that is 140-gallon per person per day. In this program several dozen new or expanded conservation programs were evaluated. In some aspects it was a unique planning exercise, but it suffered by self-limiting its review and from bad messaging. First, the biggest message in the media was, if water use goes down, rates go up. However, if bills go down while rates go up, the financial effect is cushioned, and in the case of this report it is entirely eliminated. There is no increase in overall bills, at least in aggregate, because of conservation, and it would have been nice if this had been pointed out. The new 140 plan also ignored competing scenarios and additional savings that could have mitigated the rate increase. These included delay of new treatment capacity, use of reclaimed water instead of new water treatment capacity, and savings from deferred water supply cost by the lcra that will likely take place in the next decade. The 140 plan also suffered from the impression that measures were a draconian water police package of some 40 cost-effective proposals, half were mandatory codes or requirements for irrigation and equipment standards. The plan -- the utility who submitted the plan could have mitigated this perception by describing recommendations as they really were. For instance, a restriction recommended by the citizens task force limiting the amount of irrigated lawn area had precedence in both san antonio and lcra and exempted average-size lawns, but this restrictive language was changed into something different by the utility in its 140 plan. Other mandatory restrictions have cited precedence -- excuse me, other mandatory restrictions could have had precedence cited showing effectiveness in other utilities. Such explanations were also ignored. These negative impressions might have been avoided if outside proofreaders from the resource management commission or the water conservation task force had reviewed the plan first. However, the largest thing that worries me about the 140 plan is that it might get adopted. Given the track record of new program ideas at the utility, a cynical observer might get the impression the best way to keep a new conservation from happening is to approve it. One other thing about the plan that deserves note, well, the new plan was being adopted, austin already met its goal, at least temporarily, without a lot of new programs. 2010 Had overall consumption, had the lowest overall consumption since 1997 despite a 33% increase in population. It also had -- excuse robinson, how much more time do you think it will take to you complete?

I'll try and finish in ten minutes, sir. how about five?

I'll do my best. all right. Thanks.

It also had the lowest per capita consumption in recent history. Some of this was due to increased rain,

but one of the reasons for low consumption was likely due to the memory of emergency water restrictions and accompanying citations that were enacted for about three months at the end of fiscal year 2009 and the beginning of 2010. Even though emergency restrictions were in place for a short time, the memory of the public list si and the citations probably kept usage down the remainder of the year. Let's take a worst case example. This texas drought. Austin as well as the entire state of texas is experiencing record-breaking heat and dryness. Austin is in the hottest summer of its recorded history, yet interestingly, austin's water peak is 31% below its capacity. This chart explains the problem. Austin has 285 million gallons a day of capacity. The most its ever used in this grueling summer is 218. This is conservative because about 15 million gallons a day, probably more, of conservation still exists from the water conservation task force, with an intense program of reclaimed water, this peak might yet be lowered by another 30 million gallons per day, down to 173 million gallons, but we seem to be going in the other direction of 335 million gallons a day. And the point of all this is that if you implement the water -- the 140 plan while building more water treatment capacity, you won't have enough revenue to -- to support that scenario without raising rates very high. Let me push on. Conclusions. I'm going to run through these as quickly as I can. One, I think you need to move the water conservation division out of the water utility. There's an inherent conflict of interest in administering a program that saves water inside of an agency that sells it. I think you should weigh heavily that the water treatment plant 4 is a disincentive to further water conservation efforts, even if this council is so enlightened to push on with both tracks, it doesn't mean that your successors will be. I think there needs to be more local planning data and savings evaluations needed. In existing programs, i think you should change the toilet rebate program from a free program to an at-cost program. It will make it more cost-effective to rate payers, and I think you should open more recycling did he depots. The commercial program needs more staff, and it needs a citywide audit by in-house staff to assess savings. There needs to be in the mandatory watering ordinance -- there needs to be more inspection staff, morizations, and definitely more funding - morization citations. You need to keep the council's commitment to buy renewable energy and reclaimed water. It is -- reclaimed water, it is essential that you do a cost of service study. In the future you need to increase sales staff, and in some cases consider capitalizing the customer side of the line to encourage quicker conversion. Smart meters, you need to initiate -- reinstate the program that was cancelled in 2010 to study this irrigation programs, mandatory audits for large customers, which is in the water conservation task force recommendations, should be done as soon as possible. And lastly, new commercial programs such as a cooling tower retrofit program and the proposed program for the lodging industry should be done as soon as possible. Thank you.

Mayor leffingwell: okay. Thank you. I would -- there's been a lot made of today, and we've seen over the past months, about fix those leaky pipes. And as I mentioned just a little earlier, we're actually doing very well on fixing leaks in our pipes. In fact, we rank among the top in the country. But I'd like for our water utility to come up, someone from the water utility, to come up and answer a couple of questions about that. And before you start, I have to -- again, going by memory here, but we did address leakage, pipe leakage, back in the 2007 task force and we set a goal, I believe the number was 12 mgd, correct me if I'm wrong. Our goal was to reduce that by a third. And so you could talk about the progress on that, and a big component in losses due to water leaks is how long they go on, how long does it take you to fix them. So what are your response times to water leaks? I know there are different classes of them, and how does that compare to other cities?

Do we have some slides? I know I had a slide on water leak response. I thought that might come up today. I'll address first the sense of leaks and breaks and water loss. We measure our water loss and our leaks and breaks in a lot of different ways. We use several industry standards for how we do that. And there's a whole series of steps that you take to manage water leaks and breaks and loss. First, the key indicator is something called infrastructure leak index. Austin water performs in the very highest tier, performance standard, that's a standard we use. This is a repair chart from '06, 11 in terms of our repairs of water leaks. We've tried to focus on that in terms of shifting our performance to a same-day leak performance, that that has been something that we focus a lot on. We have over 400 folks involved in our pipeline area, and you can see they've made a lot of progress really improving performance over the last several years on leaks and breaks. There's a sense often, you see a picture of a leak, you see water coming out and you think wow, that must be where all the water loss goes, and really, that's not

what occurs. A typical large break, we lose about 35,000 to 37,000 gallons of water. That's a lot of water, no doubt, but if you just look at that and think about 1 billion gallons of water loss, which is some of the numbers that are up on the screen in the past, that would mean we would have 28,000 large breaks a year. We don't have anywhere near that. Most water loss doesn't occur through large breaks and leaks, although certainly that's a part of it, that it's an accumulation of small drips and small little leaks and spread out over thousands and thousands of miles of pipeline. So it's unrealistic for utilities, it's not cost-effective for utilities to try to pursue water loss strategies that try to get at every type of water loss, that you really try to have different ways of doing that, responding to leaks when they occur, some water main replacement strategies, and we certainly want to do more water main replacement, active leak detection, where you go out and look for leaks before they surface, to the beginning, making sure large meters are accurately measuring water, to make sure you know where water is going. So there's a whole series of things. But mayor, in response to that we've done considerable improvements in terms of our leak times. can you give a wild guess at least about where we are in response to our goal of reducing leakage by 30%?

We -- one of the measures we have is this infrastructure leak index that we calculate every year as a part of our annual audits of water loss, and we'll be happy to share with the council the last five years of that. We've seen substantial improvements in that. We were above 3 in 2007. Matter of fact, the auditor audited that. Currently, last year, the last fiscal year, we are at 5, which is very -- 1 is considered perfect, a perfect system, would be a 1. That's the very best performance levels. That's called the top-tier performance. Utilities that perform at that level in terms of losing water, are the utilities that face the most constrained water resources of any utility across the nation. So we're performing in an area that would be as if we were in extremely constrained water resources, which we are, particularly during periods of drought. So mayor, I think we're well under way to significantly reducing lost water. It will never be eliminated. It's an impossibility to try to eliminate all lost water given over thousands of miles of a pipeline system. But we're a very high-performing utility in that regard. We also track our breaks per 100 miles of pipe, and we're in very good performance there, although still needing to invest in those kind of infrastructure replacements to continue to control those areas. well, you know, just to put it in perspective, all the rhetoric that we've been hearing would seem to indicate that, you know, we don't need to do anything else, just fix our leaks in our pipes. Well, that -- that gains us, relatively speaking, a very small amount of water, about -- I would say probably five mgd or something like that, maybe 10 at the most. So that doesn't go anywhere near addressing the future needs of the city as far as -- in relation to water treatment plant. A small version would be ten times that, almost.

In terms of the last full year, fiscal year 2010, largely the kind of leaks and breaks you'd see are over television or see crews repairing, accounted for about 50 million gallons of water loss throughout that whole year. So the larger leaks and breaks are really not what's driving most water loss in the distribution system. I do want to mention a couple of things that were brought up by the resource management commission that I would like to get answers to within a reasonable amount of time. I'm not going to set a time limit, but the soil depth was one of the issues that was addressed and made a requirement, a policy requirement, by the water conservation task force, 6 inches for residential, 8 inches for commercial, which by the way is much stronger than san antonio, who they only require 4 inches. This is for new construction. I'd like -- where are we on the implementation of that? And I was a little bit taken aback by chris's suggestion that, yeah, we put in meters but nobody is billing for them. I'd like to know what the answer to that is, if that's true, and, you know, she's absolutely right, if they're not billing for them, they don't perform their purpose. And the large lot inspections. -- Large lot irrigation system inspections. See where we are on those. So I think the 2007 plan was a very aggressive plan, and all the savings that we're seeing now in large part are from that plan. As a matter of fact, the city won a statewide award for that conservation plan back when we first started working on it in 2006. So that being said, I would share that information, I've been a water conservation supporter from day 1. I still am. I just happen to believe that we need both, but I do want to, with some degree of trepidation, explore the area of water conservation in the larger context, in that what does it do, because it's my firm conviction that cities that do beyond what we're doing now and some that are doing about what we're doing now for cities that have a severe water supply problem, they don't have enough water supply, so they have to conserve. That is not the case with us. We are currently using somewhere in the

neighborhood of 170, 180 acre-feet of water per year out of the colorado basin. Is that about right?

Probably about 160, but --

mayor leffingwell: 160. All right. Even better. So in 1999 we had a contract with the lcra. It was a firm contract, to bring our state entitlement, run of the river rights, from 150,000 acre-feet up to 325,000 acre-feet per year. That is the firm contract guaranteed by the lcra to the city of austin. We're using half that right now. Correct?

Correct. all right. So we paid in that advance for that. We paid \$100 million for that back in 1999, in advance. Brings us -- there are other aspects to that, there's a trigger at 201 where we start paying for that water. Then again in 2007 ironically we had an item on our agenda today we had an item about our stakeholder group, for the lcra stakeholder's group for the 2007 contract, which was a good contract. We didn't spend a dime on this one, but we also got additional firm guarantees from lcra for another 250,000 acre-feet, not necessarily from the colorado basin. They could -- you know, well water or -- but they're obligated to provide that to us on demand. That's my understanding. So if you add all those together, we have firm contracts for water that bring us way up beyond what we're using right now. So we do not have a water supply problem. Nevertheless, I want to keep saying this throughout, I'm a strong believer that we should try to conserve water. But right now if we max effort conserve, right now, even in a time of drought, what happens to that water that we save, the water that we already paid for will be turned around and sold to somebody else. As I mentioned earlier, agricultural interests downstream of the city of austin needs 3 1/2 to 4 times what we do. They're still using that water. It's my understanding they just signed contracts for a fall crop to get that water from lcra. There's a contract in the process of being signed. I don't know what stage it is, for cooling water out of the colorado for a coal-fired power plant, the white stallion. I don't know what the use of that is but it's very substantial. We know that nuclear power plants require a lot of water. So those things are ongoing right now. So we're -- we're going way out there saving water, and what does that do to the lake level in lake travis, lake buchanan? In my opinion nothing, until the lcra occur tails other uses of this water. We're just basically giving away the water we already paid for to somebody else. I'm not arguing against what we're doing. I just want us to know what we're doing. That's the situation we find ourselves in today. In the future when the water levels in the lakes rise above what they are now to normal levels, say, and we're conserving this water, they're going to sell that water to somebody else, either -- see, they're not only economically bound to sell it, that's how they produce revenue, but they're legally bound f they've got water, they sell it. So that was kind of a long rambling rant about, you know, we want to be careful about what -- are the objectives that we're really trying to make, are we going to achieve them by what we're doing with that. Council member spelman? I believe we're still in a briefing from the rmc. robbins a couple questions if i could. Just two, brian. Maybe three.

Okay.

I'll keep them short, within five minutes if i could. I first of all appreciate the fact you had a very well organized presentation and i appreciate the fact that you were able to get that last ten minutes inside of five minutes.

He did that.

Spelman: he did. I'm a little disappointed, those would have been the most interesting ten minutes, instead they were the most interesting five minutes, in part because my mind was working on over drive to try and catch up to you. So first I want to see whether we can get a copy of that presentation.

Surely. I'll email it to anyone that wants a copy. I understand that the vast majority of the material in that presentation has already been covered in the paper which you've sent to all of us, but I think it might be easier to get the [inaudible] off of the presentation. If you could send me a copy at least I'd like to see it.

I'll be happy. Show of hands? Okay. Everyone but the mayor. oh, you can send me one too.

Okay.

Spelman: fair enough.

Mark? Okay.

Spelman: go for it. Why would -- let me ask you a philosophical question. And if you want to duck it that's fine, because it's not really intended to be as philosophical as it sounds. If we have paid for water from the Icra, or at least paid for access to a certain amount of water, whether we actually paid for the water by cubic foot or not, we've paid for access to a certain amount. Why would it make sense -- that's accurate, is it not, mayor? Acre-f acre-f acre foot.

Spelman: acre foot, sure. So we've paid for a certain amount, a million acre-feet per year from the Icra. Why would it make sense not to use every bit of it?

Well, two reasons -- well, three reasons. Two economic. One is you have to build new water treatment plants, and given how much fun we're having with the current water treatment plant, i can't help but believe that you don't want to build any more of them. Then there's also the fact that as most of you know, the -- we have to pay for most of that water once we hit the 201,000-acre foot trigger. The third reason is of course environmental. Now, I deliberately skipped something that I discussed in my report for lack of time, and I'm only going to mention it briefly, but there is an idea of a water swap. We have 150,000 acre-feet of free -- quote free, water. And Icra wants to build a lot of expensive new reservoirs. So if we could somehow swap that free water with some of their reservoir money, maybe we would all come out ahead, and you're going to say, but wait, then we'd have to end up paying them for the water over 201,000 acre-feet. And that's true, but if that were less than -- less than -- if we came out better for it and if Icra come out better for it, it might be something to consider. So -- I hope I'm not too long-winded but that would be my answer. one economic argument. We're paying for raw water but we have to turn it into potable water before we use it.

Yep. that makes good sense. I understand you. Second, at some point we will start paying for raw water, when we get to 2,001,000, whatever, some catch point, off which we're going to start paying.

Right. and third, at least there's an opportunity conceivably for us to sell some of it back. Not quite what you said but that's pretty much what you're getting at, isn't it?

Well, it would take a lot of deal-making, but it is something to be considered.

Spelman: okay. Let me offer another way of thinking about that first one, see whether it's the same thing. We've been all -- all been thinking for a long time about why it makes sense for us to pay for conservation programs in the electricity world, and the usual argument is we pay for people not to buy electricity because that's the cheapest way, first, for us to avoid having to generate, distribute the electricity in the first place, but second, because that's the cheapest way for an individual household to solve their problem, which is to have a -- for example, to have a comfortable house that is a proper temperature and -- in the summertime, maybe it's to run your air conditioner full blast, maybe it's just to insulate better and you don't have to run your air conditioner so much, but what we're selling is the cheapest way to have a comfortable house, not just electricity. Is there a water analog here?

Yes. It's -- it's a direct analogy. The problem is that at this point in the city's history it is my belief that you can't add a huge, expensive increment of new capacity that you're trying to save on the other side. At some point in the city's future, I don't know, 10, 20 years from now, we may actually need more treatment capacity. I just don't think we need it now, and by trying to do both now, I think they're working

at cross-purposes to each other. we're getting on dangerous ground here, paul, and I don't want to get into that particular debate right now.

Okay.

Spelman: thank you. I appreciate your working with me here. Let me change the subject slightly before we venture into anything else that sounds like water -- that puts together the words water treatment plant and for.

Okay. you talked a lot about reclaimed water, and there's presumably some potential for us to sell more treated wastewater. Is there a one-to-one conned ens between reclaimed water we sell and the potable water we don't need to sell? Or we don't need to treat?

I'm sorry, there is -- is there a direct correlation?

Yeah, can we make a direct comparison between potable water sources and --

I think the best comparison would be peak demand.

Spelman: okay.

Because this -- since it's non non-potable water it's going to be used for things such as cooling water in an air-conditioning and irrigation, and those are both going to be used a lot more in a hot summer than they are in a cold summer. So I think the best way i can describe it is to say that there are probably 30 million gallons a day of peak demand that could be displaced within ten years with an aggressive reclaimed water effort. well, that sounds like a very attractive idea. What's the basis for the 30 mgd estimate?

Well, I could send you the method. You're better at numbers than me, but --

spelman: not on the fly. [Laughter]

the gist of it is that, one, there's a multiplier for the average number of gallons that you save, and one method is times 2. Like if you save so many average gallons, it's actually worth double in the summer.

Spelman: okay.

The other pt of I is that I was working off data given to me by the water utility on potential and current reclaimed customers.

Spelman: okay.

I mean, I didn't just pull this out of thin air. I -- they have a list of, i don't know, somewhere between 100 and 150 identified customers, and i tried to winnow out double-counting. I tried to winnow out water that wasn't used for non-city purposes, like powerpoint cooling.

Spelman: sure.

And that was the number that I came up with given what I was provided.

Spelman: okay. Is that -- is that detailed in your report? If I read your report would I understand how you

came up with that number?

You would understand, if you looked at the footnote, you would understand it in brief, but there was no way that I could list all those 150 customers. And if I did, it would be nauseatingly boring to anyone who tried to go through it. certainly have no need for a list of the customers, but if I can get a list from the footnotes how you did it, that's probably all I need to know.

Okay.

Spelman: okay. So what you're saying is we could get to 30 mgd of potable water avoided if we filled [inaudible] the reclaimed water system according to figures provided by the water utility?

That is my belief. I'll take a look at it.

Okay. would it be cheaper to billed out the reclaimed water?

You don't know how many times I've asked myself that question.

Spelman: okay.

And I've asked the water utility almost as many times. They do not have a cost of service study, and, you know, I can come back to you and say, well, san antonio has real cheap reclaimed water, but it wouldn't be a definitive answer to you because san antonio probably does different kinds of accounting than we do.

Spelman: okay. I have an idea for what we need to ask about that. You mentioned the take up rate is the critical issue because all we can do is put the purple pipe in the middle of the street. People would have to supply their own laterals to get access access to it, right?

In most places, although it might be a good idea for the city to fund those laterals and get it back on the bill. For instance, there's a couple parks departments in the city that have deferred use of reclaimed water because they simply don't have the money for the purple pipe irrigation system. What if the city fronted the money and then got it back monthly on the bill? was that what you were referring to when you were talking about capitalization?

Yes.

Spelman: okay. Do we have the authority to do that?

Well, I'm -- I'm not a lawyer, but I would presume that we do spell well, it's something I can check up on. I just wondered if you knew off the top of your head whether we had done that thing before or whether we definitely had that authority.

Well, if I'm not mistaken, the city -- let me check on that. I don't want to -- I don't want to say something that might be mistaken. I believe we have the power to do that, and, you know, if the city is going to get paid back for it, who cares? it would certainly be a lot cleaner, simpler way and it would probably be a tremendous incentive for people to actually hook up to the purple pipe if we could just put it on their bill at a relatively low interest rate and pay for it over a long period of time. That would certainly be easier for people to do rather than take out a loan, from a credit union or the bank or something like that.

Yeah.

Spelman: okay. One more very quick question. You've been criticizing the sustainability fee for running contrary to our inverted rate structure and having the effect of reducing the conservation effect of our inverted rate structure. Can you give me a sense for the extent to which you think that -- what are we calling it, not a sustainability -- whatever we decided to call that thing, water -- revenue stabilization fee. Thank you. Do you have a sense for the extent to which the revenue stabilization fee will affect people's willingness to conserve water? How much more water will we be using by doing it this way?

Well, you're asking for a price elasticity analysis of the sustainability fee -- I just wondered if you had worked it out. That's all.

I have not done a price elasticity analysis of the fee. However, it's not -- it's not going to help our efforts if we don't charge by volume. And some years you're going to need a weather variability fee. Other years you might not need it at all. If you put it all up front, it's going to be counter-productive to your strategy of inverted rates. If you charge it on the bill by volume, it will help price elasticity drive consumption down. you understand the problem the water utility has got is their costs are almost entirely fixed but there's this tremendous volatility due to a whole bunch of factors. Do you have an alternative?

Yeah, weather variability fee or put more in the reserve fund, just charge it by volume. You can charge - - you can call it a hundred things. You know, ten years -- up until about ten years ago the electric utility had a monthly varying fee for fuel charges, and they did it with the old billing system. It still -- I hate to bring this up but I think we're getting a little bit beyond the topic here. well, not at all, mayor. The -- one of the big problems of the stabilization fee, in my mind, is it's going to have the effect of reducing the amount of water conservation, which is something which has been a long-standing council goal, and if there is a way of solving the water utility's problem, volatility in revenues, without reducing our ability to conserve water, I would like to hear about it. And this is actually exactly the right time to hear about it because we have yet to adopt that stabilization fee.

Simply, the electric utility has done it for many years, for decades, with the fuel variability charge, and I am guessing it could be easily done on the new billing system. I am not against them stabilizing their rates. I just think it would be more prudent given council goals and water conservation to do it by volume instead of a base fee. I see your point. Thank you, sir.

Thank you. Thank you. council member riley. paul, just picking up on that last point, can you help me understand how they -- it seems like a weather variability fee based on volume would still have some degree of volatility, as long as it's based on volume. The volume is still -- is still going to be volatile. You're still going to have varying volumes, and so how do you avoid the volatility if it's still volumetric?

You can't avoid the volatility. I thought you were suggesting -- you understood that we need to address - - we need some stability in terms of the water utility's revenues, and so I'm trying to figure out how the weather variability fee that you're -- variability fee what provide that stability volumetric.

Simply put, if you notice in a summer months that revenues are drastically down, then the next month you implement a fee that follows that curve, and it follows it until the volume revenue loss is more or less neutralized.

You adjust the fee on a month to month basis and put it on the basis of what's used.

Offset diminished revenues.

Yes.

Riley: thank you. council member morrison. thank you, paul, and I want to also ask chris and -- I forgot

your first name -- a couple of questions. I appreciate your work, and I know how much -- I'm always impressed by the expertise as well as the passion and commitment. And believe it or not -- believe it or not, this is not our day job. It's hard to believe. I know, we bring a lot to it --

well, today it is our day job.

Morrison: right. And I wanted to go to your slide on recommendations just to cut to the chase, if you don't mind, because I'd like to be able to pick it up on that and maybe you could pull it up on the slide. But while we're doing that, I wonder if you could comment on the question that's bandied about sort of generally, why do we want to conserve water?

Well, I think -- I think obviously environmentally I think that water is a resource that is limited, and at some point we have to decide whether we're just going to use it up because the neighbors are. Beyond that, though, the project -- or the contract that the mayor is talking about where we bought a quantity of water and a right to take that quantity of water, is different than how much we treat and how much we sell and whether or not there's a treatment -- another treatment plan needed. And I am not going into that discussion. But that quantity of water, and you can remember this discussion from 2007 -- that quantity of water, when we reach a certain point, it's going to cost us more millions of dollars, and that the idea of conservation was that we had a growing population, growing industry, growing use, and that if we could reduce everybody's use using efficiency, that we could postpone that target where we're going to be paying that millions and millions more dollars for more quantities of water. So it really is avoiding that long-term, or postponing that long-term need to go back to lcra and try to buy more, and it may or may not be available or it may be very much more expensive. And so for a community it was a matter of creating that lower use pattern in our population. Now, since the economy has changed, we have less businesses, we have probably less building, less use in a lot of other ways, but now we have a drought, so we're using it in a different fashion. But efficiency in electricity, the same as with water, is a more appropriate way to use the resource and to expand that quantity that may be available for future generations.

Morrison: that's helpful. I think just to make sure we're all on the same page and committed -- understand the foundation of our commitment. And in terms of these recommendations, I think one thing for me to get clear is that we're talking about several different things. We're talking about the ten-year plan for reducing -- for conserving. We're talking about the 140 plan, and we're talking about the drought plan. Right? So we really have three plans that you guys are dealing with. And if I -- for the most part as I look at these recommendations, it strikes me that it's pretty much about trying to get a regular and disciplined cycle of involvement, monitoring, evaluation and recalibrating, perhaps, as we move forward. Would you say that that pretty much captures almost all of these?

I would agree. We -- you know, we serve at your request to look at some of the details, get into the weeds so you-all don't have to, and hopefully to be able to understand some of the areas that we focus on in the commission and be able to advise you. And to the extent that we've been frustrated with not getting enough data to be able to advise you, I believe that the water utility is doing a lot of things right, but whether or not we're reaching our goals or whether or not there's more that can be done is very hard for us to assess.

Morrison: okay. I think that probably in that regard -- because I would like to get that adjusted, because I think that in terms of the advice you-all have the potential to provide for us is very significant and very important, so I think that maybe the best way to go about it is to sit down and work on a resolution working with you-all and the staff and see if we can't just get some real detailed schedules and tasks there, because, for instance, the plan -- the ten-year plan for conservation, we had adopted it in 2007, we're four years into it.

Uh-huh. so we should probably be adjusting that. I wonder if you might -- either of you might be interested in just commenting on what is now called the revenue stabilization fee. , In fact, did the -- I

haven't seen it to the budget -- did the water utility budget come to you-all and do you have recommendations that address that?

The rmc has had no presentation or discussion. The only information I have is what I read on the web site after I heard about it after it was presented to you-all. And the sustainability fee, to quote their web site, is the sustained fiscal health and revenue losses, and then it says, and encourage conservation. And as paul said, it really doesn't encourage conservation in and of itself, and I don't know if there's some share of that money that's supposed to actually support conservation or if there is -- or if they've just used the word "sustainability" to make it sound like it's green. You know, when I first saw it a couple people asked me, they said, oh, that's great, you're going to have millions of dollars to do all this cool sustainability stuff, and I said, well, it's not exactly what it says. So I can't really address what their intentions are. I'd love to have that discussion.

Yeah, I think it's interesting that we had a similar proposal on the table for austin energy not six months ago and the decision was made to incorporate that in the rate case for austin energy. And so as opposed to having a separate line item for sustainability -- for energy efficiency in this case, but in this case -- for water it would be a sustainability fee, water has gone the other direction, and it's interesting, why aren't we handling it consistently on the -- by the two departments? I think the other difficulty -- I think in both cases is that if -- if that is a sustainability fee, if that's what our intent is to spend that -- to fund water conservation and other sustainability measures, how do we tie the revenues generated from that fee to that particular -- the intent of it, which is water conservation. I think there have been a lot of discussions and there was a lot of discussion yesterday at our work session about it, and if we can even move away from that and just focus on we need some stabilization in our revenues because of the volatility.

Correct. -- due to the water. And I think part of what council member spelman brought up and talking with paul here is, is there a way to do that in a way that does not discourage conservation. So I don't know if you want to give that some thought, but that's the question of the day, I think.

I think -- you know, i think what we would like to see, and, you know, we're just two citizens that volunteer our team and efforts on this commission, but is really that, you know, how water conservation, how energy efficiency is funded is subject to the budget cycle, and when we're in a down economy, everything gets impacted and then how does -- I mean, it's not that we're concerned about the budget, it's not really part of our responsibility as a commission, but we are responsible for meeting targeted conservation and energy goals. And so exactly how do you fund that -- how do you fund it consistently so that it meets the council's stated goals when it comes to conservation, energy efficiency and other sustainable measures. thank you all for your work in putting this together, and maybe we can circle back around and get some action out of this. could I just comment real briefly? I don't want to drag this out. You've been here long enough, but first of all, the stability part of that total fixed fee is very small. It's about a buck out of 7 bucks, something like that. The bulk of it is for other stuff. It's a delta between the cost of providing -- the cost of providing reclaimed water versus the revenue, and we're basically subsidizing right now reclaimed water. We sell it for less than what it costs us to deliver. That's a part of it. Part of it is something that has not really related to the water utility at all. It's wildlife management division, management of 30 odd thousand acres of bcp land and also water quality protection land, which was transferred from the parks department a few years ago to provide a more stable source of funding for that. As for the stabilization fee itself, which again is a small part of this, I would suggest that [inaudible] water conservation is this. The water wastewater utility's first responsibility, their mission, is to deliver water and to take away wastewater. If times were to come about such that there are real revenue challenges, other expenditures would have to be curtailed. One of those would be the wildlife management division. Another might be the \$10 million or so that we spend on conservation efforts, you know, as you see on tv, advertisements, that kind of thing, all the promotional things that we do. So we're funding these conservation efforts through the stabilization fee, in a way. You might disagree with me [inaudible].

I guess I would like to say that I think that the planning that goes into a ten-year plan is very similar to what we did when I walked on the generation task force as well, so I get involved in way too many of these volunteer acts, but the generation plan was funded, was planned, but it had very -- we put very specific points where that has to come back and be reevaluated, where the digits, the numbers, everything has to be looked at, and it's the compare as you go forward, whether or not you are on the track, whether you are going in that direction that you intended to. And, you know, I haven't seen anything like that, so I appreciate your comments, councilwoman. And I think that if we can keep our eye on the goal, you know, I've talked to people and said, you know, are you concerned about your water use and your water bill and what would it take for you to use less? What would it take to let your backyard go to rock or to do something different? And I've had people say to me, flat-out, you'd have to triple my rate for me to even pay attention. Now, some people don't have that kind of money. I understand that. But I do think that if it costs us more to deliver that water, it's okay to charge more and just call it water delivery or whatever it is. I don't know that we want to take sort of this -- this lump fee that covers a variety of myriad things that are -- myriad things that are not -- but again, we're doing that -- the most progressive rate structure in the entire nation.

And we developed it, for a reason. I hear your argument that people in the top tier that can afford to be in the top tier probably really don't care all that much.

Yep, and they can support the rest of us. but i think they're -- frankly talking about unintended consequences, even though they don't care that much about being in the top tier, what it costs, they might be concerned about the availability of water to them and thus we are already beginning to see a lot of folks who can afford to do this, drill their own wells.

And we're seeing them actually reduce their use as well as a reflection of that --

> use their use but it can have a deleterious effect on groundwater -- I know a lot of these might be in the bull creek -- thus depleting bull creek of its water supply, which is spring fed. Just something to chew on in the future. But --

mayor? Council council woman? I just have to add one more thing. I learned -- yesterday, as i mentioned, we did talk a lot about this fee, and for me, in essence, and I think you-all are probably really prime to appreciate this. In essence the water utility does not have a strategic reserve fund like austin energy does, to be able to get it through the different ups and downs due to other -- due to revenue volatility. So from my perspective what we're trying to do is to put together a fund, and they rely on the ending balance as opposed to a separate fund that could be separated out. But the bottom line is we need to build that fund so they can get through and you can -- you can tie anything you want to it, you know? You can tie overhead, you could tie -- it doesn't matter. The bottom line is that the goal is about getting through those volatile years. And so that's one of the things that came up in the conversation, is -- that i don't see at this point is what is our goal, what should the fund be, what should the fund amount be, how are we going to get there and what are we going to do once we do get there? [One moment, please, for]

Leffingwell: So council, now we need to go to item 78, 79, 80 and 81, which are the compensation and benefits packages for four council employees. And we don't have anyone signed up on any of those items. Let's start with item 78 and go down the line. Comment or proposal for action? 78 is compensation benefits for city manager. And city attorney, what do we need to read into the record on these items? I'll actually defer that riley, assistant city attorney.

Mayor, prior to these items based on the council agenda was a structure that reflected the overall compensation and benefits package for the city manager from previous year. And it's my understanding that the change that has been made to what was provided back here as to do with a base salary. So if you want to read into the record what the change to the base salary is, that would reflect what has been

updated.

Leffingwell: So in this case the maker of the motion would be the resolution remains the same except for ..?

Mayor, you could even indicate that the council is passing a resolution related to the compensation and benefits for the city manager, and that resolution is currently before you on the dais. But as I understand it, the only change between what's been provided in backup and what's before you on the dais has to do with the base salary.

Okay buvment that does not have to be included in the motion.

No, it does not.

Leffingwell: I'll entertain a motion on item 78. Mayor pro tem?

Cole: Mayor, I would like to move approval of item 78 where there's only been one change to the annual salary.

Leffingwell: All right. Motion by mayor pro tem cole. Is there a second? Seconded by councilmember riley. Discussion? All in favor say aye. Opposed say no. It passes on a vote of seven to zero.

Cole: Mayor, I would like to make a motion in connection with the item number 79 -- the same item related to the city auditor where there has only been one change to the annual salary.

Motion by the mayor pro tem on item 79, which is the imengs benefits -- compensation benefits for the city auditor. Second? Seconded by councilmember spelman, is that correct? Discussion on that? All in favor aaye? Opposed say no. It passes on a vote of seven to zero.

Cole: Mayor, I would like to make a motion in connection with the compensation and benefits of the city clerk. There's only been one change with respect to the annual salary.

Leffingwell: Motion by the mayor pro tem on item 79 -- 80, relating to compensation for benefits for the city clerk. Second? Seconded by councilmember spelman. Discussion? All in favor say aye? Opposed say no? It passes on a vote of seven to zero. And number 81.

Cole: Mayor, I would like to make a motion with respect to the compensation and benefits for the municipal court clerk, rebecca stark. There's only been one change in connection with her annual salary.

Leffingwell: Motion by the mayor pro tem on compensation benefits for the municipal court clerk. Seconded by councilmember riley. All in favor? Opposed say no? It passes on a vote of seven to zero. So that brings us to our zoning case.

Cole: Mayor? I know that there may be some people watching or coming or waiting in connection with item 115, which is the downtown plan, and I was going to make -- want to make a motion to postpone.

Leffingwell: If there's no objection we can take up item 115 out of order. Motion by the mayor pro tem to postpone item 115 until when? SECOND 22nd, THE NEXT Regular meeting?

Cole: No, I would think we would need longer than that. Let's say october the 20th -- what I am hoping to do is work with staff on the implementation strategy and the economic development corporation and I

do not see any reason for the other work to go ahead and continue during this period, some of their other outreach efforts.

Leffingwell: We need to suggest a date.

Cole: October 20th. Council has a meeting october 20th.

Leffingwell: Mayor pro tem cole moves to postpone item 115 until october 20th. Is there a second?

Morrison: Mayor, I'll second that with the understanding that there's still some other items, especially with regard to the cure that need some discussion. So hopefully in that time period we can do that and do outreach.

Cole: Absolutely, mayor. A lot of this is to reach consensus on several items, but in particular we want to get implementation strategy.

Leffingwell: Yes. We can discuss all kinds of things. Councilmember tovo.

Tovo: I would like to suggest that one of those areas of discussion be the cure rezoning and perhaps the planning commission and the community development commission might weigh in in the interim.

Cole: Mayor, let me -- I need to make a change to that motion and it has been seconded before we do any further discussion. I just found out that I am out of town on october the 20th. So I'd make that motion to postpone until november the 3rd. Now, can that get a second?

Leffingwell: Council, mayor pro tem cole amends her own motion to have the postponement date be NOVEMBER 3rd. Is that okay with the second? Councilmember morrison.

Morrison: I want to suggest something a little different. What about we change it to the earlier meeting, understanding -- that would BE OCTOBER 2nd, Understanding that the work might not be done, but I'm anxious to here the public hearing. So we could at least commit to having a public hearing then and fully understand we might not be ready for a vote.

Cole: So I guess I was trying to commit to the public hearing, but not to the vote because I wanted the vote to follow the public hearing. Is that what you're saying?

Morrison: Right. So we would have the public hearing on the sixth of october. And then we will work the VOTE ON NOVEMBER 3rd.

Leffingwell: You can't say that until --

Morrison: Right. We would have the opportunity at that point to postpone the vote to NOVEMBER 3rd.

Cole: That's friendly.

Leffingwell: So mayor pro tem cole, your requested postponement date is what?

Cole: October the sixth.

Leffingwell: I don't think I will be here then? Just kidding [laughter]

Cole: I need you here, mayor.

Leffingwell: That's acceptable to the second? Any further discussion? All in favor? Opposed say no? It passes on a vote of seven to zero.

Thank you. Items where the public hearings have been closed, the only item I would like to offer for consent of that section is item number 97, case c-14-2011-006 for the property at 701 and 711 west seventh street. This is to zone the property to central business district conditional overlay combining district zoning and this is ready for consent approval on second and third readings. This concludes this portion of the zoning agenda.

Leffingwell: Okay. Consent agenda for those items where the public hearing has already been closed sheriff's department to approve items -- to close and approve item 97. Is there a motion? Councilmember martinez moves approval. Second? Seconded by councilmember spelman. Discussion? Councilmember morrison.

Morrison: Please show me as voting no.

Leffingwell: All right.

Tovo: Mayor, same, please show me as voting no.

Leffingwell: Okay. So why didn't you just vote no? All in favor of approving item 97 on second and third reading say aye.

Aye.

Leffingwell: Opposed say no.

No.

Leffingwell: Passes on a vote of five-two with councilmember tovo and morrison voting no.

Thank you, mayor and council. zoning and neighborhood plan amendments, these are where the public hearings are open and possible action this evening. Item number 98, case npa 01 for a property on west oltorf street that be drawn. Item 99 is case c-14--2011-0015 for a property on west oltorf case. This case has been withdrawn. No action is required. Item number 100 is case 01 for the property located at 5805 burleson road. This is a zoning change to limited industrial service or li-pda-np combining district zoning to change a the planning commission's recommendation was to grant that combined district zoning and this is ready for consent approval on all three readings. Item number 101 is case c-14-2011-0066 for the property located at 5616 south first street. Staff is requesting a postponement of this item on to your october 20th agenda. The zoning and platting commission is yet to review this particular case. Item number 102 is case c-14-2011-0070 for the property located at 2508 mitchell lane. This is to zone the property family residence conditional overlay combined district zoning. The planning commission's recommendation was to grant the sf-3-co combining district zoning and this is ready for consent approval on all three readings. Item number 103, case c-14-2011-0060 on west gibson street. Mayor, I believe you have at least three or four speakers that would like to speak.

Leffingwell: Actually, 10.

Very good. That will remain as a discussion item. Item number 104 is case c 01 for the property at 12221 north mopac expressway and 2311 to 2511 park bend drive. Staff is quk a postponement of this

case to your september 22nd agenda. The zoning and platting commission has yet to review this item. 10 for the property at 2400 to 2700 block of east parmer lane. This is so zone the property planning development zone to go change the condition of zoning. The planning commission recommendation was to grant the zoning with conditions and this is ready for consent approval on all three readings. Item number 1067 is case c-14-2011-058 for the property located at 705, 707, 709, 711 west avenue and 710 west seventh street to zone the property to general commercial services district zoning. The planning commission recommendation was to grant that district zoning. We on it do have a valid petition. I would only offer this for first reading only this evening, and I understand that there may be a council desire to keep the public hearing open given the petition issues. And with that I would offer that also as a consent item, but also for first reading this evening. And then finally, 107, case c-14-2011-0078 for the property located at 1610 and 1612 meagan lane to zone the property to family residence district zoning. The planning commission's recommendation was to grant that zoning, and that is ready for consent approval on all three readings.

Leffingwell: So consent agenda is items 99 and -- 98 and 99 are withdrawn. Close the public hearing and approve on all three readings item 100. Postpone item 101 until october 20th. Close the public hearing and approve on all three readings item 102. Postpone item 104 until SEPTEMBER 22nd. To close the public hearing and approve on all three readings item 105. And to approve item 106 on first reading only with the public hearing left open.

And we would bring that particular one back on the 22nd of september.

Leffingwell: Yes. And to close the public hearing and approve on all three readings item 107. That is the consent agenda. Is there a motion? Councilmember spelman moves approval. Seconded committee councilmember morrison. Councilmember tovo.

Tovo: Mayor, I have a conflict of interest with 107, and I have required -- I have filed the required affidavit with the city clerk's office.

> All right. Noting that councilmember tovo is recused on item 107, all in favor of the consent agenda say aye. Opposed say no. It passes on a vote of six to zero with councilmember tovo recused on item 107. 12-7 With councilmember tovo recused.

That brings it back to 103, case c-14-2011060 for the property at 208 west gibson street. This is a zoning change request to general commercial services mixed use, vertical mixed use building, conditional overlay, neighborhood plan or cs-mu-v-co-np combined district zoning. This property is 54 acres in size. It's currently developed with an existing church. The intent by the applicant is to basically go in and amend the existing conditional overlays that apply to this property to allow an increase in commercial square footage up to 20,000 square feet. There will be an underground parking structure that shall not be included in this calculation of building coverage. On site parking is prohibited except for parking for the existing improvements and it would provide parking for the structures built on lot 19. And to allow personal improvement service -- personal service, financial services, food prep, food sales, general retail sales, and retail sales general as permitted uses on this property. Generally on this property it would maintain 69 prohibited uses, would maintain building heights at 50 feet, building coverage at 60%, impervious cover at 75%, and a 1.25 to 1 f.a.r. As I mentioned before the property is currently used as a church. The properties to the north of the hotel and single-family uses. To the south is kind of retail. To the east is restaurant and motel and parking and to the west is single-family residences. To the north, south and east all these properties are pretty much zoned cs-mu. There's a little bit of sf 3 and sf 4 a on the northern side of this property. And to the west of the property is sf-3-np. The planning commission's recommendation was to grant the requested rezoning. And I'll pauses here if you have any questions. I know there are several residents that would like to speak to this and the applicant's agent alice glasgo is here to speak to this case.

Leffingwell: Questions for staff? All right. So we'll go to the applicant first. You have five minutes.

Thank you, mayor. Councilmembers, good afternoon. Alice glasgo representing the applicant. guernsey just indicated, this case was previously --

Leffingwell: Excuse me just a second, alice. You actually had people donate willing time to you. Peter barland is --

he's right there. He's here, but he's through the glass. Leafly he has to be in the chamber.

We'll get him here.

Leffingwell: Danny tristan.

I don't think he's in the chambers, mayor.

Leffingwell: So right now you have three minutes. If peter barland comes in you have six -- you have five. If he comes in you have eight.

Thank you. I hope I won't be long. This particular property was initially zoned in 2006 to allow a condominium project which has not been able to go forward because of the economy, the banks took over the property. My client recently acquired the property and would like to keep the existing buil that would be demolished. Used to be a church. Currently stubs barbecue is considering using some of the space for office purposes. And we would seek your support in this particular case. I call this a two-step case in that the conditional overlay is being amended in order to accommodate the reuse of the existing building. The bouldin creek neighborhood association which is supporting our conditional overlay change and is also a party to a private restrictive covenant which requires three entities to amend that private covenant and those entities are the bouldin creek neighborhood association, the property owner and property owners within 300 feet of the site, 75% of those owners have to agree to the amendment, which is a tall order. We have obtained several signatures to meet that goal, but as of a few minutes ago we found out that some of the condo owners are still in opposition, but we would like to proceed tonight given the fact that we do have support of the bouldin creek neighborhood association in approval of the conditional overlay and also approve the amendment to the private restrictive covenant. Its dialogue will continue. We still have to obtain 75% of the signatures for the private covenant which the city council does not have control over, and that is the second part to this amendment that has to be achieved. So our request of you today is to approve the conditional overlay on all three readings, so my client can reuse this building, which has been sitting vacant for a long time and needs to be repurpd so that he can bring some benefit to the neighborhood. So we appreciate your support. I'll be glad to answer any questions that you might have.

Leffingwell: Questions? All right. Thank you. We'll go to other folks who are signed up in favor, and there are none. There are some signed up who only want to speak if there are questions. Eddie patterson, ma kel meade, brad patterson. We'll go to those signed up against. James cameron. Sir, were you for? What is your name? Your name again?

Eddie patterson with stubb's barbecue?

Leffingwell: You signed up if there were questions, but you're welcome to speak if you would like.

Good evening. I just wanted to show that we're supporting the recommendations. We are interested primarily as a sales and marketing organization for the property. And I think it's interesting that stubb's used to make -- used to get his whiskey bottles from the continental club years ago. We think it would be a great place for us to come back, conduct our business over there. And I wanted to point out that

we have 15 people in our company. It would only be monday through friday, 9 to 5:00. We don't think there would be a huge impact that we would put into the area. Excuse me, I'm a little nervous here for some reason. But I wanted to point out that this space would not be used as a restaurant, bar or live music venue. It's just a strict office facility for our barbecue sauces. And we think it would be a great place. We also see the building pretty much as is. Working with peter, barland, to just do offices as is for the property. So we appreciate your support and we think austin is of course important to stubb's and we think stubb's is important to austin. Thank you for supporting.

Leffingwell: Thank you. We'll go to those against. James cameron?

Good afng, ladies and gentlemen. I'm jim cameron with the law firm of strasburger & price here in austin. We represent a couple named ryan allen and kayla kramer and they're the owners of a condo in the 04 flats condominium which is across the street from the property at issue. They are also the members of -- two of the members of the 108 west gibson petition group. And there have been letters and correspondence and a petition sent in to the city at least on two different occasions by that group. One letter contains 18 signatures. One contains 20. Our clients are two of the signatories to that. What I wanted to focus on is that the group is not opposed to the development of the property. The reason that we have launched an opposition tonight is strictly one of timing. And that goes toward what glasgo was mentioning originally. That there are some private restrictive covenants that are involved in this transaction. We believe that we're close to getting something worked out with the applicant, but unfortunately the documents that were to have been reviewed and hopefully finalized before this hearing were not delivered to our office in totality 59 this afternoon when we were all over here for the public hearing. And for that reason we are here to ask for a couple of different things. One is if you would, we would ask that the council regard the 108 west gibson petition group as a formal neighborhood group before the council. We also ask that you would postpone the approval of this rezoning until we can finish the review of the documents that were delivered to our office this afternoon. We believe there's a likely likelihood that that will result in our ability to change our opposition to this to support and we believe that that can all be accomplished within the next couple of weeks. Thank you very much.

Leffingwell: Next speaker is andy wiggington.

Hi, everyone. My name is andy wiggington. I live in the condos opposite the development and part of the petition group as well. And again I want to reiterate that we are in support of them developing it, but it has become a long, drawn out process to negotiate with the developers to the point that they have pursued kind of -- not negotiating it seems like to us, with us. And so we are asking you guys to hold off on making any final decision while we finalize the negotiation. We think that we can come to an agreement, but it has taken a little while. Let me reit wait, we do want the development. We have the framework to come to an agreement is in place right now. But it -- timingwise we haven't had enough time to look at it and do any kind of final consideration for it.

Leffingwell: Thank you. Susan holland.

Good afternoon, city council. A group of residents who live within the 300-foot boundary of the 108 gibson property have been working for the past several months trying to negotiate with barland in with regards to the development of the 108 property. We had come to terms in our negotiations approximately two weeks ago and we thought that we were at that point that we could, you know, finish this whole thing. Unfortunately without notice barland went around to the neighborhood with another draft to the amendment, which did not include any of the mutually agreed upon terms between our group and mr. barland. He has apparently failed to obtain enough signatures during that attempt to go around our group amendment and now as of 159 today has agreed to revise his first draft of that covenant. We have not had time to go over that revised agreement and so we would like to ask you to please hold off on this until we have had that time. But as the other two have said, jim and andy, we do want this property to be developed. And in a lot of the ways barland is talking about, but we do have

some things that we would like to add to that amendment. So we ask that you not go forward on this today. Thank you.

Spelman: Mayor, I have a question.

Leffingwell: Mayor pro tem.

Spelman: Let me be sure I understand. You are the third speaker and I think I said this roughly, but the penny just dropped with me a minute ago. The bunch of you at 108 barland have had discussions for awhile.

Yes.

Spelman: Two weeks ago had you conceptually a meeting of the minds. You agreed as to what had to happen, but you didn't get it in writing until just today.

Yes. And we haven't had a chance as a group to look over what he has sent in as his last draft.

Spelman: Okay. But that is your expectation that what should be in that draft is what you all agreed on verbally a couple of weeks ago.

We hope so.

Spelman: Thank you.

Leffingwell: Councilmember morrison has a question.

Morrison: So I'm trying to understand, because the restrictive covenant is what you're talking about in terms of.

Yes.

Morrison: As i understand it, they can't do what they want to do unless a restrictive covenant gets agreed upon. So -- so you're okay with the zoning, you're just asking us to hold up the zoning -- I guess I don't see why -- I want to understand why we need to hold up the zoning. If he can't do what he wants to do, you have a strong negotiating point with the zoning already in place.

I'm going to let jim go with this because he has more information on that.

Morrison: Thank you.

Just to clarify, if we can work out the restriction then we will be okay with soanting. But if it were not going to be worked out, the revisions to it, we would want to oppose the zoning and object to it being changed. We thought we would have all that done by tonight. And we just didn't get the documents in time to do it. So that's the only reason we're asking for the postponement.

Morrison: Okay. Because to me the zoning isn't okay with them unless they get you to board with the restrictive covenants.

On one point that's true, but from the standpoint of our clients, if we were not able to strike a deal on the

covenant then we would prefer to have the zoning remain as it is.

Morrison: And I guess i understand the restrictive covenant needs to be signed by 75% of the folks within 300 feet. Do you know what percent of the folks within 300 feet the people that signed the petition against?

No, I can't give you that exact number, but --

Morrison: Can you give me an approximate number?

I think it's close to having enough there so that it can't be changed without their accident, but I don't want to represent that i know that 100%.

But you think it might be 30%?

Yell.

Morrison: Something like that?

Something in that ballpark.

Cole: Mayor, let me ask a quick question. I'm trying to understand if you had an agreement two weeks ago and if it wasn't for the papers last night, what is the sticking point?

The main sticking point for tonight's purposes is that we understood we were going to have the documents to review on monday.

Cole: You're asking us to hold up zoning because of a private restrictive covenant and so my question is what is it in the documents, what is it supposed to say?

There are several things in the restrictive covenants that have to do with height limitations and shielding of objectionable things that the people in the condos might be having to look over. There's amendment procedures to be sure that our clients are protected because the applicant or some people connected with the applicant also own and at this time control the association for the condos. So that's part of the issue is that we want to be sure that this restriction sticks so that by some circumstance it can't be undone by the applicant or somebody aligned with the applicant.

I understand. You want the deal to be reflected in the paper?

Yes, ma'am.

Leffingwell: Just to be clear. The council cannot approve the zoning case or -- and have as a condition of that a private restrictive covenant.

We understand that.

Leffingwell: That we can't do?

Yes, sir.

Cole: And I want to make sure that is basically what you were asking us to do. I want you to know that i

fully understand and agree with what the mayor had said, that that is not within our purpose, but I wanted to make sure that's what you were asking us.

All we're asking for is for the action tonight to be postponed. That's our --

Cole: Thank you.

Leffingwell: Now we'll go back for rebuttal by the applicant for three minutes. Miss Glasgow.

Councilmembers, the private restrictive covenant is going to be an ongoing battle and it is one of the leverages that the property owners within 300 feet have. In fact, the covenant this the three folks you just spoke about, that is going to be a second private covenant. So we will end up on this piece of property that will be two different private covenants. One with the condominium residents. A second one, the one that is in place today, that requires 75 percent of the property owners within 300 feet to sign off, in addition to the neighborhood association. So my request of you is that the thing they're asking for today were delivered to them, the document, and a check, so given the things that they received, the dialogue can continue to refine those things. Screening of the building is existing, so I fail to understand what screening is needed from the other side, but nonetheless, those issues that need to be clarified can continue to occur because the conditional overlay has really no bearing in the private matters. And then secondly, the private restrictive covenant also has other measures in it, the one that is being amended, that makes sure that all these things happen. So if we can get the zoning part taken care of today, at least we can continue with the next -- the second and third step that leads to those signatures. We would appreciate that. Thank you.

Leffingwell: So quick question. There's no physical change in the building as it is now from what the plan is or the zoning would enable in future, but could the -- the building could be changed, but it could be changed now as well as it could be with --

correct. The building has been vacant. It's just going to be remodeled from the interior to accommodate an office use. The exterior is not going to change. The intent obviously is -- the previous users were going to tear down the building. My client wants to keep the building and reuse it.

Leffingwell: It's vacant now?

It's been vacant since 2006. That's my understanding at least. Since you rezoned the property from mf-4 to cs-mu. It's boarded up.

Leffingwell: What was its use before then?

A church.

Leffingwell: Councilmember Spelman.

Spelman: Miss Glasgow, if we were to say yes to the change before us, which is just a change in the conditional overlay, but you were not able to get the neighbors or the 108 Gibson group to agree to change the private restrictive covenants, what would Barland be able to do with this property that he cannot do now?

The conditional overlay won't allow him without the amendment to have -- to use the building for office or retail because those uses are prohibited currently. It would have to be residential uses, more like the condominium residential, prohibits multi-family, just a condominium project. He would either have to let the building sit indefinitely until the market is ready for a condo project or let it sit vacant. Those would be the two options. Because the other uses are very restrictive. The restrictive covenant and the current

conditional overlay would not allow the building to be used for commercial uses because it's limited to 4,000 square feet. The building itself currently is 11,000 square feet, so unless he portioned out 4,000 square feet of the building, that's all he could use for retail.

Spelman: So that means the restrictive covenants are more restrictive than the conditional overlay before us. Even if we say yes to the conditional overlay, that does not impart any additional rights to barland in the absence of changes in the restrictive covenants. There's nothing he can do with the building he can't already do just because of our conditional overlay change.

Correct.

Spelman: Okay. Thank you.

Leffingwell: Councilmember morrison.

Morrison: Just to clarify, that includes the second -- if the second restrictive covenant is not signed, the new zoning cannot be used. Is that --

that's pretty much the essence of it. That's really the essence of all of this, the restrictive covenant is key.

Morrison: Both of them. Both of them are key or just -- because I understand you said there's two.

The second one is the new one. The one that relates to --

Morrison: That is also key?

Well, obviously that pertains -- it affects the folks who are going to be signing it within 300 feet because they're the closest folks. So it's incumbent upon both those two documents and the parties associated with it to all agree.

Morrison: Do both -- am I correct in understanding that there are two separate restrictive covenants?

Well, the document that is recorded currently, the private one, is the one that is being amended. And then the negotiations have resulted in new dealings that have resulted in yet another one being created among the condo residents and the current property owner, which won't affect the bouldin creek neighborhood association as an entity.

Morrison: It sounds sounds a little strange that the zoning wouldn't be useful without the second restrictive covenant that's not signed yet.

It seems that way to me too. The zoning -- I think the second one has to do with further limitations.

Morrison: Because the first one is already recorded, it's been amended, they could in fact move forward with putting in the office if we approve the zoning tonight.

No. We need to -- we have to still get the signatures, the 75 percent correct?

Morrison: On the first one we don't have 75 percent yet.

Correct.

Morrison: Okay. Now I'm getting it. And let me ask you two questions about timing. If it zoned tonight do they plan to move forward right away in terms of moving in? I'm trying to get a sense of could we do first reading tonight and do -- what impact that would have if you waited for the final zoning until the 22nd of september.

The hope was to continue meeting that 75% goal after you get through the zoning, and then continue to work with stubs barbecue and the other tenants that are interested in moving into the building. And because your next meeting is not until SEPTEMBER 22nd. So you have one week or two week it might be helpful. So finishing one step and getting -- focusing on the next steps which have to do with obtaining those signatures. So they just got the final documents today. Is there a reason they weren't able to get them, you weren't able to get them? They said the discussions had finished two weeks ago and they didn't get the documents until today.

I'm not sure what happened with that. We have several lawyers involved.

Morrison: That explains it. [Laughter]

Leffingwell: Councilmember riley.

Riley: I have a question for mr. cameron. cameron, part of the issue here relates to the parking on the site because in -- in the zoning case in 2006 surface parking was actually prohibited in the conditional overlay. And so in order to reuse that building and use the surface parking that's there, that prohibition needs to be adjusted. I'm interested in making sure that that adjustment to the conditional overlay is limited to the reuse of that church so that in the event that the whole site is eventually redeveloped that the prohibition on surface parking would come back into play. Would you folks have any concerns about that? Or do you share the concern that the neighbors had in 2006 that generally surface parking should be prohibited?

Yes. That's one of the concerns of our clients. And that's part of what we've been trying to work through, get nailed down. And again, that's part of why we're concerned about making that change to the overlay tonight. And so that's the reason for our request for the postponement. But you're exactly right.

Riley: Okay. Thanks.

Leffingwell: So item 103 is ready for all three readings. Does anyone have a motion? Mayor pro tem.

Cole: I understand the objections concerning the private restrictive covenant, but we've had a long policy of that being out of our purview. I do not see any reason to hold up this project, so I'm going to move approval on all three readings and closing the public hearing on the planning commission recommendations.

Leffingwell: Mayor pro tem cole moves to close the public hearing and approve on all three readings planning commission recommendation. Is there a second? Seconded by councilmember spelman.
Councilmember riley?

Riley: I would like to offer what I hope would be a friendly amendment and that addresses that parking issue that I mentioned. The concern is that if we just lift the requirement on -- lift the prohibition on surface parking that eventually the site could be redeveloped and they could use -- they would be free to use the surface parking, which was not the intent. The idea in 2006 was to prohibit that. So we want to make sure that the redevelopment -- if redevelopment ever occurs and goes beyond the reuse of the existing building and moves to a whole new development, then in this case they can't go -- they can't

still use that same surface parking. So I would offer some simple language addressing that. And we've worked with staff to arrive at the following language. It would just -- it would just say that on-site surface parking is prohibited except as park fog the existing improvements as per exhibit a and up to 9,000 square feet of addition to the existing improvements.

Cole: So it's conditioned on future development is the way i understand it.

Riley: It would allow them to go ahead and use that surface parking while they're using the church and a little bit of additional development right there around the church. But then if there's ever an overall -- a future redevelopment of the site, then in that case they would -- the surface parking would not be allowed.

Cole: I consider that friendly.

Leffingwell: Councilmember spelman.

Spelman: I do too, but I would like to hear from staff as to whether we can still do this on three readings.

Earlier this afternoon we heard this might happen, so we had a little discussion with our attorney, and basically the language -- i think chad may have a copy of it, but we are comfortable that we could do three readings enough with that direction if that's what your desire is.

Leffingwell: Go ahead.

I just wanted to be sure that the exhibit a that you reference understand your language is the exhibit we have here in front of us. Thank you.

Leffingwell: Further discussion? All in favor say aye? Opposed say no. It passes on a vote of six to zero with councilmember tovo abstaining.

Mayor and council, that concludes our zoning, rezoning items.

Leffingwell: All right. So council, without objection, we've only got 10 minutes left, so without objection let's go into recess until after live music and proclamations. We'll be back after 6:30.

Leffingwell: Can anybody hear me? Okay. We're going to have a good time tonight. It is one of our big anniversaries here in the city of austin, texas. Some of you are old enough to remember that back in 1991, just a few years ago, the city of austin was named the live music capitol of the world. And the austin city council did that. We passed a resolution saying that we were the live music capitol of the world. And we have certainly lived up to that reputation, i think. Here in austin we have about 250 live music venues. We have an estimated 50,000 live music performances every year. And it is added immeasurably to the cultural fabric of the city of austin as wel had a big impact on our economy. We don't want to forget that part. We've done a number of things on today's agenda to commemorate music initiatives, and nurture that business as we go forward here today. And I want to recognize my colleagues back there, councilmember martinez and councilmember riley, who helped me with this and co-sponsored this effort and they're 100% behind you too. The easiest way to begin a celebration like this i think is with some live music. So that's what we're going to do next. [Applause] but, but, before we do that I would like to bring up jeff van zant to say a few words about this event tonight. Thank you, jeff.

Thank you. This is a great occasion. Fender musical instruments worldwide and in austin through our artists relations department recognizes what the city of austin does for its local musicians and for the music industry worldwide through all the amazing events that we've put on here. And on behalf of

fender musical instruments and our local artists relations office we are honored to present to the city this fender strata caster guitar for the live music celebration of the world 2011. [Applause]

Leffingwell: How do i look? What about if I do this? All right. You guys get to hold it for a little while.

We're not worthy! [Laughter] okay. We've waited long enough. Now let's hear marcia ball.

I'm going to take this one moment to say how much i appreciate everybody coming today. I particularly want to recognize nancy copyland, who is on the music commission, who established this movement, created this wonderful idea and moved it forward. Former councilmember max nofziger, who was the official arm of the movement. And everybody here in austin. I started to try to write down a list of kind of who was here when we all got here in the late 70's and how everybody had started to move to austin and stay and play music. And then who was already here. And it just got ridiculous. I would have to have an adding machine tape to write the list of people who, a were here, b, came here, and then have continued to come here. Austin right now is as dynamic and exciting and creative as it has ever been in the 40 years that I've been here. And it's really charged now to the -- it's a more complicated world. It's a much bigger city. It's charged to the city council and the mayor and the citizens to support and encourage this, because when I go anywhere in the country, what people say about austin -- they don't say oh, high-tech! 1400 Food trailers! [Laughter] they don't say whole foods market headquarters and they don't say dell, they say music. [Applause] [♪♪music playing♪♪] [♪♪music playing♪♪] [cheers and applause]

I want to say one other thing, one other thing about music and nancy, please. What nancy does, besides music at the airport, so she knows every new band that's in town because they all come to nancy first and play at the airport. Nancy networks better than anybody I know. She also stage manages every charity event in this town. And they run on time. But answer introduced me to shelly and she's introduced me to a whole two more generations of the music people who are coming to town. Thank you, darling. [Applause]

Leffingwell: Marcia king -- shelly king and marcia ball, thank you very much. [Cheers and applause] now we'll do a whole lot of recognitions and I'm going to introduce councilmember to do some of that.

[Inaudible - no mi

Riley: What an awesome crowd we've got here. Okay. Y'all settle down. We have just got such an amazing collection of folks, and it's such a pleasure to be part of their recognition. I'm councilmember riley and it's my pleasure to take part in this. Our city boards and commissions have done an awful lot of amazing things, but one of the coolest happened in 1991 when the austin music commission, volunteers citizen board, like all of our city boards and commissions, helped launch an idea that would brand the city of austin to the entire world. They helped us tell the world what we already knew, that austin is the live music capitol of the world. The members of the 1991 music commission, the community thanks for you all of your ingeneral newty and hard work. You helped everybody know what we had going on here and it was incredibly valuable and we'll always be indebted. It's not just the board that makes it happen, it relies on all the club owners, the musicians and all the fans who help our live music scene happen and bring it all to life. And to help recognize some of the most critical folks, I want to introduce my colleague, councilmember martinez. [Applause]

Martinez: Thanks, chris. Thank you all very much. It's really important that we not only honor the city council and the music commission members, but truly the music supporters, the venue owners and operators. They are also what make austin so unique and what makes our music community thrive so much. And specifically I wanted to thank susan antone for being here. Obviously she stands on her own, but also standing in for her brother clifford who was a huge part of austin and remains a huge part of austin. We have bruce now doing the amarillo christmas bazaar. I see tons of folks out in the audience. If you would just bear with me for a moment, if you're a musician or if you promote or support

live music in terms of doing that as part of your daily lives, if you will stand up or if you will raise your hand in the back. ... (listing names) I see... (listing names) We could go on and on. But you all deserve that recognition as well. [Applause] just this week the mayor and I held a press conference and announced that south by southwest music festival hit an all time high this past year. Over \$167 million in economic impact, one event over a nine-day period. 200,000 People from all over the world coming to austin during those nine days. This is where it all started. And none of that would be here without all of you and all these great folks. So we thank you, we congratulate you. Happy anniversary. And let me know where you're going to party tonight because I want to join you guys after this is over with. Thank you all. [Applause]

Leffingwell: Thank you, mike. I wanted to mention also that we talked about the beginnings of south by southwest 25 years ago. That was another big landmark we just passed this year. And it started off as just a music festival, just a music festival, and we now know it's so much more. We talked about the economic impact and how back 25 years ago the economic impact was measured in terms of number of extra six-packs sold. And now we've graduated to \$167 million was the number that the consulting firm came up with last year. So it is definitely an event that is known all over the world based right here in austin, texas. Born and bred here in austin, texas. So I have for an occasion like this, you've always got to have a proclamation. And I've got one. So I'm going to read it. Be it known that whereas in 1991 the city's music commission made a recommendation that austin be called the live music capitol of the world. In light of the fact that we had more live music venues per capita than anywhere else in the nation. And whereas on august 29th, 1991, the city council passed a resolution formally adopting the moniker live music capitol of the world. And whereas the city of austin is home to nearly 200 music venues and thousands of musicians who contribute to our local economy and are intrinsic to our cultural fabric and whereas live music is the soul of austin and the city continues to follow in the footsteps of our predecessors in supporting our musicians in venues. Now therefore i, lee leffingwell, mayor of the city of austin, texas, do here by proclaim august 29th, 2011, as the 20th anniversary of the live music capital of the world in austin, texas. Congratulations, everybody, for making that happen. [Applause] okay. So not only do we have a proclamation, but we also have medals and certificates, individual medals and certificates. So we're going to hand those out now.

Folks, one last thing. Before all of you leave, everyone that got a medal and certificate, before you leave, take this sharpie and autograph that fender guitar and we'll hang it here at city hall with 20th anniversary commemoration. [Applause]

Leffingwell: Thanks, everybody. Thanks for coming. It's a great night in austin. Thank you all so much. we're out of recess. Quorum is present so we'll 00 public hearings. We have a couple very short ones to get out of the way first, and we'll call up item no. 111. No speakers signed up for this.

I'm with the office of real estate services. Your item 111 is a change in use on parkland. There's a storm drain project for gillis park. The mitigation for this is \$500,254.27. And there is no other feasible and prudent alternative to the taking of the dedicated parkland, which includes all planning to minimize harm to the park. any questions of staff? Entertain a motion on item 111. Council member riley moves approval, council member martinez seconds. Comments? All in favor say aye.

Aye.

Mayor leffingwell: aye. Opposed say no. Passes on a vote of 6-0 with council member spelman off the dais.

Thank you. thank you, jenny. item 110 has one citizen signed up. Roy whaley? Roy whaley in the chamber? Okay. Roy whaley is not in the chamber so those are all the folks we have signed up to speak. So the motion is to close the public hearing on item 112. Is there a second?

Second. second by mayor pro tem cole. Any discussion? All in favor say aye.

Aye.

Mayor leffingwell: aye. Opposed say no. Passes on a vote of 6-0 with council member spelman off the dais. 112 has one citizen signed up to speak. Cyrus reed. Cyrus reed. Cyrus reed is not in the chamber, so those are all the folks that we have signed up to speak. This public hearing to conduct public hearing and consider an ordinance regarding a proposal from atmos energy corporation. Council member martinez moves approva close the public hearing and approve on all three readings. Second by council member morrison. Discussion? All in favor say aye.

Aye.

Mayor leffingwell: aye. Opposed say no. Passes on a vote of 6-0, council member spelman off the dais. Item no. 109. mayor, council members, my name is kevin shunt, the watershed protection department, floodplain administrator. The item before you tonight 109 is a floodplain variance request at 835 west 6th street, otherwise known as marketplace east block property this the shoal creek watershed. Here is a picture of the property. It is outlined here in red. It's bounded by sixth street on the north, 5th street on the south, buoy street on the west and shoal creek on the east. The property is entirely within the city of austin 100-year floodplain and the majority of the property is in the 25-year floodplain. The variance request is in regards to a parking lot that actually currently exists on the site. The parking lot that exists, the shape of it -- the size of it you can see here is in the hatching area, so it doesn't cover the entire property itself, just the portion that's on the far west side of the property. Here's a picture of the parking lot as it exists today. The owner is -- is requesting a floodplain variance request to have parking in the 25 and 100-year floodplain and they're doing this through a site plan application to formalize this parking lot into what was sort of thought of as a temporary use but now that it will be in the site plan application it will be considered as a permanent use. However it's not long-term use of the site itself. So their variance request is to allow the existing parking lot use to remain. I want to talk a little bit about the previous use of the site, the current use of the site and what is intended to be the proposed use of the site. Previous to this parking lot, this property was a car dealership and had been so for many, many years. um of buildings -- a number of buildings and parking on the property in the range of 100,000 impervious square feet of cover. This picture that you see here before you is a picture after the memorial day storm in 1981. It's a pretty famous picture that is shown a lot for that storm. That's the property you can see there in the background with the new cars that were washed into shoal creek. This is a great picture indicating, obviously, why we don't want parking and cars in the floodplain, because they can get washed down, they can block bridges, they can cause lots of damage as they go downstream, not to mention the cleanup from those. The current owner of the property demolished all the buildings and parking that were on the site in about the year 2000. The current use of the site, the parking lot was constructed in about 2006. It's about 69,000 square feet of impervious cover. That's about 65% of the impervious cover that was there before. There are 231 reserved parking spaces on this lot. The parking is used by whole foods employees, home away employees and some other contract people for some other businesses in the marketplace area. So it is not a general public parking lot. It is all reserved spots. In 2006 when the current owners put this parking into place, they did a number of measures to give some flood safety to this parking lot because at that time it was and still remains to be in the floodplain, and some of those things include a bollard fence, I'll have a picture of that in just a moment, essentially lined the eastern side of the parking lot and that bollard fence extends up to a height 1 foot before the current effective 100-year floodplain, and the intent of the bollard fence is to hold the cars on the site so that if the hundred year flood comes they're held on-site and they don't drift downstream. In addition they have and they do implement a flood warning plan. For example, if the usgs stream gauge at 12th street reaches a height of 12 feet, then the security officers at the whole foods property then contact the people who park in that lot, of the staff members, and they request they move their cars. In addition, they also watch the 5th street bridge and if the water gets to the low cord of that bridge they initiate the flood watch plan as well. It's a system that they have two measures to check and then they have contacts for all the people because it is all reserved parking. Again, no general public parking, and then they also have flood signage on the property which is required for parking lots

in floodplains just to let people know that this parking lot is subject to flooding. Here are a couple pictures of the parking lot as it exists today. The top right you can see the bollard fence. The bollard poles are in the range of 6 to 5 feet now, it extends on the eastern and southern side of the parking lot and you can see some of the signage that they have as well. One thing that I want to mention, as we were going through with the applicant to talk about this parking lot and the site plan and putting this item together for the agenda, we -- the city of Austin is currently doing a new floodplain study for Shoal Creek, and we're in the middle of that study, but we did receive kind of a first cut of the hydraulic model which tells us how high water. We received a first from a consultant and that shows that it will change, and in this area of town they're indicating it will rise significantly. So when we have approached the applicant and told them with this information, what we have, it is preliminary, but albeit it is best engineering data, we asked them if they were willing to modify their bollard fence to increase it to the height of the new floodplain. Now, we won't know what that final height is until the study is complete until about February of 2012, but they did agree that upon time of completion of that study they will increase the bollard height, therefore protecting it from the new floodplain levels and not just the floodplain levels that we have in existence today. So that's -- that's a significant measure that they were willing to do and that we were happy that they were willing to do for the site. The proposed use of this site is not a parking lot. The owners have had site plan applications approved and one actually still under review with the city. The previous one was approved in December of 2007. It was a mixed use site. It had a very large parking garage, a hotel piece to it and then some office space as well. That site plan also includes some trail connections for the trail on Shoal Creek along with other associated improvements with the -- on the site as well. In December 2010 that site plan expired, and then the applicant resubmitted a new site plan in February 2011, essentially with the exact same development. Now that this new Shoal Creek floodplain information is available, they have to now reconsider what they're going to develop on the site because these new floodplain elevations affect that property, so the current site plan that we are looking at really involves just a parking lot. The development, the overall development itself, the applicant has told us will not be part of that site plan, so that -- the development is still under design. However, the parking lot still exists. So just a quick summary of our findings. Staff is recommending approval of this floodplain variance. The applicant has agreed again to extend the bollard fence one year above the 100-year floodplain elevation, the study. They have the floodplain warning they implement. There's no general public parking, just reserved parking there, and I have here that there is a hardship conditions that exist. The entire property is in the floodplain and when we see people who have that situation, essentially nobody can develop this property without some type of variance, so it's considered a hardship and it's something that FEMA sees when they review some of our records there is a hardship condition that exists, they consider that reason for floodplain variances. There is a draft ordinance in your packet. I just wanted to point out a few things. So basically the conditions that we have in the ordinance talk about the flood warning plan to implement. It's just a way of formalizing those things. They did agree to extend the bollard height. They'll provide structural certification for that new bollard system they're putting in and they have barricades they'll put up on two spots so people have access to the non-parking area. And they've agreed to implement all the measures, with 60 days of the city finalizing our floodplain study, which again is proposed to be in February of 2012. That's all I have. If you have any questions I'd be happy to answer them. I know the applicant is here -- questions for staff? Okay. I've only had two folks signed up to speak. Is there some -- is an applicant wishing to speak in favor of the request?

Yes, Mayor, members of Council. My name is Rick Duggan. I'm a partner in Shoal Creek Walk.

Why don't you get yourself signed up before you leave here, with the city clerk.

And I'm the director of design and construction for Slosser Development and the lesser of property management for them. I have prepared remarks but they look very much like the letter you've already gotten from us. I'm ready to answer any questions you may have of us. Any questions? All right. Everyone who has signed up is in favor, Alice Glasco, for, David Petankco, David Dugan, who just spoke. If there are questions, and Lumbaro, signed up not wishing to speak. That being the case I'll entertain a motion on item 109 Council member Riley? I'll move to close public hearing and approve the variance but I would like to offer one amendment. I guess I'll offer the amendment and hope to get a

second. go ahead. first let me say that in general I would have some concerns about a surface parking lot in this area, but in this case i don't think there's any question that there have been active, ongoing efforts to make this lot something other than surface parking, for a very long time, and there have been a number of good reasons why it's been difficult. The point is that no one has been looking to this as a long-term use for this lot. That being said, it has been over ten years now, and i don't think any of us would like to see it go for another ten years in its current condition. So just in the event that there -- in the unlikely event that there are continued issues and we do continue to see difficulties in getting the lot developed, I just wanted to make sure that at some point we get some improvements there, and in particular, you know, we've talked a lot about our commercial landscape ordinance and improvements to commercial parking lots, and so what i would suggest is that we amend part 4 of the ordinance in the backup by adding a new condition 8 requiring that if within three years the applicant has not demolished the parking lot, the parking lot must adhere to the city's commercial landscaping regulations. The exact ordinance language has been provided to the city clerk and distributed on the dais. So basically if they don't manage to get it developed within three years, then they need to do some commercial landscaping in compliance with our current ordinance, which as you-all recall contemplates having the high -- the tree islands and then having water runoff into the tree islands, into at least 50% of the landscape area, so we make use of the rainwater falling on to the lot to water the tree islands. motion by council member riley to close the public hearing, approve on all three readings. The ordinance submitted with the addition to part 4 of the conditions stated about landscaping after three years, no change. Could I ask staff if they can accommodate this request and go ahead and approve it on all three? I guess I should get a second on this too. Council member morrison seconds. Is that a problem to go ahead and incorporate that last --

no, mitsy cotton, assistant city attorney. No, that's not a problem. We have that language and we're ready to proceed, if that's your wish. council member tovo. mayor, I just need to see that language again or hear the language again. Somehow we didn't get copies of it, so if you wouldn't mind just reading that again, council member riley.

Riley: sure. The exact language would be to add paragraph 8 in part 4. Part 4 sets out a number of conditions, and the new paragraph 8 would read, if the parking lot is not demolished before september 5, 2014, the applicant should take actions to bring the parking lot in compliance chapter 25-2, subchapter c, article 9, landscaping.

Tovo: okay. Thanks. motion on the table. Further comments? All in favor say aye.

Aye.

Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. I'm trying to -- council, without objection, I'm trying to pick these ones that are short. We have several that are long. So we'll now take up item 114 to conduct the first of two public hearings to receive comments on the proposed maximum property 32 cents for \$100 valuation for fiscal year 2011-2012. Second public hearing will on september 1, 2011 here in the council chambers. So we have two folks signed up, if I can get my computer to work here. Jeff jack signed up against. For three minutes.

Mayor, council members, jeff jack. Taking it out of order sort of took me by surprise. I only have a couple comments with regard to the tax rate, and that to remind the council that over the last 20 years, since 1990, the assessed valuation in the city of austin has quadrupled. During that same time the revenue stream from that increased valuation has tripled, but also during that same time the per capita tax burden on the residents of the city has doubled. Now, if you think about those three figures you wonder why the revenue stream hasn't kept up with the valuation stream, and there's a simple reason, is that because the commercial properties in our city are not valued at full market value as our residential properties are. So we need to look into the future. You have appointments to the appraisal board. We need to have an analysis done of why this has happened and what it's going to take to get it fixed, because what's happening is we're shifting the tax burden to the residential property owners away

from the commercial property owners. I think that in all fairness, when we look at the cost of living in our city, this property tax change that has occurred over the last 20 years is taking us in a wrong direction for affordability for the moderate and lower income people in our city, and I would hope that the council would consider that. I know there's not much chance of dealing with it in this year's budget, but hopefully next year's budget we ought to have some sort of mechanism to see how we're going to bring those commercial property tax valuations back in line with state statute and full market value such that we change what we're doing now in the city. Thank you. thank you. Next speaker, sharon blythe. Sharon blythe. Here she comes. Also signed up against, you have three minutes.

Mayor and council, i think paying property tax is a great thing, but when you're going to tax people out of this city, it's not such a good thing. I think there's a lot of ways to -- in this city budget that could be addressed without raising our tax rate, particularly there's no line item for city cemeteries in the budget, never has been. They are not even watering out there at the trees -- on the trees of any of the city cemeteries now, and the parks department, for your information, posted on their web site yesterday that they're cutting back the watering at all the city cemeteries for two hours a week. It was, in my opinion, inappropriate for the parks department to post that because of the urban forestry board's letter that came to you-all just recently. We spent too much time on trying to get the parks department to water the trees. There's too valuable of an asset to let 300-year-old trees die because the parks department doesn't want to do it, or the cemetery operator doesn't want to do it. So please check out that web site, what they've said on their web site yesterday is contrary to what we've been working for, and I think a lot of you-all have been working for, to get the cemeteries in a little better shape. Thank you very much. thank you, and city manager, would I ask you to ask that question about care of the trees in the cemeteries? I think that is a -- certainly something we have to be concerned about. And --

morrison: mayor? those are all the speakers I have. Council member morrison? I know that's an issue has been has been and the urban forestry board made a recommendation and we'll make sure, staff -- staff said they were going to take them up on the recommendation, so hopefully there will be some improvement. those are all the speakers we have signed up. First public hearing on the proposed maximum tax rate is closed. Brings us to item 108, which is to conduct a public hearing -- receive public comment on the proposed rate changes for the water utility is part of the 2011-2012 proposed budget. Marsha stokes is the first speaker. You have approximately one hour of testimony.

I wish to raise the issue of inequitable condominium water rates. I own a garden home, which is part of a condominium community of 39 units. The new development, arboretum park, was completed last december and carries a four-star austin energy green building rating. The proposed water increase will be the second major increase in the customer service charge in the two years I have lived there. The first one, 464%, and the second one that's coming up would be 61%, which includes the sustainability fee. Austin has a strong reputation for conservation and rewarding energy savings, so in purchasing a four-star green home I did not expect to be penalized for the condominium or multi-family classification. Our homes have no common walls, are less than 1600 square feet in size and are all single-family homes with shared land. We also have sub-meters, which studies show encourage water conservation, another reason for equitable rates. If I currently use 2500 gallons a month, I pay 40% more than a single-family home, or \$48 versus \$34. With the proposed rates that cost will be 33% more or \$62 versus 41. That equals a 29% increase for me, not the 15% averages suggested. Under the current rate structure the service charge is based on meter size with no regard to the number of units serviced. [One moment, please, for]

Spelman: Mayor? stokes, have you written this down? If you could write it down and send it to all of us, i think we would like to see it.

Leffingwell: [Inaudible - no mic].

Leffingwell: Donating time is richard victory. And stan ostrom. So you have to up nine minutes.

My name is bryan rogers with change austin.org. So my property taxes on my house, the city portion since I bought my house from 1999 until through 2010, 11 years, have tripled. So I bring that up because i realize this is the water portion of it, but okay, if my city property taxes have tripled over the past 11 years and now we see the water fee will go up by 66%, let me show you my graphs of my valuation on my house.

Professor: So this is my house. You can see that in 1999 the city taxes were 1500. Now they're close to 4500. I can argue about the central health because it's been taken in and out, but basically it's tripled. So why do awu rates climb? They climb because they're giving it away. They're giving it away to the real estate industry and they're soaking existing residents. I've shown you these graphs before, but austin sells its water as a weighted average, a water tap, for about \$1,241. Hutto sells it for three times that amount. So do we not have enough faith in our city to sell our water taps for somewhere closer to what hutto is? The law allows it. Same for wastewater, about \$750. Georgetown sells theirs for five times that amount. So here we sit at the bottom of the heap selling our water wastewater taps in the and all points in between for a weighted average of about 2,000. We could sell them for eight thousand, okay? Now, what does this constitute? Here's \$180 million for the south i-35 water and wastewater program. I think they're building it out of revenue and not out of any bond money. It's my feeling that this could be offset with the -- as a capital improvement with impact fees. And that would reduce the need for these increases. So let's do the numbers. Population has increased 21,000 in the city of austin in the past year from april '10 to april '11. 21,000 New people divided by 6 people per dwelling means we will need 8300 new dwellings. So I'm a part of the impact fee advisory committee. The real cost is 10,300. Potential legal maximum is 8,000. Basically we're losing \$6,000 per sale of water and wastewater tap. You multiply that by 8,000 new dwellings that will be coming online to accommodate these new people and that's \$50 million a year that's uncollected. Do we have a problem with awu revenue? what we have is a collection problem. We have a political will problem. The numbers are a little bit off, but it doesn't include the commercial and it doesn't include the e.t.j. Within the water utilities' ccn. So my question is could the water utility use half a billion dollars over the next decade? Well, sure they could. As a member of the impact fee advisory committee, the land use assumptions must be updated every five years. As of september of 2007 was when the last time these fees were updated. Now five years will be up next september. So there's a process of updating the capital plan and there's public hearings, but as a member of that committee we're going to be moving forward on this and you guys will get a chance to vote on maximizing these fees. I keep hearing things like bryan, now is not the time in a down economy to add additional fees on us. That's what the developers say. Do you know what? It's always a good time to dump it on to the general population. It's never a good time for them. It's always a good time to socialize and external lies these costs. They say it will hurt affordable housing. Tell me who is really building affordable housing? Very few people. But real affordable housing can be exempted from the fees. Bryan, it will make new housing less affordable? Maybe so, maybe not. Point is the costs should be borne by the beneficiaries. Why should I be subsidizing people who are moving in from phoenix or detroit or dallas on their new homes? Okay. Even if the \$6,000 were added to the top of the price of a new home, if you amortize that over 30 years at five percent, that's \$32 a month. Let the homeowner pay for it. What actually happens, though, is that that cost will be -- find its way down the development chain. The home builder will tell the lot developer I used to pay you 45,000 for a finished lot, but now I can only pay you 42,000. He will go back to the paper lot flipper and say I used to pay you 20,000, but now i can only pay 18. They will go back to the land speculator number 3 and say I used to pay you 40,000 an ache he. I can only pay you 38. It will work its way down the chain. Some will go on top of the home price, some will work its way down to the price of land. But ready regardless the growth should pay for itself. We shouldn't be a part of it. You're giving away, 13 and a half million, to the line extension of formula one. One does these reimbursements, 100% reimbursements, other cities don't. Why are the rates going up? Because we're giving it away. Water treatment plant 4, i have commercial property, what are we doing? Well, we've cut off our spills. Our lawns are dying. Even some of our wax leaf myrtles are dying. The tenants are used to it. We're putting rocks in the -- pea gravel is nut mulch. So we're getting used to less use of water. This is not going to change when it rains. This is a change in the way that we all are thinking and operating. This is a structural mind paradigm shift to less water. We're not going to be back up to 170 gallons per day, we'll be a lot less. So how do you hide -- how are all these subsidies hidden? Well, sure we get increases in taxes, fees and rates. We get increased debt.

But we also get infrastructure deficit, we get deferred maintenance and reduced service. So in closing the city of austin employs all of these, make growth pay for itself. Thank you. [Applause] next is cyrus reid, against.

Good evening, my name is cyrus reid here with loant star chapter of the sierra club. The lone star chapter of the sierra club doesn't normally get too involved in local city water issues, but i thought it was important to come speak out. The issues have already been mentioned, which is the proposed fee sends the wrong message in terms of water conservation. What it does it it impacts low water users and particularly low income folks and multi-family folks who use less water. And the way they've done that proposed fee, and i know they're changing the name, they have about half of it they call a conservation fund. It's not clear to me what is included in that conservation fund because if you look at the proposed budget for water conservation rebates and incentives, that budget is actually going down in 2012 8 million to 2.3 million. So there was a discussion earlier today about the need to look at this long-term. What are our conservation goals. How do we build the amount of money we need in incentives and conservation into that. And I think that's something you really need to do. And I think you also need to keep all of this in context. We have property taxes, rate increases. We have an austin energy rate case and we'll know monday what the proposal looks like, but it will -- you can bet your bottom dollar as the song once said, that the rates will go up and there will be an increase in fixed lots with the proposal. What we're talking about is on people's bill -- it's the same bill whether it's austin water utility or austin energy. There's going to be a significant increase in the people who use the least water and use the least energy, and that seems like the wrong message in terms of where we're going as a community and what we've been talking about both in the water conservation taskforce and the generation plan. So I would really urge you to kick this back, look at things like development fees, look at the potential that you could have. If they need some fixed costs, have them based on volume of water use. And really hone in -- I'm sure our community will be coming up with some specific proposals on this, but i would urge you to reject what's before you today and consider some alternatives. I thank you.

Leffingwell: Bill donating time is dat (indiscernible), robert corbyn, tyra per kins. Is bill bunch here? You have up to 12 minutes.

Thank you, mayor. Bill bunch here on behalf of save our springs alliance to speak against both the structure of the proposed rate increase and the total amount. I want to speak first to the allocation of that rate structure and just state what is being proposed, since you absolutely can't read it in the "austin american-statesman" and you can't read it in the austin chronicle. And you can't really read it in your backup. The staff is not telling the community what's going on. You're proposing a 66% rate hike for the 18% of people who use the least amount of water. Most of those folks are the folks who are being very careful with their water and should be rewarded, not punished. And they're the folks who can least afford a rate increase. Yet the utility is proposing to stick them with a 66% one-year rate increase. The next block average water users, about 45% of those folks, they're getting hit with a 26.4% rate increase. Now, last year we went through the budget, we were here when the staff told you that this year's budget increase, rate increase, woul 7.8%. Less than eight percent this year. 4 for the average user. Something's wrong. Were they lying to us or are they really that incompetent? Let's match that statement with their five-year projection last year, 36% rate increase over five years for the average residential user. Now this year they're saying it's 66 percent for five years. What is it going to be next year? What is it going to be if we're months in and months out and perhaps year in and year out in stage 2 water restrictions? Or stage 3 water restrictions? The one-time we went into stage 2 restrictions our sales and use therefore developed by 20%. That kicks a huge hole in the rate structure. Now, what is the staff proposing for the people who waste the most amount of water? The top nine percent? They get a six and a half percent bill increase. 4% 9% increase. Now, how is this fair? How does this make sense? Those are the people kicking our peak up. And if you want to talk about cost of service, if there's even a sled of rationale left -- a shred of rationale left for expanding treatment capacity, it's because of those peak demanders. They should pay every penny of these increases. And if you want to address the rate volatility, do it with a fixed fee. The top 20% can pay a 20% -- 20-dollar a month fee. The next 15% can pay a 10 or 12-dollar a month fee. And do you know what? If you add those on to these proposed rates, guess how much the rates go up? 10 Or 12 percent. 10 Or 15 percent, instead of only

six and a half percent. Or only 7.9%. And then the folks who are being careful with their water have a tiny fraction of the increase that your staff's foisting and forcing upon them. Water is essential. These people are already saving water. You can't force them to save any more. And since it's a fixed fee, you can't dodge it. If you want to be a fixed fee, you want to know that rate is there, apply it to the top third of water wasters. And there's always going to be somebody in that top third, so you know exactly how much money you're going to collect every single month. Now, let's talk about the total amount of the increase. They want to say it's due to lost revenues. Well, they haven't collect it had yet. There's nothing lost. They're confusing you with revenue projections that were grossly in error. Instead of looking at their cost drivers. And when they're forcing you to raise revenues or pushing you to raise revenues like this, you need to look at russiaing your costs and the place is water treatment plant 4. It's a huge waste of money at this time. And if you keep leaping off this cliff, you're going to be stuck with this forever voting for these rate increases this year forces you, you have no other choice than to vote for the rate increases next year and the year after that and the year after which, which right now they're saying is basically 10% every year for the next four years after this one. So it's time for sanity to be injected into this equation. The utility wants you to think that they're not cutting anything, they're fixing the pipes. We heard it earlier about oh, we're really taking care of those pipes. They're doing their best to hide it, but we were spending about 12 million a year to fix our pipes, we place the old pipes. -- 24 Million. It's roughly been cut in half. If you looblg at your cip document, the water utility is bragging that they dropped off 100 million bucks on the five-year cip. Well, what disappeared with that \$100 million? Those are priority projects that can actually protect our future with climate change, with these kind of droughts. If we hadn't had that 12 had 12-month intervention of wet weather, do you know how much water would be this our lakes right now? Does anybody on this dias agree with mayor leffingwell's statement that we have no water supply problem? This city, this region, has a very serious water supply problem if these summers keep piling up. It was only two years ago we had essentially the same weather. Highly likely we'll see this as the new normal. And that means our whole region is going to have about half as much water as we thought we had. And onlt way we prosper as a community is moving quickly to be an efficient, efficient city. Pump all this money wroing the wrong direction. It's going to be so painfully obvious that it was wrong for years and years and years to come.

Leffingwell: (Indiscernible). Mary arnold. You have three minutes.

Thank you, mayor leffingwell, members of the city council. In trying to take a look this afternoon at information on the city website about the new sustainability fee and about the city water and wastewater informationbout rate increases, etcetera, it looks like at first the sustainability fee was being 40 and now the budget document has it at six dollars. So it has increased from a projected revenue of 17 million to now 4 million that they're projecting. Well, it says in some of the material that the proposed sustainability fee does not include water treatment plant four. And I think that is a crock. You can't just pick and choose the things that you're going to pay for with this \$23.4 million. I looked at the budget because, okay, why does the water utility need the money? Well, one reason is because they want to spend \$17 million more in 11-12 on debt service. Debt service for projects like water treatment plant four. And it just does not make sense for me to have a sustainability fee and to increase the water rates as well. They're projecting an increase of about 8 million from the new water and wastewater increases over their estimated income for this year. And you add that to the 4 million from the sustainability fee and that is an additional 8 million that they want to collect. And I don't think that that's a wise thing to do. That's a 10% or more increase in their amount of revenue for just one year. So I hope that the city council will take a look at this. One thing that's kind of interesting in the water and wastewater budget and you may see it in other department budgets, is the wage adjustment market study for \$500,000. I don't think I need my water and wastewater pennies being spent on a market study, thank you. [Applause]

Leffingwell: Tom smith. Not in the chamber. David foster. David has three minutes.

Thank you, mayor and councilmembers. David foster here to speak on behalf of clean water action. I've been speaking before the city council since about 1996 and I've had the opportunity to hear mary arnold speak any number of times. And I've yet to hear her say that's a crock. [Laughter] that's very unmary arnold like. And when she says something like that, there must be something seriously wrong here. I

want to begin by sharing with you all a community ladder that is now being passed out on the dais that a coalition of consumer rkt environmental, low income and faith-based advocates and organizations signed off on in the last couple of days expressing our shared concerns over what before yesterday was called a sustainability fee. And to echo what bill bunch said earlier, one of our major concerns here is the aggressive nature of the fee as its currently structured with the households that use the least amount of water, seeing their rates spike by 66.2%. And as you move up the system the tiered increase drops. You see a similar dynamic on the business end of things. The letter also expresses the concern that this undermines conservation. We need to be encouraging conservation, yet this sends the message that conservation does not pay. We do appreciate as a coalition that there is a need for revenue stability, but together we're collectively very concerned th steep increases in 2012 and the next few years will really burden folks in our community who can least afford to pay those increases. Let me go ahead and quickly read off the names of the organizations and individuals who signed this letter. Ruby (indiscernible) with the austin ladies of charity. Bridget shea, former city councilmember. Doris, paul robbins, citizen, kathy stark, austin tenants' council. Tom smitty smith, walter morrow. Lynettea cooper, texas legal services center. Sarah foust, water and wastewater commission. David foster, clean water action. Roy whaley, austin group sierra club. Jennifer walk he, lone star chapter sierra club. Heather way, marcus shaw. Debbie russell, so many acronyms and organizations i can barely read them all. Marcell la (indiscernible) with lulac. Jeff jack and bill bunch. I have a lot of other thoughts on the sustainability fee. I don't have time to go into it tonight. I will say quickly that i guess it's now the revenue stabilityization fee. I have wernz with those particular line items that have been pulled out of the budget that this would pay for wild lands, maintenance and debt service on the acquisition of wild lands and so forth, especially now that we're no longer calling this the sustainability fee there's no merit at all in sending those items out. I'll talk about that next time I talk to you.

Leffingwell: Jeff jack. You have three minutes.

Thank you, mayor. I wanted to thank you, mayor, for bringing up some numbers earlier this evening about how much water we have. I want to just mention to you the numbers you shared with the public are different from the numbers that the planning staff has shared during the comprehensive planning effort, particularly what's in the community survey, and inventory. You might want to have that conversation with staff. I'm here on a personal note. I own a duplex in the zilker neighborhood and I live on one side and I've rented the other side for about the last 10 years to a lady that cleans houses. The market value of rental property in my neighborhood 20 a square foot. I've been leasing this property for 2 to \$400 below market for years. This past year I had to raise my tenant's rate. A combination of property taxes and utility rates, i pay for the water, had gotten to point that I had a negative cash flow in unit. I'm still charging less than what market would get in my neighborhood. But this conversation about water made me start looking at our water rate. My water bill last month was about \$80 for a duplex. And I looked at it and i said, well, what's going on here? Our t san jose was 50500 gallons for a duplex. And I got the rate charge from the city and I looked and realized that I am not paying a residential rate, I'm paying the peak multi-family rate for a duplex. Where there's two people living and aim paying and somebody in a house paying for the same water is only 78 for a thousand gallons. Why is that? We talk about incentivizing affordable housing by having more residential units, maybe granny flats or garage apartments or even duplexes. But my duplex is being charged at a multi-family rate almost twice what a single-family with the same amount of water usage would have. It's not fair. We need to do something about it. I think one of the things that we have here is an attempt at an inverted rate schedule, but what we really see is a continuation of the problem that the users that are using up the most of the water are having a less increase in their rates than the people that are at the bottom of the scale. That doesn't make any sense. All of you on this dias are democrats. One of the major aspects of democracy in america is the middle class. We're pricing the middle class out of our city. Whether it's property taxes or utility rates, we need to address where we're going as a city. We have to look at this from a long point of view and a democratic point of view. [Buzzer sounds]

Leffingwell: Sharon blythe for three minutes.

Council and mayor, thanks again. I'm here because I'm one of the walking poor in austin. Because utility

rates have gone up. My property taxes have gone up. Pretty much on a fixed income. So I urge you to look at all the facts these people have presented here tonight and really make a conscious disilings of what you're doing for the long-term future of this city and the people that have chosen to live here. Thanks a lot.

Leffingwell: Thank you. Neal (indiscernible) has three minutes. Is neal here? Don't see neal. Roy whaley and donating time to roy is annie haring. Is annie haring here?

I'm the conservation chair of the austin sierra club and I'm happy to be here on a day of celebration where we're celebrating two different things today. The proclamation and marcia ball being here and being the live music capital of the world, and that's wonderful to be here, and also celebrating the heat wave stopped at day 70. We didn't get above 100 degrees today for the first time in 70 days. 95 Felt great, didn't it? Isn't that sick? Isn't that terrible when you think that --

Leffingwell: And we didn't get to enjoy it either.

No. You were in here where you have it cranked down to 68. But anyway, it was only 95 degrees today. And isn't that sad when we have to think about 95 being a wonderful day. But that's our weather pattern. And it's only going to get worse according to most climatologists. So that brings us so what the real issue is, and that's water. That's our ever decreasing supply of freshwater. I want to thank the water utility for doing the job that they do. They reliably deliver freshwater to all the citizens and businesses of austin everyday, day in, day out. And we thank tem for that from the sierra club. Now then, let's get down to how we pay for this water, though, because we are concerned about the rates. And when rates lead to conservation that's not a bad thing. These rates don't lead to conservation, they go directly against conservation. And everybody is talking about the sustainability fee and thank god that name has been changed. There's nothing sustainable about that fee. It would hurt us in the future as we look forward to bonds of all types. So thank you for taking that out. But let's look at the way that's charged. We're looking at the people that can afford it the least, and this has been said, are going to have to pay the most. So we need to shift that. We do thank austin water for the good job that they do and we want to give them a reliable revenue stream so they can continue to do that job. But let's put those fees and rates where they belong. Not on poom like me that are able to stay below 2,000 gallons a month most of the time, but the folks that are on the upper end. And as far as the fee itself, I don't care what you call it, let's take it out of the bottom two tiers. Let's push that reliability fee up to the upper end. And we hear a lot about austin water and austin utility and we'll talk about -- or austin energy and we'll talk about austin energy in a little bit. [Buzzer sounds] is that totally it? I thought I had six minutes. Time flies.

Leffingwell: No, your donnee was not here.

What I would like to see is that we allow austin water to be able to have that same kind of fee that austin energy has. And that they've got that reliability so that we don't have to push the rates harder.

Leffingwell: Okay, roy. You've made me feel all warm and fuzzy tonight. Karen hadin.

Good evening, maind and council and thank you for fixing the thermostat just now. I appreciate it.

Leffingwell: You just did. [Laughter]

I'd like to say that we agree with many of the statements made earlier. I think this rate structure needs to be revised and that the increases need to be flipped. Right now we are not incentivizing any conservation, we're actually going the wrong direction. Repeatly we've been hearing warren buffett say the tax structure is wrong and the upper two% are not paying their fair share. Jon stewart said you would raise 700 billion off the top two percent or you could take the 50 percent and below, lower part of the entire nation, and take half of everything they own to reach that same amount of money. I think

we've got that kind of a flipped structure here. We have got the largest users seeing the least increase in their rates. And there should be a penalty for using excess amounts. There should be increased rate. Those who use the least should get a reward. I would like to say also on top of that that it matters where our water goes. And in the world of even just simply using water in the city, I echo the sentiments of those who say please, let's get those large trees all around our city watered so we don't lose them. Thank you very much.

Sarah foust.

> Good evening. My name is sarah foust, I'm an austin water scurp and I'm on the water and wastewater commission. To be clear I'm here representing myself, not the commission, as I was when i signed on to the letter that mr. foster spoke of. So just to discuss the rates tonight, I think that austin water utility is in a tough position. That's been created by escalating costs from system expansion while at the same time water use has declined from successful conservation. We have a very environmentally minded community. And we've had austin weather, which is very, very hot and a lot of rain. And that was in three years, and water use goes down in all of those circumstances, hot or wet. So in response to these changing times, I think we need a new strategy for revenue management at the utility. A strategy that will provide both stability and flexibility. So in response to the transition that we're going through, the water utilities' proposal is to stick a new and additional fixed fee on to each preexisting water connection, and the new ones. But as we've heard the relative impact is the highest on those who use the least water and most likely earn the least income. So rather than adopt this fee as it is proposed, i would ask you to take this opportunity to launch a new stakeholder dialogue that will look at a variety of fees and rate structures to create a strategic plan to guide the water utility through this transition phase. We need realistic water use assumptions, accounts for contingencies and for those who will benefit from it. I think we've had public process about conservation, about system expansion, like water treatment plant four and we have a process on rates, but we have never had a unified dialogue that deals with all of these issues. All the conversations are bifurcated. In the conservation taskforce you're not allowed to talk about costs and rates. Here when we come to talk about water treatment plant four we're not allowed to talk about conservation. It all fits together and that's why we need a unified dialogue. You're the city council and so this is your role to look at it and say this isn't working. We've given conflicting directions. We need to account for all of this. So my ask is a stakeholder dialogue to create a new revenue strategy. And you guys know, but the bottom line is that every person in austin need clean water. You have to pay every month to keep your connection to the water system. [Buzzer sounds] and it's not like cable and it's not like internet and it's not even like electricity. It's your water connection.

Leffingwell: Thank you, sarah.

Just please be extremely careful with what you do, what you charge for that connection. [Overlapping speakers]

Leffingwell: Juanita cooper.

I'm with texas legal service center and we represent poor folks who will be affected by the six dollar sustainability fee either because they don't fall within the safety net of automatic enrollment or if you start doing self enrollment they will fall through the cracks. Not only is the fee regressing, but it runs against rate principles of conservation. Efficiency rate design is a tiered rate, which is what we currently have. You pay the high -- you price the higher usage block at the incremental cost to educate the public on what it will cost if you keep using more and more. Since rates are set on an historic test year adjusted for known and measurable changes, that's regulatory speak, the higher blocks would overearn. As a result another block must be set below cost. The essential needs block is where you balance out the overearnings of the higher block. A six dollar sustainability fee will increase low users rates. No amount of conservation will avoid this increase. Water is an essential service, more so than electricity. Heat particularly affects our elderly and the very young. If the ac is turned off because of fear

of high electric bills, which we know that happens, then soaking in a cool water tub is what's recommended by social service agencies for heat exhaustion. This is not to fill swimming pools or hot tubs or water loans lawns, it is used to prevent heat exhaustion and save a life. I encourage you to not create a sustainability fee. I'm sorry I came here at the last minute and I apologize. I would have the handouts for all of y'all. This is really a group that is former regulatory officials and experts who have done a paper on rate design. This is for energy, but rate design principles for water and electricity are virtually identical. In this paper what you will see is very sound economic reasons why you should keep the current rate design structure. I'm going to give it to -- i don't know who I can give it to to make copies for y'all.

Leffingwell: Thank you. Those are all the speakers that we have signed up wishing to speak. Scott johnson is also signed up, but not wishing to speak.

Could I change my mind?

Leffingwell: I figured you would. Go ahead. Three minutes.

Good evening, mayor, councilmembers, city staff, mr. goode. I am against stacking the sustainability fee with the new rates. Part of the challenge with austin water is the issue of efficiency of the organization. Back in approximately 1996 this city council approved a contract with a consultant to work with austin energy to help make that organization more efficient. It was a large contract. It didn't necessarily address all the needs for the consumer advocate perspective, but it could be time for the city council and austin water management to consider that as well. Looking ahead to the future, long range thinking about how it will make the utility more efficient. And also potentially saving funds. They did work on the utility transfer and they actually recommended a lower transfer amount. And to tap that and that's been in place since that particular time. Another opportunity is to use the office of sustainability. One of the reasons that that office came into being was to try to work on conservation programs within the city and to end up saving the city money by being more efficient. So the council and the management should be looking at that office for assistance in that regard. Another opportunity that the council or the management of austin water will hopefully take on is to have the water and wastewater commission meetings in city hall so she can be taped by channel 6 so we can see them and you can see them later to see what the dialogue is. The dialogue -- when I go down to resource management commission, I'm there for other issues and items, but there's not a robust dialogue on water conservation within the resource management commission, which is in this building and which is taped. Thank you for your time. I'll be happy to answer any questions.

Leffingwell: Those are all the speakers that we have signed up. Council, I'll entertain a motion to close the public hearing on item 108. Councilmember morrison moves to close the public hearing. Second by councilmember spelman. Discussion? All in favor say aye? Opposed say no. It passes on a vote of seven to zero. Council will now take up item -- agenda item 113 to conduct a public hearing and receive public comment on the city of austin 2011-2012 proposed budget. Council will hear more public comment on the proposed budget on SEPTEMBER 1st, 2011. First speaker is gus pena. Gus pena is not here. Bryan rogers.

My name is bryan rogers with change austin.org. As you can see I've talked about this. My city property taxes have tripled in the past 11 years. Now, that's something I can say over and over again because it's real. Overall my property taxes are about \$19,300. At what point do I say it's too expensive? Because in the last 10 years it's tripled and my city taxes, in 10 years my prediction is that the actions of this city council and all the taxing jurisdictions will cause my taxes at my house to rise to \$40,000. All right? Now they're 20,000. They're going to go to 40 by the year 2021 would be my prediction. Okay? So when do I throw in the towel? When my property taxes get to be 50,000? When they get to be 60,000? This isn't a theoretical exercise. This is the way this is headed. There are so many ways that -- okay. Let's put it this way. My city taxes have tripled, but do I get triple the city do I get triple the amenities? If you guys had used my money, used my money and built a shank ra la of wonderful city with all these amenities and

things, maybe I would say all right, that's okay, but where did the money go? Where did all this money go if my taxes tripled? I can tell you where the money went. Let's just say we know where the money went. First of all, commercial property and land are grossly undervalued. I've been saying that quite a bit now. But what has the city done about it? What could they do? The legislature had sales price disclosure in front of it the last two sessions. Was it part of the city's legislative agenda? No. All right. Two sessions ago the mayor of dallas came all the way down to the legislature to lobby for sales price disclosure. Showed up at the legislature and testified at a hearing about sales price disclosure, but I didn't see anybody from the city. There was no leadership. It's not part of the legislative agenda. So sales price disclosure is the single most important answer to funding and tax equity. And the city doesn't even have it on its legislative agenda. Okay. If there was leadership here then it would go, call the mayor of dallas, get 100-liters of the taxing jurisdictions and then when you're at the legislature maybe that would be something that could happen. Now, if it doesn't work -- [applause] if it doesn't work on a state level, then let's investigate the possibility of the city of austin instituting its own sales price disclosure. Okay. So any property that is sold within the city limits of austin must be reported to the city clerk, becomes public information and then the tax appraisal district could pick it up. Here's another one. Like mueller. Wouldn't it have been nice if the mueller contract, if they had negotiated that any property sold within mueller would be required to be -- have its sales price reported? Any time we give away water utilities, any time we make something a tif, any time we do something like waller creek where we ask nothing in return from the landowners that we're bringing out of the floodplain for 100 plus million dollars, at least what we could do is say we'll do this if you agree that part of the -- the deal is that any sale of any condo or office building or whatever is located on your tract will also be reported. It's something we could do if we're giving stuff away. In a homestead exemption, why don't we have a homestead exemption? Do you guys have the political will to do a homestead exemption. The county gives a 20% homestead exemption. That's one way to get equity in -- without having a sales price disclosure. Okay. Where's the rest of our money going? Where did it go? We have poor decision making. We have the 2-million-dollar bio mass plant, the treatment plant 4, the town lake park misappropriation of funds, the waller creek tif shortfall. Luckily because of a lot of efforts of some people that waller creek -- some of the land is coming up in value. The domain debacle he will and the mueller active. How do you get 700 city acres and never make a profit? You do it with the mueller tif. Mueller is specifically egregious because there was john's and i-35 and paying its full sales tax into the scwhrund. They got that home depot and tucked it into the sales tax of mueller and it's no longer going into the general fund. So any taxes that come out of mueller don't come out of mueller basically. They just stay there. So the rest of us have to support it. Stop giving away public infrastructure. You've heard me talk about the low sales price of our water and wastewater taps. Start charging road impact fees. That's what the city of fort worth does, \$2,000 per new home. But instead we just do bond issuances and you ask us to do it. All this stuff would make our budget where you wouldn't have to come to us with a preprogrammed eight percent roll back already in the budget. Perform a cost of service study and a cost of growth. If growth is so great at least we ought to know what does it cost us? What does it cost us when a family moves here? If it's a good thing we need to know, but at least it's the kind of thing if you're going it take on more of something, you ought to know what the impact is going to be. All right p bloated city government and runaway police salaries. Actually, it's all salaries. I went to the texas tribune and you can walk through the texas tribune on the salaries and I compared austin, houston, dallas, san antonio, fort worth. Here's what I came up with, and this is -- okay. How many people make over \$100,000? In austin far more than houston, san antonio, dallas or fort worth. Even though we are the -- one-third of the population of houston. So I went through and i cleaned it. I said how many of these are with austin energy? I took those out. How many were with the water stilt tilt? I took those out so I could compare apples to apples. Basically austin has so many more than 100,000-dollar plus salaries. Let's look at it on a per thousand city residents. This is a telling story that we have far more than our peer cities and what I say is overpaid employees. We could do it for a lot less. So how many city homeowners does it take to support one employee that makes over 100,000? It takes 118 homeowners to support one of them. It takes 43,000 to support the 363. So if the city taxes are going to double every 11 years, then we'll be at my progress no, sir ta indication that my taxes are going to double and I'll be paying 40,000 when I talk to you guys in 2021. One of the problems is incremental budgeting. What that tells me is you don't really have to know what's in your budget. You just go, we're going to take what we did last year and we're going to add some to it. I'm going to think people know what's in the budget. I

mean, I think there's hardly any ways to do effectiveness studies. If you were to look at the police budget and say okay, you spend x amount of money. How many convictions will you get? What does it cost to get a conviction of property crimes? Does it cost \$10,000 per conviction? Maybe it would be better to take the 10,000 bucks and hand it to the criminal and say let's cut out the middle man. [Laughter] all right. So all we're asking is welcome to austin, but pay your own way. Austin charge the full cost, nothing more, nothing less. Okay. New concept alert. How austin residents subsidize thrall at the city of austin. Have you ever seen this city code paid for by travis county. This park paid for by the city. You don't see those? Here are bonds authorized by travis county. 363 Million, 93% of outside of the city of austin in incorporated areas. But the problem is we pay, city of austin residents pay 70% of the county's budget. So we're paying 70% of this 340-million-dollar figure. 70% Of the principal and interest payments. Austin has 70 percent of the revenue and you can see 43 and here are all the other jurisdictions. Same for the sheriff's department. 36,000 Ha dollars for incorporated areas. Where do I pay for two and the sheriff's department? I don't get sheriff's patrol. The incorporated areas don't pay for a.p.d. So I'm paying for two. I get only the benefit of one. The roads, transportation and natural resources. All of the money basically is spent outside the city. We pea the county, give them money from the inner city and it goes out. Here is a pie chart of it. Bonds for roads and road maintenance is about 51% in the splif's patrol. So you add it up and this is a 70 page study that we have in draft form. \$99 Million annually goes from the city of austin residents to the incorporated areas. All right. So who pays for it? The city of austin, \$98 million. Let's take one little section. Central booking, an odd thing I ran into with some help here. 6 Million central booking. You folks probably know what it is, but it's when any of the arrestees are dropped off at the county they go to central booking, whether it's from the city of austin or from pflugerville or lago vista. Here's an intrl contract between the two. And what I figured out was the city of austin pays about 90% of it because we pay the in kind and there's some reimbursement to the city and whatever is paid for by travis county is paid 70% by the city of austin residents. So we pay 90 percent of it. How much is paid by the other cities? Well, only austin pays for central booking. All the other cities get to drop off their arrestees for free. So why are we subsidizing the residents of westlake hills? It doesn't make sense, but we are. Austin is the only entity that pays for central booking. Now, austin goes out of its way to arrest people, and so s are coming from the city of austin. The thing is you're packing the spooking with arrestees from gi dws, but they're getting let off because they're unprosecutorable. So we have one branch of government that says look, we can just throw a bunch of people over in this jurisdiction and it won't cost my department anything. But do you know what? It all comes down to the same taxpayer, which is you and me. wastes time and money unnecessarily arresting people who aren't drunk and taking them to the booking facility. The burden is to the austin taxpayers because they're paying 90% of the cost of that overutilized facility. Who is watching out for the residents of austin? We have all this overlap that I'm having to pay over and over again. And then they go in and negotiate contracts and guess what, these contracts leave us out of the mix. Thank you.

Cole: Thank you. Next we've cyrus reid. [Applause] we have roy whaley donating time to cyrus. You have up to six minutes.

[One moment, please, for change in captioners]

in that generation plan we overwhelmingly, all the members, be they representatives of environmental groups or representatives of industry said we should do a potential study about the energy efficiency that we could gain as a city over the next ten years. We also said while you guys passed a generation plan, we need to review that plan and look at future costs and investments sooner rather than later because things are changing very fast, and specifically we said, look at the potential doss costs and benefits of the fayette coal plant. My first point I want to make is within the budget i hope you put a line item that says, do these studies. Make them happen within the next fiscal year, and I have talked to larry weiss and he says he has every intention of doing these studies but I'm a trust and verify kind of guy and I would like to see shall language in the budget that says no new money but out of these existing funds, do the studies and make sure they're available to the public so we can as a council and the city look at that. [Applause] the second point I want to make, and it goes back to the generation plan -- i don't know if you had a question. I want to go back to the generation plan. In that generation plan we

considered ourselves to get to 800 megawatts of reduction by 2020. And my concern is if you look at the part of the austin budget -- the austin energy budget called conservation and -- conservation rebates and incentive program, we're actually reducing that amount of money. So at the same time we're saying we have a long-term plan to get to 800 megawatts, we're reducing the very next year the amount of money we're paying. So we're reducing overall from about -- these are rough figures -- but from about 21 million to 17 million. Part of that is actually water conservation rebates and part of it is electric rebates. I would propose we need to put about \$5 million back in that. Part of that should go to free weatherization because we're losing the funds from the federal stimulus. Part of it we might want to put into an auction system for large commercials. Part of it should go back into solar because we've cut solar by a million dollars, and there are a couple different ways we could get this money back. One is we're going to be looking at the rate case very soon and there may be an opportunity to specifically put some money into conservation and efficiency so there may be some more money through the rate case to put. The other thing, and this I -- I attached some resolutions from the electric utility commission. On about four or five different times the electric utility commission has unanimously said, well, we don't disagree with putting money into economic development. Having a transfer from rate payers that goes into the economic development funds may be the wrong use of the money. And so I would propose that you look at that transfer and it's about \$10 million a year, so if we said 50% went to them and 50% went into efficiency and conservation, you'd be keeping yourself on course for that goal of at least 800 megawatts. You would have a reduction, however, in that egsgro account. But you've been -- and I've got the copies here. You've been told time after time by the folks you put on the electric utility commission, this may not be the right thing to do, and given that we're having a rate case coming up, it also may open ourselves up to some special -- the puc may look carefully at whether that's the correct use of money from the electric utility being spent on economic development. Now, there may be a link because you are potentially, you know, increasing electricity if you bring new investment in but I would urge to you look at -- but I would urge to you look at that specific account and increase the amount of money going into free weatherization, solar rebates and other energy efficiency programs, and that's my testimony.

Thank you, sir. I want to assure you that we are concerned about that item to transfer in particular. I am, I can -- I can tell you that. We've just got to get to a point where we've got to be able to do it. It's hard, tough economic times to wean the general operating fund off of that transfer, but we're fully aware it needs to be done.

And I would make the argument that the amount of economic development you have by putting money into solar energy, efficiency weatherization, you get kind of a three for one, you know, every dollar you put into that you're getting \$3 in economic development and probably failed tax in the coffers, so I think it's a good use of the money. that question was raised in the budget work session and austin energy stated that they were ready to increase the solar rebates in particular should the demand prove to be there. So we're certainly aware of that too. But thanks.

Thank you. [Applause] bill bunch. Bill bunch. Not tired yet, huh? Pat broad neckses? Okay. Jill carpenter? Not here. Okay. Robert coreman? Okay. Tyra perkins. You're not ira perkins. So you have nine minutes.

Thank you, I'm bill bunch, save our springs alliance to speak against the budget overall for the water utility as being excessive and in particular with expanding capacity at precisely the moment when it should be crystal clear that we -- crystal clear that we need to be doing what we can to build a water-secure and water-efficient economy. Just as with preventing climate change, if you move too slow it can be too late, the same is true with adapting to climate change. And we -- we see right now, just to put a few details on the point, that we need to be paying attention to our water supply. The lcra cannot supply water that doesn't exist. The contract says very clearly, should be obvious, but it says that. It also says we have to cut back our use to share and share alike during times of drought with other firm yield municipal customers. The mayor insists that, well, if we don't use it they'll just sell it to somebody else. And I'll concede there's a small chance that might be true, but in all likelihood that's not the case. Every city in this region, pretty much, has done the exact same thing that austin did, because lcra frightened

them into it, and that is they contracted for a whole lot more water than they need or that they're going to need for decades to come. They have theirs reserved. They have their own treatment capacity. They're not going to buy from us. And more importantly, in 2009 the Iera board was this close to updating their management plan as having a new drought of record. As soon as that happens, there's no more water to sell, and we're that close to it already. The -- the inflows to the highland lakes are less than 1% of historic average the last few months. The roughly a third, the last six months, of what they were in the drought of record in the '50s. With the climate models tell us is we're going to see a little bit less precipitation and a little bit hotter temperatures, but when you combine those two factors, your runoff into your rivers and lakes basically disappears, and we're looking at, very likely, 50% less water in our rivers. That's the projections that are being made. Now, it could be all over the map. We don't know what it's going to be. so bring us back to how this relates to the budget.

Priorities, your honor. Every penny we have in this budget should be going to extend our water supply, to build a water-efficient economy so that we can prosper in the world of heat, like we have outside and have had for the last 70 days. Instead you're throwing money at something, hundreds of millions of dollars, a billion, when you count interest as something that will do absolutely nothing for us to prepare for the future that we're already in. That's what the model -- this is not something theoretical. It's already happening and it's obvious right outside the window. Okay? Opportunity costs. Most of you know what that means. You're smart people. It's an economic term. Every dollar you throw in that black hole is a dollar that's disappearing from where it should go. To fix our leaky pipes, extend our reclaimed water system and put people to work out in the community, providing efficient fixtures to every home that needs it, and especially those who can't afford it, just like we're trying to do on the energy side. Option value. If you put this boondoggle on hold because nobody -- nobody in this room can say we're going to need it before 2020. And it's probably not ever going to need it. But we have option value. That gives us time to figure out what we need to do. Tunneling technologies improving rapidly. They're getting smarter. They're getting more efficient. Even if we decide to build it in five or ten years, it will probably be a whole lot cheaper. We'll know we can do it safer because we're not in a hurry to meet some ridiculous deadline that's false. Option value, you're throwing it out the window. Opportunity costs are off the charts. These don't show up as line items in your budget. But this is what you are charged to think about. You have a rogue eagle who has lied to -- agency, who has lied to you about water usage, about water rates, lied to bond buyers about how much water we're selling, point-blank, I can show it in the documents, and now they're actually hiding the contract on the jollyville transmission main. They told me they were going to give it to me a week ago monday on a public information request. Council member tovo asked for it at the water plant field trip two weeks ago. I show up. There's a big pile of documents. I go through them all. There's nothing there that has anything to do with the jollyville transmission main. I immediately go back to my office, send an email saying, where is the contract that you said you already let and that you were going to have on the table ten days ago, a week ago monday? They email me back and they said, we're going to search our records for that information. They can't find the contract? ought, when are we going -- oh, when are we going to fire these people? [Applause] they're incompetent and they're liars and they're not paying attention to --

mayor leffingwell: mr. Bu bu nch, you're getting close to the edge. I'm going to have to cut you off if you don't contain yourself.

It's true. It's true. Where is the contract? Have any of you seen it? It's a huge complex contract. They couldn't do it garza told spelman they had done. They're fabricating it. They're going to backdate it.

Mayor leffingwell: okay. That's it. Your time is up.

All right. [Applause] mary arnold?

Mayor leffingwell, members of the city council, bunch that the expanded water treatment capacity being built at water treatment plant 4 is not necessary, and my concern is the effect that that expenditure is having on so many of the programs and things that I care about. For our water -- for our parks

department, I asked last year if you-all would take a look at what the water rate increases are meaning in terms of the budgets of the general fund departments. How much more are they paying for water because of the water rate increases caused a lot by the cost of water treatment plant 4. The parks department is proposing to close a couple of recreation centers to save some money because they have been told to cut their budgets. Well, how much of their budgets are they paying in increased water and electricity rates? For the golf budget the city is choosing to be a good citizen and, you know, be an example by paying the green choice fees. The higher electric rates, but what is the cost to the departments? Are they giving up programs in order to pay the green choice rates and in order to pay for the great new water treatment plant that we don't need? Please give us a listing of how much money that is. [Applause] I love reading the city budgets, and I've been reading them for a number of years, over 20 years, 25 years, going back to the mid-'80s when I really got into it. But sometimes there's more information in a budget and sometimes there's less information, and this year there's less information in certain areas. And I think it's disappointing. If you look at the parks budget, you can't really tell how much money is being spent on each of the different recreation centers. It's not there. [Applause] and so I really wish you would do a little bit more in showing us how much the general fund departments are going to suffer from water treatment plant 4. Thank you. thank you. [Applause] karen karen hadden? Karen hadden? You have three minutes.

Good evening. On a personal note I'd like to address two budget items. I hope that the funding for the john henry faulk library can be restored and it has its full hours of operation, and I'm also concerned about the austin recreation center. I hope that can be fully funded as well. [Applause] I'm a board member of solar austin and I'm also speaking here on behalf of sustainable energy and economic development coalition, and I'd like to address some austin energy budget items. I'm happy to hear the conversation earlier where you were discussing the transfer of the economic growth and redevelopment service office, egrso money. 9.8 Million. And I'd like to recommend that that money go to the free weatherization program, which is immensely successful, very, very important to low-income families, especially as we get these increasingly hot temperatures, that the money go for the solar rebates and for energy efficiency. I'm glad to hear about the efficiency measures y passed earlier today, i think that's good policy as well as the win contacts, but I would like to say that this budget with the 1 million dollar cut on solar rebates, that is the exact opposite of what we should be doing. As cyrus reed pointed out we get a 3-1 and sometimes greater return on that money. It comes back directly to our community. Locally we've started out with something like four solar businesses. That's grown over the years to over 30. If the rebates drop off we may lose some of those newly formed companies that are just now starting to bloom. The cost of producing solar panels has recently dropped by 50%, so now more people are ready to start putting solar on their homes, on their roofs, on their businesses, commercial buildings. More people than ever are ready to go, and at the same time the federal stimulus money is starting to drop off. This makes our program more important than ever. This is clean, affordable energy that doesn't pollute our air. This is incredibly important, the efficiency program. So I hope that that money can come back into the budget and that those parts of the budget can be beefed up. Thank you. [Applause] sue hirsch? Sue hirsch? Welcome. You have three minutes.

Thank you, mayor, members of the council. My name is stewart hirsch, and like most in austin, i rent. First of all, I'd like to thank you for your action earlier today on the mexican-american heritage corridor, and hopefully I've given you a document on -- i hopefully didn't give you my downtown planned testimony, hopefully I gave you my budget testimony. I can't keep those two straits. There are two things I'm here to ask of you. hard to tell the difference sometimes.

What do you do. We are about to experience what I like to call the september surprise. I've been involved with budgets for 33 years, so that's one thing mary arnold has been working on less than I have, and we call it the september surprise because what it's -- when it's really hot in austin electric revenue tends to increase above projections. And none of us are going to be shocked as we pay our bills in august and september and october that the amount of revenue we generate for the electric utility is much more than they anticipated. And when that happens, which I think none of us would really be surprised about, there are two areas I'd like you to spend that in. The first one is the community development commission recommended to you, and you discussed extensively when you adopted the

action plan, \$1 million for the housing trust fund. When you adopted the action plan you did not increase the amount in the housing trust fund to a million. That's where it used to be in 2000. I think this year it's 360,000. I think there's enough money into the general fund transfer to make that happen. The second thing I would like to ask you to do is hire enough inspectors to be related and in alignment with the workload that actually occurs out of the building permit operations. We deserve, based on the amount of money that we pay in fees and the amount it costs to deliver those inspection services, to have a policy of what I've always 00, 00, which means if you request it by 7:00 a.m. On a working day into the automated system, you ought 00 so you know whether your work passed or failed. You also need an additional solar inspector, because unlike most of the other inspections which we generally receive in two working days, you can't get a solar inspection in this town in a week. So a week after your contractor tells you that the work they've done is correct, you don't know whether that's true, and if it's wrong it takes some time for that to be corrected, and at least another week for that to occur. So I'm asking you to spend general fun dollars, which will be more plentiful than what you thought it would be as you developed the budget that the manager presented in July because of the additional money that's coming out of the electric utility, that you be generous and appropriate for the extremely poor people in this town who need additional funding from the trust fund and for the building inspection part of the planning operations that generates enough money on its own that warrants us getting the inspection services we deserve. thank you, Stewart.

Thank you very much. [Applause] Stacy Bell? Stacy Bell? And you have three minutes.

Hi. Mayor and council members, my name is Stacy Bell, and I am a karate instructor at the Austin recreation center. I have to admit that after listening to some of these other people I realize that I'm whoa fully unprepared. I don't have numbers, I don't have percentages. I haven't read the budget. I don't have pie charts or anything like that. The only visual aid I have is this. This is a photograph of some of my karate students that was taken back in February at Austin Rec Center. Every Friday night for the last six years I've spent several years -- several years, seems like years -- several hours at ARC learning and now teaching karate with my sons. ARC is a big part of our lives and from what I've seen of the lives of a great many other Austinites. Just on those Friday evenings the facility bus else with activity, special olympics basketball players or others in the gym, karate students, there are 27 I have right now because of summer because some of us are on slow time, 40 or more during the school year in the studio, and others using the gym or the foos ball table. During the rest of the week there are classes given by another karate organization, several tai chi classes, jazzercise, got a bunch of jazz I size people over there, children's dance and tumbling, the list goes on. During the afternoons there's affordable after-school care, although I'm told that that's gone as of two weeks ago, but I don't know for sure about that. Affordable after-school care, which is a rare and valuable commodity for parents in the area, as well as summer camps that are within reach for working parents who can't afford the wildly expensive private summer camps in town. My point is that ARC is a vital heavily used part of downtown Austin. It's a part of what keeps Austin a great city, not just for the hipsters who drink \$9 beers in the bars downtown but for working families who have committed to staying in the city instead of fleeing to the suburbs. [Applause] we want our children to grow newspaper a diverse vital city that has resources for them as well as for adults. As adult city dwellers as well, we need spaces like ARC that provide us with healthy recreational outlets that we can afford. Please do not approve the proposal to close or repurpose ARC. Austin needs it. [Applause] Joann Barts? Donating time to Joann is Gene Hughes. Okay. Gene Alan? All right. Vera Givens? Barbara Johnson? Barbara Johnson [inaudible]. All right. Joann, you have up to 15 minutes.

Well, bless you. Well, good evening. It's been interesting so far, and thank you for inviting us to come and speak to you. What's being distributed to you right now is basically what I'm going to be saying, although we have met, of course, over the past week, we've met with six of you, and have gone into a great deal only. I'm here, my name is Joann Barts, it's spelled Joan, pronounced Joann, clarify that. Get that out of the way. I'm here speaking in opposition to the projected closing of the Dottie Jordan recreation center in northeast Austin east of I-35. We're told that the reason the parks department wants to shut us down, twofold. One is money, and the other is it's not being used by anybody. Well, when I met with you-all I gave you a sheet, not used by anybody. This is pretty conclusive. It's used by a heck of a lot of people, young and old and in between. And according to the program event that it's not

utilized, it's by charged by pard that we're underutilized and therefore they cannot condone continuing operating this facility. However, in doing some checking we have found out that any perceived underutilization can be traced to the lack of adequate personnel, pardon r pard sets the ratio of personnel to participants in the programs. The lack of adequate personnel assigned to the dottie jordan recreation center by pard and that [inaudible] in the community for more and larger programs and results in reduced programs and attendance for which we are then blamed and accused of being underutilized. Also, special events such as a halloween party and a carnival scheduled through the center through the community never saw fruition due to lack minute lack of support by pard and/or the requirement of a \$450 fee to use the facility and grounds, even though any funds produced were for the use of the center. And I want to digress on my statement here just a moment. I just recently found out that you, the city of austin elected officials, have nothing to say about this fee. There's a loophole somewhere, I was told, that allows that department to set that fee without having to come to you to get permission. That's not right. Mayor, I believe there is a city charter, a revision commission going on at the time. I recommend highly that this be placed on that list, close that loophole. If there's going to be any fees -- and this is nothing more than a tax. If that's going to be done it should be done through you-all, not through a department of the city, not through the bureaucracy. By the way, that's a ridiculous fee, \$450 just to hold a carnival on the grounds to provide some money for the rec center. [Applause] these are all items that the pard department is doing which is prevents us from being effective and then they're charging us with being the reason why we're not effective. While the pard web site includes many details of activities for other recreation centers throughout the city, the site devoted to the djrc is almost nonexistent. It's very limited in information and information provided gives the impression that nothing of note or interest is provided at the center. Another false impression is another factor in limiting the activities resulting in a justification by pard for the recommended closure based on underutilization. Then we go to the expenses. I've seen some creative work in my time but this is something else. It has been posited by pard that it can no longer afford the cost of operating the djrc. In that regard note the per the fiscal data provided by the -- for the djrc by pard, the annual operating cost is listed at \$26,539. You-all have the same information. This is from pard. However, an additional \$13,187 was added to the operating cost, even though this cost is for hourly salaries for employees. Logically this additional personnel amount should be included in the budget for the employees for personal -- for personnel budget, and this assertion of personnel course -- insertion into the operating budget results in the total operating cost in the amount of \$39,726 listed by pard, which makes it look like we can't afford \$40,000 a year any more to run this. Very interesting thing about this list. That extra amount that they took from hourly wage employees and snuck it into the operating cost figure, it's only done at dottie jordan park. It's right here on this list. There's an asterisk. It says, note that this information on the budget, the total included for facility operations in temporary employee hourly salaries, the little asterisk is only at dottie jordan park and not at any other recreation center in the city. There's something wrong somewhere. As I said, it's very creative. And then pard -- that indicates that this operating cost is only for the dottie jordan recreation center. Now we come down to something very interesting. As you-all know since we've talked to each of you -- most of you, six of you, we have a very unique park. This park wasn't created by the city of austin, texas. It wasn't put there because the city of austin said, you need a park there. I'll make it as brief as possible. I've done this so often i can do it in my sleep. When university hills was being developed, the developer set up the park. He created the park, great park, had everything in it you could possibly want. And he used it as a selling point to get people to buy their property out there. And it was supposed to be in perpetuity. We paid \$100 for a family for whatever the amount of time was for the right to use that park. But we had it only in verbal. We didn't have anything in writing from them. That's a crucial point legally. So as soon as he sold all his lots he decided that he would clear out the park, and he had applied for a pud to be built on that property. And we protested. I can speak to this with total accuracy because some 40 years later I am one of the original 60 litigants that was involved in the suit that we brought against this man, and I also was the property owners' representative on carington property owner board. So at the board he announced that he was going to change the park into an apartment complex, and of course we objected, very much so, and he just stated, he don't like -- if you don't like it, sue me. So we did. [Laughter] , first we went to the then city council, which is a matter of record. They were all real estate-related. Nobody can argue about that. We went to them for help and they said, no, you got nothing but verbal, no grounds to stand on, so just go on. So we did. So then we did, we filed suit. And it was a two-week trial, jury trial. And lo and behold the end result was that jury

came back with the unanimous verdict for the property owners. First time in the history of real estate law that the real estate industry was found to be liable for what they verbalized, not just for what they wrote but for what they verbalized, and the shock waves went everywhere because our attorneys were getting calls all over this country from real estate interests being concerned about this case. No one thought we would win but we did. All of a sudden, the council that said go away, they got real interested, and so they had their attorneys go down to the judge and say, look, we're going to buy this property as a park. The city is going to take it over and be a park. That's all they people want so you don't need to do anything more and there doesn't need to be any more conversation or legal action blah, blah, blah. That's what happened. That's why there's a city park there. We have a unique property. A lot of money invested. The property owners paid every cent of that legal case ourselves without any outside help whatsoever. We have a lot invested in that. And if you look through the names of the litigants you'll see some surprising names in there. So at any rate, we're down to that. Then when I started hearing about let's close this down, close the center down, a little light went off and i said, hmmm, I remember in the legal papers there's something about the use of the park, what is and is not allowed. And sure enough, the legal documents state very explicitly, and this is the final judgment, the legal conveyance of the property from the developer to the city. It states, the subject property has been conveyed to the city of austin for park and recreational purposes only. The reason that's important is because when we started hearing very, very late in the game, just a couple months' notice was all that we had, that the center was going to be proposed for closing, and I asked, what are you going to do with it? Oh, we're going to repurpose -- oh, by the way, that's a favorite bureaucratic word right now is repurpose. We're going to repurpose it and we're going to put some city departments down there, use your building as a city department office place. No you're not, not according to this legal document you're not. So we just -- all of a sudden -- all of a sudden this area that everybody ignores, in the university hills area, it just came alive. It just -- it just burst -- people were so furious, that we -- and it just energized and we just got -- we just really kept going. Now, this park has operated -- well, the developer put it on in 1960, the city took it in '73, and the city has done nothing for this park, nothing for this park, and the example that I give you right here is, the pool house restrooms were what were built by the developer. That's over 40 years ago. Nothing has been done, no matter how many times we asked. And we're being told that our pool is underutilized now. Hint hint hint. Well, maybe it's because people don't want to come into a pool where the restrooms are 40 years old. That's just an idea -- give you an idea of what we've had to put up with from pard. And conversely while pard is not doing anything, we, the residents, are doing plenty, through either sweat or grants. We've got a pavilion built. We have a beautiful hike and bike trail. Incidentally I believe you came out one day, council member riley. Thank you. We have a new rail fence, and remember I spoke to you at the anc meeting about that. It's there -- it looks just absolutely great, right in keeping with the wooded land of the park. We've done all of these things ourselves, along with some grant work and some sweat, whatever, while pard, every time we tried to get something is -- there's some reason why they couldn't. Now, I will tell you this. Just recently we've had a number of large limbs fall down in our park. We have a lot of trees, a lot of wooded area there. And so I initiated an email to pard and asked, please take care of this because with the drought and the fire situation we can't let this lay here and get dry and cause problem. Bingo. They did. Now, the rank and file, great. Those men were out there in that horrible, horrible heat, sawing away and getting those logs -- the limbs off and everything in just that one day. That was worth everything, and I sent back an email thanking them specifically for that. I hope they got -- I hope the actual workers heard about that, because they're the ones that should know about it. Those workers are just absolutely terrific. Now, what we came up with in our community about the absolute importance of this place staying open is this: It's regarded as a safety valve for the community, but specifically it's a safety valve for our youngsters. [Applause] particularly it provides safety, recreation and education for the young community members who without this safety valve, if they're not in there doing what they're doing now, they're going to find themselves out on the street, easy prey for less than desirable entities and practices. We work very closely with THE APD, WITH OUR DRs, Whichever one is available. Sometimes we have to go over to 3 to get a dr but that's okay. We work very hard to keep our neighborhood clean, carefully patrolled. We keep in touch with apd when things need to be addressed. So we work very hard. And we're not going to let our children end up out on the streets simply because somebody decided they couldn't afford \$40,000, if indeed that's the right amount. [Applause] and then if they do close it they said, oh, they'll go to virginia brown, which is on blessing avenue in the john's area, which is north of 290 east, a major highway, about three miles

from university hills. We've also heard maybe they'll go to doris miller. Maybe to barbara jordan. They don't know where they're going to put us. Better not go anywhere. And there is no evidence that the city of austin would provide free transportation for these children. I heard the bell. So all right. I appreciate it.

Mayor leffingwell: okay.

And I -- oh, by the way, we'll be back on september 1 if necessary. You're holding another hearing at that time. Any [cheers and applause] susan moffet. Donating time is carol braxton. Okay. You have to six minutes.

Well, that is a hard act to follow. I'm susan moffet, and before I jump into this I did want to say on behalf of the entire "south by southwest" family, thank you for your very kind words earlier, and particularly for my wonderful husband, nick barbero and his founding directors, roland swenson and lewis black. It has been a great 25-year run. We could not have done this anywhere but austin, and it has been wonderful. So thank you for your kindness. That said, some of us rock 'n' roll kids grow up and we have kids of our own, and that brings us to parks and rec. I am here tonight asking your support to keep dottie jordan and the austin recreation centers both open as public facilities for the people of austin. Both centers are proposed for privatization and absent a lease, both are slated to close in five weeks. Neither has a solid deal in place, but even if they did, this action represents a major policy change for austin, without any community discussion or consensus. [Cheers and applause] and for a city that claims to value fitness, equity and compact growth, the privatization of these two rec centers in particular sets a very harmful precedent. The people of austin have historically paid taxes to maintain our rec centers for public use and we've considered that a good investment. Are we now saying that all public facilities should pay for themselves or is it just these two? Because honestly, city hall costs a bundle to run. I don't think you guys bring in a dime toward the overhead. Last month you waste \$4 million for city fees for white lodging, so if we are suddenly on the pay as you go plan, you guys are starting in a big hole, and I suggest you see how much you can get for subleases for your offices. [Laughter] but seriously, if we are going down this road at all, we do need a full public discussion about whether privatization is a good idea, which facilities we're going to pick and why, what personnel changes we would need, and whether a for-profit model is realistic for all neighborhoods and all facilities. And if we are going to go there, we need more time for this transition and discussion. You can't do all this in the next five weeks, especially without any firm deals on the table. Now, the equity issue really hits hard on dottie jordan, and I was very surprised to see tuesday statesman call dottie jordan middle class. If you look at the zip code demographics the area has over 2,000 children under age 17 living in poverty. When our son played rec center soccer, our family bought cleats and shin guards for the dottie jordan team because many of those family couldn't afford the equipment, and if the rec center van wasn't available dottie jordan usually had to forfeit because so few families had reliable transportation, although i talked to my son about this today, and he said, but when they did show up they kicked our butts. So they are good. Now, I recognize that that area may be gentrifying, but it's still almost 75% african-american and hispanic, and these are not groups that we as a city have always treated with equity. This proposal really sets us back, and that we would do it to save 39 k in a 5 billion city budget is really unbelievable to me. The alternatives to dottie jordan, that pard identifies are each located 2 to 3 miles away across major highways, which mean they're only nearby if you have a car. They're smaller than dottie jordan. They're already very heavily used and there's no evidence that they can actually accommodate the extra 14,000 annual participation hours that dottie jordan currently logs. On a related note I have to say I'm also really concerned about the cuts to the playground program, which a lot of low-income families use as summer child care, and I hope we can talk about that issue maybe next week. But rec centers are the hearts of our neighborhoods, and that's whether it's dottie jordan or whether it's our downtown neighborhood and the austin rec center. They are where our kids learn teamwork and sportsmanship. They are where young parents find affordable after-school care. They are where crazy middle aged moms like me do jazzercise to keep us from murdering our families. [Applause] they are where our older residents can play bridge or line dance or just find a friendly face on a really lonely day. Do we not value these things anymore? We say we care about equity and fitness and community, and if that's true we need to put a little bit of money where our mouth is. I believe austin can do better. I think all of you do too. Please keep these two and all our city rec centers open as public facilities for the people and families of austin.

Thank you very much. [Applause] bill openy? Donating time is linda curtis. Bill, you have to up to six minutes.

Well, thank you very much. We have had some wonderful speakers tonight, and there is not a whole lot that i can add to some of the issues that they discussed, so what I'm going to do is something a little bit different. I used to be one of those young idealists. Now I'm a pragmatic, direct action, concrete action sort of guy. And so I'm going to give you some very specific ideas on how to solve these problems, because we've already had a lot of discussion. I'm going to try to direct that discussion into some concrete proposals. One of them is -- and I like that word "repurpose," so i have an idea of how you can repurpose the electric rate increase for next year. Now, I'm an accountant with 36 years of accounting experience, but I'm going to show you how to do it with simple arithmetic. It has been in the news in the last few days about how much more money the electric department, how much more money austin energy has earned from the heat wave that we're having, where we're breaking records that are 40 years old. So I'm not going to tell you how to do it with accounting, but I will tell you how to do it with simple arithmetic. Just take last year's budget for austin energy and look in there and see how much revenue was in the budget last year. Take the extra revenue that was brought in above and beyond what was projected, because of this heat wave, and then take that extra revenue and subtract it from the proposed rate increase for next year. Surely -- surely one of you-all could maybe -- maybe council member spelman, maybe council member tovo, one of you-all could take that ball and run with it, and I think it would be a great service to this community, because the money is there. We are obviously not going to need the rate increase that was estimated a few months ago when -- back in the early spring when all this first came up. So that's my first piece of concrete action I'd like to suggest. Now, I also have five steps here, and I'm going to hand this -- there's a copy in here for each of you, and this is on behalf of change austin.org. These are five concrete steps that can be taken to permanently reform the budget process. Step 1 is to eliminate the current policy of setting the legal maximum tax rate as part of the budget process. The city should start each budget-setting process with a zero revenue increase, and then all publicized shortfalls should be measured against the effective tax rate, which is the zero revenue increase, instead of the roll-back tax rate, which is the maximum tax increase. Now, to me that's common sense, but what the city has been doing for the last several years is before they even start the budget process, ladies and gentlemen, what they have been doing is they've been saying, well, how much money would we be able to get, how much new revenue could we get if we raised taxes all the way to the legal maximum? And then they took that money and plugged it into the revenue for next year's budget. Then they took the wish list of all the expenditures that they had, and guess what. There still isn't enough money in the budget to cover everything they wanted, even after they've year after year added in the maximum tax rate increase. And so the difference between this huge revenue with the maximum tax increase and the budget wish list has been labeled a shortfall. Now, a bunch of you-all are probably parents. What would happen if one of your kids came up to you and said, well, now, my plan for this weekend was to buy a new video game console, five new video games and ten rap albums but I only have a \$500 allowance so I have a \$300 shortfall. I don't think that would go over too well. So that's my first recommendation. 2 is itemize and publish all budget expenditures and the appropriate budget that would require any increase above that zero revenue level. So there needs to be something publicized that tells the community, okay, if we keep the same revenue that we had last year, this is what we would have in the budget, but if we want to come to you, the citizens, and ask you for more, here is what we would -- here is what that more would be. Here is exactly in detail what we would give you in extra services if we raised taxes above the current zero level. So as kind of a zero -- it's not technically the same as zero-based budgeting, but you might call it zero tax revenue budgeting. Zero tax increase budgeting, something along those lines. Okay. 3, schedule public hearings on the budget 30 to 60 days ahead of the dates that the budget is adopted. This would give -- [applause] this would give -- I mean, what really -- other than the legal requirement being satisfied, what other -- what else is accomplished by having a public hearing, you know, about a week or two before the budget is going to be adopted? You don't really have time to do anything with that citizen input. So it's common sense that as a courtesy of the community that you should have these public hearings scheduled at least a month, and preferably two months before the adoption of the budget. [Cheers and applause] thank you, bill. Thank you.

Now, one of the things -- your time is up.

Okay. kate hutchinson -- or is it hen henrickson? Donating time is kathy McGEE. All right. You have to six minutes.

Thank you. My name is kate henrickson. I teach jazzercise at the austin recreation center. I have been there about five years, have lived in austin for 20 years, and I'm here this evening to ask you to please keep the austin recreation center open. I believe that with a different approach to the management of this facility, that there is no reason for it to be losing money. I am there almost daily, and a lot of the times when I'm there the facility is practically empty. Yes, there are a lot of people that use it, but when I look at that facility i see opportunity. I see potential everywhere. Sometimes the rooms are completely empty. Arc is such a unique property. It's in a unique location. It's downtown. It's the only thing like it in the downtown area. You can get there by bike, wi bus, by car -- by bus, by car very easily. We have a parking. That is a really big deal to our jazzercise students. We have convenient parking. We have large rooms with nice wooden floors. We have two of those rooms. We have showers. We have cardio equipment that was just put there last year. It's brand-new. I've never seen anyone on it. We also have a brand-new roof and new air-conditioning system that the city paid for within the last couple of years. I think there are a lot of things that could be done differently to generate more revenue in that facility. For example, I think about all the people that are moving into the downtown area, and why are we not marketing to those people? That weight room and cardio equipment is basically sitting there unused. And then I also think about marketing to people like myself who are running businesses and are looking to rent space, you know, personal trainers, massage therapists. We have plenty of space for those people. I think that if we just marketed a little bit to programs like us that are self-contained, I mean, we bring in our own equipment, we have our own insurance and we're very light wear on the facility. I don't know why the facility is not full of programs like that. I think that arc is a very well kept secret, and it really shouldn't be. I think that closing this facility would be giving up on it before we've even tried. So -- and I would love to be a part of the solution to that facility. So in conclusion, I just want to say, I absolutely love the rec center. I love what I do. I love that I get to work in that part of town. I don't want to leave. Like I said, there is no other place for us to go in that area that is like arc. I am in discussion with pard about possible solutions for the facility, but it definitely needs to be kept open, and so I would ask for your vote in that direction. Thank you. [Applause] thank you. Rudolph williams. Donating time is joann snead. Joann snead. Not here. Antoinette negonia. Okay. So you have up to six minutes.

Good evening, mayor, council members. My name is rudolph williams. A member of blackshire neighborhood association, president of austin center for peace and justice, and a citizen of this particular great city for last -- since 1981. Anyway, on the budget, and I've spoken to you -- I've seen a few new faces that i haven't spoken to, but each time I speak to you about the same things, the same recommendations, the same topic, and it has to do with central east austin. In general -- I mean, in particular, but the whole city in general. As far as the budget goes, the biggest problem with the budget is that there's very little input by the citizens. If I remember correctly we were given opportunity to discuss in our libraries and in our meeting places what to do with 35% of the budget, if I'm not correct. And the rest of the 65% of the budget was decided on by, I guess, you-all or public safety people. So that's one wig problem, is if the input -- big problem, if the input is not there from the citizens about what to do with that 65% of the budget, then what's the use of us talking about a budget. B, priorities. It seems to me that we have a problem if you have listened to people here tonight, their priorities are different from what the priorities that the mayor has mentioned in news conferences and a few other people have mentioned, like the police and such. It may be that 46 police officers is not the priority of the city. But you're not getting that information. I was proud of councilman spelman for at least questioning some of the assumptions that we make when we look at these contracts. I would suggest that you do a thorough review of this consent agreement structure because ever since we've had it in place, and I think we've had it in place for what, five years now? Maybe six? I don't know. Does anybody remember how long we've had a consent agreement? Anybody? agreement service [inaudible]

well, whatever the agreement is between the police and the city, it's not been in that long, but it has, it seems to me, increased the cost to the city since its implementation. And so therefore we need to look

at it critically to make sure that it is meeting the needs of the city and not meeting the needs of those people who want to keep the contract in place. And it is -- if it is not serving the community properly, then to do away with it and just go back to civil service rules. Okay. [One moment, please, for]

this has forced a lot of our poor and middle income people out of the central city. If that is the goal, then we are accomplishing that through our property tax system. But if that is not the goal, then it's time to reassess how we collect taxes, how we incentivize and I would suggest incentivize more towards the individual taxpayer than some of these corporations that say they're going to hire locally, but don't, and hire minimally. And going back to priorities, if it appears that we can save 100, 200, 300 children by keeping recreation centers open, then that may be more important than paying for one law enforcement officer. [Applause] there are a variety of thanks we can do. We can provide tax incentives for rental properties so that they provide -- [buzzer sounds]

Cole: Thank you, mr. williams. Please come to a close.

Okay. So that they provide affordable housing because a lot of the affordable housing on the eastside is the small little home that people live in. And we should really look at using our property tax system in a manner that incentivizes and keeps people this their home.

Cole: Thank you. [Applause]

Cole: Sharon blythe? Is sharon still here? Lou o'hanlon. And donating time to o'hanlon is albert webber and betty taylor. You have a total of nine minutes.

Thank you, mayor pro tem. I'm lou o'hanlon with the dottie jordan coalition. And one thing that barts ran out of time and one thing that she wanted to add, one of the many things, is that we do have 696 signatures on a petition asking and urging you to not repurpose dottie jordan recreation center or close it. Again my name is lou I'm also the chair of the university hills contact team for the university hills windsor park neighborhood plan. As with many other neighborhoods in the city with established neighborhood plans, our neighbors worked along with city planning staff for over two years to bring our neighborhood plan to fruition. It was adopted by the then city council in august of 2007. I have to say that when i heard that the dottie jordan park recreation center had been placed on a menu of potential budget reductions by means of a july 27th addendum to the proposed budget, I was shocked. When I learned the main reason for closing or repurposing the recreation center was due to underutilization, I was even more astounded. In search for some sort of clarity, I looked back at our neighborhood plan for some references to dottie jordan park and found an entire section devoted to the park with action items centered around the recreation center. Specifically this reference on page. The park is heavily used by the community and then there is a long list of programs provided at the rec center. The neighborhood plan gives us a history of what was happening at the rec center in 2007. And they are the same programs that are listed on current, quote, center usage, end quote, sheet dated july 22nd of 2011. Yet it is claimed that dottie jordan rec center is underutilized. If utilization was at an all-time low, I am quowtsed as to why there have been no openings in the schedule over the last six months for our contact team and our neighborhood association executive committee to have meetings. We have been having to meet elsewhere because of scheduling conflicts. As I talk with my neighbors about this issue, a 20 year resident who lives on my street mention howd she had availed herself of the after school program during her son's formula active years. She is a single mom and found this program to be a godsend. Her son not only had a safe place at the rec center to study before his mother could get home from work, he also participated in some of the basketball camps that were held at dottie jordan and that experience gave him such an interest in sports that went on to play football in college. This young man has now graduated with an undergraduate degree in finance and is a productive member of our community. And still lives in our neighborhood. The programs at dottie jordan rec center have affected hundreds of children not only from our neighborhood, but it services other neighborhoods in the area. It is our understanding that there was no effort to talk to the residents who use the facility or the contact team or the neighborhood association before placing this item on the budget reduction sheet. If

underutilization was a concern, engaging community would have been the prudent course to follow. We have stepped up on every other occasion, including obtaining grants for landscaping, cleaning the grounds and cleaning the creek that runs behind the park. We have lists of services for our neighborhood with hundreds of descriptors and could have utilized programs if utilization had been a challenge. In summary we urge that the Dottie Jordan Rec Center not be closed or repurposed and we hope that you will insist on verifiable numbers with regard to the usage of all the rec centers. And we thank Susan Moffett on behalf of the rec center and of course we want all of the rec centers to remain open. Thank you for your service to our city. And thank you for your attention.

Cole: Thank you. We very seldom get a thank you. Peggy Krueger. Are you still in the chamber? Karen Hearter has donated time to you, so you have a total of six minutes.

Good evening. Thank you for still being here for us. I'm here to speak on behalf of the Austin Recreation Center. I have been a resident of Austin since 1970 and always a downtown resident. I elected 34 years ago to buy a house on West Avenue to raise my children downtown and community properties, to spend my children in public school because I thought that's what Austin represented. I am an embodiment of the people that use that center. My children have taken pre-dance lessons, gymnastics, art lessons there. They were part of the after school programs from time to time. They were in a basketball league there. They did the summer camps there. I voted there. I've had committee meetings there in their rooms and I have been a jazzercise instructor for over 25 years and still am at 68. [Applause] You all should come there for jazzercise because we have noon programs. We have programs at 5:30. The mother of the young lady that teaches -- the grandmother of the young lady that teaches is one of our co-dancers. She is 85. So this is an all-service center. By proposing to privatize it or repurpose it, you may be directing this to a certain population that will just be for that one purpose. This facility has had a new roof, it's had a new air conditioning system. It has a new floor in the gym, which we all suffered the fumes from for about two months. And it needs to be looked at. I only found out about this -- I am also a neighborhood resident of the Judge's Hill Neighborhood Association, which is one block north of this. And I only found out about this after I came back from VACATION AUGUST THE 10th, and there was a note on the door of the rec center dated August the fifth saying they wanted to repurpose, redo this or redo that. As many people have said here this is not enough time to notify your citizens at all. [Applause] and I vote for Dottie Jordan to remain open. I as a mother am horrified that you would think of sending those children three miles away. That is a shame and you should not even decide to do that! This center is used by community residents. This center is used by state office workers downtown, people that live in the outlands can jazzercise there, they can exercise there. They have their children taken care of there. I would ask that you do not take these steps now. This is not enough time. This is your oldest recreation facility in Austin. It is a neighborhood resource. It is a citywide resource. If they can't be filling it there is something wrong with the management. I have noticed that there has been a decreased usage in the last several years, and it's not being marketed. We have all these downtown residents, we have people that need this center. We have the weight room, which I do use from time to time. We have all of the things that were mentioned. And if it's not being used, it's because the parks department is not using it. It is not supporting marketing, it is not supporting knowledge. I found out in my survey of the neighborhood association that many of the people that had moved in in the last two to five years knew nothing about this center. It's a block away from them. Also during the last three years they have been constructing the parking garage, which was like hell to get through to the jazzercise. They've also been building the skating park. And a lot of people stopped coming because of the construction. Just as it happened for people on Seventh Street. So what I would ask you for to think about tonight is to not take any actions for privatization or public-partner or such, and that you direct the parks department to support the marketing and the use of this facility for all kinds of purposes for the citizen of Austin. We thank you for being here so late at night.

Cole: Thank you, Peggy. Next is Carl Wainwright. And is Steven (indiscernible) here? He left. Okay. Paul, you have three minutes.

Thank you, and thank you for all staying so late. I wanted to talk today about badminton. Do all of you play badminton? No. In fact, there are very few of us, and we are very devoted and that's a yes tick and a

lot of people don't know this about badminton players, but we get very angry. And it is our sole outlet to express this anger. But jokes aside, really this is like my favorite thing about life right now is badminton. And I play it at the austin recreation center, which is just this gem of a place that you should all go to. Jazzersize. I play with this man who is 85 years old -- maybe i exaggerate. He might have 75. But he's an amazing badminton player. I've met people from china, from pakistan, students. I meet people from all over the community, people who drive from way the heck up north, who are from south. This recreation center doesn't just serve the people in the area, but it serves like the broader austin community. Likewise, on the badminton thing I'm going to stick to to fo a second because it's extremely important to me. I will -- my other option for playing badminton will club, which is \$300, which is just to put that in context, is going to be about a third of my monthly income. This is like an option for me that I can afford and that a lot of people can afford. And it seems like if we're putting a \$350 million towards downtown revitalization, maybe we could just scrap some of those dollars off to the austin recreational center. If not, I would ask kindly when you're not using this facility, I notice the ceilings are pretty high, possibly high enough to accommodate at least one court. I don't know if these can move at all, but -- or if you can subsidize some sort of private gym membership for our very devoted community, that would be out some. I really appreciate your time in listening to me. I would urge you to save both the austin recreation center and the dottie jordan recreation center and thank you.

Cole: Thank you, paul.

Leffingwell: Thank you. Sarah mcgraw. Welcome. You have three minutes.

I'm going to talk fast. Mayor, councilmembers, I'm karen mcgraw. I'm a 33 year resident of hyde park and a 28 year jazzersizer at the austin rec center. I'm here to ask you to do three things and the first is of course to keep these rec centers open. When I heard the rec center was going to be repurposed, it's amazing to me that pardon manages many, many, many properties and all of a sudden they could no longer manage the rec center and dottie jordan. And I have no idea why. They couldn't manage them and they couldn't subsidize them. Now, those are decisions owe on those are big decisions. It seems that putting this on the chopping block was just a terrible idea. In talking to the city staff about what was going to happen here, the repurposing was that somebody would come and give the city a quarter million dollars to run the center. That made a lot of sense. If that group didn't show up, they were going to close the center. And asking about well, if you close the center, motsz balling a center like that is pretty serious and has a lot of cost too, but should you later decide to reopen it, how do you have the people back who have now gone to find some other place? They said rebranding. Do y'all know what that means? That sounds like a big private contract to me. Anyway, it sounds like there is the need for some advertising and some work to let people know about the facility. It's a beautiful facility. If you haven't seen it, please go see t it really gorgeous. So one, keep the center open. The second thing I want to see is we were told there's a fee analysis coming in january of all the rec centers, all the pardon facilities. One of the things we learned recently in emailing parks a board members was they didn't know about this. They did not know about this cloar closure until we started telling them. And what I want to ask is when this fee analysis comes out in january that you make sure that the city staff takes that to the parks and recreation board and there is a full public process where people can work with this information and when this budget comes around next year you guys will have some sound information that has had some public vetting. So you can make some reasonable decisions next year. The third thing I want to say is my tax appraisal went up over 10% in a year when houses are not selling. Very curious. So I decided I better protest my taxes and i started analyzing what was on my street. Across street from me is a property comparable to mine. Fairly large lot, two dwelling units. But my tax appraisal is 135% of that one. That's \$300 a month. That matters to me. I found out that those two houses are connected with some little connector and travis cad says that's a duplex. Anyway, just so you know there are huge inequities and --

Leffingwell: Thank you, your time has expired.

I would like for you to address that too. Thank you so much.

Leffingwell: Rebecca sobost. Welcome, have you three minutes.

Good evening, council and mayor. First I want to say I'm Rebecca and I want to apologize for not dressing up, but I was at home watching and -- all afternoon, and I wanted to come down and say that I 100% fully support water treatment plant number four. I've worked 25 years with the city of Austin. I'm a retiree. I worked the first 10 years developing the energy and water conservation programs as an analyst, cost benefit analysis, statistics, fiscal and budget implications. And more so y'all know me as an equity person, a person that hates racism. So I have evaluated all aspects the last 15 years as manager of the legislative program, and I'm here to say that as an environmental scientist I am fully aware of every single issue. Having spent 25 years inside the city, I am fully aware of every single issue. Having worked as an intern at the city manager's office, having spent a lot of time after getting my degree from the natural sciences at the University of Texas. I have an excellent education. And I have taken a lot of course work. And I feel that no environmental scientist has come forward and said we need this plant. I am here to say that we need it. That being said, I'm here to say that I support single group that has come forward in opposition to the plant. I support their focus on the lack of information, the deception, the mishandling of my tax money, my family's tax money of that department. I don't agree with anyone that anyone should get fired because as one that was driven out, I know the impacts of losing money for your bread and butter, for your insurance, and I would not want that to happen to anyone at the utility. That being said, I support all my colleagues at the utility, but I do want all the environmental groups to continue to ask questions, all of the councilmembers to turn this deception back to reality and really what the community needs to know about what that department has done, what the legislature has done and why we need this. [Buzzer sounds] thank you, councilmembers.

Leffingwell: All right. Suzanne Almanza so. You have three minutes.

Good evening, mayor and councilmembers. I'm Susana Almanza with Poder, people organized in defense of earth and her resources. I'm here today to advocate for the poor and the working poor. I'm very concerned about the proposed water rates. Your families are already struggling. They've been conserving water as long as we can remember. I think you could say we're the first ones to be looking at stagnant when we look at our electricity and not turning on lights before there was the saying turn off the switch when you're not using it. We were already doing those things. And we only use water when we really need it. A lot of us don't have those pretty green lawns because that takes a lot of water. What you will find is we have a lot of indigenous plants that now the whole city is aware of and everybody is planting all these different kinds of cactuses and everything. Those are things that we traditionally have been doing for thousands of years because we know it takes very little water and they're self sustaining. I'm very concerned about the 4% increase in the water rates. And I think that when we look at this we should be looking at the large volume of commercial users. Seeing that they're only 6 increase in rate seems to me to be very unjust. It's like again when I look at the federal level, the government balancing budget for the poor and working poor and we take on all that suffering. Then I look down to the local level here and see again the same thing, trying to balance the budget off the backs of the poor. I'm very concerned about the so-called sustainability fee of six dollars being added. That's a lot of money. I know people think that's not. Especially when we don't know where is that going to come from? What is it going for? What is the sustainability fee going for? And will it really benefit the poor and working poor? So many times there are additional fees, but it never trickles down to the poor and the working poor. How many people of our people have a credit card that we could put a wab and drier to get a bait. Those are things people don't think about. When you have money and access to money, you think the whole world has access to money. But you have to remember there's a lot of poor and working poor. And I don't think it's good to burden -- to put unfairly burden the poor and working poor. So I ask you to look at that and also the electric rates. Again, those things are extremely impacting the poor and working poor. And we need to make sure that when we look at that that we look at a way to unburden the poor and working poor. Thank you. [Buzzer sounds]

Leffingwell: Thank you. Qazi evans.

Good evening, mayor, councilmembers. Thank you for your time and your patience with us. I'm here to talk about the budget briefly. And tell you susana mentioned the water rates. I got a utility bill in april that was \$136. And live alone, so I thought that was a lot of money. So my bill has gone up 250%. But I can afford it. I'm rich. I want to talk about -- I've been in austin since 1975. When I came here I used to be a tennis player, I used to play tennis at dottie jordan park. I can't play anymore. I have bad knees. But there are a lot of kids over there that use that park and a lot of families, but I think we ought to close it down. I think we ought to show these people we have no respect for them. I'm tired of -- I'm tired of playing games with 'em. It's about the money. It's about the budget. Money is tight and families are insignificant. Communities are insignificant. It's about the money, and they don't have much. They just have hope in you. And that's waning, rapidly. So you can close these parks down, but people are getting angrier and angrier all over the world and voting in larger numbers. It's your choice. You make yours, we're going to make ours. Thank you.

Leffingwell: Those are all the speakers that I have signed up wishing to speak. In addition we have signed up for questions judy it's johnson, nikki bryant, dolly southwell, keith blanchard and not wish to go speak, (indiscernible), adrian maloy, sharon chance, ron rogers, nora martin. Norman (indiscernible), adrian malloy again. Stephan (indiscernible). And annie harding. Those are all the speakers that we have signed up. And council will continue to receive public comment on the proposed budget on SEPTEMBER 1st, 2011 AT and will vote to adopt the budget for fy 2011-2012 at the annual budget meeting here at city hall, council chambers. These meetings will begin at on monday, september 12th, 2011, tuesday september 13th, 2011, and wednesday september 14th, 2011, as needed. I'll entertain a motion to recess today's public comment portion of the budget hearing. Mayor pro tem cole moves -- so moves. Is there a second? Councilmember martinez seconds? We have a motion from councilmember cole to recess today's public comment portion of the budget. Second from councilmember martinez. All in favor say aye? Opposed say no. It passes on a vote of seven to zero. This portion of the public comment -- comment portion of the budget hearing is adjourned. And I believe, city clerk, those are all the items on our agenda for today. So if there's no objection from council, we stand adjourned at 9:29 p.m.